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PROCEEDINGS AND DEBATES OF THE 106th CONGRESS, FIRST SESSION

SENATE—*Wednesday, November 17, 1999*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

REVISED NOTICE—NOVEMBER 17, 1999

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WILLIAM M. THOMAS, *Chairman.*

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MICHAEL F. DiMARIO, *Public Printer.*

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

The PRESIDENT pro tempore. We will now be led in prayer by Father Paul Lavin, St. Joseph's Catholic Church, Washington, DC.

We are pleased to have you with us.

PRAYER

The guest Chaplain, Father Paul Lavin, offered the following prayer:

In the book of Ecclesiastes we hear:

A good name is better than ointment, and the day of death than the day of birth.

It is better to harken to a wise man's rebuke than to harken to the song of fools;

For as the crackling of thorns under a pot, so is the fool's laughter.

Better is the end of speech than its beginning; better is the patient spirit than the lofty spirit.—Eccl. 7:1–8.

Let us pray:

As this session of the Senate draws to a close, let the end of our speech be better than the beginning. Let the decisions we have made and the ones we will make in these closing hours reflect Your will and be pleasing to You.

May the time we and our staffs spend with our families and with those we represent be really times of re-creation in Your Spirit, and may all of us return here safely.

May the gifts of the Father, Son, and Holy Spirit unite us in faith, hope, and love, now and forever. Amen.

PLEDGE OF ALLEGIANCE

The Honorable WAYNE ALLARD, a Senator from the State of Colorado, led the Pledge of Allegiance as follows:

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

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The Senator from Oregon is recognized.

Mr. SMITH of Oregon. Mr. President, today the Senate will resume consideration of the pending Wellstone amendment with 1 hour of debate remaining under the previous agreement. After all time is used or yielded back, the Senate will proceed to a vote on the Wellstone amendment, which will be followed by a vote on the Moynihan amendment No. 2663. Therefore, Senators can expect two back-to-back votes to begin at approximately 10:30 a.m. It is hoped that further progress can be made on the appropriations process during today's session, and therefore votes can be anticipated throughout the day. It is also hoped that an agreement can be reached regarding the remaining amendments to the bankruptcy reform bill so that the Senate can complete the bill prior to the impending adjournment.

I thank my colleagues for their attention.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. ALLARD). Under the previous order, the leadership time is reserved.

BANKRUPTCY REFORM ACT OF 1999

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 625, which the clerk will report.

The bill clerk read as follows:

A bill (S. 625) to amend title 11, United States Code, and for other purposes.

Pending:

Feingold amendment No. 2522, to provide for the expenses of long term care.

Hatch/Torricelli amendment No. 1729, to provide for domestic support obligations.

WELLSTONE amendment No. 2537, to disallow claims of certain insured depository institutions.

Wellstone amendment No. 2538, with respect to the disallowance of certain claims and to prohibit certain coercive debt collection practices.

Feinstein amendment No. 1696, to limit the amount of credit extended under an open end consumer credit plan to persons under the age of 21.

Feinstein amendment No. 2755, to discourage indiscriminate extensions of credit and resulting consumer insolvency.

Schumer/Durbin amendment No. 2759, with respect to national standards and homeowner home maintenance costs.

Schumer/Durbin amendment No. 2762, to modify the means test relating to safe harbor provisions.

Schumer amendment No. 2763, to ensure that debts incurred as a result of clinic violence are nondischargeable.

Schumer amendment No. 2764, to provide for greater accuracy in certain means testing.

Schumer amendment No. 2765, to include certain dislocated workers' expenses in the debtor's monthly expenses.

Dodd amendment No. 2531, to protect certain education savings.

Dodd amendment No. 2753, to amend the Truth in Lending Act to provide for enhanced information regarding credit card balance payment terms and conditions, and to provide for enhanced reporting of credit card solicitations to the Board of Governors of the Federal Reserve System and to Congress.

Hatch/Dodd/Gregg amendment No. 2536, to protect certain education savings.

Feingold amendment No. 2748, to provide for an exception to a limitation on an automatic stay under section 362(b) of title 11, United States Code, relating to evictions and similar proceedings to provide for the payment of rent that becomes due after the petition of a debtor is filed.

Schumer/Santorum amendment No. 2761, to improve disclosure of the annual percentage rate for purchases applicable to credit card accounts.

Durbin amendment No. 2659, to modify certain provisions relating to pre-bankruptcy financial counseling.

Durbin amendment No. 2661, to establish parameters for presuming that the filing of a case under chapter 7 of title 11, United States Code, does not constitute an abuse of that chapter.

Torricelli amendment No. 2655, to provide for enhanced consumer credit protection.

Wellstone amendment No. 2752, to impose a moratorium on large agribusiness mergers and to establish a commission to review large agriculture mergers, concentration, and market power.

Moynihan amendment No. 2663, to make certain improvements to the bill with respect to low-income debtors.

AMENDMENT NO. 2752

The PRESIDING OFFICER. Under the previous order, there will now be 1 hour of debate on the Wellstone amendment No. 2752.

Who yields time?

Mr. GRASSLEY. Mr. President, maybe to be fair to everybody, I better suggest the absence of a quorum and that time would be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. WELLSTONE. Mr. President, I yield 10 minutes to Senator DORGAN.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, first of all, I commend Senator WELLSTONE for his leadership on this issue. I rise to support the amendment that he has offered. I have been involved with Senator WELLSTONE in constructing this proposal. The proposal very simply is to try to have a time out of sorts with respect to the mergers that are occurring in the agricultural processing industries. The question at the root of all of this is, What is the value of a family farm in our country and do we care about whether this country has family farmers in its future?

If we do, if we care about keeping family farmers in our country's future, then we must do something about the concentration that is occurring and plugging the arteries of the free market system in the agricultural economy. Family farmers are not able to compete in a free and open system. It is just not happening. Why? Because of these mergers and concentration in the large agricultural industries.

Let me show you with this chart what is happening to family farmers. The family farm share of the retail cereal grains dollar has gone down, down, and way down. Why? Why is the family farm share of the food dollar going down? Because as my friend from Minnesota likes to say, the big food giants have muscled their way to the dinner table. He is absolutely correct. They are grabbing more of the food dollar. The family farmer gets less. The food processors are making substantial amounts, record dollars, and the family farmers are, unfortunately, not able to make it.

The farm share of the retail pork dollar is down, down, way down. The family farm share of the retail beef dollar? Exactly the same thing.

Why is all of this occurring? Because concentration in these industries means there are fewer firms. For example, in market concentration in meat processing, in beef, the top four firms control 80 percent of the profits; in sheep, 73 percent; pork, 57 percent. Exactly the same is true in grain. Wet corn milling, 74 percent, the top four companies.

The point is, this massive concentration is plugging the arteries of the market system. There isn't competition, or at least the kind of competition that is fair competition for family farms.

Now, our proposal is very simple. It proposes a moratorium on certain kinds of mergers. We are talking only about the largest firms. And then during that moratorium for 18 months we have a commission review the underlying statutes that determine what is competitive and what is anticompetitive.

There are people here who don't care about family farmers. They say, if the market system would decide that family farms should continue, then they will continue. And if the market system is ambivalent to it, then we won't have family farmers. But that is because the view of such people matches the view of economists, which is that you can value only that which you can measure in quantitative terms. If you can attach dollars and cents to it, then it has value. If you can't, it doesn't. The fact is, family farm enterprises have value far beyond their production of corn or wheat. Family farms in my State produce much more than their crops. They also produce a community. They have a social product as well as a material product.

Now, this product is invisible to economists and to policy experts who only see what they can count in money, but it is crucially important to our country. We tend to view our economy as a kind of Stuff Olympics: Those who produce the most stuff win. We are a country that produces more stuff than we need in many areas but much less of what we really need in other areas. And one such thing we lack is the culture and the opportunity we get when we continue a network of family farms. Europeans call this contribution ''multifunctionality.'' That is just a fancy way of saying that an enterprise can serve us in more ways than an economist can give credit for. A small town cafe is much more to that small town than its financial statement. It is the hub of the community. It is the hub of interaction, the crossroads where people meet rather than be blips on a computer screen. The same is true with family farms. It is much more important to this country than the financial receipts would show.

To those who do not care much about family farms, none of this matters. To those of us who believe a network of family farms preserved for our future enhances and strengthens this country, we believe very strongly that we must take actions to give family farmers a chance to survive.

One of those actions—only one—is to say, let us stop this massive concentration in the giant food industries that is choking the life out of family farms. Why is it that when you buy a loaf of bread, the amount of money the farmers get from that loaf of bread is now not even the heel, it is less than the heel?

Why is it that anyone in the food processing industry who touches that which farmers produce—wheat, corn, soybeans, and more—makes record profits, but the farmers are going broke?

Why is it that a farmer who gases a tractor, plows the land, and nurtures the grain all summer, combines it and harvests it in the fall, goes to the elevator only to be told the county elevator and the grain trade have described that food as worthless. Then someone gets hold of that same grain and crisps it, shreds it, flakes it, puffs it, puts it in a box and gets it on the grocer's shelf. The grain then sells for $4 or $5 a box, and all of a sudden it has great value as puffed or shredded wheat. The processor makes record profits and family farmers are making record losses.

Why is that? Because this system does not stack up. It does not stack up in a manner that allows fair, free, and open competition. When you have this kind of concentration, there is not a free market. That is true in the grain processing industry, it is true in meat, and it is true as well in the other areas I have discussed.

Family farmers are seeing record declines in their share of the cereal dollar while everyone else who handles the grain the farmer produced is making a record profit. That is the point.

I am for a free, fair, and open economy and fair competition. But our economic system today is not providing that because some are choking the life out of family farmers by clogging the marketplace with unfair competition. We have antitrust laws to deal with this. They are not very effective, frankly. When Continental and Cargill can decide to marry, and are then sufficiently large to create a further anticompetitive force in this market, then there is something wrong with the underlying antitrust laws.

This bill is not a Cargill-Continental bill, incidentally. It is not aimed at any specific company. It is aimed rather at having a timeout on the massive orgy of mergers that is occurring at the upper level of the corporate world, $100 million or more in value, and at evaluating what is happening to the market system.

If we believe in the free market, we have to nurture that free market and protect it. A free market exists when you have free, fair, and open competition.

The last antitrust buster of any great note was Teddy Roosevelt at the start of the century saying the robber barons of oil could not continue to rob the American people.

My point is that if we want to keep family farms in our future, we must take bold and aggressive action to make certain that competition is fair to family farms. Today, it is not. They are losing their shirts primarily because of the unfair competition that comes from substantial concentration.

My point, to conclude, is we lose something very significant, much more than economists can measure, when we decide we will not care about the destruction of the network of family farms in this country. Europe has 7.5 million family farms dotting the landscape because they decided long ago that these contribute much more to their culture and economy than what the balance sheet shows in numbers. They do in this country as well. It is time we take bold action to do something about it.

The first step, a modest step in my judgment, proposed by the Senator from Minnesota, myself, and others is to do something about antitrust, the concentration that is clogging the free market, taking money away from family farmers and putting us in a position where the family farm in this country is devastated.

We can stop this. This is not rocket science. Good public policy directed in the right area will give economic help and opportunity to families who are attempting to farm in America.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH of Oregon. Mr. President, I rise again to oppose the Wellstone amendment. I stand here as perhaps one of the only Members of the Senate who has made his living from agribusiness, specifically as a food processor. I think I know of what I speak this morning.

I tell my colleagues, if they are listening via TV or however, this is a vote about whether or not you believe and trust in the free-market system.

I also rise as somebody who cares a great deal about farmers. I have voted consistently for farm aid in its many forms as we try to provide it in the Senate. But I am saying the Wellstone amendment will not turn around the ag economy. It does nothing to open overseas markets. It does nothing about global oversupply of grain, and it does nothing to relieve the onerous regulatory burdens placed on family farmers by the Federal Government, such as estate taxes, the unworkable H–2A program, the way the Food Quality Protection Act is being implemented, or the loss of water rights. It goes on and on.

The family farmer is more under assault by regulation by this Government than it has ever been by the food processing industry. Frankly, what we are saying is the food processor who perhaps wants to buy 100 million pounds of grain but is offered 200 million pounds because it is produced is somehow to be penalized by the Senate for participating in the free market. It is not right. It is not our system.

The Wellstone amendment implies that the Antitrust Division at the Justice Department is incapable of handling these agribusiness mergers. Yet the evidence is to the contrary. This is the same Antitrust Division that has required numerous divestitures in recent agribusiness acquisitions, such as the Cargill-Continental, Monsanto-Dekalb Genetics Corporation. This is the same Antitrust Division that rigorously pursued antitrust proceedings against Microsoft.

Antitrust policy has an important implication to American business and deserves the scrutiny of the Judiciary Committee, not posturing on the floor of the Senate. Senator HATCH, the chairman of the Judiciary Committee, has already announced there will be in his committee hearings on agribusiness concentration, as there ought to be, but not here, not this way, not this amendment.

The Wellstone amendment additionally is not evenhanded in its approach. It exempts agricultural cooperatives, some of which are large agribusinesses in their own right. I know from my own experience how to take a small company and make it big by the inefficiencies of the large companies. The Wellstone amendment will prevent mergers that are often necessary to keep plants competitive, employing people in rural and urban areas, and providing important outlets for farm products.

It does not distinguish between good mergers and bad mergers. Some of these things have to happen because there is an oversupply of food processors, in fact. The same market forces that are affecting the farmer also affect the food processor.

The WELLSTONE amendment will effectively guarantee that no medium-size agribusiness will be capable of growing large enough to rival the scale of the existing large agribusinesses. Again, I say the American dream is for the little guy to become a big guy. This says the food processor has one of two options if he is in trouble: He can either struggle and try to continue or else he can go bankrupt. I point out if you are interested in farmers, remember that more than two-thirds of the farmers of this country do not grow for the agricultural cooperatives; they grow for stock-held-owned companies.

The Wellstone amendment will not deconcentrate agribusiness, but it will ensure small- and medium-size agribusinesses are prevented from taking advantage of the same efficiencies enjoyed by their larger competitors. Frankly, the kind of distrust of the market represented by this amendment is the kind of thing we should expect from the Duma in Russia and the National Assembly of France but never from the Senate.

In conclusion, I appeal to my colleagues' common sense. This amendment is before us today in the name of saving family farmers.

I ask my colleagues to consider for a moment just who supplies the family farmer with critical crop inputs, such as seed and fertilizer. Who does the family farmer sell their production to for processing and marketing? The answer, in most cases, of course, is agribusinesses, the one sector of the economy that is being singled out today for a federally mandated merger moratorium that is certainly a counter to the free market that I believe we value in this country.

I remind my colleagues that agribusinesses and farmers are intertwined and interdependent. They are under the same market forces on both sides. When the very visible hand of government intervention in the market place is raised in an attempt to punish agribusinesses, inevitably it will punish family farmers, too.

I say again, most farmers do not grow for agricultural cooperatives. They often grow for small family food processors. So what happens to them? Ultimately, no matter the good intentions of those who are behind this amendment because I stand with them when it comes to trying to help the family farmer, I just simply say this is not the way.

I ask unanimous consent to have printed in the RECORD an editorial from not my paper but I believe it is Senator WELLSTONE's paper, the Star Tribune in Minneapolis.

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

[From the Star Tribune, Nov. 15, 1999]

GIANT KILLER: WELLSTONE'S MISGUIDED AG MERGER PLAN

In the great tradition of prairie populism, Sen. Paul Wellstone has responded to the current farm recession by calling for a federal moratorium on big agribusiness mergers. As a cry of alarm for farmers, this is useful politics. But as a device to restore commodity prices, it is practically pointless, and as a tool of antitrust policy, it is exceedingly blunt.

When it resumes debate on the topic this week, the Senate should embrace Wellstone's plan for an agricultural antitrust commission, but it should reject the notion of blocking all mergers, good and bad.

Wellstone is right about one thing: Consolidation in agribusiness is perfectly real and genuinely troublesome. A series of agronomy mergers has greatly reduced the number of companies that sell seed and fertilizer to farmers. Meanwhile, the top four meatpacking companies have doubled their share of the beef and pork markets since 1980, to 80 percent and 54 percent respectively.

But that trend has nothing to do with this year's commodities collapse, which stems almost entirely from a glut of grain in world markets. Just three years ago, farmers were receiving near-record prices, yet the grain and meat industries already were highly concentrated. Milk processing is just as concentrated as grain or meat, yet dairy farmers earned huge profits last year.

Whether consolidation inflicts long-term damage is harder to know. One federal study found that large meat packers discriminate against small livestock farmers, and another found that big beef processors were able to drive down cattle prices by about 4 percent. But several other studies by the U.S. Department of Agriculture (USDA) have found that big, efficient meatpackers improve quality control and save money for consumers. One USDA study even found that livestock farmers got higher prices as the beef industry consolidated, apparently because highly efficient meatpackers passed along some of their savings in the form of higher prices to farmers.

To support an outright merger moratorium, you would have to believe that all mergers are wrong or that the current group of federal antitrust regulators is incapable of sorting good from bad.

But neither proposition holds up. The 1986 merger of Hormel Foods and Jennie-O Foods, for example, greatly expanded the state's turkey industry while improving the competitiveness of two venerable Minnesota companies. When Michael Foods of St. Louis Park bought Papetti Hygrade of New Jersey in 1997, it enabled two modest egg-processors to survive against much bigger world rivals. Nor is it clear that federal regulators are asleep at the switch. The Justice Department put Cargill Inc. through an antitrust wringer this year before downsizing its purchase of part of Continental Grain.

As usual, however, there is something smoldering when Wellstone smells smoke. The Justice Department needs more staff and more money to keep up with a tidal wave of merger applications. His proposed antitrust commission should study whether consolidation in agribusiness is reducing the diversity and independence of American farming.

Wellstone isn't grandstanding when he says that thousands of farmers are in genuine trouble this year. But that doesn't mean the populists should get whatever they want, or that what they want would be good for farmers if they got it.

Mr. SMITH of Oregon. The first paragraph states:

In the great tradition of prairie populism, Sen. Paul Wellstone has responded to the current farm [crisis] by calling for a federal moratorium on big agribusiness mergers. As a cry of alarm for farmers, this is useful politics. But as a device to restore commodity prices, it is practically pointless, and as a tool of antitrust policy, it is [an] exceedingly blunt [instrument].

I join with this editorial in saying that Senator WELLSTONE's motives are good, but his means are just simply misdirected in this case.

Ultimately, no matter the good intentions of those who are behind this amendment, it is the family farmers who will pay the greatest price for hobbling the innovation and competitiveness of small- and medium-sized agribusinesses in such a sweeping way.

The consequences of the Wellstone amendment run contrary to the stated objectives of its supporters. It will not spur new competition in the large agribusiness sector. It will not induce higher commodity prices for producers. It would be a vote of no confidence in the ability of the antitrust division to enforce our existing antitrust statutes.

So I plead with my colleagues, if they can hear my voice. I ask them to vote no on the Wellstone amendment. This is not the way to help the family farmer. We should trust the marketplace, unless we as a government are prepared to subsidize even more and more aspects of our agriculture in this country. We already do a great deal. We may yet need to do more. But we must not do more in this way, in this Senate, in this time.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Will the Chair be kind enough to notify me when I have used up 10 minutes of my time?

The PRESIDING OFFICER. Yes; the Chair will do that.

Mr. WELLSTONE. I thank the Chair.

Mr. President, before we get right into the debate, I wish to also mention another debate in agriculture and say to my colleagues from some of our Midwest dairy States that I share their indignation at the way in which the extension of the Northeast Dairy Compact and the blocking of the milk marketing order reform by the Secretary of Agriculture—kind of two hits on us—has been put into a conference report. We voted on this on the floor of the Senate. This was not passed by either House. Yet it was tucked into a conference report.

I think it is an outrageous process. I think people are sick and tired of these backroom deals. I intend to be a part of every single effort that is made by Senators KOHL, FEINGOLD, GRAMS, myself, others, to raise holy heck about this.

After having said that, let me respond to some of the comments on the floor. First of all, I thank my colleague, Senator DORGAN, for offering this amendment with me. As long as my colleague from Oregon represents that tradition of populism, this is Senator DORGAN. It is who he is. Frankly, I think it is all about democracy and all about the market.

Also, I ask unanimous consent that Senators JOHNSON and FEINGOLD be added as cosponsors to this amendment.

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

Mr. WELLSTONE. I say to my colleague from Oregon and others, that as much respect as I have for the Minnesota Star Tribune, I am not all that troubled that sometimes we disagree and that there is an editorial that is in opposition to this amendment because, frankly, this amendment comes from the countryside. This comes from the heartland. This comes from the heart of our farm and rural communities. That is where this amendment comes from. I say that to all Senators, Democrats and Republicans alike.

I also say to my colleague from Oregon, actually this is all about the market. This has nothing to do with Russia or whatever country he mentioned. Quite to the contrary, this is all about putting some free enterprise back into our economy. This is about putting free enterprise back into the free enterprise system. This is about the Sherman Act and the Clayton Act and Senator Estes Kefauver and a great tradition of antitrust action. That is what this is about.

This is about making sure we have competition. This is making sure that our producers—the one, if you will, free enterprise sector in this food industry—have a chance to survive. That is what this is about. This is as old fashioned and pro-American and a part of the history of our country as you can get, from Thomas Jefferson to Andrew Jackson, right up to now.

Let me be clear about that. This is a very modest amendment. What it says is that until we develop some kind of comprehensive solution to the problem of extreme concentration in our agricultural markets, and anticompetitive practices of the few large conglomerates that have muscled their way to the dinner table, and are driving our producers out, we ought to take a ''timeout'' on these mergers and acquisitions—not of small businesses but of large agribusinesses.

This timeout could last as long as 18 months but no longer. It could also be terminated well short of 18 months by passage of some legislation, which is what I hope we will be serious about, to deal with this problem of concentration.

This is a historic debate and a historic vote because, you know what, we are going to have to deal with the whole question of monopoly power and whether or not we need to have more competition and free enterprise in our free enterprise system in a lot of sectors of this economy. That is what Viacom buying up CBS is all about. That is what the proposed merger of Exxon and Mobil is all about. That is what the rapid consolidations and mergers in all these sectors of the economy, where you have a few firms that dominate, I think to the detriment of our consumers and our small businesses, is all about.

If we pass this timeout, we are still going to need to revisit this problem of concentration within the next 18 months. We have to do so and pass legislation. What we cannot do is pass this legislation today. So what we want to do is put a hold on these colossal agribusiness mergers that are occurring on an almost daily basis. What we are saying is, let's pass legislation that puts some competition back into the food industry, that gives our family farmers, our producers a chance. But until we do that, let's take a timeout so we can put a stop to some of these colossal agribusiness mergers that are taking place at a breathtaking pace every single day.

This amendment also is intended to create an incentive for the Congress to develop a more comprehensive solution on an expedited basis.

Last week, if my colleagues need any evidence, the Wall Street Journal reported that Novartis and Monsanto, two of the largest agribusiness giants, may be merging. The Journal accurately states:

> . . . the industry landscape seems to be changing every day.

In fact, the ground is constantly shifting beneath our feet, and soon it is going to be too late to do anything about it. That is exactly why we need a timeout. These mergers build momentum for more mergers, and these large companies are all saying that we have no other choice, given what is going on right now, but to merge and get bigger and bigger and bigger. Just imagine what the effect of a merger between Monsanto and Novartis would mean. It would obviously put more pressure on more firms to join in on one of these emerging handful of food chain clusters that are poised to control our agricultural markets.

This timeout we are proposing today is intended to lessen those pressures and to arrest this trend before it is too late. That is what this is all about. This amendment is all about whether or not our producers are going to have a chance. This is an amendment that is all about whether or not rural communities are going to be able to make it. This amendment is all about whether or not farmers are going to be able to get a decent price. When you are at an auction and you are trying to sell something and you only have three buyers, you are not going to get much of a price. That is exactly what is happening in agriculture today.

This is all about competition. This is all about America. This is all about Jeffersonian tradition and whether or not Senators are on the side of family farmers or whether they are on the side of these large conglomerates. We have horizontal concentration taking place. Whether we are looking at the beef packers or at pork or grain or whether we are looking at every single sector, we have four companies that control 50, 60, 70 percent of the market. That is not competition. Economics 101: It is oligopoly, at best, when you have four firms that control over 50 percent of the market.

The scarier thing is the vertical integration. When one firm expands its

control over various stages of food production, from the development of the animal or plant gene to production of fertilizer and chemical inputs, to actual production, to processing, to marketing and distribution to the supermarket shelf, is that the brave new world of agriculture we want to see? That is exactly the trend we are experiencing today.

I quote an April 1999 report by the Minnesota Land Stewardship Project. I think it is right on the mark:

> Packers' practice of acquiring captive supplies through contracts and direct ownership is reducing the number of opportunities for small- and medium-sized farmers to sell their hogs;

As a matter of fact, our hog producers are facing extinction, and these packers are in hog heaven. We want to know, who is making the money? How can it be that these corporate agribusinesses are making record profits while our producers are going under?

The Land Stewardship Project goes on to say:

> With fewer buyers and more captive supply, there is less competition for independent farmers' hogs and insufficient market information regarding price; and lower prices result.

Leland Swensen, president of the National Farmers Union, recently testified:

> The increasing level of market concentration, with the resulting lack of competition in the marketplace, is one of the top concerns of farmers and ranchers. At most farm and ranch meetings, market concentration ranks as either the first or second priority of issues of concern. Farmers and ranchers believe that lack of competition is a key factor in the low commodity prices they are receiving. So our corporate agribusinesses grow fat, and our farmers are facing lean times.

I wasn't born yesterday. I understand what has been going on since we introduced this amendment. I know the folks who have been making the calls. We are up against some of the largest agribusinesses, some of the largest multinational corporations, some of the largest conglomerates you could ever be up against.

Let us talk about this very practical and modest proposal.

The PRESIDING OFFICER (Mr. GRAMS). As requested by the Senator, he has used his first 10 minutes.

Mr. WELLSTONE. I thank the Chair.

First, the standard we use is the standard that now exists under the Clayton Act, which is whether or not a merger may be substantially to lessen competition or tend to create a monopoly. Second, we are talking about the largest mergers in which both parties have annual net revenues over $100 million. This is not small business—both parties with annual revenues over $100 million.

Third, some of my colleagues were concerned about the possibility of facing financial insolvency. We address the problem. In this amendment is language which makes it clear that the Attorney General would have the authority to waive this moratorium in extraordinary circumstances, such as financial insolvency or similar financial distress. We have another waiver authority which goes to the Secretary of Agriculture.

Some colleagues said, what about mergers and acquisitions that actually are procompetitive? What we are going to do is to say, under modification, that USDA could waive the moratorium for deals that don't increase concentration to levels that are determined to be detrimental to family farmers. This moratorium or timeout won't even take effect for 18 months because presumably we are going to act earlier.

We have to do something about this merger mania. We have to do something about getting some competition back into the food industry. We have to do something that is on the side of family farmers. This timeout, with all of the provisions we have which make it so reasonable—and we are still in negotiation with our colleague from Iowa, who I know cares fiercely about this—ought to lead to an amendment that should generate widespread support.

I reserve the remainder of my time.

Mr. HATCH. Mr. President, I rise to speak in opposition to the amendment by the Senator from Minnesota that would impose an 18-month moratorium on mergers in the food processing industry. While I oppose this amendment, I understand Senator WELLSTONE's motivation in offering it. I share his concern over the rapid vertical and horizontal integration in the food processing industry and the effect this trend may have had on family farmers.

The livestock industry for beef cattle and hogs has experienced low prices for too long. In fact, the price for live hogs recently reached its lowest level since the Great Depression. Family farms are the backbone of our rural communities, yet family farms are failing. Farmers now receive 36 percent less for their products than they did 15 years ago. Mr. President, there are not many other honest, hardworking Americans who can say that their salaries have gone down by 36 percent over the last decade. Some farmers have complained that the concentration within the industry has restricted their choice of buyers for their products.

Many factors have contributed to the troubles farmers have faced recently—consolidation within the food processing industry may not be the sole cause of these troubles, though I recognize it could well be a cause. The recent rate of consolidation, however, is a concern to me, and for this reason I recently pledged a full and comprehensive review of this matter by the full Senate Judiciary Committee. We need to look at the entire spectrum of the food industry to explore the extent to which consolidation within the industry is adversely affecting family farmers. We also need to examine whether existing antitrust statutes are being adequately enforced and whether any changes to federal law are warranted.

While I sympathize with the amendment offered by Senator WELLSTONE, I am afraid that it does nothing to shed further light on the matter. Not only does the amendment fail to address the heart of the matter, it may even do more harm than good for our farmers. We cannot possibly understand all of the implications of placing an 18-month moratorium on agribusiness mergers. It is very likely, Mr. President, that smaller food processing plants will rely on mergers with larger processors if they are to survive. Placing a moratorium on mergers could actually cause smaller firms to go out of business. In such a case, this amendment would surely stop a merger, but putting a smaller firm out of business is a less desirable outcome than allowing mergers to go forward. Many of these smaller processors are actually owned by farmers.

We cannot afford to lose our family farms in this country, and I think everyone recognizes that. Let us deal with this issue pragmatically. Let us get to the bottom of this problem. I urge my colleagues to vote against this amendment. We should first allow the Judiciary Committee to fully examine these issues and prudently determine what effect, if any, consolidation in the industry has on the plight of the family farmer. The type of market interference proposed by this amendment is simply wrong and I urge my colleagues to reject it.

Mr. President, I would like to make some additional remarks regarding concentration in the food processing industry. I have been as concerned about concentration in the food processing industry as any Member of this body. My concern over the concentration in the food processing industry led me to break the logjam on the Livestock Concentration Report Act in the 104th Congress and get it through the Senate Judiciary Committee and the full Senate.

My concern over concentration in the processing industry led me to introduce the Interstate Distribution of State-Inspected Meat Act of 1997 in the 105th Congress. This bill would have helped to shore up and enhance competition in the meatpacking industry.

My concern over this issue led me to pass an amendment in the fiscal year 1999 Agriculture appropriations bill that required the USDA to produce a proposal with regard to the interstate distribution issue. I am also considering legislation, along with Senator DASCHLE, to codify the USDA's proposal, which goes even further toward

shoring up competition in the meatpacking industry.

Finally, I have recently unveiled my plan for the Judiciary Committee to provide a full and comprehensive review of the concentration issue. So far, we have had some excellent studies on this issue. Here is just a small sampling of the many studies already completed with regard to consolidation in the food processing industry:

(1) A GAO Report entitled: ''Packers and Stockyards Administration: Oversight of Livestock Market Competitiveness Needs to Be Enhanced'' (October 1991).

(2) ''Concentration in Agriculture: A Report of the USDA Advisory Committee on Agricultural Concentration'' (June 1996).

(3) A USDA report entitled: ''Concentration in the Red Meat Packing Industry'' (February 1996).

(4) A GAO report entitled: ''Packers and Stockyards Program: USDA's Response to Studies on Concentration in the Livestock Industry'' (April 1997).

(5) A report of the USDA Officer of Inspector General entitled: ''Grain Inspection, Packers and Stockyards Administration: Evaluation of Agency Efforts to Monitor and Investigate Anticompetitive Practices in the Meatpacking Industry'' (February 1997).

I believe the next step is not another study. The next step is to examine whether existing antitrust statutes are being adequately enforced and whether any changes to Federal law are warranted to help remedy the situation. I suggest that a moratorium on mergers has the potential for causing more harm than good. A moratorium is not an issue that has been studied, and frankly, the unintended consequences could be that some processors are forced to go out of business due to the ban on mergers. This would have exactly the opposite effect that we are hoping for. I might add, that farmers from my State who have been very concerned about the concentration issue have also expressed their opposition to the Wellstone amendment, for this reason.

Mr. KOHL. Mr. President, I rise today to support the amendment offered by my friend Senator WELLSTONE. Let me explain both why I support this amendment and why my support is somewhat qualified.

On the one hand, I agree that agricultural concentration is a problem which increasingly undermines the viability of family farms and negatively affects the well-being of our agricultural communities. On our Antitrust Subcommittee, we have watched with growing concern the wave of agricultural mergers and joint ventures in agriculture that have reduced the marketing options available to producers, and which may ultimately reduce—or may already have reduced—the prices they receive from the marketplace. While these merging corporations often contend that the mergers will result in better service for farmers and cost-savings for consumers, it's unclear whether that is true. And farmers face continued pressures from giant conglomerates against whom they have little bargaining power.

But, on the other hand, I am concerned that a blanket ban against all agricultural mergers would prevent those mergers that are pro-competitive as well as those that are undesirable. In addition, singling out a particular industry for merger moratoria, I fear, will lead to other calls for similar ''carve-outs.''

Perhaps a better way to address the problem of consolidation in the agricultural industry is do what the administration has already promised. The Antitrust Division of the Justice Department has given me a commitment that it will appoint a Special Counsel for agricultural antitrust issues—and it should do so expeditiously. This official will help ensure that agribusiness mergers no longer are a poor stepsister to mergers in the computer, telecom, finance, and media industries.

Mr. President, in moving a measure such as this one, we need to take care that we do not harm the very people we are trying to help. But until we see real signs that the administration is prepared to seriously scrutinize concentration in the agricultural industry, this approach is preferable to no action at all.

Mr. BINGAMAN. Mr. President, I will vote against the Wellstone-Dorgan agribusiness merger moratorium because I believe the solution to this problem is not a temporary moratorium. Instead, the Department of Justice should enforce the anti-trust laws that now exist to prevent the problems arising from industry concentration. That's why, last February, I signed a letter to the President, along with 22 of my colleagues, urging the administration to conduct a full-scale detailed examination of the impacts of market concentration on our nation's family farmers and ranchers. We requested that the study be completed within six months and the findings reported to Congress. We have yet to receive that study. I will continue to press the Department of Justice to exercise particular diligence in reviewing proposed mergers or acquisitions involving major agribusiness firms.

Our family farmers and ranchers need and deserve our full support. I have worked hard to provide emergency funding in times of natural disaster, and to address the economic disasters created by trade and world economic conditions. I am working to reform the federal crop insurance program to address the needs of specialty crop producers. And I will continue to advocate for full adherence to existing anti-trust laws, and the procedures for investigating market concentration in agriculture.

Mr. HUTCHINSON. Mr. President, I rise today in opposition to Senator WELLSTONE's amendment. I know that my friend and colleague from Minnesota is proposing this amendment with the welfare of America's family farmer in mind. I, too, think of America's family farmer, but I have concerns that placing a moratorium on agribusiness mergers and acquisitions now may do more harm in my State than good. This is an important issue and I commend Senator HATCH's willingness to hold hearings on this matter in the Antitrust Subcommittee. We need to have the time to carefully consider how agribusiness mergers and acquisitions affect America's producers.

I am very proud of the farmers in my State. Arkansas ranks in the top 10 rice, chicken, catfish, turkey, cotton, sorghum, eggs, and soybean producing States in America. Despite their productivity, there are fewer this season than last season. An ailing national agriculture economy has pushed many farmers to the breaking point. I visited 27 counties in Arkansas over the August recess and saw the strain on their faces and heard the frustration in their voices. Their deep concern for the future of farming comes from knowing that agriculture is the lifeblood of my State's economy.

Arkansas is dominated by small farms and cooperatives, but Arkansas is also home to national processors like Tyson Foods. I do not believe that we should trade the interests of one for another. Instead, we must develop a balanced policy that will help small farmers and not penalize those companies which are helping drive my State's agriculture recovery. In many communities, these cooperatives and agribusinesses are the foundation of the farm economy in that area. Right now, many of those communities are still hurting. That is why I am more concerned about the overall survivability of the cooperatives and agribusinesses in Arkansas than the possibility that some of them may someday decide to merge with a larger entity. In reality, if an agribusiness in Arkansas is struggling to stay alive, and Senator WELLSTONE's moratorium on agribusiness mergers and acquisitions is imposed, that greatly limits an ailing business' ability to sell to survive. In other words, if the owners of an agribusiness have only two choices to survive—either sell or declare bankruptcy—and the option to sell is denied, then their going out of business doesn't help anyone.

While America's farmers are slowly recovering from low commodity prices, high production costs and poor trade, I believe now is not the time to destabilize agribusinesses in Arkansas. On the other hand, I know that producers

in many farm states have serious concerns about the impact larger agribusinesses, especially the meat processing industry, have on their ability to recover from poor prices. Let me be clear, I do not advocate inaction, but I am concerned that producers and processors in my state, both large and small, may be unintentionally harmed by the Wellstone amendment.

Many meat processing agribusinesses in Arkansas provide stability for producers and have good working relationships with them. Because most of their producers work under contract, both the agribusinesses and producers suffer when prices are low. Tyson Foods, known for their poultry processing, is involved in raising hogs. As the price for hogs began to fall, Tyson felt the financial strain of production without the ability to process. In the mind of Tyson's contract pork producers, the company's situation had reached a critical level when they received letters telling them that sustained low hog prices were forcing Tyson to only offer 30-day contracts. Producers were left wondering how they would pay off debt and survive if Tyson could not renew their contracts. Recently, Smithfield announced that it will be taking over Tyson's Pork Group, effectively stabilizing the future of Tyson's contract producers. Unlike Tyson who only raised hogs, Smithfield has the capacity to both raise and process their livestock.

Clearly, if Senator WELLSTONE's moratorium on mergers and acquisitions was in pace at the time of the Smithfield acquistion of Tyson's Pork Group, contract producers would still be living under a cloud of uncertainty in an ailing hog market. With that in mind, I encourage my colleagues to vote against the Wellstone amendment so that Senator HATCH may be afforded the time to thoroughly address the impact agribusiness mergers and acquisitions are having on the American family farmer.

The PRESIDING OFFICER. Who yields time?

If no one yields time, time will be charged equally to both sides.

Mr. WELLSTONE. Mr. President, I yield 2 minutes to my colleague.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 2 minutes.

Mr. DORGAN. Mr. President, we only have 20 additional minutes to debate this. There will be a vote this morning.

I have always had the greatest respect for my colleague from Oregon. I think he is a really excellent Senator and a good thinker. On this issue, the purpose of our being here is about competition. I don't think anyone can dispute that family farmers have been squeezed by a system in which highly concentrated industries are taking more of the profits, saying we want more of the profits and we want to give family farmers less profits. That is not a sign of good competition; it happens because these industries have the economic power to do it.

I taught economics briefly. Some would suggest you are not fit for other work when you have done that. But I have gone on nonetheless. Economists will argue this both ways. I understand that. But there is a commonsense aspect to this.

Harry Truman used to say that nobody should be President who first doesn't know about hogs. The Senator from Minnesota talked about hogs and concentration in the hog industry. Hogs are just one. Beef, grains—in every single area, industries are more and more concentrated, choking the economic life out of the little guy, out of the little producer. Why? Because they can. They want to increase their profits, increase their size, and choke the life out of family farmers. Our point is, that is not free, fair, and open competition. That is not a marketplace that is working.

Mr. SMITH of Oregon. Will the Senator yield?

Mr. DORGAN. I will yield on the Senator's time.

Mr. SMITH of Oregon. Of course.

For the record, no one should be President who doesn't know something about green peas either.

In all seriousness, I understand what the Senator is saying. I think what the Wellstone amendment, hopefully, is doing—if it does not pass today, I hope it has the Justice Department going to work on this issue. In my view, what we don't need is more layers of second-guessing the marketplace from the Department of Agriculture.

We already have a system of antitrust laws. They need to enforce them, and there are serious problems of too heavy a concentration. I just simply tell you that I have seen, in my own experience, when these companies get too big, they create companies coming up behind them. It happens time and time again—for the little guy to become a big guy. It happens also on the farm, as a small family farm. Now you have huge corporate farms.

It is a process of the marketplace working. Usually, when we intervene in these ways, we do it incorrectly, bluntly, ineffectively, and we end up hurting the people we are trying to help. I believe we have laws that ought to be employed and, if they are employed, the concerns of the Senators from the Great Plains will be addressed, and they should be addressed.

Mr. DORGAN. This little guy/big guy notion of economics reminds me of the old parable that the lion and lamb may lie down together but the lamb isn't going to get much sleep. That is also true in economics. It is certainly true in this economy. The little interests are disappearing. That is true of agriculture. Family farmers are having the life choked out of them by the concentration in industries which they have the muscle to say: We want more of our food dollar coming from that bread, and we want you to have less. That is what they are saying to family farmers.

Mr. WELLSTONE. Will the Senator yield?

Mr. SMITH of Oregon. Yes.

Mr. WELLSTONE. I ask unanimous consent that I have 5 minutes at the very end to summarize this because we may make some changes.

The PRESIDING OFFICER. We will watch the time.

Mr. WELLSTONE. May I have 5 minutes at the end? Otherwise, my time will burn off.

Mr. SMITH of Oregon. Mr. President, the leadership has suggested to me they want an up-or-down vote on this. If there are amendments that the Senator has, he would very much like those to be a part of the hearing that Senator HATCH already announced will be occurring in the next session of this Congress.

Mr. WELLSTONE. I would like that. I don't want to have all my time burned up. I would like to have 5 minutes at the end.

Mr. DORGAN. Mr. President, in my concluding 30 seconds, I will say that the Jeffersonian notion of how this system ought to work is broad-based economic ownership. That is what Thomas Jefferson envisioned—broad-based economic ownership in this country which not only guarantees economic freedom but political freedom as well.

The point is, the concentration that is occurring is unhealthy, especially in agriculture, because it is choking the life out of family farmers. We are talking simply about a timeout here.

When I talked about Harry Truman's description of hogs, incidentally, that would have lost its luster had he said that nobody should become President without first knowing about green peas. He was talking about hogs because he was talking about broad-based economic ownership on America's family farms. He had it just right. That is what we are trying to get back to with this amendment.

The PRESIDING OFFICER. The Senator from Minnesota has 4 minutes 59 seconds remaining on his time.

Who yields time?

If no one yields time, it will have to be subtracted from both sides of the debate.

Mr. WELLSTONE. Mr. President, the unanimous consent I am asking for is whether or not, if the other side is not going to use the time, I could reserve for the end when we run out of time the final 4 minutes 59 seconds to summarize this because I am waiting for Senator GRASSLEY. We have been involved in negotiations. I would like to summarize where we are.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. SMITH of Oregon. Mr. President, I want to say, in a larger sense, if we can single out agribusiness in this way for sort of super-antitrust treatment, if you will, we can single out any industry. I have noticed, in my 3 years as a Senator, we have sort of a merry-go-round of unpopular businesses in this country and we pick them off one at a time. I am very concerned about this process of intervening in a marketplace that works because there are winners and losers in the marketplace. Agriculture is a very difficult industry. I don't know the profits of these big food processors. I, frankly, don't know most of these kinds of industries. Most of the food processors I think of may actually have revenues of $100 million. But that is sales; that doesn't mean profit. They may have losses of $110 million. I don't know. I don't see their books.

Mr. WELLSTONE. Will the Senator yield?

Mr. SMITH of Oregon. Yes, I am happy to yield.

Mr. WELLSTONE. First of all, let me be clear again. I want to tell the Senator that there are two very important, if you will, safety valves. One has to do with the very point he just made. If, in fact, a business says, look, we will be insolvent if we don't do this acquisition or merger, then they will get a waiver to do that. I want to make that clear, as to what this is and is not. That might get you support. I think there are provisions in here that are important.

Second, this is just a timeout; that is all this is. This comes from some pretty solid empirical evidence about the wave of mergers. And, again, three or four firms dominate well over 50 percent of the market and its effect on producers.

Finally, I do believe that, again, if USDA uses this criterion, it can also be a second safety valve that says, look, in this particular case, this acquisition or merger would be procompetitive given the situation. That would be another way.

So we are trying to deal with the most extreme of circumstances. This is eminently reasonable. It is a cooling off; it is a message from the Senate that we care about what is going on out there. We want to have more free enterprise built into the system. This is pro-free enterprise, pro-competition. We don't have the competition now.

Mr. SMITH of Oregon. Will the Senator yield?

Mr. WELLSTONE. Yes, I will.

Mr. SMITH of Oregon. Mr. President, I appreciate the chance to talk so the American people can hear this. The problem we are talking about is that, for agriculture, we are not going to create just an antitrust division that ought to be going to work every day evaluating these things, but now we are going to create a whole new role for USDA to make judgments about the marketplace. I don't trust Government to make those judgments about the marketplace; I really don't. I think we mess it up more than we help it. So I really don't think that satisfies my concern.

Mr. WELLSTONE. If the Senator will yield again, let me be clear about this on two issues. First of all, if it weren't for the wave of mergers and this breathtaking consolidation of power—and then we look at the Sherman Act and the Clayton Act and wonder what is going on here—we would not even be talking about a timeout. That is the only reason we are doing this. I don't think anybody can deny the reality of what happened.

Second, the USDA would only be involved if a company said: Listen, we would like to get a waiver from this timeout period. It is only if a company makes the request or a company says: Look, we would like to get a waiver from this timeout period. We are big, but we need to be involved in this acquisition or merger and it will actually be procompetitive. We are just trying to give a company a place to go.

So, with all due respect, it is not the kind of Government involvement my colleague fears. There does come a point in time in the rich history of our country where public power is there. Where is Teddy Roosevelt when we need him today? That is all this is, a cooling-off period to give us incentive, I say to my colleague from Oregon, to write some laws and do something that will put the competition back in place, so our producers have a chance.

Mr. SMITH of Oregon. Mr. President, if the Senator will yield, I am all for the rules Teddy Roosevelt created. If they were enforced, we would not need to develop more Government.

I guess I would understand the Senator's amendment more if he didn't exempt agricultural cooperatives. I don't understand that. It is a different forum of how you do agribusiness. It is farmer-owned. But, frankly, it is unfair to other farmers who do not process for nonfarmer cooperatives. I just think if it is good for the goose, it is good for the gander. But it is not in this amendment. It is unfair, and it isn't right. Treat them all the same or, frankly, let's defeat this amendment. I sincerely hope the Senate will not interfere in the marketplace as proposed by this amendment. Allow the Judiciary Committee to go forward and hold its hearings, and let's ask the antitrust department and Justice Department to go to work and enforce the laws we already have.

Mr. LEAHY. Will the Senator yield for a unanimous consent request?

Mr. WELLSTONE. Yes.

Mr. LEAHY. Mr. President, I ask unanimous consent that I be allowed to proceed for 3 minutes, not to come out of the time that has been established for this bill, realizing that would make the vote 3 minutes later—just to let people know where we are on the bill.

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

Mr. LEAHY. Mr. President, just so that colleagues on both sides will know, last week, and again yesterday for that matter, we made more progress on this bill.

We have been able to clear 27 amendments to improve the Bankruptcy Reform Act. Those are amendments offered by both Republicans and Democrats.

Senator TORRICELLI, Senator HARRY REID, and I have been working in good faith with Senator GRASSLEY and Senator HATCH to clear amendments. We have been able to do that, and we will try to clear even more.

I am pleased, on a personal point, that the majority accepted my amendment regarding the mandate to file tax returns under the bill. That will save $24 million over the next 5 years. But there are a lot of amendments similar to this that have improved it.

Senator TORRICELLI and I are working together with the deputy Democratic leader, and we are preparing to enter a unanimous consent request to limit the remaining Democratic amendments to 27 amendments. Fifteen of these have already been offered to the bill and are the pending business. All 27 were filed by November 5. Most of these are going to have very short time agreements. Many will be accepted. From a total of 320 amendments that were filed by both Republicans and Democrats on November 5, the managers of the bill on both sides have boiled down the remaining Democratic and Republican amendments to about 35—from 320 to 35.

Many of them are going to be acceptable either with modifications or in the present form. The remaining ones are critical to the debate on this bill.

Remember that for the first time in our Nation's history this bill would restrict the rights of Americans to file for bankruptcy based on the debtor's income. If we are going to adopt a means-tested bankruptcy law, we should have a full and fair debate on that. The American people would ask for nothing more.

The credit card industry is going to get billions out of this and should have to bear some responsibilities for its lax lending practices. We have heard a lot of stories about 5-year-olds getting credit cards in the mail with a multi-thousand-dollar limit.

Then we have the Truth in Lending Act on here.

I would like to get as close to a fair and balanced bill as we passed last year.

But we have come to the floor to offer amendments. We had only 4 hours of debate on Monday, and a disrupted

day yesterday with caucuses and other things. But we have moved very quickly on this. We have disposed of 35 amendments with only 8 rollcalls.

I urge Senators to move forward. The leaders are trying to move forward.

I thank my colleagues for allowing me to break in to bring people up to date.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I send a modification to my amendment to the desk and ask unanimous consent that the amendment be modified. I will explain the two provisions.

The PRESIDING OFFICER. It takes unanimous consent.

Is there objection?

Mr. SMITH of Oregon. Reserving the right to object, I certainly don't mind the Senator offering an explanation of the amendment. But I have been asked by the majority leader and Senator HATCH to object.

The PRESIDING OFFICER. Objection is heard.

Mr. WELLSTONE. Mr. President, I would appreciate it before we have this vote. My colleagues were with Senator LOTT when I was very involved in the unanimous consent agreement as to which amendments were going to come up and how we were going to deal with nonrelevant amendments.

Senator DASCHLE asked Senator LOTT. I was right out here on the floor. In fact, I had made the request that if, in fact, we weren't changing the meaning or the scope of our amendment, but we were going to make a correction, we would be able to do that. Senator LOTT said if this didn't change the meaning of the amendment, or the scope of it, then, of course, that would be all right.

This is not a different amendment. This is in violation, or I would never have agreed to this unanimous consent agreement. All we are doing is listening to colleagues who have said there should be $10 million to $100 million on both parties. We think that would make a big difference from the point of view of small businesses, and at least give businesses another place where they can go if they believe their merger or acquisition is not procompetitive.

Those are the two changes. I cannot believe that now I am being told I can't do this. This was a part of the unanimous consent agreement. I was on the floor. I will get the CONGRESSIONAL RECORD out of the exchange.

Mr. SMITH of Oregon. If the Senator will yield, I was not a part of that agreement. I know what I have been told by the majority leader and by Senator HATCH. Whether the scope is narrowed or not, the principle is the same. If there is an invasion of the free enterprise system, it potentially penalizes all the farmers who rely upon the stock-owned companies in advantage of a few others.

I think that is the wrong way to do it. We have some laws. I think they need to be enforced. But this is too blunt of an instrument. If you want to help farmers, this is not the way to do it. If you want to help farmers, you go after the regulations that are strangling them. You open up the international markets. And, yes, you enforce antitrust laws. But you don't create a regulation that interferes in a very blunt fashion with the free enterprise system.

The PRESIDING OFFICER. Objection is heard.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, let me try this again. My colleague can object to the amendment. But that is a different issue. That is a different issue. I now come to the floor with a modification. When we came up with this original unanimous consent agreement, the majority leader made it crystal clear in an exchange with the minority leader—I was out here on the floor—if we wanted to have a technical correction in our bill and it was not changing the scope or meaning, that it would, of course, be all right. Now you are denying me my right to make that modification. Why are you afraid of a modification? I am just a little bit outraged by this. I was here. I was on the floor. I know what was discussed. I know what the majority leader said.

I also believe if my colleagues want to have an up-or-down vote, fine. But you ought to give me the right to make a modification to my amendment that I think would make this a stronger and a better amendment.

I want to send the amendment to the desk again. Did I send it? Do you already have it?

I appeal to the Senator to please not object to my unanimous consent request to modify my amendment with what I have sent to the desk.

The PRESIDING OFFICER. A modification is not in order without unanimous consent.

Objection has been heard.

Mr. WELLSTONE. I ask unanimous consent that I be allowed to modify my amendment, which is exactly what we agreed to in terms of how we deal with these amendments.

The PRESIDING OFFICER. Is there objection?

Mr. SMITH of Oregon. I object.

Mr. WELLSTONE. Mr. President, my colleagues are afraid to have a vote and an honest debate on what we are talking about, and this is a violation of the agreement that we made when we talked about how to proceed.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

The Senator from Oregon.

Mr. SMITH of Oregon. Mr. President, I am in no way questioning what the Senator was saying. I wasn't a party to the agreement he was talking about. What I am objecting to is the principle, whether it is a little or a lot. What I am saying is we have the laws to fix these kinds of problems. The Justice Department ought to go to work, and we ought not to be intervening in the agricultural marketplace in this way.

If you want to help farmers, help them with their water rights, help them with their labor problems, help them with closed international markets, help them with subsidies, and help them with a whole range of things we do in great abundance around here. But, frankly, get off their air hose when it comes to regulation. They are being strangled by regulation. This is not the way to help farmers; therefore, I object on my own basis—not on the basis of Senator LOTT or any other leader.

The PRESIDING OFFICER. Under regular order, the amendment cannot be modified without unanimous consent.

Mr. DORGAN. Mr. President, might I ask the Senator for 1 minute for the purpose of making an inquiry?

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I understand the point made by the Senator from Oregon.

First of all, I was not here during the discussion on the floor. So I am not someone who can describe what happened during that discussion. But if the Senator from Minnesota is correct—and he may well be—that, in fact, the majority leader made representations, I think he would not want to abridge them at this point. I think it is a matter of finding the record; the majority leader has always acted in good faith to honor an agreement he made on the floor.

Before denying the opportunity to the Senator from Minnesota, we ought to get that record and find out to what the majority leader agreed. I am certain what he agreed to then he would agree to today. If he agreed to allow a modification, the Senator from Minnesota should be allowed to pursue that modification.

I make a point of order that a quorum is not present.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH of Oregon. I don't want to deny the Senator from Minnesota his chance to modify his amendment on the basis of an agreement he had with the leader. I don't want to not pursue an issue this important today.

The PRESIDING OFFICER. Will the Senator suspend?

The Senator from North Dakota made a point of order that a quorum is not present.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SMITH of Oregon. I ask unanimous consent that the order for the quorum call be rescinded.

Mr. WELLSTONE. I object.

The PRESIDING OFFICER. The objection is heard. The clerk will continue to call the roll.

The legislative clerk continued the call of the roll.

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

Mr. WELLSTONE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The clerk will continue to call the roll.

The legislative assistant continued the call of the roll.

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

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

Mr. WELLSTONE. Mr. President, parliamentary inquiry: I want to find out from the Chair whether or not I can amend, provide direction to my amendment without requiring unanimous consent; whether I have a right to do that.

The PRESIDING OFFICER. Under the Senate rules, the Senator cannot do that.

Mr. WELLSTONE. Mr. President, I have how much time left?

The PRESIDING OFFICER. The Senator has 4 minutes 45 seconds.

Mr. WELLSTONE. Mr. President, I have said it all, along with Senator DORGAN, about the why of this amendment and how important it is for our producers, how important it is to take a timeout so we can have some competition, how important it is to farmers and rural communities. Given the ruling of the Chair, I want to be crystal clear as to what has now happened.

I wanted to come to the floor of the Senate—it was my understanding I would be able to do so, but I have been told I would not be able to do so—and improve upon this amendment in the spirit of compromise.

Some colleagues are concerned about this timeout and they said: Why don't we have companies with $100 million. And the other threshold for an acquisition merger would be $100 million as well. They would be more comfortable with that. I wanted to provide this direction to my amendment to improve upon it. I wanted to compromise.

I was also told by some colleagues they are a little worried that during this cooling off period, maybe some of the acquisitions and mergers would be procompetitive. I worked very hard to have some very specific language which would enable such a company to go to USDA and say: Listen, this would be procompetitive. And USDA, based upon clear criteria, would say: You are right.

I come to the floor of the Senate today as a Senator from the State of Minnesota to try to modify my amendment. It is very clear what the modification would be. Based upon discussions with other Senators, in the spirit of compromise, so we can at least move this forward and provide a message to our producers that we care, so that some Senators who may now have to vote against this because of their concerns would be able to support it so we can actually adopt something that will make a difference, I am told I do not have the right to modify my amendment.

Also—this is my final point because I cannot help but be a little bit angry about this—the majority leader came to me last week when Senators wanted to leave. We were scheduled to have a debate, and we were scheduled to have a vote. The idea was, to enable people to leave, we would hold this over, and I said yes. It is not as if I have waited to the last minute. We could have had negotiations then. We have just come back to this.

I must say to my colleague from Oregon and others, I am skeptical about this. It is pretty rare that a Senator cannot come to the floor and modify his amendment. Whatever the procedural ruling is, it seems to me it is crystal clear what is going on. I wanted to modify it. I wanted to compromise. I wanted to make an amendment that would generate more support, maybe even adopt it, and I have been denied the opportunity to do so. That is very unfortunate.

It is about time my colleagues gave some serious thought to being on the side of some of the interests in our country that do not have all the money and are not so well connected and such big investors and do not have such power. When my colleagues start with that, think about the producers and the people who live in our rural communities because right now we are seeing merger mania. We are seeing a lack of competition. We need to go back, I guess, to Teddy Roosevelt politics. It is a shame I have been denied the right to provide direction to my amendment or a modification to my amendment which would have been a good compromise.

How much time do I have?

The PRESIDING OFFICER. The Senator has 25 seconds remaining.

Mr. WELLSTONE. Mr. President, other than I do not have strong feelings about any of it, I will not take the last 25 seconds. I feel too strongly to say anything more in the last 25 seconds. It is rare that a Senator cannot modify his amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2752. The yeas and nays have been ordered. The clerk will call the roll.

The legislative assistant called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from Ohio (Mr. VOINOVICH) are necessarily absent.

The result was announced—yeas 27, nays 71, as follows:

[Rollcall Vote No. 366 Leg.]

YEAS—27

Akaka	Feingold	Kohl
Baucus	Grassley	Lautenberg
Boxer	Harkin	Leahy
Bryan	Hollings	Levin
Byrd	Inouye	Moynihan
Conrad	Johnson	Reid
Daschle	Kennedy	Rockefeller
Dodd	Kerrey	Sarbanes
Dorgan	Kerry	Wellstone

NAYS—71

Abraham	Enzi	Mikulski
Allard	Feinstein	Murkowski
Ashcroft	Fitzgerald	Murray
Bayh	Frist	Nickles
Bennett	Gorton	Reed
Biden	Graham	Robb
Bingaman	Gramm	Roberts
Bond	Grams	Roth
Breaux	Gregg	Santorum
Brownback	Hagel	Schumer
Bunning	Hatch	Sessions
Burns	Helms	Shelby
Campbell	Hutchinson	Smith (NH)
Chafee, L.	Hutchison	Smith (OR)
Cleland	Inhofe	Snowe
Cochran	Jeffords	Specter
Collins	Kyl	Stevens
Coverdell	Landrieu	Thomas
Craig	Lieberman	Thompson
Crapo	Lincoln	Thurmond
DeWine	Lott	Torricelli
Domenici	Lugar	Warner
Durbin	Mack	Wyden
Edwards	McConnell	

NOT VOTING—2

McCain	Voinovich

The amendment (No. 2752) was rejected.

AMENDMENT NO. 2663

The PRESIDING OFFICER. Under the previous order, there will now be 4 minutes of debate on amendment No. 2663.

Mr. MOYNIHAN. Mr. President, this amendment retains existing bankruptcy law for low-income persons. A feature of the law as it now exists and which is perfectly sensible is the presumption that people who incur debt shortly before declaring bankruptcy have acted fraudulently. Clearly, this can be the case, is often the case, and is proven so.

However, the bill presently before the Senate extends the time (from 60 days to 90 days for consumer debts, for instance) in which this presumption of fraudulent activity takes place, and it changes the dollar amounts. We propose to keep the law as it is for low-income persons—people below the median income level, who already live hand-to-mouth, who often find themselves in a bind, with no intent to defraud, and keep borrowing until they are in bankruptcy situations. They won't have lawyers and can't defend against presumptions.

We simply keep the existing law. Deal with true fraud and important

bankruptcies as the bill proposes to do but leave the small and hapless folk to their small and hapless fortunes.

The administration supports this measure, as does my friend, the senior Senator from Vermont, Mr. LEAHY, and his associate in these matters, Ms. LANDRIEU of Louisiana.

Mr. HATCH. Mr. President, in its current form, the bankruptcy reform bill attempts to resolve a major area of bankruptcy abuse, known as ''load up.'' In plain terms, load up occurs when a debtor goes on a spending spree shortly before filing for bankruptcy.

Under S. 625, limits are placed on a debtor's ability to buy luxury goods and take out large cash advances on the eve of bankruptcy. The bill accomplishes this by creating a rebuttable presumption that certain debts are not dischargeable. Specifically, the bill provides that debts of more than $250 per credit card for luxury goods, that are incurred within 3 months of bankruptcy, and cash advances of more than $750, incurred within 70 days of bankruptcy, are presumed to be fraudulent and are non-dischargeable.

These provisions, while an improvement over current law, are by no means a solution to the load up problem. Debtors still essentially are free to take out a cash advance of $750 and buy luxury goods valued at $250 on each of their credit cards before even the presumption of nondischargeability kicks in. It also is important to note that under the bill, luxury goods specifically exclude ''goods or services reasonably necessary for the support or maintenance of the debtor or a dependent of the debtor.''

Many have complained that these provisions do not go far enough to close the load up loophole. The amendment by the Senator from New York, in contrast, undermines the bill's modest anti-load up provisions by applying them only to those with income above the national median. Simply stated, the amendment would create an unjustified double standard, with those who fall under the national median income being permitted to load up on luxury goods and cash advances before filing for bankruptcy, as permitted by current law.

If we seriously intend to reform our bankruptcy laws and eliminate fraud in the system, we cannot let this major loophole continue without any reasonable limits.

Mr. GRASSLEY. Mr. President, I oppose this amendment because it sets up a double standard which lets below median-income bankrupts load up on debt on the eve of bankruptcy and then get those debts wiped away without judicial scrutiny. I know the Senator from New York is well-intentioned, but this amendment is a very bad idea.

Last night, the Senator from New York, in proposing his amendment, correctly noted that there is no evidence whatever that below median-income debtors could ever pay a significant amount of their debts. We have taken care of the problem the Senator from New York has raised by totally exempting below median-income debtors from the means test. I think that is fair and reasonable. It is a fact of life. It means the poor won't be forced into repayment plans they could never complete.

However, this amendment raises an entirely different question. This amendment isn't about whether the poor should be given a pass in terms of being forced to repay their debts. This amendment says people below the median income can purchase over $1,000 in luxury goods, such as Gucci loafers, and get over $1,000 in cash advances just minutes before declaring bankruptcy and they won't have to justify their debts to a bankruptcy judge.

This is not good bankruptcy policy. Anybody who loads up on debt on the eve of bankruptcy should have to justify their debts. When it comes to suspicious and perhaps fraudulent behavior, we should treat everyone the same, below median income or above median income. Anybody who loads up on debt right before filing for bankruptcy should have to explain themselves; otherwise, we open the door to an obvious abuse.

Last week, we defeated the Dodd amendment which contained very similar provisions. I ask my colleagues to defeat this amendment.

Mr. MOYNIHAN. Parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. MOYNIHAN. Is it in order for me to offer a second-degree amendment that would preclude any purchase of Gucci loafers?

The PRESIDING OFFICER. It would be in order.

Mr. MOYNIHAN. I so move.

The PRESIDING OFFICER. Would the Senator send the amendment to the desk?

Mr. MOYNIHAN. I made my point.

I withdraw my request.

Mr. GRASSLEY. I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment No. 2663. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from Ohio (Mr. VOINOVICH) are necessarily absent.

The result was announced—yeas 54, nays 43, as follows:

[Rollcall Vote No. 367 Leg.]

YEAS—54

Abraham	Frist	McConnell
Allard	Gorton	Murkowski
Ashcroft	Gramm	Nickles
Bennett	Grams	Robb
Biden	Grassley	Roberts
Bond	Gregg	Roth
Brownback	Hagel	Santorum
Bunning	Hatch	Sessions
Burns	Helms	Shelby
Campbell	Hutchinson	Smith (NH)
Cochran	Hutchison	Smith (OR)
Collins	Inhofe	Specter
Coverdell	Jeffords	Stevens
Craig	Johnson	Thomas
Crapo	Kyl	Thompson
DeWine	Lott	Thurmond
Domenici	Lugar	Torricelli
Enzi	Mack	Warner

NAYS—43

Akaka	Edwards	Lieberman
Baucus	Feingold	Lincoln
Bayh	Feinstein	Mikulski
Bingaman	Graham	Moynihan
Boxer	Harkin	Murray
Breaux	Hollings	Reed
Bryan	Inouye	Reid
Byrd	Kennedy	Rockefeller
Chafee, L.	Kerrey	Sarbanes
Cleland	Kerry	Schumer
Conrad	Kohl	Snowe
Daschle	Landrieu	Wellstone
Dodd	Lautenberg	Wyden
Dorgan	Leahy	
Durbin	Levin	

ANSWERED ''PRESENT''—1

Fitzgerald

NOT VOTING—2

McCain Voinovich

The motion was agreed to.

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

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

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER (Mr. BURNS). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

CHANGE OF VOTE

Mr. L. CHAFEE. Mr. President, on rollcall No. 367, I voted ''aye.'' It was my intention to vote ''no.'' Therefore, I ask unanimous consent that I be permitted to change my vote. It would in no way change the outcome of the vote.

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

(The foregoing tally has been changed to reflect the above order.)

AMENDMENT NOS. 1695, AS MODIFIED; 2520; 2746, AS MODIFIED; AND 2522, AS MODIFIED, EN BLOC

Mr. GRASSLEY. Mr. President, I ask unanimous consent on the consideration of these amendments: 1695, as modified; 2520; 2746, as modified; 2522, as modified. I send the modifications to the desk and ask for their immediate consideration, that they be adopted, and the motions to reconsider be laid upon the table en bloc.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, is 2520 the McConnell amendment?

Mr. GRASSLEY. Yes.

Mr. REID. No objection.

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

The amendments (Nos. 1695, as modified; 2520; 2746, as modified; and 2522, as modified) were agreed to as follows:

AMENDMENT NO. 1695, AS MODIFIED

(Purpose: To increase bankruptcy filing fees, increase funds for the United States Trustee System Fund, and for other purposes)

On page 124, between lines 14 and 15, insert the following:

SEC. 322. UNITED STATES TRUSTEE PROGRAM FILING FEE INCREASE.

(a) ACTIONS UNDER CHAPTER 7 OR 13 OF TITLE 11, UNITED STATES CODE.—Section 1930(a) of title 28, United States Code, is amended by striking paragraph (1) and inserting the following:

''(1) For a case commenced—

''(A) under chapter 7 of title 11, $160; or

''(B) under chapter 13 of title 11, $150.''.

(b) UNITED STATES TRUSTEE SYSTEM FUND.—Section 589a(b) of title 28, United States Code, is amended—

(1) by striking paragraph (1) and inserting the following:

''(1)(A) 40.63 percent of the fees collected under section 1930(a)(1)(A) of this title in cases commenced under chapter 7 of title 11; and

''(B) 70.00 percent of the fees collected under section 1930(a)(1)(B) of this title in cases commenced under chapter 13 of title 11;'';

(2) in paragraph (2) by striking ''one-half'' and inserting ''three-fourths''; and

(3) in paragraph (4) by striking ''one-half'' and inserting ''100 percent''.

(c) COLLECTION AND DEPOSIT OF MISCELLANEOUS BANKRUPTCY FEES.—Section 406(b) of the Judiciary Appropriations Act, 1990 (28 U.S.C. 1931 note) is amended by striking ''pursuant to 28 U.S.C. section 1930(b) and 30.76 per centum of the fees hereafter collected under 28 U.S.C. section 1930(a)(1) and 25 percent of the fees hereafter collected under 28 U.S.C. section 1930(a)(3) shall be deposited as offsetting receipts to the fund established under 28 U.S.C. section 1931'' and inserting ''under section 1930(b) of title 28, United States Code, and 31.25 percent of the fees collected under section 1930(a)(1)(A) of that title, 30.00 percent of the fees collected under section 1930(a)(1)(B) of that title, and 25 percent of the fees collected under section 1930(a)(3) of that title shall be deposited as offsetting receipts to the fund established under section 1931 of that title''.

AMENDMENT NO. 2520

(Purpose: To amend section 326 of title 11, United States Code, to provide for compensation of trustees in certain cases under chapter 7 of that title)

At the appropriate place in title III, insert the following:

SEC. 3___. COMPENSATION OF TRUSTEES IN CERTAIN CASES UNDER CHAPTER 7 OF TITLE 11, UNITED STATES CODE.

Section 326 of title 11, United States Code, is amended by adding at the end the following:

''(e) In a case that has been converted under section 706, or after a case has been converted or dismissed under section 707 or the debtor has been denied a discharge under section 727—

''(1) the court may allow reasonable compensation under section 330 for the trustee's services rendered, payable after the trustee renders services; and

''(2) any allowance made by a court under paragraph (1) shall not be subject to the limitations under subsection (a).''.

AMENDMENT NO. 2746, AS MODIFIED

(Purpose: To change the definition of family farmer)

At the appropriate place in the bill, insert the following:

SEC. . DEFINITION OF FAMILY FARMER.

Section 101(18) of title 11, United States Code, is amended—

(1) in subparagraph (A) by—

(A) striking ''$1,500,000'' and inserting ''3,000,000''; and

(B) striking ''80'' and inserting ''50''; and

(2) in subparagraph (B)(ii) by

striking ''$1,500,000'' and inserting ''$3,000,000''.

AMENDMENT NO. 2522, AS MODIFIED

(Purpose: To provide for the expenses of long term care)

On page 7, line 15, strike ''(ii)'' and insert ''(ii)(I)''

On page 7, between lines 21 and 22, insert the following:

''(II) In addition, the debtor's monthly expenses may include, if applicable, the continuation of actual expenses paid by the debtor that are reasonably and necessary for care and support of an elderly, chronically ill, or disabled household member or member of the debtor's immediate family (including parents, grandparents, and siblings of the debtor, the dependents of the debtor, and the spouse of the debtor in a joint case) who is not a dependent and who is unable to pay for such reasonable and necessary expenses.

Mr. GRASSLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

PRIVILEGE OF THE FLOOR

Mr. INHOFE. Mr. President, I ask unanimous consent that Glen Powell be given floor privileges for the duration of the day.

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

Mr. INHOFE. Mr. President, I ask unanimous consent that I be recognized as if in morning business.

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

RECESS APPOINTMENTS

Mr. INHOFE. Mr. President, I wish to have a brief word about the issue of recess appointments.

For quite some number of years, Presidents—Democrats and Republicans—have, in my opinion, violated the Constitution by making recess appointments. The Constitution is very explicit when it says that recess appointments can only be made in the event the vacancy occurs during the recess. There is a reason for this, historically.

Back in the days when we were on horses and we had legislative sessions that might have lasted 1, 2, or 3 months, we found ourselves in recess more than we were in session. Therefore, on occasion it would be necessary for the Secretary of State, who may have died in office—or when vacancies had occurred while we were in recess—to have to reappoint somebody. So we did. It made sense. But since that time—over the last several years—that privilege has been abused. As I say, this is not just an abuse that takes place by Republican or Democrat Presidents; it is both of them equally.

Consequently, the Constitution, which says that the Senate has the prerogative of advice and consent, has been violated. It was put there for checks and balances. It was put there for a very good reason. That reason is just as legitimate today as it was when our Founding Fathers put it in there; that is, the Senate should advise and consent to these appointments. It means we should actually be in on the discussion as well as consenting to the decision the President has made by virtue of his nomination.

In 1985, President Reagan was making a number of recess appointments that, in my opinion, and in the opinion of most of the Democrats and Republicans, was not in keeping with the Constitution. And certainly the majority leader at that time—who was Senator BOB BYRD from West Virginia, the very distinguished Senator—made a request of the President not to make recess appointments. He extracted from him a commitment in writing that he would not make recess appointments and, if it should become necessary because of extraordinary circumstances to make recess appointments, that he would have to give the list to the majority leader—who was, of course, BOB BYRD—in sufficient time in advance that they could prepare for it either by agreeing in advance to the confirmation of that appointment or by not going into recess and staying in pro forma so the recess appointments could not take place.

In order to add some leverage to this, the majority leader, Senator BYRD, said he would hold up all Presidential appointments until such time as President Reagan would give him a letter agreeing to those conditions. The President did give him a letter. President Reagan gave him a letter.

I will quote for you from within this letter. This was on October 18, 1985. He said:

. . . prior to any recess breaks, the White House would inform the Majority Leader and [the Minority Leader] of any recess appointment which might be contemplated during such recess. They would do so in advance sufficiently to allow the leadership on both

sides to perhaps take action to fill whatever vacancies that might be imperative during such a break.

This is exactly what we talked about. This is the reason President Reagan agreed to this. He gave a letter to Senator BYRD. Senator BYRD was satisfied.

Along came a recess last May or June, and the President did in fact appoint someone he had nominated long before the recess occurred—in fact, not just months but even more than a year before that—and who had not complied with the necessary information in order to come up for confirmation. In that case, President Clinton did in fact violate the intent of the appointment process in the advice and consent provision found in the Constitution.

I wrote a letter to President Bill Clinton. My letter said exactly the same thing the letter said from BOB BYRD to President Reagan in 1985. It was worded the same way President Reagan's letter was worded. It said: Unless you will give us a letter, I am going to personally put a hold on all recess appointments.

The President started appointing people. And I put a hold on all of them—it didn't make any difference; I put a hold on all nonmilitary appointments—until finally, I remember one time somebody said: Well, we have a really serious problem because we can't get confirmation on the President's nominee for Secretary of the Treasury. This could have a dramatic adverse effect on the economy. The value of the dollar could go down. All these things came into the picture. What are you going to do about that? I said: I am not going to do anything, but you had better tell the President about that because it is serious. Finally, he agreed to it.

Mr. President, I ask unanimous consent that all of these documents be printed in the RECORD immediately following my remarks.

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

(See Exhibit 1.)

Mr. INHOFE. The letter finally came on June 15, 1999. I will read one sentence out of that letter.

I share your opinion that the understanding reached in 1985 between President Reagan and Senator BYRD cited in your letter remains a fair and constructive framework which my Administration will follow.

Once again, what is he following? He is saying, prior to any recess, the White House will inform the majority leader and the minority leader of any recess appointments which might be contemplated during such recess? Would they do so in advance sufficiently to allow leadership on both sides to perhaps take action to fill whatever vacancies might be imperative during such break? He agreed to it.

I have not seen such a document, but I think in anticipation of the recess we are going in, it is my understanding that the President merely sent a list of some 150 nominees he has. Again, I didn't see it. It was never officially received by the majority leader. It was sent back to the White House.

If he thinks this is a loophole in the commitment he made, it certainly is not a loophole.

Anticipating that this President—who quite often does things he doesn't say he is going to do and who quite often says things that aren't true—is going to in fact have recess appointments, we wrote a letter. It is not just on my letterhead signed by me, but also I believe there are 16 other Senators saying that if you make recess appointments during the upcoming recess, which violates the spirit of your agreement, we will respond by placing holds on all judicial nominees.

The result would be a complete breakdown in cooperation between our two branches of government on this issue which could prevent the confirmation of any such nominees next year.

I want to make sure there is no misunderstanding and that we don't go into a recess with the President not understanding that we are very serious about that. It is not just me putting a hold on all judicial nominees for the remaining year of his term of service, but 16 other Senators have agreed to do that.

It would be very easy for the President to just go ahead and comply with that agreement he has in his letter of June 15, 1999, rather than feeling compelled to make judicial appointments during this recess.

I want to serve notice to make it very clear.

I received a letter from the President. He did not honor me with a personal letter. It came from John Podesta, Chief of Staff to the President. Without reading the whole letter, because it is rather lengthy, it says that they might not comply with this.

I want to make sure it is abundantly clear without any doubt in anyone's mind in the White House—I will refer back to this document I am talking about right now—that in the event the President makes recess appointments, we will put holds on all judicial nominations for the remainder of his term. It is very fair for me to stand here and eliminate any doubt in the President's mind of what we will do.

EXHIBIT I

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, DC, June 10, 1999.

Hon. WILLIAM JEFFERSON CLINTON,
The White House, Washington, DC.

DEAR MR. PRESIDENT: I appreciate our conversation this morning, and our mutual desire to come to an understanding about recess appointments. We have often worked together to help promote the smooth operation of the government, and I believe that we can once again come to an agreement.

As you know, the recent recess appointment of the U.S. Ambassador to Luxembourg has caused great concern to many members of the Senate. I believe that it would be constructive for us to reach an understanding in principle on how we will now proceed to ensure that we avoid similar sparring between the Executive Branch and the Senate in the future.

I agree that we will use the understanding reached between President Reagan and Senator Byrd in 1985, cited by your Chief of Staff today. That understanding, described in the CONGRESSIONAL RECORD of October 18, 1985, states ". . . prior to any recess breaks, the White House would inform the Majority Leader and [the Minority Leader] of any recess appointment which might be contemplated during such recess. They would do so in advance sufficiently to allow the leadership on both sides to perhaps take action to fill whatever vacancies that might be imperative during such a break."

I believe that this is both a reasonable and a constructive framework. Following this precedent will help us to proceed in a cooperative and expeditious manner on future nominees.

Mr. President, I appreciate your stated desire to work with me on this issue, and I look forward to hearing from you soon.

Sincerely,

TRENT LOTT.

THE WHITE HOUSE,
Washington, June 15, 1999.

Hon. TRENT LOTT,
Majority Leader,
U.S. Senate, Washington, DC.

DEAR MR. LEADER: I was pleased to learn from your letter of June 10 that you agree with my Chief of staff on the matter of recess appointments. As Mr. Podesta indicated in his letter to you, my Administration has made it a practice to notify Senate leaders in advance of our intentions in this regard, and this precedent will continue to be observed.

I share your opinion that the understanding reached in 1985 between President Reagan and Senator Byrd cited in your letter remains a fair and constructive framework, which my Administration will follow. I also appreciate your view that our nominees merit expeditious consideration through bipartisan cooperation among Senators; I sincerely hope that this spirit will prevail in the days to come.

Sincerely,

BILL CLINTON.

U.S. SENATE,
Washington, DC, November 10, 1999.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We write to urge your compliance with the spirit of our recent agreement regarding recess appointments and to inform you that there will be serious consequences if you act otherwise.

If you do make recess appointments during the upcoming recess which violate the spirit of our agreement, then we will respond by placing holds on all judicial nominees. The result would be a complete breakdown in cooperation between our two branches of government on this issue which could prevent the confirmation of any such nominees next year.

We do not want this to happen. We urge you to cooperate in good faith with the Majority Leader concerning all contemplated recess appointments.

Sincerely,

Jesse Helms, Wayne Allard, Michael Crapo, Michael B. Enzi, Bob Smith, George Voinovich, Pete B. Domenici, James M. Inhofe, Phil Gramm, Mitch

McConnell, Craig Thomas, Rod Grams, Tim Hutchinson, Conrad Burns, Chuck Grassley, Richard Shelby.

THE WHITE HOUSE,
Washington, November 12, 1999.

Senator JAMES INHOFE,
Senate Office Building,
Washington, DC.

DEAR SENATOR INHOFE: Thank you for your recent letter of November 10, 1999 on the need for cooperation between the Legislative and Executive branches and the President's right to recess appoint as defined by the Constitution.

We appreciate and thank the Senate, especially the Majority and Minority Leaders, for the 84 confirmations from Wednesday November 10, which includes eight republican nominees recommended by the Majority Leader. These confirmations reduce the number of nominees awaiting confirmation to 153 for this year. While nominees wait an average of six months to be confirmed, we thank you for confirming 62% of nominees this year.

We look forward to working with you on the 153 remaining nominees and new nominations this session and next session. They are important to the public, because they include nominations critical to the safety of our citizens and the integrity of our criminal justice system (US Marshals, US Attorneys and judges).

Compared with previous administrations, the President has used his authority to make recess appointments infrequently. President Reagan made 239 recess appointments. During President Bush's four-year term, 78 persons were recess appointed. We have made only 59 in 7 years, fewer than President Bush in four years. Several of our recess appointees have been republican nominees, done with the cooperation of the Senate leadership.

Because of the importance of filling these positions and pursuant to an agreement with the Majority Leader, we continue to notify the Majority and Minority Leaders of any effort the President may make a appoint temporarily a person into a vacancy, while awaiting confirmation by the Senate.

We will continue to meet with the Majority Leader's Office to accomplish our goal of confirming and appointing these nominees. We want to cultivate a cooperative relationship with you, and ask for your continued help in expeditiously confirming nominees so important to the US public.

Sincerely,

JOHN PODESTA,
Chief of Staff to the President.

Mr. INHOFE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. Acting in the capacity of the Senator from Montana, I ask unanimous consent the order for the quorum call be rescinded.

Without objection, it is so ordered.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:27 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. GREGG].

The PRESIDING OFFICER. The Chair, in my capacity as a Senator from the State of New Hampshire, suggests the absence of a quorum. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

BANKRUPTCY REFORM ACT OF 1999—Continued

Mr. LEAHY. Mr. President, I should note just on the bankruptcy bill, we are making more progress. This morning we were able to clear four more amendments. I understand there is a total of 31 amendments that been accepted to improve the Bankruptcy Reform Act. These are amendments that have been offered on both sides of the aisle.

I commend the distinguished deputy Democratic leader, the Senator from Nevada, Mr. REID, for his help. He has been, as I described him in the caucus, indefatigable in his efforts to move this through. He and I and the Senator from New Jersey, Mr. TORRICELLI, and the Senator from Iowa, Mr. GRASSLEY, and the Senator from Utah, Mr. HATCH, have all worked to clear amendments or to set rollcalls on those we cannot clear.

I have urged Members to have short time agreements, and they have agreed to that. I think we have gone from some 300 or more potential amendments down to only a dozen or so, if that, that are remaining.

When you are dealing with a piece of legislation as complex as this, as important as this, when we are only 2 to 3 weeks before the end of this session—when we are only 2 to 3 weeks before the end of this session—I was hoping somebody would jump up and disagree on that "2 to 3 weeks" bit—or possibly a few days before the end of this session, it shows how well we have done.

But as I said earlier, before he came on the floor, I commend the Senator from Nevada, who has worked so hard to bring down those numbers on the amendments.

Frankly, I would like to see us wrap this up. I would like to go to Vermont.

Mr. REID. Will the Senator yield?

Mr. LEAHY. Yes, of course.

Mr. REID. I just talked to someone coming out of the conference. They said: What about this bankruptcy bill? I said: It is up to the majority whether or not we have a bankruptcy bill this year. We have worked very hard these past few days on these amendments. We need time on the floor to begin to offer some of these amendments.

As the Senator knows, we have maybe 8 or 9 amendments total out of 320, and we could have a bill. And the contentious amendments—on one that is causing us not to move forward, the Senator from New York, Mr. SCHUMER, has agreed to a half hour. That is all he wants. I just cannot imagine, if this bill is as important as I think it is and, as I have heard, the majority believes it is, why we cannot get a bill.

Does the Senator from Vermont understand why we are not moving forward?

Mr. LEAHY. I am at a loss to understand why we cannot.

I say to my friend from Nevada, yesterday morning—and I normally speak at about an octave higher than this; I am coming out of a bout of bronchitis—I came back to be here at 10 o'clock because we were going to be on the bill. Instead, we had morning business, I believe, until about 4 o'clock in the afternoon. That is 6 hours. That is what it would have taken to finish the bill, especially after the work of the Senator from Nevada, and others, in clearing out so many of the Republican and Democratic amendments to get them accepted or voted on.

I understand we are waiting for the other body to get the appropriations bill over here. I would think between now and normal suppertime today we could finish this bill, if people want to. We are willing to move on our side. We are willing to have our amendments come up.

I see the distinguished Senator from California on the floor. She has waited some time. She has been here several days waiting with an amendment. She has indicated she is willing to go ahead with a relatively short period of time. The Senator from New York, Mr. SCHUMER, has said the same. We are ready to go, and I wish we would.

As I stated earlier, I would have liked very much to get this done. I would actually like very much to finish all the items we have. I wish we could have finished a couple weeks ago. I want to go to Vermont. I want to be with my family. It was snowing there yesterday, as I am sure it was in parts of the State of the distinguished Presiding Officer. I see the distinguished Senator from Maine on the floor. I expect it did in her State.

Mr. REID. It was 81 degrees in Las Vegas yesterday.

Mr. LEAHY. Eighty-one degrees in Las Vegas. How about snow in the mountains?

Mr. REID. Oh, there was snow in the mountains.

Mr. LEAHY. The Senator from Nevada has the good fortune as I do: We both represent two magnificent and beautiful States. He has the ability, however, in his State to go far greater ranges in climate, in temperature, over a distance of 100 miles or so than just about anywhere else in the country. We

sometimes do those ranges in temperature and climate in one afternoon in Vermont, but we are not always happy about it.

I would like to see us get moving and get out of here. I see the distinguished Senator from California, who has asked me to yield to her. I am prepared to do that, but I also note that we will not start on any matter until the distinguished floor leader on the other side is on the floor. So I am at a bit of a quandary. I wanted to yield to the distinguished Senator from California with her amendment, but the distinguished floor leader on the Republican side is not here.

So I ask that the Senator from California withhold a bit. I see the Senator from—I may be a traffic cop here. I see my good friend and neighbor from New England, the Senator from Maine.

I ask, could she indicate to me just about how much time she may need?

Ms. COLLINS. It was my understanding that there was an agreement that at 2:15—and we are a little late in getting here—Senator SCHUMER and I were going to be able to introduce a bill as in morning business. We would need approximately 15 minutes, I would guess.

Mr. LEAHY. Then I ask, Mr. President, unanimous consent that after the distinguished Senator from Maine and the distinguished Senator from New York have been heard, it would then be in order to go to the distinguished Senator from California, Mrs. FEINSTEIN, so she could go forward with her amendment.

Ms. COLLINS. Reserving the right to object, I believe that—Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mr. LEAHY. Mr. President, I ask unanimous consent the Senator from Maine and the Senator from New York be recognized, and then the Senator from Wisconsin, Mr. KOHL, and the Senator from North Carolina, Mr. EDWARDS, be recognized for 5 minutes each after the Senator from Maine and the Senator from New York, and then the floor go to the Senator from California—now that I see the Senator from Iowa on the floor—so she could then go back to the bankruptcy bill.

Mr. REID. Reserving the right to object, it would be 25 minutes: 15 minutes and 5 for each of the two Senators as in morning business.

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

The Senator from Maine.

(The remarks of Ms. COLLINS and Mr. SCHUMER pertaining to the introduction of the legislation are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

MAKING FURTHER CONTINUING APPROPRIATIONS

Ms. COLLINS. Mr. President, it is my understanding that, under the previous order, the Senator from North Carolina will speak for 5 minutes.

The PRESIDING OFFICER. The Senator from Wisconsin has 5 minutes, and the Senator from North Carolina has 5 minutes.

Ms. COLLINS. Will the Senator withhold for a unanimous consent request?

Mr. EDWARDS. Yes.

Ms. COLLINS. Mr. President, I ask unanimous consent the Senate proceed to the consideration of H.J. Res. 80, the continuing resolution, and that Senators KOHL and EDWARDS be recognized for up to 5 minutes each, and at the conclusion of their remarks, the resolution be read the third time, passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. EDWARDS. Mr. President, I ask unanimous consent that, in addition to the 5 minutes, I be granted an additional 3 minutes.

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

The Senator from North Carolina is recognized for 8 minutes.

Mr. EDWARDS. Mr. President, I have spoken before on the floor about the devastation created by Hurricane Floyd in my State of North Carolina. Let me update and speak briefly on that subject, particularly since we are in the process of a continuing resolution right now.

Everybody knows, because they have seen the pictures on television, what happened to my families in North Carolina as a result of Hurricane Floyd. We have two huge issues that have to be addressed before this Congress adjourns. One is housing. We have people in eastern North Carolina who don't have homes and have no prospect of having homes any time in the foreseeable future. We have to address this housing situation in North Carolina before we adjourn.

Second is our farmers. Our farmers were already in desperate straits long before Hurricane Floyd came through, and they have been totally devastated as a result of Hurricane Floyd. We have to address the needs of our farmers in eastern North Carolina before we leave Washington and before the Congress adjourns.

Let me say, first, that we have, in the last 24 hours, made progress on both fronts. First, on the issue of housing, we have, at least in principle, reached agreement that FEMA will have an additional $215 million of authority—money already appropriated—for housing buyouts. Based on the information we presently have, that should get us well into next year in the process of participating in the housing buyouts and helping all of our folks who desperately need help. That is good progress, a move in the right direction. There is more work that needs to be done. But at least in terms of getting us through the winter, I think we have probably done what we need to do in terms of housing.

On the issue of our farmers and agriculture, there is at least in principle an agreement for approximately $554 million of additional agricultural relief.

My concern has been and continues to be whether that money, No. 1, will go to North Carolina and North Carolina's farmers; and, No. 2, whether it addresses the very specific needs that our farmers have.

We are now in the process of working with everyone involved in these budget negotiations to ensure that both of those problems are addressed:

No. 1, to make sure that a substantial chunk of that money goes to North Carolina, and that additional money, to the extent it is needed for very specific purposes, can be appropriated and allocated to North Carolina's farmers to deal with the devastation created by Hurricane Floyd;

No. 2, to make sure at least a portion of the money that has already been appropriated goes to address the very specific needs our farmers have.

It is absolutely critical that before the Senate adjourns and before this Congress adjourns and leaves Washington these two problems be addressed.

I said it before; I will say it again. Our government serves no purpose if we are not available to meet the needs of our citizens who have been devastated by disasters—in this case, Hurricane Floyd. These are people who have worked their entire lives—in the case of our farmers, they have farmed the land for generations. They have paid their taxes. They have been good citizens. They have always lived up to their end of the bargain.

What they say to us now is: What is their government— because this is their government—going to do to deal with their needs in this time of greatest need in the wake of Hurricane Floyd and disasters created by Hurricane Floyd?

We have a responsibility to these people. We need to make sure their needs at least have been addressed through the winter. When we come back in the spring—we will be back in the spring, I assure my colleagues—we will be talking to our colleagues again about what additional needs we have because we will have additional long-term needs. This problem is not going

to be solved in a month. It is not going to be solved in 3 months. This will take a period of years. When Congress comes back in the spring, there will be many additional needs that will have to be addressed.

But at a bare minimum, we need to ensure this Congress does not adjourn and people do not go home until we have made sure we have at least addressed the housing needs which will get us through the winter—I think we have made real progress in that direction—and, second, that we have gotten our farmers back up on their feet so they can be back in business in the spring in order for them to continue their farming operation. Those two problems have to be addressed before we leave.

Let me make clear what I have made clear before, which is my people are in trouble. They are hurting. They need help. Senator HELMS and I have worked together very diligently to try to get them the help they need in this time of crisis.

I want to make it clear once again that I intend to use whatever tool is available to me to ensure that my people get the help they need and the help they deserve.

This Congress and this Senate cannot go home and cannot leave Washington until we ensure that our people in North Carolina have a home to go to.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Mr. President, I rise to explain briefly why I have held all legislation—including appropriations bills. It revolves around the issue of dairy pricing policies and dairy compacts. One is a national milk pricing system. I will explain that first and explain my concerns about what is happening.

There is a national milk pricing policy which has been in effect for about 60 years. It was set up in a way that said the further away you live from Wisconsin, if you are a dairy farmer, the more you get for your milk. The government set that policy up to encourage the formation of a national dairy industry because transportation—particularly refrigeration—was not available at that time. They said the further you live from Wisconsin, the more you get for your milk. That was 60 years ago. That kind of policy no longer makes any sense.

In lieu of and in consideration of that, the Secretary of Agriculture and the USDA have come up with a new pricing system which does not eliminate the differential. It simply reduces it. Ninety-seven percent of the farmers in our country voted for it. It was set to be implemented on October 1st.

Now we find out that the Republicans are apparently intending to go back to the old pricing system. That is a disaster for our country. It certainly is a disaster for Midwestern farmers, and it doesn't reflect the reality of our present-day system.

Again, farmers in the Midwest and from Wisconsin are not asking for any advantage. They simply want to have the same opportunities for marketing their product in a competitive way as dairy farmers all over the country. It seems to me that is a reasonable request.

That is why we are so distressed at the impending outcome of what is going on in the House and will be here before the Senate very shortly.

The other one is the Northeast Dairy Compact. The Northeast Dairy Compact seeks to set arbitrarily, without consideration for market activities, a price for their dairy farmers to sell their milk to processors. That price is generally higher than market prices. It makes it very difficult, if not impossible, for anybody else in other parts of the country to market their milk or their milk products in the Northeast Dairy Compact States—the New England States—because when the prices are arbitrarily decided, the processors are then obviously likely to buy their milk from the local farmer rather than to buy it from somebody in another State.

In effect, it excludes the opportunity to market your product—in this case milk—in the New England States. That is not only a disaster for us in the Midwest; it clearly is terrible national economic policy.

If it is allowed again to be renewed at this time—it expired in October—we would be endorsing a national policy which for the first time in the history of our country excludes products from being sold without interference in all 50 States. We have never done that before. The genius and the success of the American system is based on our ability—no matter where we live in this country—to manufacture and sell products and services anywhere else in this country without restrictions.

The Northeast Dairy Compact says, no; we are not going to do that anymore.

If we allow the Northeast to do that, then for what reason would we not allow other sections of the country to set up their own milk cartels, and for that matter, cartels on other products? If we allow it for the Northeast Dairy Compact, then I say unequivocally there is no justification for not allowing it elsewhere, not only on milk but on other products.

I ask my fellow Senators: Is this the way to run a country economically? Would any of us think we would endorse that kind of policy where States and regions can decide for themselves not to allow other products into those States or regions?

It doesn't make any sense. It is not the way we built the country.

We should not renew, therefore, the Northeast Dairy Compact at this time.

It was born 3 years ago in a back-room deal. There was no vote on the floor of the Senate. It was presented as part of a very large farm package. It was voted on in an affirmative way, but not by itself because it was part of a farm package 3 years ago. It is intended to be renewed again this year as part of a back-room deal without debate on the floor. It was debated twice all by itself. It lost on a straight up-and-down vote 3 or 4 years ago. The Northeast Dairy Compact lost on a cloture vote just several months ago.

I am very concerned about both things: The milk marketing pricing system, and the Northeast Dairy Compact. I am concerned enough to have a hold on all other legislation.

I hope very much that my fellow Senators can see the wisdom of my decision and support me in this effort not only to do what is right for Middle-Western dairy farmers but to do what is right for the people who live and work all over this country.

I thank the Chair. I yield the floor.

Mr. FEINGOLD. Mr. President, I ask unanimous consent I be allowed to speak for 10 minutes on the subject of the dairy issue.

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

Mr. FEINGOLD. Mr. President, I thank my senior colleague, Senator KOHL, for his efforts to fight for Wisconsin dairy farmers. We have worked long and hard together on this. We are determined to see this through.

For 60 years, dairy farmers across America have been steadily driven out of business and disadvantaged by the current Federal dairy policy. It is hard to believe this, but in 1950 Wisconsin had over 143,000 dairy farms; after nearly 50 years of the current dairy policy, Wisconsin is left with only 23,000 dairy farms. Let me repeat that: from 143,000 to 23,000 during this time period.

Why would anyone seek to revive a dairy policy that has destroyed over 110,000 dairy farms in a single State? That is more than five out of six farms in the last half century. This devastation has not been limited to Wisconsin. Since 1950, America has lost over 3 million dairy farms, and this trend is accelerating. Since 1958, America has lost over half of its dairy producers.

Day after day, season after season, we are losing dairy farms at an alarming rate. While the operations disappear, we are seeing the emergence of larger dairy farms. The trend toward large dairy operations is mirrored in States throughout the Nation. The economic losses associated with the reduction of small farms goes well beyond the impact of individual farm families who have been forced off the land. It is much broader than that.

The loss of these farms has devastated rural communities where small, family-owned dairy farms are the key to economic stability.

As Senator KOHL has alluded to during the consideration of the 1996 farm bill, Congress did seek to make changes in the unjust Federal pricing system by phasing out the milk price support program and to finally reduce the inequities between the regions.

Unfortunately, that is not what happened at all. It didn't work. Because of the back-door politicking during the eleventh hour of the conference committee, America's dairy farmers were stuck with the devastatingly harmful Northeast Dairy Compact. Although it is painful and difficult for everyone, we in the Upper Midwest cannot stand for that or any change that further disadvantages our dairy farms—the ones who are left, not the tens of thousands who are gone but the less than 25,000 who remain. We are determined to keep them in business.

The Northeast Dairy Compact accentuates the current system's equities by authorizing six Northeastern States to establish a minimum price for fluid milk, higher even than those established under the Federal milk marketing order, which are already pretty high and, frankly, much higher than our folks get. The compact not only allows the six States to set artificially high prices for producers but permits them to block the entry of lower-priced milk from competing States. Further distorting the market are subsidies given to processors in these six States to export their higher-priced milk to noncompact States.

Despite what some argue, the Northeastern Dairy Compact has not even helped small Northeastern farmers. Since the Northeast first implemented the compact in 1997, small dairy farms in the Northeast, which are supposed to have been helped, have gone out of business at a rate of 41 percent higher than they had in the previous 2 years. It is not even working for the limited purposes it was supposed to serve.

Compacts often amount to a transfer of wealth to large farms by affording large farms a per farm subsidy that is actually 20 times greater than the meager subsidy given to small farmers.

As my senior colleague has indicated, we need to support the moderate reforms of the USDA and reject the harmful dairy rider and let our dairy farmers get a fair price for their milk. I know as we go through the coming days this may mean substantial delays. We all want to go home to our States as early as possible. However, Senator KOHL and I are determined to do our best to fight for the remaining Wisconsin dairy farmers. Some of those steps may be necessary in order to achieve that goal.

I yield the floor.

The PRESIDING OFFICER. Under the previous order, the joint resolution is considered read the third time and passed, and the motion to reconsider is laid upon the table.

The joint resolution (H.J. Res. 80) was considered read the third time and passed.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

BANKRUPTCY REFORM ACT OF 1999—Continued

AMENDMENT NO. 2756

(Purpose: To discourage indiscriminate extensions of credit and resulting consumer insolvency, and for other purposes)

Mrs. FEINSTEIN. Mr. President, I ask to call up amendment No. 2756.

Mr. GRASSLEY. Reserving the right to object, is there a unanimous consent agreement before the Senate?

The PRESIDING OFFICER (Mr. CRAPO). There is a unanimous consent agreement permitting the Senator from California to offer an amendment at this time.

Mr. GRASSLEY. I withdraw my reservation.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative assistant read as follows:

The Senator from California [Mrs. FEINSTEIN], for herself and Mr. JEFFORDS, proposes an amendment numbered 2756.

Mrs. FEINSTEIN. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ___. ENCOURAGING CREDITWORTHINESS.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) certain lenders may sometimes offer credit to consumers indiscriminately, without taking steps to ensure that consumers are capable of repaying the resulting debt, and in a manner which may encourage certain consumers to accumulate additional debt; and

(2) resulting consumer debt may increasingly be a major contributing factor to consumer insolvency.

(b) STUDY REQUIRED.—The Board of Governors of the Federal Reserve System (hereafter in this section referred to as the ''Board'') shall conduct a study of—

(1) consumer credit industry practices of soliciting and extending credit—

(A) indiscriminately;

(B) without taking steps to ensure that consumers are capable of repaying the resulting debt; and

(C) in a manner that encourages consumers to accumulate additional debt; and

(2) the effects of such practices on consumer debt and insolvency.

(c) REPORT AND REGULATIONS.—Not later than 12 months after the date of enactment of this Act, the Board—

(1) shall make public a report on its findings with respect to the indiscriminate solicitation and extension of credit by the credit industry;

(2) may issue regulations that would require additional disclosures to consumers; and

(3) may take any other actions, consistent with its existing statutory authority, that the Board finds necessary to ensure responsible industrywide practices and to prevent resulting consumer debt and insolvency.

Mrs. FEINSTEIN. This is submitted on behalf of Senator JEFFORDS of Vermont and myself. This is the same amendment that passed the Senate last year by voice vote. It is an important amendment, which is why I wish to do it today and ask for a rollcall vote.

Last year it was deleted in conference. I believe it will suffer the same fate today if it were simply accepted. I note that the managers have agreed to accept the amendment. I particularly want the Senator from Iowa to know that I am very grateful for that accommodation. However, I run the risk in allowing it to be accepted that it is again expunged in conference.

This amendment requires the Federal Reserve Board to investigate the practice of issuing credit cards indiscriminately and inappropriately and to take necessary action to ensure that consumer credit is not extended recklessly or in a manner that encourages practices which cause consumer bankruptcies.

One part of the amendment, a brief paragraph, is a sense of the Senate that finds that certain lenders may offer credit to consumers indiscriminately and don't take steps to ensure that consumers have the capacity to repay the resulting debt, possibly encouraging consumers to even accumulate additional debt. We all know that to be true. The amendment then goes on to say that the resulting consumer debt may increasingly be a major contributing factor to consumer bankruptcies.

This amendment would authorize the Federal Reserve Board to conduct a study of industry practices of soliciting and extending credit indiscriminately without taking those steps that are prudent to ensure consumers are capable of repaying that debt. Within 1 year of enactment, the Federal Reserve Board would make a public report on its findings regarding the credit industry's indiscriminate solicitation and extension of credit.

The amendment then would allow the Federal Reserve Board to issue regulations that would require additional disclosures to consumers and to take any other actions, consistent with its statutory authority, that the Board finds necessary to ensure responsible industry-wide practices and to prevent resulting consumer debt and insolvency.

Why this amendment? Why is this amendment needed? This amendment directly addresses one of the major causes of personal bankruptcies: bad

consumer credit card debt. The typical family filing for bankruptcy in 1998 owed more than 1½ times its annual income in short-term, high-interest debt. This means that the average family in bankruptcy, with a median income of just over $17,500, had $28,955 in credit card and other short-term, high-interest debt—almost double the income of debt.

Studies by the Congressional Budget Office, the FDIC, and independent economists all link the rise in personal bankruptcies directly to the rise in consumer debt. As consumer debt has risen to an all-time high, so have consumer bankruptcies. Any meaningful bankruptcy reform I think must address irresponsible actions of certain segments of the credit card industry because, after all, this is the major problem that is exacerbating bankruptcy and increasing the number of filings.

Last year, the credit card industry sent out a record 3.45 billion unsolicited offers. That is 30 solicitations for credit cards to every household in America. The number of solicitations jumped 15 percent from the last time I did this amendment to this time I am doing this amendment. So instead of slowing down irresponsible offers of credit to people who cannot possibly repay that credit, they have sped it up.

There are over 1 billion credit cards in circulation, a dozen credit cards for every household in this country. Three-quarters of all households have at least one credit card. Credit card debt has doubled between 1993 and 1997, to $422 billion from just over $200 billion.

During this 2-year debate on this bankruptcy bill, which I support, my staff has contacted numerous credit card issuers. The overwhelming majority of these companies do not check the income of the consumers being solicited. In other words, credit card issuers have no idea whether persons to whom they issued credit cards have the means to pay their bill each month.

One of my constituents from Lakewood, CA, wrote, and this really describes this aptly:

> What really bugs me about this is that credit card companies send out these solicitations for their plastic cards, and then when they get burned, they start crying foul. They want all kinds of laws passed to protect them from taking hits when it's their own practices that caused the problem.

There is a real element of truth in this. This amendment will not affect any responsible lender. It will not affect the vast majority of the credit card industry who responsibly check consumer credit history before issuing or preapproving credit cards.

Representatives of large credit card issuers have assured me and my staff that they do not provide credit cards to consumers without a thorough credit check. However, I note that major credit cards, such as Visa or MasterCard, do not require banks who issue their cards to check credit history. That is a bona fide area at which an investigation and a study should take a look. Is this a good practice, not to check the bank who issues your card under your auspices and see that they also check the creditworthiness of the individual?

This amendment would affect lenders who fail to even inquire into the consumer's ability to pay or those who specifically target consumers who cannot repay the balances. It was news to me that there is a whole category of companies out there who actually go after people who are overcome with credit card debt and offer them more credit cards to repay that debt. A growing segment of the credit industry, known as subprime lenders, increasingly searches for risk borrowers who they know will make inappropriately low minimum monthly payments and carry large balances from month to month and have to pay extraordinarily high interest rates.

This kind of lending has become the fastest growing, most profitable subset of consumer lending. Although losses are substantial, interest rates of 18 percent to 40 percent on credit card debt make this lending profitable. Many of these often relatively unsophisticated borrowers do not realize that minimum monthly payments just put them deeper in a hole which, in many cases, leads to bankruptcy.

I have somebody close to me who is in that situation and has been in that situation from 1991 to the present day with six or eight credit cards, does not have the income to repay them, and all this individual has had is mounting interest payments and can never get to the principal of the debt. No matter how this individual responds within his or her capabilities, he or she cannot possibly pay off the debt. I even stepped in and made an offer to the credit card companies to repay the debt with a modicum of interest attached to it for this individual and was turned down. They said they made an offer to settle and they rejected the offer, they withdrew the offer of settlement.

Industry analysts estimate that using a typical minimum monthly payment rate on a credit card in order to pay off a $2,500 balance—that is a balance of just $2,500—assuming the consumer never uses the card to charge anything else ever again, would take 34 years to pay off the balance. That is the situation in which people find themselves.

It is my belief that this is irresponsible. What we are asking is the Federal Reserve do a study, an investigation to see if they agree this is irresponsible.

So this is the core concept.

Oh, let me make one other point. On the situation I just indicated to you, that somebody who had that balance of $2,500 never used the card to charge anything else again, it would take 34 years to pay off that balance. Total payments would exceed 300 percent of the principal.

So what I have found out is, there are people who are needy, who succumb to these credit cards, who engage in not just one credit card with $10,000, but five or six or seven or eight, and maybe have an income of $17,000 or $15,000 a year. They make these purchases, they get into trouble, and they can never pay off their debt. So, yes, bankruptcy looms as the only alternative.

To tighten up their obligations to pay back the debt—which I am in agreement of doing—and yet not evaluate whether these policies of lending are as responsible as they should be is absolutely wrong.

So for the second time in 2 years, I offer this amendment and I ask for the yeas and nays in the hopes that the amendment will be agreed to and will remain in the bill in conference.

The PRESIDING OFFICER. Is the Senator requesting the yeas and nays at this time?

Mrs. FEINSTEIN. I request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Iowa.

AMENDMENTS NOS. 2655, AS MODIFIED; 2764, AS MODIFIED; AND 2661, AS MODIFIED

Mr. GRASSLEY. Mr. President, I would like to ask unanimous consent on some amendments that have been agreed to.

I ask unanimous consent that the following amendments, as modified where noted, be considered agreed to, en bloc, and the motions to reconsider be laid upon the table, en bloc. The amendments are as follows: No. 2655, as modified; No. 2764, as modified; and No. 2661, as modified. I send the modifications to the desk.

Mr. SCHUMER addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Reserving the right to object.

The PRESIDING OFFICER. The Senator is recognized.

Mr. SCHUMER. I thank the Senator.

The Senator from Iowa knows I reserve that right but will not ultimately object. But I do want to point out to my colleagues that the amendments to be accepted by unanimous consent, which deal with the ''teaser'' issue, which deal with disclosure on credit cards, in my judgment, do not go very far and need to go much further. I suggest to my colleagues that the amendment Mr. SANTORUM of Pennsylvania and I have offered would go much further on what would do the job.

Let me be very clear. I have been working on credit card disclosure for over 10 years. A while ago, about 7 or 8 years ago, we passed something we thought required the credit card companies to disclose, in large numerical print, how much the annual interest rate was. That is really the key issue when you decide what credit card to take. Many of the credit card companies use ''teaser'' rates. They say 2 percent or 3 percent for a couple of months and then raise it to 10 or 11 or 15 percent.

So we drafted an amendment. But at the request of the industry, we were not very specific. They said: You don't have to specify how large the print should be or what should be in the box; just do it. It became law. The box was known as the Schumer box.

Let me show you what it is in current law. This credit card shown on this chart is governed by that law. The only large print and the only number you see is ''3.9 percent.'' That is what is called the ''teaser'' rate. It is only offered for a few months.

When it is time to pay your regular annual fee—in this case, 9.9 percent—in the box is just a lot of legal gobbledygook, and you can hardly see what the number is. To understand it is the 9.9 percent or the 19.99 percent which governs, you probably have to have a degree from Harvard Law School.

What the Grassley-Torricelli amendment does is allow this kind of deception to continue. It makes some improvements, but it does not make the real improvement of disclosure. I have talked to leaders of the credit card industry. They say: Don't cap us. Don't limit us. We are not against disclosure. Then when we come up with a proposal, Mr. SANTORUM and I, that simply says they have to show the amount in 24-point type—and here is what it says: ''Long-term annual percentage rate of purchases,'' and the amount—we get opposition.

Many of those who are close to the credit card industry have told me the industry has told them they are against it. They say they are for disclosure, but they really are not.

I do not have to oppose this amendment because we have a better alternative. The alternative is this. If you really believe in disclosure, the Santorum-Schumer amendment is the way to go.

What is shown on this chart is deceptive. In all due respect to my good friend from Iowa, who I know cares strongly about this issue, his amendment will not change that one drop. They will have in big letters the ''teaser'' rate and in hardly intelligible language what the real interest rate is.

I would normally object to this unanimous consent request. But because there is an alternative to make real disclosure, and because we have already debated, and because I know it is our right to get a vote on that amendment, I will not object.

But I want my colleagues to understand one thing: We are not doing much, if anything, for the cause of real disclosure, for the cause of letting consumers see the interest rate they are paying before they buy the credit card, unless we pass the Schumer-Santorum amendment.

So I withdraw my objection to this amendment. I know it is offered in good faith. But please let my colleagues understand that if you want real disclosure—no more, just disclosure, Adam Smith economics—the only way to get it is not by an amendment that allows the industry to continue deceptive practices but, rather, by the Schumer-Santorum amendment which says, in no uncertain terms, ''9.99 percent''—whatever the interest rate is—24-point type, in large letters.

I thank the Senator from Iowa for his courtesy. I withdraw any objection to the unanimous consent request.

The PRESIDING OFFICER. Is there objection?

Mr. GRASSLEY. Before the Chair rules, I think the Senator from Nevada wishes to make a statement.

Mr. REID. Mr. President, we appreciate the cooperation of all Members, especially the Senator from New York, who is always so involved in what goes on on the floor but also always so willing to work toward a resolution.

It is my understanding that at this time the Senator is not intending to offer amendment No. 2765 which has been filed.

Mr. SCHUMER. That is correct.

Mr. REID. I also say to my friend, before the unanimous consent agreement is entered, we have a number of amendments that perhaps at some later time—I understand there are going to be some votes around 4 o'clock. We can include, for example, the amendment of the Senator from California which is now pending. And there may be some others—for example, the one from the Senator from New York, No. 2761, which he filed and debated last week. So I would like the manager of the bill to take a look at those and see if we can get some definite times set.

No objection.

The PRESIDING OFFICER. Without objection, it is so ordered. The unanimous consent request is agreed to.

The amendments (Nos. 2655, as modified; 2764, as modified; and 2661, as modified) were agreed to, as follows:

AMENDMENT NO. 2655, AS MODIFIED

(Purpose: To provide for enhanced consumer credit protection, and for other purposes)

At the end of the bill, add the following new title:

TITLE—CONSUMER CREDIT DISCLOSURE

SEC. ___01. ENHANCED DISCLOSURES UNDER AN OPEN END CREDIT PLAN.

(a) MINIMUM PAYMENT DISCLOSURES.—Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end the following:

''(11)(A) In the case of an open end credit plan that requires a minimum monthly payment of not more than 4 percent of the balance on which finance charges are accruing, the following statement, located on the front of the billing statement, disclosed clearly and conspicuously, in typeface no smaller than the largest typeface used to make other clear and conspicuous disclosures required under this subsection: 'Minimum Payment Warning: Making only the minimum payment will increase the interest you pay and the time it takes to repay your balance. For example, making only the typical 2% minimum monthly payment on a balance of $1,000 at an interest rate of 17% would take 88 months to repay the balance in full. For an estimate of the time it would take to repay your balance, making only minimum payments, call this toll-free number: _____.'.

''(B) In the case of an open end credit plan that requires a minimum monthly payment of more than 4 percent of the balance on which finance charges are accruing, the following statement, in a prominent location on the front of the billing statement, disclosed clearly and conspicuously, in typeface no smaller than the largest typeface used to make other clear and conspicuous disclosures required under this subsection: 'Minimum Payment Warning: Making only the required minimum payment will increase the interest you pay and the time it takes to repay your balance. Making a typical 5% minimum monthly payment on a balance of $300 at an interest rate of 17% would take 24 months to repay the balance in full. For an estimate of the time it would take to repay your balance, making only minimum monthly payments, call this toll-free number: _____.'.

''(C) Notwithstanding subparagraphs (A) and (B), in the case of a creditor with respect to which compliance with this title is enforced by the Federal Trade Commission, the following statement, in a prominent location on the front of the billing statement, disclosed clearly and conspicuously, in typeface no smaller than the largest typeface used to make other clear and conspicuous disclosures under this subsection: 'Minimum Payment Warning: Making only the required minimum payment will increase the interest you pay and the time it takes to repay your balance. For example, making only the typical 5% minimum monthly payment on a balance of $300 at an interest rate of 17% would take 24 months to repay the balance in full. For an estimate of the time it would take to repay your balance, making only minimum monthly payments, call the Federal Trade Commission at this toll-free number: _____.' A creditor who is subject to this subparagraph shall not be subject to subparagraph (A) or (B).

''(D) Notwithstanding subparagraphs (A), (B), or (C), in complying with any such subparagraph, a creditor may substitute an example based on an interest rate that is greater than 17 percent. Any creditor who is subject to subparagraph (B) may elect to provide the disclosure required under subparagraph (A) in lieu of the disclosure required under subparagraph (B).

''(E) The Board shall, by rule, periodically recalculate, as necessary, the interest rate and repayment period under subparagraphs (A), (B), and (C).

''(F) The toll-free telephone number disclosed by a creditor or the Federal Trade Commission under subparagraph (A), (B), or (G), as appropriate, may be a toll-free telephone number established and maintained by

the creditor or the Federal Trade Commission, as appropriate, or may be a toll-free telephone number established and maintained by a third party for use by the creditor or multiple creditors or the Federal Trade Commission, as appropriate. The toll-free telephone number may connect consumers to an automated device through which consumers may obtain information described in subparagraph (A), (B), or (C), by inputting information using a touch-tone telephone or similar device, if consumers whose telephones are not equipped to use such automated device are provided the opportunity to be connected to an individual from whom the information described in subparagraph (A), (B), or (C), as applicable, may be obtained. A person that receives a request for information described in subparagraph (A), (B), or (C) from an obligor through the toll-free telephone number disclosed under subparagraph (A), (B), or (C), as applicable, shall disclose in response to such request only the information set forth in the table promulgated by the Board under subparagraph (H)(i).

''(G) The Federal Trade Commission shall establish and maintain a toll-free number for the purpose of providing to consumers the information required to be disclosed under subparagraph (C).

''(H) The Board shall—

''(i) establish a detailed table illustrating the approximate number of months that it would take to repay an outstanding balance if the consumer pays only the required minimum monthly payments and if no other advances are made, which table shall clearly present standardized information to be used to disclose the information required to be disclosed under subparagraph (A), (B), or (C), as applicable;

''(ii) establish the table required under clause (i) by assuming—

''(I) a significant number of different annual percentage rates;

''(II) a significant number of different account balances;

''(III) a significant number of different minimum payment amounts; and

''(IV) that only minimum monthly payments are made and no additional extensions of credit are obtained; and

''(iii) promulgate regulations that provide instructional guidance regarding the manner in which the information contained in the table established under clause (i) should be used in responding to the request of an obligor for any information required to be disclosed under subparagraph (A), (B), or (C).

''(I) The disclosure requirements of this paragraph do not apply to any charge card account, the primary purpose of which is to require payment of charges in full each month.

''(J) A creditor that maintains a toll-free telephone number for the purpose of providing customers with the actual number of months that it will take to repay the consumer's outstanding balance is not subject to the requirements of subparagraphs (A) and (B).

(b) REGULATORY IMPLEMENTATION.—The Board of Governors of the Federal Reserve System (hereafter in this Act referred to as the ''Board'') shall promulgate regulations implementing the requirements of section 127(b)(11) of the Truth in Lending Act, as added by subsection (a) of this section. Section 127(b)(11) of the Truth in Lending Act, as added by subsection (a) of this section, and the regulations issued under this subsection shall not take effect until the later of 18 months after the date of enactment of this Act or 12 months after the publication of such regulations by the Board.

(c) STUDY OF FINANCIAL DISCLOSURES.—

(1) IN GENERAL.—The Board may conduct a study to determine whether consumers have adequate information about borrowing activities that may result in financial problems.

(2) FACTORS FOR CONSIDERATION.—In conducting a study under paragraph (1), the Board should, in consultation with the other Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act), the National Credit Union Administration, and the Federal Trade Commission, consider the extent to which—

(A) consumers, in establishing new credit arrangements, are aware of their existing payment obligations, the need to consider those obligations in deciding to take on new credit, and how taking on excessive credit can result in financial difficulty;

(B) minimum periodic payment features offered in connection with open end credit plans impact consumer default rates;

(C) consumers make only the minimum payment under open end credit plans;

(D) consumers are aware that making only minimum payments will increase the cost and repayment period of an open end credit obligation; and

(E) the availability of low minimum payment options is a cause of consumers experiencing financial difficulty.

(3) REPORT TO CONGRESS.—Findings of the Board in connection with any study conducted under this subsection shall be submitted to Congress. Such report shall also include recommendations for legislative initiatives, if any, of the Board, based on its findings.

SEC. ____02. ENHANCED DISCLOSURE FOR CREDIT EXTENSIONS SECURED BY A DWELLING.

(a) OPEN END CREDIT EXTENSIONS.—

(1) CREDIT APPLICATIONS.—Section 127A(a)(13) of the Truth in Lending Act (15 U.S.C. 1637a(a)(13)) is amended—

(A) by striking ''CONSULTATION OF TAX ADVISOR.—A statement that the'' and inserting the following: ''TAX DEDUCTIBILITY.—A statement that—

''(A) the''; and

(B) by striking the period at the end and inserting the following: ''; and

''(B) in any case in which the extension of credit exceeds the fair market value (as defined under the Federal Internal Revenue Code) of the dwelling, the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes.''.

(2) CREDIT ADVERTISEMENTS.—Section 147(b) of the Truth in Lending Act (15 U.S.C. 1665b(b)) is amended—

(A) by striking ''If any'' and inserting the following:

''(1) IN GENERAL.—If any''; and

(B) by adding at the end the following:

''(2) CREDIT IN EXCESS OF FAIR MARKET VALUE.—Each advertisement described in subsection (a) that relates to an extension of credit that may exceed the fair market value of the dwelling, and which advertisement is disseminated in paper form to the public or through the Internet, as opposed to by radio or television, shall include a clear and conspicuous statement that—

''(A) the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes; and

''(B) the consumer should consult a tax advisor for further information regarding the deductibility of interest and charges.''.

(b) NON-OPEN END CREDIT EXTENSIONS.—

(1) CREDIT APPLICATIONS.—Section 128 of the Truth in Lending Act (15 U.S.C. 1638) is amended—

(A) in subsection (a), by adding at the end the following:

''(15) In the case of a consumer credit transaction that is secured by the principal dwelling of the consumer, in which the extension of credit may exceed the fair market value of the dwelling, a clear and conspicuous statement that—

''(A) the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes; and

''(B) the consumer should consult a tax advisor for further information regarding the deductibility of interest and charges.''; and

(B) in subsection (b), by adding at the end the following:

''(3) In the case of a credit transaction described in paragraph (15) of subsection (a), disclosures required by that paragraph shall be made to the consumer at the time of application for such extension of credit.''.

(2) CREDIT ADVERTISEMENTS.—Section 144 of the Truth in Lending Act (15 U.S.C. 1664) is amended by adding at the end the following:

''(e) Each advertisement to which this section applies that relates to a consumer credit transaction that is secured by the principal dwelling of a consumer in which the extension of credit may exceed the fair market value of the dwelling, and which advertisement is disseminated in paper form to the public or through the Internet, as opposed to by radio or television, shall clearly and conspicuously state that—

''(1) the interest on the portion of the credit extension that is greater than the fair market value of the dwelling is not tax deductible for Federal income tax purposes; and

''(2) the consumer should consult a tax advisor for further information regarding the deductibility of interest and charges.''.

(c) REGULATORY IMPLEMENTATION.—The Board of Governors of the Federal Reserve System (hereafter in this Act referred to as the ''Board'') shall promulgate regulations implementing the requirements of subsectons (a) and (b) of this section. Such regulations shall not take effect until the later of 12 months after the date of enactment of this Act or 12 months after the publication of such regulations by the Board.

SEC. ____03. DISCLOSURES RELATED TO ''INTRODUCTORY RATES''.

(a) Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended by adding at the end the following:

''(6) ADDITIONAL NOTICE CONCERNING 'INTRODUCTORY RATES'.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), an application or solicitation to open a credit card account and all promotional materials accompanying such application or solicitation, for which a disclosure is required under paragraph (1), and that offers a temporary annual percentage rate of interest, shall—

''(i) use the term 'introductory' in immediate proximity to each listing of the temporary annual percentage rate applicable to such account, which term shall appear clearly and conspicuously;

''(ii) if the annual percentage rate of interest that will apply after the end of the temporary rate period will be a fixed rate, state

the following in a clear and conspicuous manner in a prominent location closely proximate to the first listing of the temporary annual percentage rate (other than a listing of the temporary annual percentage rate in the tabular format described in section 122(c)) or, if the first listing is not the most prominent listing, then closely proximate to the most prominent listing of the temporary annual percentage rate, in each document and in no smaller type size than the smaller of the type size in which the proximate temporary annual percentage rate appears or a 12-point type size, the time period in which the introductory period will end and the annual percentage rate that will apply after the end of the introductory period; and

''(iii) if the annual percentage rate that will apply after the end of the temporary rate period will vary in accordance with an index, state the following in a clear and conspicuous manner in a prominent location closely proximate to the first listing of the temporary annual percentage rate (other than a listing in the tabular format prescribed by section 122(c)) or, if the first listing is not the most prominent listing, then closely proximate to the most prominent listing of the temporary annual percentage rate, in each document and in no smaller type size than the smaller of the type size in which the proximate temporary annual percentage rate appears or a 12-point type size, the time period in which the introductory period will end and the rate that will apply after that, based on an annual percentage rate that was in effect within 60 days before the date of mailing the application or solicitation.

''(B) EXCEPTION.—Clauses (ii) and (iii) of subparagraph (A) do not apply with respect to any listing of a temporary annual percentage rate on an envelope or other enclosure in which an application or solicitation to open a credit card account is mailed.

''(C) CONDITIONS FOR INTRODUCTORY RATES.—An application or solicitation to open a credit card account for which a disclosure is required under paragraph (1), and that offers a temporary annual percentage rate of interest shall, if that rate of interest is revocable under any circumstance or upon any event, clearly and conspicuously disclose, in a prominent manner on or with such application or solicitation—

''(i) a general description of the circumstances that may result in the revocation of the temporary annual percentage rate; and

''(ii) if the annual percentage rate that will apply upon the revocation of the temporary annual percentage rate—

''(I) will be a fixed rate, the annual percentage rate that will apply upon the revocation of the temporary annual percentage rate; or

''(II) will vary in accordance with an index, the rate that will apply after the temporary rate, based on an annual percentage rate that was in effect within 60 days before the date of mailing the application or solicitation.

''(D) DEFINITIONS.—In this paragraph—

''(i) the terms 'temporary annual percentage rate of interest' and 'temporary annual percentage rate' mean any rate of interest applicable to a credit card account for an introductory period of less than 1 year, if that rate is less than an annual percentage rate that was in effect within 60 days before the date of mailing the application or solicitation; and

''(ii) the term 'introductory period' means the maximum time period for which the temporary annual percentage rate may be applicable.

''(E) RELATION TO OTHER DISCLOSURE REQUIREMENTS.—Nothing in this paragraph may be construed to supersede subsection (a) of section 122, or any disclosure required by paragraph (1) or any other provision of this subsection.''.

(b) REGULATORY IMPLEMENTATION.—The Board of Governors of the Federal Reserve System (hereafter in this Act referred to as the ''Board'') shall promulgate regulations implementing the requirements of section 127 of the Truth in Lending Act, as amended by subsection (a) of this section. Any provision set forth in subsection (a) and such regulations shall not take effect until the later of 12 months after the date of enactment of this Act or 12 months after the publication of such regulations by the Board.

SEC. ___04. INTERNET-BASED CREDIT CARD SOLICITATIONS.

(a) Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended by adding at the end the following:

''(7) INTERNET-BASED APPLICATIONS AND SOLICITATIONS.—

''(A) IN GENERAL.—In any solicitation to open a credit card account for any person under an open end consumer credit plan using the Internet or other interactive computer service, the person making the solicitation shall clearly and conspicuously disclose—

''(i) the information described in subparagraphs (A) and (B) of paragraph (1); and

''(ii) the disclosures described in paragraph (6).

''(B) FORM OF DISCLOSURE.—The disclosures required by subparagraph (A) shall be—

''(i) readily accessible to consumers in close proximity to the solicitation to open a credit card account; and

''(ii) updated regularly to reflect the current policies, terms, and fee amounts applicable to the credit card account.

''(C) DEFINITIONS.—For purposes of this paragraph—

''(i) the term 'Internet' means the international computer network of both Federal and non-Federal interoperable packet switched data networks; and

''(ii) the term 'interactive computer service' means any information service, system, or access software provider that provides or enables computer access by multiple users to a computer server, including specifically a service or system that provides access to the Internet and such systems operated or services offered by libraries or educational institutions.''.

(b) REGULATORY IMPLEMENTATION.—The Board of Governors of the Federal Reserve System (hereafter in this Act referred to as the ''Board'') shall promulgate regulations implementing the requirements of section 127 of the Truth in Lending Act, as amended by subsection (a) of this section. Any provision set forth in subsection (a) and such regulations shall not take effect until the later of 12 months after the date of enactment of this Act or 12 months after the publication of such regulations by the Board.

SEC. ___05. DISCLOSURES RELATED TO LATE PAYMENT DEADLINES AND PENALTIES.

(a) Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end the following:

''(12) If a late payment fee is to be imposed due to the failure of the obligor to make payment on or before a required payment due date the following shall be stated clearly and conspicuously on the billing statement:

''(A) The date on which that payment is due or, if different, the earliest date on which a late payment fee may be charged.

''(B) The amount of the late payment fee to be imposed if payment is made after such date.''.

(b) REGULATORY IMPLEMENTATION.—The Board of Governors of the Federal Reserve System (hereafter in this Act referred to as the ''Board'') shall promulgate regulations implementing the requirements of section 127 of the Truth in Lending Act, as amended by subsection (a) of this section. Any provision set forth in subsection (a) and such regulations shall not take effect until the later of 12 months after the date of enactment of this Act or 12 months after the publication of such regulations by the Board.

SEC. ___06. PROHIBITION ON CERTAIN ACTIONS FOR FAILURE TO INCUR FINANCE CHARGES.

(a) Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end the following:

''(h) PROHIBITION ON CERTAIN ACTIONS FOR FAILURE TO INCUR FINANCE CHARGES.—A creditor of an account under an open end consumer credit plan may not terminate an account prior to its expiration date solely because the consumer has not incurred finance charges on the account. Nothing in this subsection shall prohibit a creditor from terminating an account for inactivity in 3 or more consecutive months.''.

(b) REGULATORY IMPLEMENTATION.—The Board of Governors of the Federal Reserve System (hereafter in this Act referred to as the ''Board'') shall promulgate regulations implementing the requirements of section 127 of the Truth in Lending Act, as amended by subsection (a) of this section. Any provision set forth in subsection (a) and such regulations shall not take effect until the later of 12 months after the date of enactment of this Act or 12 months after the publication of such regulations by the Board.

SEC. ___07. DUAL USE DEBIT CARD.

(a) REPORT.—The Board may conduct a study of, and present to Congress a report containing its analysis of, consumer protections under existing law to limit the liability of consumers for unauthorized use of a debit card or similar access device. Such report, if submitted, shall include recommendations for legislative initiatives, if any, of the Board, based on its findings.

(b) CONSIDERATIONS.—In preparing a report under subsection (a), the Board may include—

(1) the extent to which section 909 of the Electronic Fund Transfer Act (15 U.S.C. 1693g), as in effect at the time of the report, and the implementing regulations promulgated by the Board to carry out that section provide adequate unauthorized use liability protection for consumers;

(2) the extent to which any voluntary industry rules have enhanced or may enhance the level of protection afforded consumers in connection with such unauthorized use liability; and

(3) whether amendments to the Electronic Fund Transfer Act (15 U.S.C. 1693 et seq.), or revisions to regulations promulgated by the Board to carry out that Act, are necessary to further address adequate protection for consumers concerning unauthorized use liability.

SEC. ___08. STUDY OF BANKRUPTCY IMPACT OF CREDIT EXTENDED TO DEPENDENT STUDENTS.

(a) STUDY.—

(1) IN GENERAL.—The Comptroller General of the United States shall conduct a study

regarding the impact that the extension of credit described in paragraph (2) has on the rate of bankruptcy cases filed under title 11, United States Code.

(2) EXTENSION OF CREDIT.—The extension of credit referred to in paragraph (1) is the extension of credit to individuals who are—

(A) claimed as dependents for purposes of the Internal Revenue Code of 1986; and

(B) enrolled in postsecondary educational institutions.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Senate and the House of Representatives a report summarizing the results of the study conducted under subsection (a).

AMENDMENT NO. 2764, AS MODIFIED

(Purpose: To provide for greater accuracy in certain means testing)

On page 7, strike line 24 through page 8, line 3, and insert the following:

''(I) the sum of—

''(aa) the total of all amounts scheduled as contractually due to secured creditors in each month of the 60 months following the date of the petition; and

''(bb) any additional payments to secured creditors necessary for the debtor, in filing a plan under chapter 13 of this title, to maintain possession of the debtor's primary residence, motor vehicle, or other property necessary for the support of the debtor and the debtor's dependents, that serves as collateral for secured debts; divided by

''(II) 60.

AMENDMENT NO. 2661, AS MODIFIED

(Purpose: To establish parameters for presuming that filing of a case under chapter 7 of title 11, United States Code, does not constitute an abuse of that chapter)

On page 12, between line 10 and 11, insert the following:

''In any case in which a motion to dismiss or convert or a statement is required to be filed by this subsection, the U.S. Trustee or Bankruptcy Administrator may decline to file a motion to dismiss or convert pursuant to 704(b)(2) or if

''(iA) the product of the debtor's current monthly income multiplied by 12—

''(I)(aa) exceeds 100 percent, but does not exceed 150 percent of the national or applicable State median household income reported for a household of equal size, whichever is greater; or

''(bb) in the case of a household of 1 person, exceeds 100 percent but does not exceed 150 percent of the national or applicable State median household income reported for 1 earner, whichever is greater; and

''(II) the product of the debtor's current monthly income (reduced by the amounts determined under clause (ii) (except for the amount calculated under the other necessary expenses standard issued by the Internal Revenue Service and clauses (iii) and (iv) multiplied by 60 is less than the greater of—

''(aa) 25 percent of the debtor's nonpriority unsecured claims in the case;

''(bb) $15,000.''

Mr. GRASSLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 2762

Mr. GRASSLEY. Mr. President, I ask unanimous consent that we now move to consideration of the amendment by the Senator from New York that we call the safe harbor amendment, and I ask unanimous consent that there be 10 minutes, 5 minutes for the Senator from New York——

Mr. SCHUMER. Could we have 10 minutes on each side?

Mr. GRASSLEY. OK, 10 minutes on this side and 10 minutes to be controlled by the Senator from New York.

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

Mr. SCHUMER. Just to make sure, no second-degree amendments prior to the vote on this amendment?

Mr. GRASSLEY. We have no objection to that.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from New York is recognized for 10 minutes.

Mr. SCHUMER. Mr. President, the Senator from Illinois, Mr. DURBIN, and I are offering an amendment to do some commonsense housecleaning with respect to the means test safe harbor now in the bill and, more significantly, to restore something that was unfortunately taken out of the bill by the managers' amendment: true protection for low- and moderate-income bankruptcy filers from coercive predator litigation tactics involving section 707(b) of the bankruptcy code.

First the housecleaning: The managers' amendment included a provision stating that the bill's means test could not be used to remove low- and moderate-income debtors from chapter 7. That was undoubtedly a big step forward for this bill, and I congratulate the managers for having taken that step.

Now that the means test no longer applies to low- and moderate-income bankruptcy filers, it makes no sense for these individuals to have to file means test calculations based on their income and expenses along with the other papers they must file upon declaring bankruptcy. Likewise, it makes no sense for U.S. trustees to have to do means test calculations with respect to low- and moderate-income bankruptcy filers who, I repeat, cannot be means tested out of chapter 7. This imposes unnecessary burdens on debtors and wastes taxpayer dollars by leaving these requirements in place.

Our amendment would fix the problem by deleting these requirements only in cases involving low- and moderate-income bankruptcy filers. These filers would still have to document their income and expenses. They just wouldn't have to do means test calculations anymore, which are no longer required.

Now for the more important issue, the issue of protecting low- and moderate-income bankruptcy filers from any coercive creditor litigation tactics under 707(b). Sad to say, this only became an issue 2 days or so ago. The bill formerly had a provision preventing creditors from bringing any motion under 707(b) against low- and moderate-income bankruptcy filers. That included motions under the means test, motions alleging that the debtor filed for chapter 7 in bad faith, and motions alleging that the totality of the circumstances of the debtor's financial situation demonstrated abuse. Bankruptcy trustees could bring these motions against low- and moderate-income debtors, and appropriately so, just not creditors.

According to the report language for this bill, the ban on predator motions existed to protect low-income filers; in other words, no motion, no prospect for creditor coercion. Last year's Senate bill had the same protection for low- and moderate-income filers. And even this year's House bill, which many consider more stringent than the Senate bill, had this protection. Yet at this late stage in the game, the managers' amendment deleted much of this bill's so-called safe harbor against creditor 707(b) motions. It continues to protect low- and moderate-income bankruptcy filers from motions under the means test but now, for the first time, leaves these debtors vulnerable to creditor motions alleging debtor bad faith or that the totality of the circumstances demonstrated debtor abuse.

This chart illustrates the problem. Under the House's bill, safe harbor creditors can bring means test or totality of circumstances motions only against above-median-income debtors. Under the Senate bill, as modified by the managers' amendment, motions against all debtors, even those with income below median income for a household of similar size, can be brought by creditors.

What is the big deal about leaving low- and moderate-income debtors vulnerable to creditor motions based on these grounds? The big deal is what some aggressive creditors will do with these motions. These creditors will use these motions and threats to bully poorer debtors into giving up their bankruptcy rights altogether, whether that means staying away from bankruptcy altogether, giving up their bankruptcy claims, or agreeing that certain of their debts simply won't be reduced or eliminated by virtue of bankruptcy.

This should trouble all of us. Debtors who can't afford to litigate with their creditors will just bow to creditors' demands.

Now, if I sound alarmist, I do so because the record is filled with examples of aggressive creditors using the motions and leverage they currently have under the bankruptcy code to coerce low- and moderate-income debtors into

giving up their bankruptcy rights in some form.

In a review of a bankruptcy court case for the Western District of Oklahoma, the judge described that creditor's practice as follows:

> A review of the practices of [creditor's] attorneys . . . indicated that in 1996 the firm filed 45 complaints seeking exceptions to discharges on behalf of creditors having debts arising from credit card agreements; that 100 such complaints were filed in 1997. . . .
>
> The firm's pattern of conduct appears as little more than the use of this court and the bankruptcy code to coerce from these debtors reaffirmation of their unsecured credit card debt or some portion of it.

I could go on with other examples, but I will not to save the time of my colleagues.

Here's a bankruptcy judge from the Western District of Missouri describing the litigation practices of AT&T Universal Card Services: The [fraud] complaints, filed by AT&T, were filed solely to extract a settlement from debtors. Once AT&T realized that the case would not settle and that is would actually be required to offer evidence to support the allegations in the complaints, it moved to dismiss.

A woman from California described her experience.

> . . . on the day we went to the bankruptcy hearing, we were approached by a woman from [a retail creditor]. She explained to me who she was. At the time, I was due to give birth in two weeks. The woman told us we needed either to pay our bill in full or return items such as a sofa, washing machine, and vacuum. We weren't going to the hearing because we had money, and we couldn't afford to replace these items, which we needed. We explained these things and found an attorney. The woman then said we could keep the items if we signed a paper saying we would continue making payments. . . . We signed, of course.

There is absolutely nothing illegal about making certain types of threats today. There is not enough in this bill to stop most threats of this nature from being made—and succeeding—tomorrow.

If you still think I am thrusting at windmills, let me direct your attention to a real-life letter from a creditor's attorney to a debtor's attorney. The words speak for themselves.

> We have reason to believe that your client may have committed fraud in the use of the above-referenced credit relationship. . . .
>
> Be assured that our company is aware of the deadline for filing an objection to dischargeability and has calendared this date.

The problem is unequal bargaining power. It simply pays for the creditor to put a debtor in the position of having to burn through several thousand dollars in attorney's fees fighting over a $100 TV set.

I want to be clear about something. I am not arguing that low- and moderate-income debtors should be exempt from motions to remove them from chapter 7 for filing in bad faith or filing for chapter 7 abusively in light of the totality of their financial circumstances. All I am saying is that when it comes to a debtor with $20,000 in yearly income, leave it to the bankruptcy trustees to bring these motions. Leave it to the numerous other provisions of this bill that graft new antifraud language onto the bankruptcy code to remedy the problem. Just don't leave these debtors and their families vulnerable to the small, but not insignificant, number of wolves among the creditor population.

I was leafing through Congress Daily one day last month, and I ran into this advertisement run by the supporters of bankruptcy reform. The ad features Mel from Mel's Auto Repairs, expressing concern: ''wealthy customers getting a free ride in bankruptcy,'' ''wealthy filers,'' ''higher-income filers,'' ''wealthy Americans today . . . erasing their debts while continuing to live an affluent lifestyle.'' The theme of ''bankruptcy abuse by the wealthy'' pervades the whole ad.

Mel is right. Wealthy persons do abuse the bankruptcy system, and too often. And it needs to be stopped. But surely, subjecting low- and moderate-income debtors to new and potent creditor motions has nothing to do with cracking down on wealthy deadbeats. The rhetoric of this ad doesn't match the reality of this bill—particularly its provision subjecting a single debtor with $20,000 in income, a married debtor with a household income of $30,000, or a debtor with a spouse and two kids with a household income of $40,000, to the threat of coercive creditor litigation tactics involving 707(b) of the bankruptcy code.

I urge colleagues to vote in favor of this amendment and to simply restore this bill to what it used to be and to where the House bill is.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, first of all, I thank the Senator from New York for his cooperation with us on a couple of amendments he has worked out with us and has withdrawn so we could get closer to completion of work on this particular amendment.

In the case of his amendment just now offered, and my opposition to it, I want to say we have taken into consideration some of the complaints he has made—not about our bill, but complaints he would have made about some of the people writing legislation in this area, that they would go too far. But I think his amendment goes too far because it would have the effect of letting bankrupts below the national median income file for bankruptcy and do it in bad faith. That would make the small businesses and honest Americans who stand to lose out—they will be told they can't do anything about it. What we want is opportunity in our legal system, in the bankruptcy system, in the courts there, to be able to make a judgment, if there is bad faith used, to do something about it—most importantly, to discourage that sort of activity.

So I think this amendment gets us back to the point where we are now under existing law—inviting abuse of the bankruptcy code.

Under our bill, which we have been debating for the last several days on the floor of the Senate, and particularly as modified by the managers' amendment now, people below the national median income are not subject to motions by anybody under the means test. But there is another part of this bill that says the bankruptcy cases can be dismissed if the debtor filed for bankruptcy in bad faith. At this point, the creditors are allowed to file motions asking a bankruptcy judge to dismiss a case if it is filed in bad faith. That is the way our litigation system works and should continue to work.

In an effort to go the extra mile, however, I accepted an amendment, by Senator REED of Rhode Island and Senator SESSIONS, to put new safeguards in place to prevent creditors using any power they have to file bad faith motions as a tactic to force a debtor to give up his or her rights. That should not be allowed. The Reed Sessions amendment corrects that. The projections in the Reed Sessions amendment were also developed in close consultation with the White House.

Our bill further provides that if a motion to dismiss is filed and the judge dismisses it, the judge can assess penalties against a creditor who filed the motion if the motion wasn't substantially justified. So we want to make sure that creditors who would abuse some of their power in court would not—if it was not substantially justified, if their position was not substantially justified, then action should be taken against them, and that is entirely fair as well. So we have a fair system with tough penalties for creditor abuses.

Now, the amendment of Senator from New York will return to the system we have today. Under current law, creditors can't file motions when a chapter 7 case is abusive or improper. And every observer acknowledges that the current system doesn't work at all in terms of catching abuse; hence, a major part of this bill is to correct this situation.

We went to great length in our committee report on this bankruptcy bill to discuss this point in very much detail. So this amendment should be defeated because it prevents the provisions prohibiting bad faith bankruptcy from being enforced. That is like saying to deadbeats it is not OK to file for bankruptcy in bad faith, but we are not going to do anything about it if you do.

And, of course, that is exactly the wrong signal we want to send. We want to make sure that people who go into bankruptcy are people who have a legitimate reason for being there and that they aren't taking advantage of bankruptcy to somehow help themselves, and in bad faith is part of that process.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator from Iowa has 5 minutes remaining, and the Senator from New York used all the time allowed.

Mr. GRASSLEY. I yield the remainder of my time.

Mr. SCHUMER. Mr. President, may I ask unanimous consent for 1 minute to respond?

Mr. GRASSLEY. Then I will reserve my time, if I may.

The PRESIDING OFFICER. The Senator from Iowa reserves his time.

Does the Senator object to the unanimous-consent request?

Mr. GRASSLEY. I do not object.

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

Mr. SCHUMER. I thank my colleague. I wish to answer.

The bill's provisions purporting to prevent and ameliorate coercive creditor litigation tactics will not be able to undo the damage done by giving creditors the right to bring 707(b) ''totality of the circumstances'' and ''bad faith'' motions against low- and moderate-income debtors.

Section 102 of the bill says a court may award a debtor costs and attorney's fees if a court rules against the creditor's 707(b) motion and that motion was not ''substantially justified.'' This provision will not deter coercive creditor litigation tactics. It doesn't cover coercive threats to bring 707(b) motions, which are often sufficient to force a debtor to give up his or her bankruptcy rights.

Finally, this sanctions provision contains an exception which precludes any award against a creditor that holds a claim of under $1,000, no matter how wealthy the creditor is.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, the issue that the Senator from New York just brought up of threats being used is exactly what the Reed-Sessions amendment deals with. I suggest this was also very much a point that was raised by people at the White House that we have been discussing—the whole issue of bankruptcy over a long period of time.

This was also worked out because this was a major concern. They did not want this abuse. They did not want the issue of threats. We agree with them, as we had to work it out with Senators SESSIONS and REED because the bill, as they saw it, was not adequate enough in this area.

As people vote on this amendment, I hope they will consider that we have been trying to respond in a very legitimate and strong way against the use of threats.

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

Mr. GRASSLEY. The answer is yes.

Mr. SCHUMER. I thank the Senator for his careful deliberation and his yielding.

It is my understanding that section 203 of the bill deemed it a violation of the automatic stay for a creditor to engage in any communication other than a recitation of the creditor's rights, and this would deal with threat. This provision would be stricken from the bill by the Reed-Sessions amendment. So the Reed-Sessions amendment didn't deal with the problem, but it actually took out the basic protection that a low-income debtor would have against threat.

Is that not correct?

Mr. GRASSLEY. If you threaten somebody during reaffirmation, the Sessions-Reed amendment is set aside.

I yield the remainder of my time.

I ask unanimous consent that the Senator from Louisiana be granted 5 minutes to speak as if in morning business.

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

Ms. LANDRIEU. I thank the Senator.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 minutes.

INTERIOR BILL NEGOTIATIONS

Ms. LANDRIEU. Thank you, Mr. President.

I know the underlying amendment we have just debated is quite important, and the bankruptcy bill we are debating is one of the things we have to reconcile in order to wrap up our business and do the work for the American people. But I come to the floor just for a few moments this afternoon to speak on another subject because I would like to do my part to help us bring this session to a positive close.

I was one of the Senators who placed a hold on some of the business before the Senate. I felt compelled to do so because of some actions the administration was taking in the negotiations process on the Interior bill. I believe I had to try to stop, or reverse, or change it. With other things that have taken place, I believe we have been somewhat successful. I want to speak about that for a moment.

As you are aware, Mr. President, about 2 years ago a great coalition of people came together from different perspectives in this country—different parties, different areas of this Nation—to begin to speak about the great need in America and the great desire on the part of the American people, from Louisiana, California, New York, and all places in between, to try to find a permanent way to fund very important environmental projects—the purchase of land, the expansion of parks, the creation of green space, the preservation of green space, the restoration of wetlands, the commitment to historic preservation, the expansion of our urban parks, the ability of all families, not just families who can afford to fly in jets or take long automobile vacations, but for families who live in the U.S., to be able to enjoy the beauty of nature; for us as a Nation as we move into this next century to take this opportunity to try to find a permanent way to fund some of these programs so they won't be subject to the whims and wishes of Washington, something that is fiscally conservative in terms of our balanced budget.

We tried to look for funding that would be appropriate to dedicate in this way. We found a source of funding. That is where the funding is—offshore oil and gas revenues that were the subject of an earlier debate today. As the prices go up, it helps some parts of our Nation; it is a challenge for other parts. But it brings more tax revenues into the Federal coffers.

For 50 years, we have been drilling off the shores of Louisiana, Texas, Mississippi, and the gulf coast. We have brought over $120 billion to the Federal Treasury by depleting one important resource for our Nation. That money has gone to the general fund. It has been spent on a variety of projects—not reinvested but just spent in operating budgets.

Many of us think a more fiscally conservative approach, and a more sound and responsible approach, would be to take a portion of those revenues produced by basically the gulf coast States and reinvest a portion, if you will, or share a portion of those revenues, with States and counties and parishes, as in Louisiana and communities around the Nation, to help in all the ways I have just expressed in all of our land acquisition, land improvements, expansion of our parks, and wildlife conservation programs.

Two years ago, a great coalition came together. On one side, we had the National Chamber of Commerce; on the other side, we had a variety of environmental groups; we had elected officials, both at the Federal level and State level. As I said, it was a bipartisan coalition that came together to back a bill, which was introduced on the House side and in the Senate, known as CARA, the Conservation and Reinvestment Act, to do just that.

This bill has picked up tremendous support in the last 2 years. It is pending before our Senate Energy Committee with Senator MURKOWSKI and me as the lead sponsors, with many Members of this body. The great news is that just last week in the House, under the great leadership of DON

YOUNG from Alaska and GEORGE MILLER from California, the ranking member, this bill passed out very similar to ours on a 37–12 vote to try to help bring us to a bipartisan consensus.

I am hopeful, as we wrap up this session and as we begin to get ready for the next session of Congress, that we are now in a very good position to be able to take some final actions in moving that bill through committee, onto the floor, and into a conference where the final details can be worked out because if we are going to have any permanency of funding from this source, it is going to have to be something that is shared with the States that produce the money in the first place.

Louisiana produces about 70 percent of our offshore oil and gas revenues. We have great needs as a coastal State, along with States such as New York that just got hit very hard by Hurricane Floyd, causing tremendous damage. There are great coastal needs in our States to fully fund the land and water conservation and wildlife conservation programs.

I am very hopeful as we position ourselves for next year, that we are in a position to grab this opportunity supported by this grand coalition and do something very positive for America's environment.

I am pleased to say I will be prepared to release my hold on the foreign operations bill in an attempt to do my part to move to reconciliation because we have effectively stopped the administration's efforts to permanently allocate funding but in a way that will not cover all of the things as I outlined. We want to make sure this investment in the Nation is not just about Federal land acquisition, although that is a very important piece of this. We want to make sure it is balanced, with the opportunity for Governors and local officials to purchase land at the local level. We want to make sure it is truly a partnership. We want to make sure the coastal impact assistance is there as well as funding for historical preservation, urban parks, and wildlife programs.

While we didn't reach every goal we set out, we have raised this issue. We have built a strong coalition. We have raised this issue and we have stopped the permanent allocation of these funds until the whole package can be dealt with. We have made a very positive step.

On behalf of the great coalition, I ask unanimous consent to have printed in the RECORD a letter to the President, signed by 14 Senators, along with a letter to Members of Congress from 865 organizations, business and government agencies, that are funding this effort.

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

U.S. SENATE,
Washington, DC, November 15, 1999.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: With your leadership we have a historic opportunity to pass legislation in this Congress that will permanently reinvest a portion of offshore oil and gas revenues in coastal conservation and impact assistance programs, the Land and Water Conservation Fund, wildlife conservation, historic treasures and outdoor recreation. Recently, forty of the nation's governors sent a letter to Congress encouraging us to seize this historic opportunity. This effort has been endorsed by almost every environmental organization in the country as well as a broad array of business interests including the United States Chamber of Commerce.

There is strong bi-partisan support *now* for a proposal that: will provide a fair share of funding to all coastal states, including producing states; is free of harmful environmental impacts to coastal and ocean resources; does not unduly hinder land acquisition but acknowledges Congress' role in making these decisions and reflects a true partnership among federal, state and local governments.

There is also strong support for using these OCS revenues to reinvest in the renewable resource of wildlife conservation through the currently authorized Pittman-Robertson program. This new influx of funding will nearly double the Federal funds available for wildlife conservation and education programs. We would like to ensure that wildlife programs are kept among the priorities when negotiating for monies from OCS revenues.

A historic conservation initiative is within our grasp. With budget negotiations currently underway, we urge you to push forward for a compromise which reflects the points outlined above. It will be an accomplishment we can all celebrate and a real legacy for future generations.

Sincerely,

Mary L. Landrieu, Max Cleland, Blanche L. Lincoln, Evan Bayh, John F. Kerry, Tim Johnson, Charles Robb, John Breaux, Robert J. Kerrey, Barbara A. Mikulski, Ron Wyden, Herb Kohl, Ernest F. Hollings, Judd Gregg.

NOVEMBER 1, 1999.

U.S. CONGRESS,
Washington, DC.

DEAR MEMBER OF CONGRESS: As the twentieth century draws to a close, Congress has a rare opportunity to pass landmark legislation that would establish a permanent and significant source of conservation funding. A number of promising legislative proposals would take revenues from non-renewable offshore oil and gas resources and reinvest them in the protection of renewable resources such as our wildlife, public lands, coasts, oceans, historic and cultural treasures, and recreation. Securing this funding would allow us to build upon the pioneering conservation tradition that Teddy Roosevelt initiated at the beginning of the century.

The vast majority of Americans recognize the duty we have to protect and conserve our rich cultural and natural legacies for future generations. A diverse array of interest, including sportsmen and women, conservationists, historic preservationists, park and recreation enthusiasts, urban advocates, the faith community, business interests, state and local governments, and others, support conservation funding legislation because they recognize it is essential to fulfill this obligation.

We call upon you and your colleagues to seize this unprecedented opportunity. Pass legislation that would make a substantial and reliable investment in the conservation of our nation's wildlife; public lands; coastal and marine resources; historic and cultural treasures; state, local and urban parks and recreation programs; and open space. Design a bill that provides significant conservation benefits, is free of harmful environmental impacts to our coastal and ocean resources, and does not unduly hinder land acquisition programs.

An historic conservation funding bill is within our grasp. It will be an accomplishment that all can celebrate. We look to Congress to make this legislation a reality.

Sincerely,

Ms. LANDRIEU. I will read one paragraph from this petition. Let us grab the opportunity now, to:

> Pass legislation that would make a substantial and reliable investment in the conservation of our Nation's wildlife; public lands; coastal and marine resources; historic and cultural treasures; State, local and urban parks, and recreation programs; and open spaces. [Let us] design a bill that provides significant conservation benefits, is free of harmful environmental impacts to our coastal and ocean resources and does not unduly hinder land acquisition programs.

I believe we can meet these goals as we negotiate the detail and compromise in the next session.

The Presiding Officer, being from the State of Alabama, has been a great leader in this effort. I look forward to working with the Senator next year. I am pleased to tell our leader I will be removing my hold on foreign ops because we have made some progress on this, and I look forward to working harder to make this a reality for the people of America the next time we meet.

I yield my remaining time.

Mr. REID. Before the Senator from Louisiana leaves the floor, I want to express to her the appreciation of the entire minority caucus. There is no Member of the Senate who is more astute, works harder, and has a better understanding of the issues that face the Senate, which was well demonstrated by her work on this issue about which she feels fervently. We are grateful at this late date the Senator has been willing to work with members to release the hold.

BANKRUPTCY REFORM ACT OF 1999—CONTINUED

Mr. KENNEDY. Mr. President, I understand we are back on the bankruptcy legislation; is that correct?

The PRESIDING OFFICER (Mr. SESSIONS). The Schumer amendment has not been disposed of.

Mr. KENNEDY. With the understanding of the Senator from New York, I ask unanimous consent we temporarily lay aside that amendment.

Mr. GRASSLEY. Reserving the right to object, and I will not object, I previously talked to the Senator from

Massachusetts about time agreement on his amendment. I prefer to forego a time agreement and have him proceed accordingly. I have no objection.

The PRESIDING OFFICER. Without objection, the Senator from Massachusetts is recognized.

AMENDMENT NO. 2652

(Purpose: To amend the definition of current monthly income to exclude social security benefits)

Mr. KENNEDY. I call up amendment numbered 2652.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 2652.

Mr. KENNEDY. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 11, line 2, insert before the first semicolon ", but excludes benefits received under the Social Security Act".

Mr. KENNEDY. Mr. President, this is a rather simple amendment. The amendment I have offered will protect a debtor's Social Security benefits during bankruptcy. This amendment is very important to older Americans. I hope my colleagues will support it as our House colleagues supported it last year.

As currently written, the means test in the pending bill will require debtors to use their Social Security benefits to repay creditors. My amendment excludes Social Security benefits from the definition of "current monthly income" and ensures that those benefits will never be used to repay credit card debt and other debt.

This amendment is particularly important to seniors. Between 1991 and 1999 the numbers of people over 65 who filed bankruptcy grew by 120 percent. If we look over the figures from 1991 to 1999 by age of petitioner, we see the growth of those that are going through bankruptcy primarily have increased in the older citizen age group. This is primarily a result of the downsizing, dismissing older workers and because of health care costs—primarily they have been dropped from health insurance. As the various statistics show, increasing numbers of individuals have been impacted because of the prescription drugs.

Debtors filing a medical reason for bankruptcy, as the chart shows, reflects the fact we have gotten a significant increase in the number of older people who have gone into bankruptcy. The debtors who file as medical reasons for bankruptcy, we find, increases dramatically for older workers primarily because of health care costs more than any other factor.

We believe very strongly those individuals, most of whom are dependent upon Social Security as virtually their only income ought to have those funds protected so they will be able to live in peace with some degree of security and some degree of dignity.

This is sufficiently important. One can ask, why are we doing this now rather than before? The reason it was not necessary before is because the Social Security effectively was protected with a series of protections that were included in the existing bankruptcy law which have not been included in this legislation. Therefore, without this kind of an amendment, they would be eligible for creditors. We think protecting our senior citizens, those on Social Security, as a matter of both public policy and the fact of the importance of their contributions, obviously, in terms of society, should be protected during their senior years.

Today, many Americans work long and hard into the senior years. A growing percentage of the population is over the age of 85 and predominantly female. We see over the period of the next 10 years our elderly population will double and the increase in the percentage of women is going to increase significantly, as well. Others may be able to find alternative employment but at substantially lower wages or without health and other benefits that become increasingly important with age.

In spite of all of the efforts to slow down the discrimination against elderly, in too many circumstances in our country today, the elderly are discriminated against in terms of employment.

Older Americans sometimes resort to short-term, high-interest credit when faced with unemployment because they assume their unemployment will be temporary. They hope their use of credit or credit card debt will serve as a bridge to cover the necessities until they start receiving paychecks again. Due to their age, however, many of these individuals never earn a salary comparable to the pay they lost. They find themselves unable to deal with the new debt they have incurred. When they have nowhere else to turn, they sometimes turn to the safety value of bankruptcy.

Older Americans are also more frequent victims of predatory lending practices. Sometimes, bankruptcy is the most viable avenue for an elderly person to address the financial consequences of being victimized by unscrupulous lenders. It is unfortunate that Senator DURBIN's amendment to address that problem was defeated last week.

Studies of the problems facing older Americans tell us the same sad story. In one study, one in ten older Americans reported that they filed for bankruptcy after unsuccessfully attempting to negotiate with their creditors. In some cases, their creditors threatened them with seizure of property, or placed harassing collection calls. Some of these senior citizens explained that they have been the victims of credit scams, and they were seeking relief in the bankruptcy courts.

For example, a 70-year-old woman filed for bankruptcy after her son discovered that she has allowed herself to become involved in a number of dubious financial transactions, including buying more than six different expensive and duplicative life insurance policies and spending several thousand dollars on sweepstakes contests. At the time of her bankruptcy, she had mortgaged her previously mortgage-free home for more than $74,000 to try and pay off her debts. She was in danger of losing the home she shared with her husband who was in failing health.

The bottom line is that bankruptcy shouldn't be made more difficult for those who are depending on Social Security for their livelihood.

Social Security was developed to ensure that seniors can live their golden years in dignity. If we allow Social Security income to be considered while determining whether someone is eligible for bankruptcy, a portion of those benefits could be used in a manner inconsistent with Congress' intent.

Some of my colleagues oppose this amendment because they argue that wealthy seniors would be the beneficiaries. But, practically speaking, wealthy debtors rarely use Chapter 7—they've more likely to file under Chapter 11 of the bankruptcy code.

For very high income individuals, like Ross Perot, social security represents a very small percentage of their total income. Indeed, the maximum social security retirement benefit for a new 65-year-old retiree in 1997 was $16,000. For the Ross Perot in this country, $16,000 is a rounding error. His income is so high that including or excluding $6,000 changes his income by only a tiny percentage. But for the poor widow who gets 90 percent of her income from social security it makes a big difference.

Rich debtors who file in Chapter 7 would be caught by the means test, whether or not the courts include Social Security income as part of the debtor's "current monthly income."

It is important to realize that even though we do tax individuals on higher Social Security, 75 percent of our seniors pay no tax on Social Security because they are below $25,000 in income. this is the group about which we are talking.

For two-thirds of American seniors, Social Security income represents more than 50 percent of the their total income, and for 42 percent of seniors, it represents three-quarters of their total income. That is basically what we are talking about. We will hear: We can't accept this because it will create some loophole for our seniors.

We have to realize that for 42 percent of all seniors, Social Security represents three-quarters of their total income. Furthermore, 95 percent of all workers never reach the maximum Social Security benefit. That means only 5 percent of workers earn more than $72,000, and the average person is well below that income level. The myth of the wealthy senior using this amendment to avoid their obligations is just that—it is a myth.

The purpose of Social Security is to guarantee there is a financial foundation provided for all senior citizens to ensure their basic needs—food, shelter, clothing, and medicines—are met. For two-thirds of senior citizens, Social Security provides more than half of their income, and Social Security benefits are hardly enough, in many cases, to meet these basic needs of seniors. Certainly, they cannot survive on less.

If we are serious about providing financial security and personal dignity for the elderly, we must protect their Social Security benefits from claims in bankruptcy. Otherwise, we run the risk of vulnerable senior citizens being left with virtually nothing. In many cases, these are the people who are not healthy enough to return to work, who certainly lack the physical stamina to work the extra hours or get a second job. Social Security benefits are all they have—all they ever will have—and these few dollars are essential to their financial survival. There is a higher concern here than recovering every last dollar for creditors. It is guaranteeing the elderly some measure of financial security in their declining years.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I appreciate very much the amendment offered by the Senator from Massachusetts. Also, for the benefit of everyone in the Chamber and within the sound of my voice, on this bill we have moved along significantly from 300-plus amendments down to fewer than 10 amendments.

I hope we can continue working on this bill. I do not see any reason why we cannot finish this legislation tonight. We have a few amendments. I have heard it being rumored that we are going out early tonight. If the majority wants a bankruptcy bill, they can have a bankruptcy bill. The minority is not holding up the bankruptcy bill. We have, as I indicated, fewer than 10 amendments. A number of those Senators have agreed to time limits.

It is a situation where, with all the work that has been done for years by the manager of the bill—not a matter of weeks but for years—the goal is in sight, and we should move forward and pass this much-needed legislation. I repeat, the problem is not with the minority. We are willing to work as late tonight as possible. We were willing to work yesterday. I hope we can move forward on these amendments.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DASCHLE. Mr. President, I come to the floor for a moment to commend both Senator GRASSLEY, the manager on the Republican side, and our very distinguished assistant Democratic leader. We started the consideration of this bill several days ago. As I understand it, 20 amendments were filed. We are now down to fewer than 10 amendments.

As I understand it, there is a potential time agreement on virtually every amendment. Virtually every Senator has expressed their interest in bringing this bill to a conclusion and are prepared to accept time limits.

I further understand the majority is giving some consideration now to going out early tonight after we have had a couple votes. I hope that isn't the case because I would like to see if we could finish this bill either tonight or tomorrow. There is no reason why we cannot finish it and move on to other matters. There are a number of other matters pending.

So I speak for a lot of our colleagues in expressing our gratitude to the distinguished assistant Democratic leader for his effort yet again. He has done this on so many bills, but on this bill in particular he has really done an extraordinary job of not only working to accommodate Senators but also to manage the legislation on our side, along with Senators LEAHY and TORRICELLI, and, of course, the chairman of the subcommittee, Senator GRASSLEY, for his work in working with Senators who wish to offer amendments.

I know some of these amendments have been accepted, and some of these amendments will require rollcalls. The point is, let's get the work done. Let's finish either tonight or tomorrow, but let's finish the bill.

There was a time when I feared we would not finish this legislation this year. Maybe that is the only silver lining for those of us who would like to bring this matter to closure: That we will have the opportunity to finish this legislation.

Many members still have amendments. Some of these amendments that are yet to be offered may tell the story with regard to Democratic support. There are some good amendments that are still pending. Senator KENNEDY has a very good amendment that needs to be addressed. I hope we can do that and move on the other Democratic amendments that I know Senator SCHUMER and others have indicated they are prepared to offer.

So we are getting down now to the final few amendments. I hope we will just keep the heat on, and finish up this critical legislation many of us have worked so long and so hard to enact.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I have two unanimous consent requests.

AMENDMENT NO. 2659, AS MODIFIED

Mr. GRASSLEY. Mr. President, the first unanimous consent is on an amendment, as modified. It is amendment No. 2659. I send the modification to the desk and ask unanimous consent it be considered agreed to, and the motion to reconsider be laid upon the table.

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

The amendment (No. 2659), as modified, was agreed to, as follows:

On page 18, line 5 insert ''(including a briefing conducted by telephone or on the Internet)'' after ''briefing''.

On page 19, line 15, strike ''petition'' and insert ''petition, except that the count, for cause, may order an additional 15 days.''

Mr. GRASSLEY. Mr. President, I ask unanimous consent that at 4:30 we proceed to two stacked votes on the pending Feinstein amendment and the Schumer amendment, and do it in that order, with 4 minutes equally divided in the usual form between the two votes, and that no amendments be in order prior to the votes. Maybe I ought to correct this. I think we should say there would be 2 minutes divided on the Feinstein amendment and then 2 minutes before we vote on the Schumer amendment—or 4.

Mr. DASCHLE. Reserving the right to object, I want to be sure. Is it amendment No. 2761? Is that the Schumer amendment referred to by the Senator from Iowa?

Mr. GRASSLEY. Amendment No. 2762.

Mr. DASCHLE. Amendment No. 2762.

Mr. GRASSLEY. So let me once again state this: I ask unanimous consent that at 4:30 we proceed to two stacked votes on the pending Feinstein amendment, with 4 minutes equally divided to discuss the Feinstein amendment, and then at the end of that vote have 4 minutes equally divided to discuss the Schumer amendment, and then immediately proceed to a vote on or in relation to the Schumer amendment, and that no amendments be in order prior to the votes.

Mr. REID. Reserving the right to object, could I ask the manager of the bill about why we can't vote on amendment No. 2761, also a Schumer amendment?

Mr. GRASSLEY. Which amendment is that?

Mr. REID. The Schumer-Santorum amendment.

Mr. GRASSLEY. We have an objection from the Banking Committee on that one at this point. And also, for the benefit of Senator KENNEDY, who has been very patient, I have one Senator I have to consult before we go to a final decision on that amendment. But I think we can take care of this when we are over here voting, if you would let us proceed to these. And then I will work with you to get to the bottom of that at the time of that vote. Is that OK?

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. GRASSLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mrs. FEINSTEIN. Mr. President, to sum up my amendment, what this bankruptcy bill is all about is encouraging debtor responsibility—in other words, to the extent that an individual possibly can, they should repay their debt. That is one side of it.

I think to the extent the credit industry can be responsible, you need to have a balance between the two. Right now, there is not a balance between the two. I think we all know of people who have a number of credit cards who do not have the income even to pay back the minimum debt or the minimum monthly payment plus interest over a period of time.

Let me give an example. If you have a $1,500 debt and your minimum monthly payment is $25 and you have no late fees, no new purchases, at 19.8-percent interest, it takes 282 months to pay that debt off. I know people in this situation who shouldn't have credit cards, who should have been checked out, who have six, who are going into bankruptcy because they didn't understand this simple concept.

What the amendment before you would do is ask the Federal Reserve to do a study of lending practices in this area and make public their findings, and also have the ability to set new regulations if they believe those regulations are warranted.

This amendment was passed a year ago by a voice vote. It was removed in conference. The amendment would be accepted. My concern is that it would again be deleted in conference. Therefore, I have asked for the yeas and nays. I am hopeful this Senate will go on record as supporting this study by the Federal Reserve.

I thank the Chair and yield the floor.

Mr. GRASSLEY. Mr. President, I yield back the remainder of the time we have on this side.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to amendment No. 2756. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN), is necessarily absent.

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

The result was announced—yeas 82, nays 16, as follows:

[Rollcall Vote No. 368 Leg.]

YEAS—82

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

NAYS—16

Allard	Gramm	Smith (NH)
Ashcroft	Hagel	Specter
Brownback	Hutchinson	Thomas
Bunning	Inhofe	Thompson
Coverdell	Lott	
Enzi	Mack	

ANSWERED ''PRESENT''—1

Fitzgerald

NOT VOTING—1

McCain

The amendment (No. 2756) was agreed to.

Mr. LEAHY. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, 4 minutes are now evenly divided on the Schumer amendment No. 2716.

Mr. GRASSLEY. I suggest the absence of a quorum because we can work something out and maybe avoid a vote.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 2652

Mr. GRASSLEY. I wish to make it clear, what I am going to ask unanimous consent on now is unrelated to what we are trying to work out on the Schumer amendment.

Mr. President, the managers have agreed to accept Senator KENNEDY's amendment, so I ask unanimous consent that amendment No. 2652 be accepted.

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

The amendment (No. 2652) was agreed to.

Mr. LEAHY. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. GRASSLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ENZI). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. GRASSLEY. Mr. President, I ask unanimous consent that we proceed, then, to 2 minutes of debate on that side, 2 minutes on this side, and then we go to a vote.

The PRESIDING OFFICER. That is the regular order. Who yields time?

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

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

Mr. GRASSLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. GRASSLEY. Mr. President, there will be no more rollcalls today. We hope to continue debating some amendments, and they will be stacked to be taken at a time determined by the leader tomorrow.

Mr. LEAHY. Mr. President, again, I reiterate what I said before: The Senator from Iowa and I, the Senator from New Jersey, Mr. TORRICELLI, and Senator HATCH have all been working very hard. We have gone from 300 some odd amendments down to only a half dozen or so remaining. I will continue to work with my friend from Iowa to try to clear whatever we can.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that any votes ordered today be stacked for a time to be determined by the leader.

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

Mr. LEAHY. Mr. President, I know my good friend from Alabama is here as manager on his side. I know we have no further rollcalls on this. I see my friend from Wisconsin on the floor. I am wondering if we can get some of the debate out of the way, and I wonder if we might yield to the Senator from Wisconsin and let him begin debate on his amendment.

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

Mr. LEAHY. Yes.

Mr. REID. I say to my friend from Vermont that in looking over these amendments, which have gone from 320 to now probably 7 or 8, a handful of amendments, the Senator understands that the movement of this bankruptcy bill is not being slowed down on this side of the aisle. Our Members have been very cooperative. Would he agree to that?

Mr. LEAHY. Yes. The Senator from Nevada has cleared out an awful lot of them. I think we have cleared 300-some-odd down to half a dozen or so. We could, for example, vote tonight without further debate on the Schumer-Santorum amendment, No. 2761. We could stagger them in the morning. I came in at 10 yesterday morning to be prepared to manage the bill on this side, and, for whatever reason, we stayed in morning business until 4 in the afternoon. What I am trying to do here—and I know the Senator from Alabama is on the floor, too—if there are things we can take care of on the bill tonight, let's do it.

Mr. REID. If the Senator will yield, Senator WELLSTONE has two amendments he will offer first thing in the morning. Senator FEINGOLD has one amendment that has already been offered. He wants to debate it some more, and he said he would do that tonight. We also have Senator FEINGOLD who has one other amendment he wishes to offer at a subsequent time. We also have a Dodd amendment that, I think with the managers' bill, we have worked out, and it has been agreed to by the chairman of the Judiciary Committee and the manager. Senator SARBANES has an amendment he wishes to offer. Senator HARKIN has an amendment he said he may offer tonight. We are basically finished.

The two things that are holding this up—and we should not play around with it anymore—are an amendment by the Senator from New York dealing with clinics, on which he has agreed to a half-hour time limit, and we have the Senator from Michigan, Mr. LEVIN, who has agreed to 17 minutes on an amendment relating to gun manufacturers.

I say to my friend, in short, we have almost nothing left. So it would seem to me we should move forward as rapidly as possible and finish this bill.

Mr. SESSIONS. Mr. President, on the order, I think it would be appropriate for Senator FEINGOLD to proceed at this time. Further, I think we will proceed without unanimous consent after that. Senator GRASSLEY will be back, and we can decide what to do then.

I yield the floor.

PRIVILEGE OF THE FLOOR

Mr. INHOFE. Mr. President, I ask unanimous consent that Paul Barger have the privilege of the floor for this day.

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

AMENDMENT NO. 2748

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, I call for the regular order with respect to amendment No. 2748.

I wish to speak on the landlord-tenant amendment I offered last week and, in particular, take a few minutes to respond to some of the arguments made against it by the Senator from Alabama. This amendment is designed to lessen the harsh consequences of section 311 of the bill with respect to tenants while at the same time protecting the legitimate financial interests of landlords.

Just to review, current law provides for an automatic stay of eviction proceedings upon the filing of a bankruptcy case. Landlords may apply for relief at that stage so the eviction can proceed. But it is a process that often takes a few months.

Section 311 of Senate bill 625, the bill we are considering, eliminates the stay in all landlord-tenant cases so that an eviction can proceed immediately. In essence, my amendment would allow tenants to remain in their apartments while trying to sort out the difficult consequences of bankruptcy if, and only if, they are willing to pay the rent that comes due after they file for bankruptcy. If the tenant fails to pay the rent, the stay can be lifted 15 days after the landlord provides notice to the court that the rent has not been paid. If the reason for eviction is drug use or property damage, the stay can also be lifted after 15 days.

Finally, if the lease has actually expired by its terms—in other words, if there is no more time on the lease and the landlord plans to move into the property—then, again, after 15 days notice the eviction can proceed. This 15-day notice period does not apply if the tenant has filed for bankruptcy previously. In other words, in cases of repeat filings, the stay never takes effect, just as under section 311 in this bill.

So we are all clear on why this whole issue came up in the first place, the main abuse that has been alleged is in Los Angeles County, where unscrupulous bankruptcy petition preparers advertise filing bankruptcy as a way to live rent free. Under my amendment, first of all, you could never live rent free. The debtor must pay rent after filing for bankruptcy. If the debtor misses a rent payment, the stay will be lifted 15 days later. Second of all, the automatic stay does not take effect if the tenant is a repeat filer. So we take care of this problem of the repeat filer, which is exactly what the Senator from Alabama and others portrayed in committee as the reason this provision is needed.

So my amendment gets at the abuse, and it protects the rights and economic interests of the landlord. What it eliminates, though, is the punitive aspect of this amendment and the possibility that tenants who are willing and able to pay rent once they get a little breathing room from their other creditors will instead be put out on the street.

I am, frankly, disappointed that my colleague from Alabama insists on the harsh aspects of section 311 when my amendment would get at the problem he has identified just as well.

The Senator from Alabama argued yesterday that somehow my amendment changes current law and moves us in the direction of litigation and delay. On the contrary, my amendment leaves intact the current law that allows landlords to get relief from the automatic stay. Let me be very clear about that. My amendment does not eliminate the ability of landlords to apply for relief from the stay under current law. The law now gives debtors some breathing room in legal proceedings, including eviction proceedings. But landlords can apply for relief from the stay. It is not an abuse of the law to take advantage of the automatic stay to get your affairs in order. Some tenants use that time to work out a payment schedule for their back rent so they can avoid eviction. Most landlords don't want to throw people out on the street. They just want to be paid. My amendment requires that they be paid once bankruptcy is filed, or the eviction can proceed immediately. But even if the rent is paid while the bankruptcy case is pending, if a landlord can still seek relief from stay under the normal procedures and press forward with the eviction.

I frankly think that most landlords will be happy to let a tenant stay as long as the rent is being paid. Who knows, if the bankruptcy is successful, especially if it is a Chapter 13, the tenant may be able to pay the past due rent. That certainly is not going to happen if the tenant is evicted. But if the landlord really doesn't want the tenant to stay, the landlord can seek relief. So my amendment doesn't allow a tenant to stay in the apartment indefinitely by resuming payment of rent. By no means does this amendment permit a tenant to stay in an apartment indefinitely without a lease.

And any suggestion to the contrary is just wrong. It doesn't do that at all. It just covers the few months after the bankruptcy petition is filed when the debtor is most vulnerable and the debtor is most in need of a roof over his or her head.

Now let me address one of the frequent refrains of the Senator from Alabama when he talks about this provision. He seems to be very offended by the idea that people are staying in their apartments after the term of their lease has expired. Those who are familiar with landlord-tenant law know that this is commonplace in the rental market. Many, many leases are for a term of one year but convert to a month to month lease when the year is up. The contract essentially remains in force, but the term has expired. There is nothing wrong with that. It is perfectly legitimate. Typically, the conversion to month-to-month tenancy is provided for in standard lease language.

This is not an abuse. It is the way many leases proceed in this country on a day-to-day basis.

Furthermore, the language of section 311 doesn't lift the stay when the term of a lease has expired but rather in cases where ''a rental agreement has terminated under the lease agreement or applicable state law.'' Well, most rental agreements ''terminate'' when a rent payment is missed. So section 311 applies in all landlord-tenant cases, not just those where the lease term has expired.

I want to remind my colleagues that both the bill we passed last year, and the conference report had a form of the protection that my amendment provides for debtors. Section 311 of the bill that we are working on now is harsher on tenant debtor than the conference report from last year and than the House bill that passed earlier this year.

Now let me respond to what I think is the core of Senator SESSIONS' objection to my amendment. He said last week that the automatic stay is always lifted, that the tenant never wins. So why not just get rid of the stay. It's just a waste of time and money for the landlord.

Mr. President, I have a letter here from a debtor's attorney named Henry Sommer. Mr. Sommer is an expert in consumer bankruptcy cases. He is the author of the widely used treatise Consumer Bankruptcy Law and Practice, which is published by the National Consumer Law Center. He indicates in his letter that has represented thousands of low-income consumer debtors over the past 25 years. I ask unanimous consent that Mr. Sommer's letter be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. FEINGOLD. Mr. President, Mr. Sommers heard the remarks of the Senator from Alabama last week in opposition to my amendment. He writes:

> The statement was made that landlords always prevail in automatic stay motions. This is not correct. In my personal experience, I doubt that landlords have prevailed in even 20% of the cases. in most of the other cases, the family paid the rent and the motion was either withdrawn or denied.

Mr. Sommers goes on to state:

> The more important point is that in most cases no motion is brought by the landlord. The automatic say does what it is intended to do. In these cases, the family that was facing eviction cures the rent arrears and remains in its apartment. The landlord is made whole, and the family is permitted the time necessary to reorganize its finances.

Mr. Sommers also discusses my amendment.

> To the extent there are abuses in the current system, your amendment will provide prompt and efficient relief by giving landlords a streamlined procedure that could be pursued quickly and without an attorney.

That's a crucial point, Mr. President, because one of the concerns expressed by the Senator from Alabama is the expense and inconvenience of the relief from stay process for landlords under current law. Mr. Sommers concludes:

> Your amendment would make it impossible to obtain significant delay simply by filing a bankruptcy petition, as can occur today. But it would not hurt the innocent family, struggling to get its finances together, that is able to begin making rent payments and cure its rent default.

That is really the crucial point Mr. President. We are talking about real people here. People who are very vulnerable. The Senator from Alabama argued yesterday that a landlord may have another tenant lined up to move into an apartment. And he said that if my amendment were adopted, and I'm quoting here, ''that tenant's life may be disrupted if the landlord can't deliver the premises.'' Well, Mr. President, what about the life of the current tenant, very possibly a single mother with children? For months she's been trying to make ends meet, but the child support she is owned by her ex-husband has not been coming. She misses a few rent payments as she tries to make sure her children are fed and their home is heated. The landlord starts eviction proceedings. And she is forced to file for bankruptcy.

Now once the bankruptcy is filed, and her other creditors are temporarily at bay, she can pay her rent. On time and in full. What about disruption to her life if we put her and her children out on the street? Do we not care about that? If the landlord is not economically harmed, why wouldn't we allow her to stay in her apartment for a few months more? Why can't we maintain the breathing room that the automatic stay under current law provides? What is so terrible about that?

Mr. President, this is the situation I am concerned about. I want to respond in a reasonable way to the abuses that section 311 is supposedly designed to address. But I don't want to cause undue hardship to people who are able to pay their rent while their bankruptcy case is pending.

In the spirit of compromise, I have proposed a few other changes to the amendment to the Senator from Alabama, in response to some of the concerns he and his staff have raised. We are trying to listen very carefully to the points that the Senator from Alabama is making. First, I am willing to have the stay lifted not only in cases where the lease has expired and the landlord wants to move into the property, but also in cases where the landlord wants to let a member of his or her immediate family to occupy the premises. I will expand the language in my amendment to cover that situation.

I will also expand the language to cover a situation where the lease has expired and the landlord has entered into a signed and enforceable agreement with another tenant before the bankruptcy petition is filed. That is the situation that the Senator from Alabama has suggested creates an unbearable hardship for the new tenant. So if a new lease has been made before the debtor files for bankruptcy, the landlord can apply for expedited relief from the stay.

Finally, Mr. President, it has been suggested that some debtors will try to game the system by filing for bankruptcy the day after a rent payment is due, thus giving themselves almost a free month in the apartment before my amendment would apply. I am willing to try to stop this kind of abuse by requiring debtors to pay any rent that comes due up to 10 days before the filing of the petition.

Mr. President, I am trying to be reasonable. I am going to make these changes in a second degree amendment and I hope the Senator from Alabama will accept the amendment. I want my colleagues to understand that this amendment is designed to address the abuses that the Senator from Alabama has identified, but do it in a much more reasonable way, so that we can protect some very vulnerable people from being thrown out on the streets at a very difficult time in their lives.

AMENDMENT NO. 2779 TO AMENDMENT NO. 2748

Mr. FEINGOLD. Mr. President, I send a second-degree amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

> The Senator from Wisconsin (Mr. FEINGOLD) proposes an amendment numbered 2779 to amendment No. 2748.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 1, line 5, strike all after ''(23)'' and insert the following:

under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor involving residential real property—

''(A) on which the debtor resides as a tenant under a rental agreement; and

''(B) with respect to which—

''(i) the debtor fails to make a rent payment that initially becomes due under the rental agreement or applicable State law after the date of filing of the petition or within the 10 days prior to the filing of the petition, if the lessor files with the court a certification that the debtor has not made a payment for rent and serves a copy of the certification to the debtor; or

''(ii) the debtor's lease has expired according to its terms and (a) the lessor or a member of the lessor's immediate family intends to personally occupy that property, or (b) the lessor has entered into an enforceable lease agreement with another tenant prior to the filing of the petition, if the lessor files with the court a certification of such facts and serves a copy of the certification to the debtor;

''(24) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor involving residential real property, if during the 1-year period preceding the filing of the petition, the debtor—

''(A) commenced another case under this title; and

''(B) failed to make a rent payment that initially became due under an applicable rental agreement or State law after the date of filing of the petition for that other case; or

''(25) under subsection (a)(3), of an eviction action based on endangerment of property or the use of an illegal drug, if the lessor files with the court a certification that the debtor has endangered property or used an illegal drug and serves a copy of the certification to the debtor.''; and

(4) by adding at the end of the flush material at the end of the subsection the following: ''With respect to the applicability of paragraph (23) or (25) to a debtor with respect to the commencement or continuation of a proceeding described in that paragraph, the exception to the automatic stay shall become effective on the 15th day after the lessor meets the filing and notification requirements under that paragraph, unless the debtor takes such action as may be necessary to address the subject of the certification or the court orders that the exception to the automatic stay shall not become effective or provides for a later date of applicability.''.

Mr. FEINGOLD. Mr. President, this second-degree amendment incorporates the modifications I just described. I hope it will be acceptable to the managers of the bill. I have actually shared these ideas and changes with the managers and with the Senator from Alabama.

If not, I urge my colleagues to support it.

I yield the floor.

Exhibit I

LAW OFFICES,
MILLER, FRANK & MILLER,
Philadelphia, PA, November 10, 1999.

Senator RUSS FEINGOLD,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR FEINGOLD: I listened to some of the debate concerning your amendment that would moderate some of the landlord-tenant provisions of S. 625. I am writing to let you know that some of the statements made in opposition to your amendment are not in my experience accurate. (I have represented thousands of low-income consumer debtors over the last 25 years and also spend time educating and consulting with other bankruptcy lawyers around the country.)

The statement was made that landlords always prevail in automatic stay motions. This is not correct. In my personal experience, I doubt that landlords have prevailed in even 20% of the cases. In most of the other cases, the family paid the rent due and the motion was either withdrawn or denied.

Overall, more than 20% of landlord stay motions probably are granted, because no one denies that in a few cities there have been widespread abuses (spurred by non-attorney petition preparers, not by attorneys) and when landlords have gone to court they have prevailed in almost all such cases. However, even in these places the problem was being solved even without legislation. I noticed that the figures given for Los Angeles county (where the abuses were worst) were from 1996. It is my understanding that changes in state law and in bankruptcy court procedures have significantly reduced the abuses since then.

The more important point is that in most cases, no motion is brought by the landlord. The automatic stay does what it was intended to do. In these cases, the family that was facing eviction cures the rent arrears and remains in its apartment. The landlord is made whole, and the family is permitted the time necessary to reorganize its finances. Thus, even if it is true that in most cases where landlords seek relief from the stay, such relief is granted (no data is actually kept on the results of such motions), in the large majority of bankruptcy cases tenants catch up on their rent arrears, the landlord is satisfied, no motion for relief from the stay is brought, and the family remains in its home.

To the extent there are abuses in the current system, your amendment will provide prompt and efficient relief by giving landlords a streamlined procedure that could be pursued quickly and without an attorney. Your amendment would make it impossible to obtain any significant delay simply by filing a bankruptcy petition, as can occur today. But it would not hurt the innocent family, struggling to get its finances together, that is able to begin making rent payments and cure its rent default.

Please contact me if you need further information about tenants in bankruptcy.

Very truly yours,

HENRY J. SOMMER.

The PRESIDING OFFICER. The Chair recognizes the Senator from Alabama.

Mr. SESSIONS. Mr. President, I appreciate the work of the Senator from Wisconsin. I know he cares deeply about this issue. He has made some changes in the previous amendment that make the bill more palatable. However, it still runs afoul of common sense and efficient operation of the bankruptcy system. Furthermore, it will allow abuse of the system in a way that is unjustified and unprecedented in terms of any other creditor of a person who goes into bankruptcy.

We are asking a landlord for certain periods of time to extend free rent, when the grocer is not required to give free groceries and the gas station is not required to give free gas.

Let me make a few points about this matter. It is a subject of great abuse in the United States. That is why we are here. The bankruptcy law was last amended in any significant fashion in 1978. Since that time, we have found that a large bankruptcy bar has developed. This has been very good in many ways, but also this skilled, experienced and specialized bar has learned how to utilize the Federal bankruptcy laws to maximize benefits for their clients, as they believe it is their duty to do. In the process, they have created abuses of innocent creditors and landlords, among others.

That is not what we are about. Our responsibility, as a Congress, is not to blame the lawyers, is not to blame the tenants who take advantage of these things. The responsibility of Congress is to pass laws that are not easily abused and that end in just results.

One of the most abused sections of the bankruptcy law has been the landlord-tenant situation. First, eviction procedures are set forth in the laws of all 50 States. One cannot simply throw somebody out of their apartment. One has to file an eviction notice, go to the State court, prove the case, and eventually get the tenant out. Many believe that process is far too prolonged and far too costly. That is what the law is. In many instances, it is good because it provides tenants opportunities to get their affairs together.

With the current bankruptcy law, tenants have responded to ads in newspapers and fliers passed out in neighborhoods and throughout the communities. Those ads say: Up to 7 months free rent. Call us; we will take care of you. We guarantee you 2 to 7 months of delays in payment of your rent and guarantee you will not be evicted under those circumstances.

How can that happen? Say a person is behind in his rent and also behind in other payments, and people have filed lawsuits against him, and he or she has gone to the lawyer to ask what to do, and the lawyer files for bankruptcy. Maybe the lease the person had with the landlord has already expired. Maybe it requires him to pay his rent monthly, and it has been 4 or 5 months since the rent has been paid, and the landlord has already commenced eviction actions against the tenant. When that happens, the matter normally goes forward in State court.

Under normal State laws for removal of someone who does not pay their

rent, when a bankruptcy court is involved, the eviction case is stayed; an automatic stay is issued. The landlord cannot proceed with that eviction until the stay is lifted in the bankruptcy court. Once that happens, the landlord can go back to State court and continue with his lawful eviction actions.

This has caused quite a bit of gaming of the system. For example, I will share with Members some statistics from California. The Los Angeles County Sheriffs Department estimates that 3,886 residents filed for bankruptcy in 1996 simply to prevent the execution of valid court-ordered evictions. The sheriff has the responsibility of actually evicting the tenant. The Sheriffs Department of Los Angeles said these 3,886 bankruptcy petitions represent over 7 percent of all the eviction cases handled by the department and that losses have been estimated at nearly $6 million per year in that county. Some people routinely flaunt that automatic stay provision—lawyers do—that advertises that persons may live rent free by filing bankruptcy.

One bankruptcy flier sent out said for a fee the lawyers will use more moves than Magic Johnson to prolong the eviction process.

This is not good. A judge in California has dealt with this matter over and over again, and in an opinion, this is what Judge Zurzolo in the Central District of California had to say about the evictions and how he believes how meritless they are. This is from his written opinion:

> . . . the bankruptcy courts . . . are flooded with chapter 7 and chapter 13 cases filed solely for the purpose of delaying unlawful detainer evictions. Inevitably and swiftly following this in bankruptcy court, the filing of these cases, is the filing of a motion for relief of stay by the landlord.

After the bankruptcy is filed and the eviction notice is stopped, the landlord has to go into bankruptcy court with his lawyer and file for relief from stay and say: Look, I have not been paid rent for many months; the tenant is in violation of the lease; there is no asset of which the bankruptcy court has jurisdiction. Bankruptcy judge, allow me to proceed with my eviction.

Or the landlord will say: The lease has expired. The tenant has been here a year. In month 14, the lease expired. He did not extend the lease. I want to remove him.

This is what the judge continues to say in his opinion:

> These relief from stay motions are rarely contested and are never lost. Bankruptcy courts in our district hear dozens of these stay motions weekly, none of which involves any justiciable controversies of fact or law.

I don't know about the individual who says he represented a lot of cases and said he won some of the motions, but I don't believe they ought to be winning them under the law if the lease has expired, and that is what our amendment says. If the lease has expired, there cannot be an asset of the bankruptcy estate, and if there is no asset for the bankruptcy court to take jurisdiction over, it has no ability to issue any stay orders to protect or stop any litigation that is ongoing.

That couldn't be the case. If the lease is behind and the payments have been so far delayed that the lease has been violated and, likewise, the tenant has no property interests, there is no asset before the bankruptcy court over which the bankruptcy court has jurisdiction. The bankruptcy court essentially has jurisdiction only over the assets, to make sure when a person cannot pay his debts, all the assets are brought into the pot and the people who should receive the money from the estate get it in proper order.

We are talking about monumental abuse. This is a loophole that has been expanded over and over again. We are seeing record numbers of filings. Many people are filing bankruptcy solely for this protection.

Senator FEINGOLD's amendment, which he has worked hard to improve, is better than before, but is still unacceptable and still creates an unjust situation. For example, if a debtor owes rent and files for bankruptcy, he can wait until after his rent is due and then file it and have 15 days before his first rent payment is due. Then he could make that payment and not make any more payments and remain on this property—maybe even when the lease has expired he can stay there—and not pay the next month's rent.

This is the problem I have been talking about. He has 2, 3, 4 months now. His lawyer is advising him how to do this. His lawyer is going to advise him, first of all: Pay me. Pay your lawyer and do not pay your other debts until you have to. The debtor will do that. Then the landlord has to get a lawyer to file a certificate of failure to pay rent, and once that has been approved by the court, after a further delay of 15 days, then he has to go back to State court, now months behind schedule, and pick up again his legitimate eviction notice.

Bankruptcy court ought not be for that purpose. If the people of the United States want to provide individuals without assets a place to live, then we ought to do so. In fact, we do that. We have low-rent housing for people with low income or rent-free housing for people who cannot afford it. We have benefits for people who do not have housing. But why should an American citizen, a landlord, be required to provide to a tenant, who has violated his lease, an asset rent free that we in the U.S. Congress are not willing to fund? If it is so easy and it costs so little, why don't we pay for it? Why don't we tax American people to pay for other people's rent? We are doing that to a degree right now.

I do not believe that is a legitimate approach to the matter. It is not common sense. It is not what American law is about. When you are in a Federal court, in a bankruptcy court, or a State court, if you have a lease, that is a contract, and if you violate that lease, then you lose the benefit of the contract.

This is so basic and fundamental that I do not know how we in this Congress can think we can pass a law that makes American citizens responsible for someone to have a place to live when they are not paying for it.

We have a number of different provisions in State law that allow tenants rights to hold on and refinance and maybe keep the place in which they live. That is all right. I want to continue that. If people want to change that, go to your State court, change your eviction laws in your State, and take it to your State legislature.

Let's not make the bankruptcy law become a policy of social engineering to decide who should get special benefits and who should pay for those benefits. In effect, it is a tax. The landlord who loses this money is a person who is taxed. Indeed, we may have landlords going bankrupt if tenants do not pay rent.

Two-thirds of rental residences in America today are four units or less. That means we have an awful large number of our grandparents and brothers-in-law who may have a duplex or garage apartment and are renting them to people, and all of a sudden, somebody does not pay. They cannot get the tenants out. The landlords are not receiving any money. Two, 3 months go by, and finally the landlord files for eviction. Boom, the tenant files for bankruptcy. Then, the landlord has to hire a lawyer to go to bankruptcy court, and that is another 2, 3 extra months delay. The landlord is without rent for 2, 3 months, and they still do not have their property back.

This is an abuse of bankruptcy law, and this legislation is designed to fix it. This bill does not change substantive landlord tenant law. Rather, it is a change in that if certain circumstances exist, the landlord does not have to hire a lawyer to go to Federal bankruptcy court to get relief.

It says there is an exemption from the automatic stay if the eviction proceeding was started prior to the filing of the bankruptcy. If the landlord had already filed for eviction before the individual files for bankruptcy, the eviction process can continue as it would have normally.

In addition, the bill says the automatic stay does not apply if an eviction proceeding was based on the fact that the lease had already been terminated. It was a year's lease, and you are in month 13, 14, 15, 16 and no payments have been received and the landlord wants to lease to another tenant. It is the landlord's property. The tenant has no property rights. His lease has expired, for heaven's sake.

I say to Senator FEINGOLD, I respect his concern for these matters. States do provide protections for persons who have difficulty paying their rent.

Also, many landlords all over America try to work with their tenants. They do not want to change tenants if they are happy with a tenant. If they can help work out the tenant's payments, for previous months, that is a courtesy extended by small landlords, two-thirds of whom have four units or less. Those courtesies can turn sour in a hurry if, after months of working with a tenant, the tenant becomes further and further behind in rent. Boom, a bankruptcy petition is filed; boom, they are stayed from eviction; months go by and the landlord has to hire a lawyer and great cost is incurred. This is an abuse of the system, and I must oppose this amendment.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I am disappointed in the response of the Senator from Alabama. His comments to the effect that the only thing we should be considering is State laws having to do with leases and contracts almost suggests to me he does not believe there is any role for Federal bankruptcy law.

Bankruptcy law is contemplated in the U.S. Constitution. It certainly was not understood there would be no role at all for Federal bankruptcy law to have an impact on people's lives in our States, whether it be Alabama or Wisconsin. The automatic stay is an integral part of the federal bankruptcy laws and its purpose is not just to protect the property of the estate but also to provide some breathing room for the debtor.

I will be the first to concede to the Senator from Alabama that one of the concerns in bankruptcy has to be making sure creditors get paid as much as possible and as efficiently as possible. That is legitimate. And a second important concern is to make sure people do not abuse the bankruptcy system.

But the concern the Senator from Alabama refuses to address, refuses to discuss, is that the bankruptcy law is supposed to help people get back on their feet. I will tell you that one lousy way to help people get back on their feet is to kick them out of their apartments, when it serves no financial interest of the landlord for that to happen.

The Senator from Alabama simply refuses to address the example I gave of a single woman with children, who is not getting her child support, who wants to and is prepared to pay her rent and is simply running into trouble and is ready to pay it again after she files for bankruptcy and has a stay against her other creditors. In the world that the Senator from Alabama portrays, this person loses out. This is deeply troubling to me.

What more can you do than listen to a colleague give hypothetical after hypothetical after hypothetical about what might be wrong with the amendment and try to specifically address those concerns? That is exactly what I have done in making the changes contained in my second degree amendment.

So, yes, efficiency in preventing abuses is an important principle. Let me review: The Senator from Alabama, both in committee and on the floor, has attempted to suggest that all kinds of abuses will still continue under the amendment that we have. The trouble is, the abuses he cites and the statistics he cites are all irrelevant to my amendment. My amendment will prevent the abuses.

He talks about the abuse of lawyers who do repeat filings, especially in Los Angeles County. We addressed that. Under our amendment, if you do multiple filings, you are out of luck; the stay is lifted automatically. Essentially, the provisions of the bill that the Senator from Alabama prefers apply in that situation.

In committee he argued against my amendment by saying: What happens if a landlord wants to move back into his own place? All right. We took care of that. We address that concern in the amendment. But then he says: What happens if his brother wants to move into the place? Well, we took care of that concern in this second degree amendment that I just offered.

Here is another example, because instead of admitting that we have actually dealt with some of these hypotheticals, he says: What happens if the landlord has a signed agreement for a new lease prior to the filing of the bankruptcy? We addressed that concern too, but that still isn't good enough.

But I tell you what frustrates me the most. The Senator from Alabama keeps saying that people will live rent free. It is as if I have said nothing here on the floor at all. It is as if I have not said, time after time after time, that under my amendment a tenant cannot live rent free for 5 or 6 months, as the Senator has suggested. After filing for bankruptcy, if you do not pay your rent as it comes due, you are out of there under my amendment.

So what is all this talk about abuses, when in each and every hypothetical the Senator has proposed in committee or on the floor we have addressed his concern? We have addressed abuse. We have addressed the fact that the system has to be efficient.

But what has not been addressed and what this amendment is trying to deal with is what the Senator from Alabama simply ignores. He gives no hope; he gives no alternative to the person that I describe: the woman with children, who is not getting her child support, who is willing and able to pay her rent once she files for bankruptcy, but the Senator from Alabama would have her booted out of her apartment with her kids at the very moment when she is trying to get back on her feet.

So I urge the Senator from Alabama to actually review all of my attempts to try to address his concerns so that I can feel at least that this has been a process where he has raised concerns that he was worried about and we tried to deal with them. That is what we have been doing in debating and modifying this amendment.

I know on other issues we have been able to do that with the Senator, and I appreciate that. But I urge him, surely there has to be a better answer than just ''tough luck'' for these individuals who I have described, who are not in a position where they are going to abuse the system, who cannot get month after month of free rent living, because that is exactly what we dealt to prevent in the amendment. We have specifically dealt with the problem of a person who tries to get more than 1 month of rent free.

The whole problem with this overall bill is sort of symbolized by this debate. There needs to be some balance. I have recognized, in that spirit, the call of the Senator from Alabama for more efficiency, the call of the Senator from Alabama for preventing abuses. But where is the balance? Where is the recognition that there are human beings with limited resources who may need the opportunity to stay in that apartment and pay the rent after the bankruptcy is filed?

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. I do thank the Senator from Wisconsin for accepting some changes because of my objections to his last amendment. As I indicated earlier, I think he did respond to a number of those. But I also think he fairly clearly made the arguments I made a few minutes ago. I made those the last time his amendment came up also; and those were not addressed. They still remain a fundamental flaw.

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

Mr. SESSIONS. Yes.

Mr. FEINGOLD. What objection do you have?

Mr. SESSIONS. My concern is that there is fundamentally no legal basis for a stay in bankruptcy court of a lease that has expired or a lease that has been breached by lack of payment—since there is none, then the landlord ought not to have to hire a lawyer and go to bankruptcy court. So I continue to have that concern. But the Senator from Wisconsin has repeatedly said the tenant would be able to remain on the property, but only if they paid rent.

Let me give you a hypothetical.

On October 1, the tenant's rent is due. The tenant does not pay. On October 11, he files bankruptcy. On November 1, the rent is due; and it is not paid. On November 1, the landlord immediately files his notice in the bankruptcy court. And then 15 days are allowed to go by, presumably so the tenant could file some other complaint in bankruptcy court, some other delay or motion. And 15 days go by; and on November 16, the stay of the eviction proceedings is lifted. Then the landlord has to go back to the State court again to pursue his eviction notice, which has been stopped, which has probably fallen behind the 10,000 other cases in that State court system. And now the landlord has a hard time bringing it up.

So I would suggest to you, it is quite possible that the tenant could have 6 weeks rent free. I made the comment about ''rent free'' because I will show this advertisement right here in San Bernadino: ''7 months free rent.'' That is what is being advertised in the paper:

> No matter how far you are behind in your rent. We guarantee you can stay in your apt. or house for 2–7 months more without paying a penny!!! Find out how. We can stop the Sheriff or Marshall and get you more time.

Mr. FEINGOLD. Is the Senator aware that our amendment would prohibit what you are reading right there?

Mr. SESSIONS. It does not exactly, but it gives them at least a month and a half—if not 2 months, a month and a half.

Mr. FEINGOLD. Isn't it a fact——

Mr. SESSIONS. In addition, it still allows the abuse of forcing the landlord to go to two different courts to pursue a legitimate——

Mr. FEINGOLD. If I could follow up, under the scenario you described, isn't it true that you are talking about a maximum of 6 weeks, and not 6 months? Wouldn't you concede that?

Mr. SESSIONS. Under this scenario, it is clearly 6 weeks, if everything goes perfectly for the landlord. It is guaranteed 6 weeks under these circumstances.

Mr. FEINGOLD. I would suggest to the Senator, you described the most egregious and extreme possibility under our amendment. And you were talking about 4 months, 5 months, 6 months. Not only is that not accurate, that is clearly not my intent.

My intent, as I have indicated time and again, is to try to make sure a person who is in this position has to pay that rent once they file for bankruptcy, and keep paying it or else they are out of luck. And the goal, just so it is clear to the Senator from Alabama, is obviously not to create that kind of scenario you described. If fact, you just made our case, that the maximum exposure there would probably be about 6 weeks, not 6 months, as you suggested.

Mr. SESSIONS. Mr. President, I believe I have the floor.

The PRESIDING OFFICER. The Senator from Alabama has the floor.

Mr. SESSIONS. Under most State eviction proceedings, a tenant who desires to stay on the property can maintain possession of that rental property 45 to 60 days. There are many rights and remedies for tenants. But at some point, the ability to stay without paying rent has to be ended. When you take that 45 to 60 days, and then file a bankruptcy petition, and then get another 6 weeks on top of that—and that is assuming everything goes smoothly, that the landlord can find a lawyer who will go to bankruptcy the first day he calls one, and who can get down there and file the proper petition or get his certificate filed. Maybe the landlord's lawyer does not understand how to file one of these certificates, and ends up billing him $250 or $300 for filing the darn thing, when, in fact, as the Senator, who is an excellent lawyer, knows, bankruptcy court has jurisdiction over property. It is the estate of the person who is filing. If there is no property, there is no estate, which is the case where the lease has expired, or the case where the lease has been breached by lack of payment. Then the bankruptcy court can't legitimately issue an order affecting that property. The bankruptcy judge can never issue an order under those circumstances. So why make somebody go to bankruptcy court to file these petitions if it will not do anything other than cost the landlord more money to delay the eviction and cost that person money?

If we in the Congress want to fund people who can't pay their rents and give them emergency funding, something like that, that is a matter to debate. I don't think we ought to tax private citizens to support individuals in this fashion when their contractual rights have been ended. We have to make sure our bankruptcy system is a good, tight, legal system and not a social service agency.

We give certain rights and benefits to debtors under bankruptcy law. We allow a person who has tremendous debts to walk in and wipe out every one of those debts. Unless their income is above the median income and they can pay back at least 25 percent of their debts, they can go in bankruptcy court and never pay anybody they owe. They do not have to pay their garage mechanic who fixed their automobile for them, not their brother-in-law who loaned their family money when they needed it, not their mother, not their credit card company, not their bank, not their doctor, not their hospital, just wipe them all out because we believe people ought not be crushed under a weight of debt.

I do not believe we would expect the gas station to give free gasoline to somebody who has filed bankruptcy. I don't believe we would expect the grocery store to give free groceries to somebody who filed bankruptcy. Neither should somebody who has violated his lease, is subject to eviction under the appropriate State law, be given free rent, even for a month and a half, perhaps more. That is what our concern is.

I understand the Senator's great passion for this circumstance, but I believe this would be a step backward. It would allow an abuse to continue which we need to eliminate. I hope the Members of this body will reject the amendment.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I appreciate the comments of the Senator from Alabama. Frankly, this isn't really about a great passion on this issue. All I am trying to achieve is some balance. I do think landlords should be paid their rent. I do think it is terrible when people abuse the system.

But in case after case where the Senator from Alabama has presented an abuse, we have tried to address it. What it all came down to, when I asked him what he still objected to, was that he fundamentally doesn't believe in the principle behind the bankruptcy system, which is giving people an opportunity to get back on their feet and providing a little breathing room in the case of the type of person I described.

I described a single woman with children who is not getting her child support, who is in danger of being booted out of that apartment. When the Senator responds, he talks about the people who game the system, people who have different debts all over the place and who can hire sophisticated attorneys. That is not who we are talking about.

In fact, I refer back to Mr. Sommer's summary of what my amendment would do. The amendment is actually perfectly tailored to the situation of the person who can't hire a lawyer or afford a lawyer. That is who we are talking about. We are talking about people who certainly are not sophisticated enough or able to game the bankruptcy system. They are not in that category at all. They are people who simply want to stay in their apartment. They have financial problems, but once they file for bankruptcy, they want to be able to start paying that rent again.

Let me read what Mr. Sommer said. He is not a person who works on bankruptcy. He is a distinguished author on bankruptcy law. He wrote to me:

> To the extent there are abuses in the current system, your amendment will provide prompt and efficient relief by giving landlords a streamlined procedure that could be pursued quickly and without an attorney.

Let me reiterate that. So much of the argument of the Senator from Alabama is premised on the idea that this is somehow a sweet deal for lawyers. What this expert says is that these provisions allow this kind of opportunity

for a person who needs it without an attorney. He writes:

> Your amendment would make it impossible to obtain any significant delay simply by filing a bankruptcy petition, as can occur today.

This expert makes it very clear that this is a significant improvement over current bankruptcy law, of which the Senator from Alabama is critical. Even with my amendment, he says it is almost impossible to obtain any significant delay simply by filing a bankruptcy petition. He concedes that some of that could happen today, as the Senator from Alabama has pointed out.

Here is the last line, the critical piece that the Senator from Alabama simply won't address, when it comes to one of the purposes of Federal bankruptcy law. Mr. Sommer says:

> But it would not hurt the innocent family, struggling to get its finances together, that is able to begin making rent payments and cure its rent default.

That is all I am trying to do, to get some balance here so that an innocent family that is trying to get its act together and finances together doesn't get booted out of its apartment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I appreciate the statements of the distinguished Senator from Wisconsin. I will offer for the record three advertisements that are not particularly unusual. One I read from earlier, how they can stop the sheriff and get you more time. Call us if you lost in court. Don't give up. Call us. We will give you more time.

In other words, if you have had your eviction proceedings that every other citizen gets, come down and file bankruptcy and we can get you more time, even though we can wipe out all your debts. A person can then begin to find another place to live, he has no other debt, no old debts to pay. He can afford to make the rent payments, and maybe a landlord will let him stay.

Here is another advertisement, from Los Angeles: Stop this eviction, from 1 to 6 months. I know under the Senator's amendment it might not take quite as long. He would cut that time down. But he said from 1 to 6. But under his amendment I just went through, wouldn't the Senator agree, it is at least a month to 6 weeks?

Mr. FEINGOLD. Mr. President, I ask the Senator, didn't we come to the conclusion that we are talking 6 weeks and not 6 months? Would the Senator concede that is a big difference, 6 weeks versus 6 months?

Mr. SESSIONS. Not if you depend on the rent every month, as many people do who rent out their garage.

Mr. FEINGOLD. Isn't there a substantial difference between 6 weeks and 6 months of rent? I would say that is significant.

Mr. SESSIONS. It is significant if you don't get rent for 2 months or 1 month or 6 months, if you need it.

The Senator suggests these people are not trying to game the system. They are not sophisticated in all of this. They go to lawyers. They take advertisements like this. Those advertisements will still be there. They tell tenants how to do this. They are shocked when the lawyer says, don't pay any more on your credit card. Don't pay any more at the bank. Don't pay any more of your debts. Take your next paycheck, give it to me, and I will wipe out everything you owe.

I ask unanimous consent to have printed in the RECORD these three documents.

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

7 MONTHS FREE RENT

100% GUARANTEED IN WRITING

No matter how far you are behind in your rent. We guarantee you can stay in your apt. or house for 2–7 months more without paying a penny!!! Find out how. We can stop the Sheriff or Marshall and get you more time. If the Sheriff or Marshall has been to your home, don't panic CALL US! If you lost in court don't give up. Call us and we'll get you more time.

Call Now (213) * * * All counties (Orange, Riverside, San Bernardino, Ventura, etc.) are open 24 hours. Call us and we'll give you our toll-free number (800 * * *). If all lines are busy please call (213) * * * for the location nearest you.

TENANT ORGANIZATION, INC.

Dear Tenant, As you know your landlord has filed for your eviction. Chances are you'll have to move! How long until you are forced to move depends on you.

The TENANT ORGANIZATION can legally stop your eviction for up to 120 days at rock bottom prices. ALL WITHOUT HAVING TO PAY RENT OR APPEAR IN COURT!

We are not a foundation or a National bureau we are the only TENANT ORGANIZATION in Southern California. Our prices are the lowest with the best service and quality you can find. For example we will prepare and file a Chapter 7 or 13 Bankruptcy Petition for only $120. This is a Federal Restraining Order that will delay your eviction for an average of 2 months. That is not all! We have more moves when it comes to prolonging your eviction. more moves than MAGIC JOHNSON!

REMEMBER THE TENANT ORGANIZATION CAN HELP YOU EVEN IF:

You have lost in Court.

Attorneys or even Judges order you to move.

Legal Aid can't help you and says you must move.

Your situation seems hopeless, JUST CALL!

A very urgent warning! Beware of strangers showing up at your front door unexpected and uninvited offering a legal service for your money. Usually these con men and rip off artists will claim to be attorneys or sent by the court. If you are approached by any of these people report them to your local police department. Don't become their next victim!

QUALITY

NEED MORE TIME TO MOVE?

Public records indicate that you are being SUED in the Los Angeles Municipal Court as a party to an Unlawful Detainer Action.

California Law requires that you file an ANSWER to the Complaint Within 5 Days of being served by the Landlord or be forcibly evicted from the premises that you now occupy. For as little as $20.00 you can begin to:

STOP THIS EVICTION FROM 1 TO 6 MONTHS

Whether you appear in the Municipal Court or not, there are Federal Laws which will assist you in your efforts to stop this eviction. A Federal Court Restraining Order, which is automatic upon filing, will immediately stop the Municipal Court, all Marshall's or Sheriff's from continuing this eviction.

Prompt Action in this Matter is Necessary

Failure to respond to this most urgent matter may result in your Immediate Eviction.

For Assistance in filing your answer or obtaining an Automatic Restraining Order Call 24 hr. 7 days a week

Mr. SESSIONS. One of the things Senator GRASSLEY has done in the bill, and the Senator has mentioned, is to provide that you do not have to have an attorney in bankruptcy court for most of the actions that will take place. This is indeed a good step forward. You would not have to have an attorney in this landlord tenant situation. I would suggest that for the average small apartment owner who gets a notice that he is to stay his eviction procedures, and he has a lawyer who is doing the eviction procedures, he is going to ask his lawyer: What is this? What can you do to get this stay lifted? The landlord is going to hire a lawyer and end up spending several hundred dollars to get this matter taken care of, when ultimately, the procedure is such that there will be no legal basis for the filing of the complaint in the overwhelming number of cases.

I understand the Senator's concern. I believe this bill, as written, will provide all the protections the States have given to tenants. I believe we have a responsibility to see they have protections, that they can defend their interests in court before being thrown out of their apartments.

And, indeed, that is the law in every State in America today. But I do not believe we ought to allow those who file bankruptcy to have substantial benefits over those who don't file bankruptcy, who are managing somehow, in some way, on the same income, to pay their debts. I don't believe they should have a superior advantage. I don't believe landlords who are going to lose in this bankruptcy proceeding, no telling how many months rent, should be required to fund additional rents. If this body wants to pay them to allow people to stay, it is OK; otherwise, it is not.

I yield the floor.

SATELLITE TELEVISION SERVICE

Mrs. LINCOLN. Mr. President, I rise today on behalf of the 570,000 satellite viewers in the State of Arkansas who would like to watch local news broadcasts over their satellite dishes. Since I

began serving in the Senate in January, I have received more phone calls, letters, and postcards regarding satellite television service than about Federal spending, crime, health care, or many of the other important issues we have debated this year.

Many constituents complained to me earlier this year after they lost some of their network signals due to a court order. Others have been worried they will lose part of their service by December 31. I have kept all of these constituents informed about developments with the bill that would let them keep their full satellite service.

When we passed the bill—which most people refer to as the Satellite Home Viewer Act—by unanimous consent in May, I told my constituents their problems would soon be resolved. Then, as the summer days got shorter and the leaves began to fall, I told them to just be patient. I said, ''It will be just a few more weeks,'' because members of the conference committee had begun to meet.

Now, as we rush to conclude the legislative session, my constituents, and millions of others across the country, are still waiting. I now share their anger with what they perceive as Washington interfering with their access to information and entertainment. I have been told there is only one Senator who is holding up the process of passing a bill that would permit satellite viewers to receive local network signals over their satellite dishes. This is especially frustrating considering the House of Representatives has overwhelmingly approved a bill by a vote of 411–8.

In my opinion, it is so unreal that those who stand in the way of this legislation would think that as we rush to finish the important task of funding the Federal Government, they can kill this bill in the 11th hour and no one will notice. I am here to bear witness that people will notice. As many as 50 million people will notice because that is how many people risk losing part of their satellite service if we do not complete action on the satellite bill before the end of this session.

The satellite TV conference report is the product of hard-fought and very extensive negotiation among conferees. The provision that one Senator has expressed concerns about is especially important for residents of rural States. The local broadcast signal provision in the satellite bill would create a loan guarantee to bring local channels via satellite into small television markets. Without this loan guarantee, there is little chance that any corporation will make a business decision to launch a satellite that would enable it to beam local television signals into rural communities. Local broadcasters provide people with local news and vital details about storm warnings and school closings. People in rural communities need access to this information. They deserve no less.

It is important to note that this loan guarantee will not cost the taxpayers 1 cent because a credit risk premium would cover any losses from default on the federally backed private loan.

This rural provision should stay in the satellite bill, and we should vote on this bill in the light of day rather than sneaking a whittled-down version into an omnibus package.

I hold in my hand a letter signed by a bipartisan group of 24 Senators urging the majority leader to file cloture on and proceed to the satellite bill. After we delivered the letter, five additional Senators called my office seeking to sign it. I understand that another letter supporting the rural provision may be circulating as I speak.

Mr. President, I urge the majority leader to listen to the will of the people and to the majority of the Members of this body. Let us vote on this today.

Mr. LEAHY. Mr. President, if I could take a moment to comment, I compliment Senator LINCOLN for her comments. I totally agree with her. There was a long and difficult conference. It was the Intellectual Property Communication Omnibus Reform Act—a long and difficult conference. We had a lot of give and take. We had conferees from two Senate committees. It became a Rubik's Cube, where everybody had to give something. We got it through, and it passed. I believe my friend said the vote in the House was 411–8. In my little State, we have 70,000 homes with satellite dishes that will be left dark if we don't get this. There are 12 million nationwide.

I hope we can do this before we go out. The heavy lifting has already been done. It was done in the committee of conference. The distinguished Senator from Arkansas made very clear throughout that whole time the needs of her constituents, as have other Senators. I hope that whether they are sitting in a farmhouse in Vermont, a home in Arkansas, or anywhere else, if on New Year's Eve they want to watch the festivities by satellite, they can do that. I compliment the Senator.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

PRESCRIPTION DRUGS

Mr. WYDEN. Mr. President, I wanted to take a few minutes to talk, as I have on several occasions recently, about the issue of prescription drugs and the Nation's elderly. You certainly can't open up a major publication these days without reading about this issue.

The New York Times, on Sunday last, had an excellent article. Time magazine, which came out in the last couple of days, had a lengthy discussion of prescription drugs and seniors. These are all very captivating discussions, but almost all of them end with the author's judgment that nothing is going to get done in Congress about this critical issue. They go on and on for pages and, finally, the author winds around to the conclusion that this issue has been tied up in partisanship and the kind of bickering that you see so often in Washington, DC. There you have it. Case closed. Lots of arguing but no relief for the Nation's older people. Lots of politics but no results.

So what I have been trying to do, in an effort to break the gridlock on that issue, is to come to the floor of the Senate and talk specifically about a bipartisan piece of legislation, the Snowe-Wyden bill, which has received what amounts to a majority of Senators' support at this point because they have already voted for the funding plan that we envisage, and to talk about how the Senate could come forward with real relief for the Nation's older people and do it in a bipartisan way.

As part of the effort to break the gridlock, as this poster next to me indicates, I hope seniors will send to each of us copies of their prescription drug bills. As a result of seniors and their families being involved in this way, this will help to bring about a bipartisan effort in the Senate and actually win passage of the legislation and bring about relief for older people.

The Snowe-Wyden legislation is called the SPICE bill, the Senior Prescription Insurance Coverage Equity Act. It ought to be a subject Members of Congress know something about because the Snowe-Wyden bill is based on the Federal Employees Health Benefits Plan. It is not some alien, one-size-fits-all Federal price control regime but something that offers a lot of choice and alternatives and uses the forces of the marketplace to deliver good health care to Members of Congress and their families.

Senator SNOWE and I have essentially used that model for the approach that we want to take in delivering prescription drug benefits for the Nation's older people. Fifty-four Members of the Senate, as part of the budget resolution, said they would vote for a specific way to fund the legislation. What I have tried to do is come to the floor on a number of occasions recently and as a result of folks reading this poster and sending copies of their prescription drug bills to us individually in the Senate in Washington, DC, I hope to be able to show the need in our country is enormous and to help catalyze bipartisan action.

Tonight, in addition to reading briefly from some of the bills I have received in recent days, I am going to talk a little bit about how it is not going to be possible to solve this problem unless the approach the Senate devises, in addition to being bipartisan, addresses the question of affordable insurance. For example, this Time magazine article that came out today—a

very interesting and very thoughtful piece and I commend the author for most of what is written—talks about the role of the Internet. It says there are going to be a variety of proposals debated on the floor of the Senate. But with the Internet, people are going to just try to go out and buy prescription drugs and it goes into various details about how seniors can buy prescriptions on line.

I was director of the Gray Panthers at home in Oregon for about 7 years before I was elected to the Congress. Suffice it to say, I can assure you that some of the most frail and vulnerable older people in our country are not going to be able to buy their prescriptions on line the way Time magazine envisages. But perhaps even more important, if an older person is spending more than half of his or her Social Security check on prescription medicine—and I have given example after example in recent days of older people in our country, at home in our States. I am very pleased my friend and colleague, Senator SMITH, is in the chair because he has talked often about the need for bipartisan action on this issue to help seniors.

I think both of us would agree that if you have an older person who is spending more than half of their monthly income on prescription drugs—more than half of their Social Security checks, for example, and a lot of them get nothing but Social Security—those folks are going to need decent insurance coverage. They need to be in a position to get insurance coverage that will pick up a significant hunk of their prescription drug costs.

The Time magazine article tells you all about buying drugs over the Internet. But a lot of those senior citizens with an income of $11,000 or $12,000 a year—a modest income—when they are spending more than half of their income on prescription drugs are not going to find an answer on the Internet. They are going to need decent insurance coverage.

The Snowe-Wyden legislation envisages—is a detailed plan, it is a specific plan, a bipartisan plan, S. 1480—and lays out a system that involves marketplace choices and competitive forces in the private sector. Seniors will be in a position to have real clout when it comes to purchasing private insurance.

I think what is so sad about the situation with respect to our older people and prescription drugs is they get hit by a double whammy. Medicare doesn't cover prescription medicine. That is the way the program began back in the middle 1960s.

Second, a lot of the big buyers, health maintenance organizations, or a plan, can go out and negotiate a discount. And the senior who walks into a pharmacy in our home State in Coos Bay or Beaverton or Pendleton or some part of our home State, ends up, in effect, paying a premium because the big buyers are able to negotiate discounts.

It is critical that seniors be in a position to get more affordable private insurance for their prescription medicine.

Under the Snowe-Wyden legislation for seniors on a modest income, other than a copayment or deductible, the legislation would pick up the entire part of that senior's insurance premium that covers prescription drugs.

That is something that will help that frail older person. It is not going to be the Internet that is going to be a panacea for that older person but legislation that helps that elderly widow or retired gentleman afford private insurance coverage is something that will be of help to them. That is what the Snowe-Wyden legislation is all about.

Tonight, I want to read from a few letters I have received in the last couple of days. And I will continue in the days ahead as the Senate wraps up—we hope it won't be too many more days ahead—to bring these kinds of cases to the floor of the Senate in an effort to try to see the Senate come together in a bipartisan way and provide some relief for older people.

One elderly couple, for example, wrote me about their medical situation, reporting that both had recently had heart surgery and one of them, in addition, had a stroke. They are taking blood-thinner drugs. They are taking important cholesterol-lowering drugs—Lipitor—and drugs for lowering blood pressure. They are breaking that particular medicine in half because they cannot afford their prescriptions, and then they are taking a drug which serves as an antidepressant.

This couple has a combined income of around $1,500 a month. For the month of October alone, they spent $888 on just the drugs I mentioned. Over half of their monthly income is going for prescription medicine.

I don't believe there is going to be relief for that elderly couple over the Internet. They are not going to be able to deal with that financial predicament where they spend over half of their monthly income on prescription medicine through some ''www'' opportunity on the Internet. They are going to need decent insurance coverage.

That is what the bipartisan Snowe-Wyden legislation tries to provide.

The second case I would like to touch on tonight comes from our home State. An elderly woman wrote me to report that in recent days she spent more than $800 on her prescription medicine. She writes: ''I'm on a fixed income. It's just getting harder and harder. Medicare help with prescriptions is a real need.''

Finally, a third letter that I think sums up the kind of predicament that a lot of seniors in our State are facing comes from Beaverton where an elderly couple is trying to make ends meet essentially with just Social Security and a little bit of help from family.

When they are finished paying for their prescription drugs—this is an elderly couple in Beaverton, OR, in our home State—they have $107.40 left over to live for the month.

Just think about that. It is not an isolated kind of case. Think about what it has to be like for an older couple to have $107 left over for living after they have paid for their prescription medicine.

In the last sentence, this particular elderly woman just asked a question: ''Can you help?''

I think that really sums it up.

I think the American people want to see if the Senate, instead of the usual tired routine of bickering and arguing and inaction, will produce a bipartisan plan to provide real relief.

What I find so striking, and why I am so proud to have teamed up with the Republican Senator from Maine on this bipartisan issue, is that when I am asked at home—I had a town meeting a couple of days ago on the Oregon coast. And the President often has the same kind of community session. I was asked about whether the Nation can afford to cover prescription medicine.

My answer is, if you are reading these bills, that America cannot afford not to cover prescription medicine because these drugs, as in the case I described initially, are drugs that keep people well. They help people deal with blood pressure. They help people deal with cholesterol. These are drugs to help keep people healthy. If you keep them healthy, they don't land in the hospital where they rack up those huge charges for Part A of Medicare. I cited repeatedly these anticoagulant medicines.

Evidence shows that for perhaps $1,000 a year, seniors could get a comprehensive program of anticoagulant medicines that can help prevent strokes. We have seen again and again that if you can't get this kind of preventive medical help and you incur a stroke, it costs more than $100,000 to pick up the cost.

That is really the choice, it seems to me, for the Senate. I think the Presiding Officer of the Senate and I have shown in our home States that it is possible on a whole host of issues, frankly, issues that a lot of people think are more divisive than even prescription medicine, to come together in a bipartisan way. I am hopeful the Senate can show that as well. We have seen one poll after another demonstrating that the American people want Congress to provide real relief.

In the last couple of weeks, I have seen several polls which indicate that helping frail and vulnerable seniors with prescription drug coverage through Medicare is one of the top two or three concerns for this country.

Instead of these articles that we are seeing coming out of Time magazine and New York Times and others saying we probably won't be finished, and there won't be an effective answer, I would like to see the Senate show we can really follow through and produce for the older people of this country.

In the days left of this session—we all hope there won't be many more—until we get comprehensive bipartisan legislation that provides the elderly real relief, I intend to keep coming to the floor of the Senate to talk about this issue.

I hope folks who are listening tonight will send in copies of their prescription drug bills.

This poster says it all: ''Send in your prescription drug bills.'' Send them to each of us in the Senate in Washington D.C.

I can tell you the bills that are coming into my office—they are really coming in now as a result of our taking the opportunity to discuss this issue on the floor of the Senate—say that this is an urgent need.

There are people who write who are conservative. There are people who write who are liberals, Democrats, Republicans, and independents, and all across the political spectrum who say: Get the job done. We are not interested in the traditional bickering and fighting about who gets credit, whose turf is being invaded, and which particular parochial kind of issue is being placed ahead of the national wellbeing.

This Nation's seniors and this Nation's families want us to come together and deal with this issue.

I intend to come back on the floor of the Senate again and again until the Senate does.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

MORNING BUSINESS

Mr. SESSIONS. Mr. President, I ask unanimous consent that there be a period for the transaction of morning business with Senators permitted to speak for up to 10 minutes each.

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

TRIBUTE TO KJAM IN CELEBRATION OF ITS 40TH YEAR OF BROADCASTING

Mr. DASCHLE. Mr. President, I would like to take this opportunity to acknowledge the 40th year of broadcasting for radio station KJAM-FM, serving Madison, South Dakota and area communities. KJAM Radio first aired on December 3rd, 1959, and this December 3rd, the staff and friends of the radio station will be celebrating this remarkable feat in radio broadcasting with a well-deserved anniversary party.

Small town, locally owned radio stations like KJAM are one of rural America's unique cultural contributions to our nation. They mirror the strong values of the small towns they serve. KJAM has served Madison well, and I would like to commend the employees and supporters of KJAM for their dedication over these 40 years in bringing to the area local and regional news, weather, and broadcasts of events for Dakota State University and area high schools.

Beginning in January, KJAM will be managed by Three Eagles Communications, which I am sure will continue to enrich the lives of area residents with quality radio broadcasting.

I know my colleagues will join me in honoring John and JoLynn Goeman, the owners of KJAM, who have given so much to the Madison community. John Goeman is the only employee who has been with the station since its inception, and I know his listeners will be sad to hear his last greeting to radio listeners with the ''First Edition'' of the day's news. We all owe an enormous debt of gratitude to the Goemans and KJAM for making such an invaluable contribution to Madison and the entire state of South Dakota.

SENATE QUARTERLY MAIL COSTS

Mr. MCCONNELL. Mr. President, in accordance with section 318 of Public Law 101–520 as amended by Public Law 103–283, I am submitting the frank mail allocations made to each Senator from the appropriation for official mail expenses and a summary tabulation of Senate mass mail costs for the third and fourth quarter of FY99 and ask unanimous consent it be printed in the RECORD. The first and second quarters of FY99 cover the periods of April 1, 1999, through June 30, 1999, and July 1, 1999 though September 30, 1999. The official mail allocations are available for franked mail costs, as stipulated in Public Law 105–275, the Legislative Branch Appropriations Act of 1999.

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

Senators	FY 99 official mail allocation	Total pieces	Pieces per capita	Total cost	Cost per capita
SENATE QUARTERLY MASS MAIL VOLUMES AND COSTS FOR THE QUARTER ENDING JUNE 30, 1999					
Abraham	$111,746	0	0	0.00	0
Akaka	34,648	0	0	0.00	0
Allard	63,266	0	0	0.00	0
Ashcroft	77,190	0	0	0.00	0
Baucus	33,857	700	0.00088	$942.35	$0.00118
Bayh	60,223	0	0	0.00	0
Bennett	40,959	0	0	0.00	0
Biden	31,559	0	0	0.00	0
Bingaman	41,646	0	0	0.00	0
Bond	77,190	0	0	0.00	0
Boxer	301,322	0	0	0.00	0
Breaux	66,514	0	0	0.00	0
Brownback	49,687	0	0	0.00	0
Bryan	41,258	0	0	0.00	0
Bumpers	13,218	0	0	0.00	0
Bunning	46,853	0	0	0.00	0
Burns	33,857	8,250	0.01033	6,859.62	0.00859
Byrd	43,560	0	0	0.00	0
Campbell	63,266	0	0	0.00	0
Chafee	34,037	0	0	0.00	0
Cleland	95,484	0	0	0.00	0
Coats	21,139	0	0	0.00	0
Cochran	50,337	0	0	0.00	0
Collins	37,775	0	0	0.00	0
Conrad	31,000	0	0	0.00	0
Coverdell	95,484	0	0	0.00	0
Craig	35,841	0	0	0.00	0
Crapo	27,070	0	0	0.00	0
D'Amato	183,036	0	0	0.00	0
Daschle	31,638	0	0	0.00	0
DeWine	132,302	0	0	0.00	0
Dodd	56,116	0	0	0.00	0
Domenici	41,646	0	0	0.00	0
Dorgan	31,000	1,480	0.00232	217.74	0.00034
Durbin	128,275	0	0	0.00	0
Edwards	76,489	0	0	0.00	0
Enzi	29,891	0	0	0.00	0
Faircloth	29,275	0	0	0.00	0
Feingold	72,089	0	0	0.00	0
Feinstein	301,322	0	0	0.00	0
Fitzgerald	97,925	1,500	0.00013	513.31	0.00005
Ford	16,343	0	0	0.00	0
Frist	76,208	0	0	0.00	0
Glenn	35,757	0	0	0.00	0
Gorton	78,087	0	0	0.00	0
Graham	182,107	2,134	0.00017	827.99	0.00006
Gramm	204,461	0	0	0.00	0
Grams	67,542	953	0.00022	777.11	0.00018
Grassley	52,115	0	0	0.00	0
Gregg	35,947	0	0	0.00	0
Hagel	40,350	0	0	0.00	0
Harkin	52,115	0	0	0.00	0
Hatch	40,959	0	0	0.00	0
Helms	100,311	0	0	0.00	0
Hollings	61,281	0	0	0.00	0
Hutchinson	50,285	0	0	0.00	0
Hutchison	204,461	0	0	0.00	0
Inhofe	58,788	0	0	0.00	0
Inouye	34,648	0	0	0.00	0
Jeffords	30,740	3,985	0.00708	2,040.32	0.00363
Johnson	31,638	36,973	0.05312	15,214.26	0.02186
Kempthorne	9,246	0	0	0.00	0
Kennedy	82,469	2,020	0.00034	471.62	0.00008
Kerrey	40,350	0	0	0.00	0
Kerry	82,469	1,052	0.00018	392.39	0.00007
Kohl	72,089	0	0	0.00	0
Kyl	68,434	0	0	0.00	0
Landrieu	66,514	0	0	0.00	0
Lautenberg	97,304	0	0	0.00	0
Leahy	30,740	3,858	0.00686	3,043.36	0.00541
Levin	111,476	5,267	0.00057	4,771.94	0.00051
Lieberman	56,116	0	0	0.00	0
Lincoln	38,142	220	0.00009	73.92	0.0003
Lott	50,337	0	0	0.00	0
Lugar	79,091	0	0	0.00	0
Mack	182,107	0	0	0.00	0
McCain	68,434	22,000	0.00600	16,742.24	0.00457
McConnell	61,650	0	0	0.00	0
Mikulski	71,555	0	0	0.00	0
Moseley-Braun	128,275	0	0	0.00	0
Moynihan	183,036	0	0	0.00	0
Murkowski	30,905	0	0	0.00	0
Murray	78,087	2,350	0.00048	525.66	0.00011
Nickles	58,788	0	0	0.00	0
Reed	34,037	0	0	0.00	0
Reid	41,258	0	0	0.00	0
Robb	87,385	0	0	0.00	0
Roberts	49,687	197,500	0.07972	25,398.47	0.01025
Rockefeller	43,560	0	0	0.00	0
Roth	31,559	0	0	0.00	0
Santorum	138,265	0	0	0.00	0
Sarbanes	71,555	0	0	0.00	0
Schumer	139,902	0	0	0.00	0
Sessions	67,265	0	0	0.00	0
Shelby	67,265	0	0	0.00	0
Smith, Gordon	56,383	0	0	0.00	0
Smith, Robert	35,947	0	0	0.00	0
Snowe	37,755	328	0.00027	264.69	0.00022
Specter	138,265	0	0	0.00	0
Stevens	30,905	0	0	0.00	0
Thomas	29,891	1,011	0.00223	812.35	0.00179
Thompson	76,208	0	0	0.00	0
Thurmond	61,281	0	0	0.00	0
Torricelli	97,304	1,260	0.00016	1,174.32	0.00015
voinovich	101,012	0	0	0.00	0
Warner	87,385	0	0	0.00	0
Wellstone	67,542	0	0	0.00	0
Wyden	56,383	0	0	0.00	0
SENATE QUARTERLY MASS MAIL VOLUMES AND COSTS FOR THE QUARTER ENDING SEPT. 30, 1999					
Abraham	111,746	0	0	0.00	0
Akaka	34,648	0	0	0.00	0
Allard	63,266	0	0	0.00	0
Ashcroft	77,190	0	0	0.00	0
Baucus	33,857	0	0	0.00	0
Bayh	60,223	0	0	0.00	0
Bennett	40,959	0	0	0.00	0
Biden	31,559	0	0	0.00	0
Bingaman	41,646	0	0	0.00	0
Bond	77,190	0	0	0.00	0
Boxer	301,322	353,000	0.01185	50,824.78	0.00171
Breaux	66,514	0	0	0.00	0
Brownback	49,687	0	0	0.00	0
Bryan	41,258	22,500	0.01872	4,664.01	0.00388
Bumpers	13,218	0	0	000	0

Senators	FY 99 official mail allocation	Total pieces	Pieces per capita	Total cost	Cost per capita
Bunning	46,853	0	0	0.00	0
Burns	33,857	11,296	0.01414	8,929.76	0.01118
Byrd	43,560	0	0	0.00	0
Campbell	63,266	0	0	0.00	0
Chafee	34,037	0	0	0.00	o
Cleland	95,484	0	0	0.00	0
Coats	21,139	0	0	0.00	0
Cochran	50,337	0	0	0.00	0
Collins	37,775	0	0	0.00	0
Conrad	31,000	0	0	0.00	0
Coverdell	95,484	0	0	0.00	0
Craig	35,841	0	0	0.00	0
Crapo	27,070	0	0	0.00	0
D'Amato	183,036	0	0	0.00	0
Daschle	31,638	0	0	0.00	0
DeWine	132,302	0	0	0.00	0
Dodd	56,116	0	0	0.00	0
Domenici	41,646	0	0	0.00	0
Dorgan	31,000	4,571	0.00716	3,971.14	0.00622
Durbin	128,275	1,300	0.00011	1,043.44	0.00009
Edwards	76,489	6,806	0.00103	7,217.31	0.00109
Enzi	29,891	0	0	0.00	0
Faircloth	29,275	0	0	0.00	0
Feingold	72,089	0	0	0.00	0
Feinstein	301,322	0	0	0.00	0
Fitzgerald	97,925	0	0	0.00	0
Ford	16,343	0	0	0.00	0
Frist	76,208	0	0	0.00	0
Glenn	35,757	0	0	00.0	0
Gorton	78,087	320,000	0.06575	57,244.02	0.01176
Graham	182,107	0	0	0.00	0
Gramm	204,461	1,425	0.00008	315.15	0.00002
Grams	67,542	52,315	0.01196	43,346.34	0.00991
Grassley	52,115	270,000	0.09723	53,876.10	0.01940
Gregg	35,947	0	0	0.00	0
Hagel	40,350	0	0	0.00	0
Harkin	52,115	0	0	0.00	0
Hatch	40,959	0	0	0.00	0
Helms	100,311	0	0	0.00	0
Hollings	61,281	0	0	0.00	0
Hutchinson	50,285	0	0	0.00	0
Hutchison	204,461	0	0	0.00	0
Inhofe	58,788	0	0	0.00	0
Inouye	34,648	0	0	0.00	0
Jeffords	30,740	66,450	0.11808	10,678.95	0.01898
Johnson	31,638	264,900	0.38060	78,299.58	0.11250
Kempthorne	9,246	0	0	0.00	0
Kennedy	82,469	1,222	0.00020	420.50	0.00007
Kerrey	40,350	0	0	0.00	0
Kerry	82,469	712	0.00012	622.27	0.00010
Kohl	72,089	0	0	0.00	0
Kyl	68,434	0	0	0.00	0
Landrieu	66,514	0	0	0.00	0
Lautenberg	97,304	0	0	0.00	0
Leahy	30,740	5,500	0.00977	1,503.55	0.00267
Levin	111,476	2,000	0.00022	1,522.41	0.00016
Lieberman	56,116	0	0	0.00	0
Lincoln	38,142	0	0	0.00	0
Lott	50,337	0	0	0.00	0
Lugar	79,091	0	0	0.00	0
Mack	182,107	0	0	0.00	0
McCain	68,434	0	0	0.00	0
McConnell	61,650	0	0	0.00	0
Mikulski	71,555	0	0	0.00	0
Moseley-Braun	128,275	0	0	0.00	0
Moynihan	183,036	294,000	0.01634	57,400.05	0.00319
Murkowski	30,905	0	0	0.00	0
Murray	78,087	42,150	0.00866	7,361.16	0.00151
Nickles	58,788	1,833	0.00058	1,445.23	0.00046
Reed	34,037	1,150	0.00115	332.67	0.00033
Reid	41,258	22,500	0.01872	4,818.46	0.00401
Robb	87,385	0	0	0.00	0
Roberts	49,687	200,000	0.08072	27,570.98	0.01113
Rockefeller	43,560	122,500	0.06830	20,402.30	0.01138
Roth	31,559	0	0	0.00	0
Santorum	138,265	0	0	0.00	0
Sarbanes	71,555	0	0	0.00	0
Schumer	139,902	5,333	0.00030	4,587.20	0.00026
Sessions	67,265	0	0	0.00	0
Shelby	67,265	0	0	0.00	0
Smith, Gordon	56,383	0	0	0.00	0
Smith, Robert	35,947	0	0	0.00	0
Snowe	37,755	930	0.00076	855.21	0.00070
Specter	138,265	0	0	0.00	0
Stevens	30,905	0	0	0.00	0
Thomas	29,891	676	0.00149	599.57	0.00132
Thompson	76,208	0	0	0.00	0
Thurmond	61,281	0	0	0.00	0
Torricelli	97,304	100,000	0.01291	79,601.81	0.01027
Voinovich	101,012	3,000	0.00028	2,690.34	0.00025
Warner	87,385	0	0	0.00	0
Wellstone	67,542	0	0	0.00	0
Wyden	56,383	0	0	0.00	0

Other offices	Total pieces	Total cost
COMMITTEE MASS MAIL TOTALS FOR THE QUARTER ENDING SEPT. 30, 1999		
The Vice President	0	0.00
The President Pro-Tempore	0	0.00
The Majority Leader	0	0.00
The Minority Leader	0	0.00
The Assistant Majority Leader	0	0.00
The Assistant Minority Leader	0	0.00
Sec of Majority Conference	0	0.00
Sec of Minority Conference	0	0.00
Agriculture Committee	0	0.00
Appropriations Committee	0	0.00
Armed Services Committee	0	0.00
Banking Committee	0	0.00
Budget Committee	0	0.00
Commerce Committee	0	0.00
Energy Committee	0	0.00
Environment Committee	0	0.00
Finance Committee	0	0.00
Foreign Relations Committee	0	0.00
Governmental Affairs Committee	0	0.00
Judiciary Committee	0	0.00
Labor Committee	0	0.00
Rules Committee	0	0.00
Small Business Committee	0	0.00
Veterans Affairs Committee	0	0.00
Ethics Committee	0	0.00
Indian Affairs Committee	0	0.00
Intelligence Committee	0	0.00
Aging Committee	0	0.00
Joint Economic Committee	0	0.00
Joint Committee on Printing	0	0.00

Other offices	Total pieces	Total cost
JCMTE Congress Inaug	0	0.00
Democratic Policy Committee	0	0.00
Democratic Conference	0	0.00
Republican Policy Committee	0	0.00
Republican Conference	0	0.00
Legislative Counsel	0	0.00
Legal Counsel	0	0.00
Secretary of the Senate	0	0.00
Sergeant at Arms	0	0.00
Narcotics Caucus	0	0.00
SCMTE POW/MIA	0	0.00
Total	0	0.00

CRASH OF THE UNITED NATIONS WORLD FOOD PROGRAMME AIRCRAFT

Mr. DURBIN. Mr. President, on Friday, November 12, a United Nations World Food Programme airplane carrying 24 people crashed in northern Kosovo, killing all on board. The plane departed Rome bound for Pristina, Kosovo—the wreckage was found only 20 miles from its destination. The passengers, mainly humanitarian aid workers, were on a routine flight run by the World Food Programme.

The World Food Programme is the world's largest international food aid organization that provides food aid to 75 million people worldwide through development projects and emergency operations.

The WFP fights both the acute hunger that grips a family fleeing civil conflicts and the chronic hunger that slowly gnaws away a life. Hunger afflicts one out of every seven people on earth. 800 million people are malnourished. Starvation threatens at least another 50 million victims of man-made and natural disasters. In 1998, the WFP delivered 2.8 million tons of food to 80 countries. These projects are enormous undertakings, and are sometimes not without human costs.

The WFP has lost more employees than any other UN agency in work-related accidents, illnesses or attacks. Fifty-one people since 1988 have lost their lives while in service to those who would otherwise go hungry. Among the 24 people who died in the most recent tragedy were doctors, a civil engineer, aid workers, a volunteer chemist, police officers and non-governmental organization workers.

As we begin to plan our Thanksgiving meals, let us pause a moment to reflect on those who dedicate themselves to the eradication of starvation. Let us remember our dear friend and colleague, Congressman Mickey Leland, who died in a plane crash 10 years ago while leading a mission to an isolated refugee camp in Ethiopia.

And as we talk about the United Nations, let us not forget who the U.N. is made up of—humanitarian aid workers who devote their lives, often at great risk, to easing the suffering of others.

THE UNITED STATES BORDER PATROL

Mr. ABRAHAM. Mr. President, it is my pleasure to rise as a cosponsor of S. Con. Res. 74, a resolution which recognizes the United States Border Patrol's 75 years of service to this country.

These brave men and women serve, day in and day out, as both defenders and ambassadors of our nation. With professionalism, civility and a watchful eye, members of the United States Border Patrol watch out for illegal immigrants and the entry of illegal drugs.

It is a difficult task, Mr. President. But one that our Border Patrol Agents perform well. And these duties are not just difficult, Mr. President. Oftentimes they are dangerous as well. Particularly in this era of well-armed thugs and smugglers, Border Patrol Agents may find themselves outgunned as they protect our nation's borders. 86 Border Patrol Agents and Pilots have lost their lives in the line of duty—6 in 1998 alone.

We all owe our Border Patrol our thanks for their bravery and their willingness to put in long, hard hours in service to their country.

I would like to make special note, Mr. President, of the members of the Detroit Sector of the U.S. Border Patrol. These fine individuals perform with grace in the face of very difficult assignments. In the Detroit sector, fewer than 20 Border Patrol field agents are expected to be responsible for four large Midwestern states—Michigan, Ohio, Indiana, and Illinois, an area covering hundreds of miles of border. This small number of Border Patrol agents also must assist INS investigators in responding to local law enforcement requests in these four states.

I salute the good work of the United States Border Patrol, and especially thank the members of the Detroit Sector for their work above and beyond the call of duty.

PEDRO MARTINEZ WINS 1999 AMERICAN LEAGUE CY YOUNG AWARD

Mr. KENNEDY. Mr. President, all of us in Massachusetts know that Pedro

Martinez, the great pitcher for the Boston Red Sox, is the class of the American League. Yesterday, the Baseball Writers' Association of America confirmed that judgment by unanimously selecting Pedro Martinez as the winner of the Cy Young Award for the American League for 1999.

Pedro's record this year was brilliant. His 23 victories, his earned run average of 2.07, and his 313 strikeouts led the league in all three of those categories, and his dramatic victory over the New York Yankees in the third game of the American League Championship Series last month was the crowning achievement in his extraordinary season.

All of us in Boston are proud of the Red Sox and proud of Pedro Martinez. I congratulate him on this well-deserved recognition, and I ask unanimous consent that a ''Red Sox News Flash'' about the award be printed in the RECORD.

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

RED SOX NEWS FLASH, NOV. 16, 1999

This afternoon Red Sox pitcher Pedro Martinez was selected the 1999 American League Cy Young award winner by the Baseball Writers' Association of America. The voting was unanimous, with Pedro finishing with 140 points, including all 28 first place votes.

Martinez led the American League in seven major pitching categories, including wins (23), ERA (2.07) and strikeouts (313), becoming the first Red Sox pitcher to lead the AL in those three categories since Cy Young in 1901. Martinez' 2.07 ERA was more than a run less than New York's David Cone, who ranked 2nd in ERA at 3.44. The right-hander also became the third pitcher to win the award in both leagues, joining Randy Johnson (1995 in AL & 1999 in NL) and Gaylord Perry (1972 in AL & 1978 in NL). He also becomes the fifth pitcher to win the award with two different clubs.

Pedro's 313 strikeouts in 1999 set a new Red Sox single season record. Martinez became the first American League pitcher with 300 or more strikeouts in a season since Randy Johnson in 1993 with Seattle (308) and he is one of 14 different pitchers to have struck out 300 or more batters in a season. He is the second pitcher in Major League History to achieve 300 or more strikeouts in both leagues (Randy Johnson is the other). Pedro is only the 9th player in Major League History to strike out 300 or more batters in a season more than once: joining Nolan Ryan (6x), Sandy Koufax (3x), Randy Johnson (3x, including '99), Sam McDowell (2x), Curt Schilling (2x), Walter Johnson (2x) and J.R. Richard (2x).

The Dominican Republic native tossed his 2nd career 1 hitter on September 10th at New York and set a career high with 17 strikeouts (tying the Major League season-high in 1999). Martinez became the first Red Sox pitcher to win 20 games since Roger Clemens in 1990 (21–6) and the first Sox pitcher other than Clemens since Dennis Eckersley in 1978. He also set a team record by striking out 10 or more batters 19 times in a season. He became the first right-handed pitcher to record 15 or more strikeouts 6 times in a season since Nolan Ryan in 1974. Pedro struck out the side 18 times in his 213.1 IP and has struck out 10 or more batters 54 times in his career, 27 times as a Red Sox.

Pedro Martinez becomes the third Red Sox pitcher to win the Cy Young award, joining Roger Clemens (1986, 1987 & 1991) and Jim Lonborg (1967). He is only the fifth AL Cy Young Award winner to be selected unanimously since 1967, when the award was first presented to a pitcher in both the American League and National League.

Previous AL Cy Young Award Winners:

1998 Roger Clemens, Toronto Blue Jays
1997 Roger Clemens, Toronto Blue Jays
1996 Pat Hentgen, Toronto Blue Jays
1995 Randy Johnson, Seattle Mariners
1994 David Cone, Kansas City Royals
1993 Jack McDowell, Chicago White Sox
1992 Dennis Eckersley, Oakland Athletics
1991 Roger Clemens, Boston Red Sox
1990 Bob Welch, Oakland Athletics
1989 Bret Saberhagen, Kansas City Royals
1988 Frank Viola, Minnesota Twins
1987 Roger Clemens, Boston Red Sox
1986 Roger Clemens, Boston Red Sox
1985 Bret Saberhagen, Kansas City Royals
1984 Guillermo (Willie) Hernandez, Detroit Tigers
1983 LaMarr Hoyt, Chicago White Sox
1982 Pete Vockovich, Milwaukee Brewers
1981 Rollie Fingers, Milwaukee Brewers
1980 Steve Stone, Baltimore Orioles
1979 Mike Flanagan, Baltimore Orioles
1978 Ron Guidry, New York Yankees
1977 Sparky Lyle, New York Yankees
1976 Jim Palmer, Baltimore Orioles
1975 Jim Palmer, Baltimore Orioles
1974 Jim (Catfish) Hunter, Oakland Athletics
1973 Jim Palmer, Baltimore Orioles
1972 Gaylord Perry, Cleveland Indians
1971 Vida Blue, Oakland Athletics
1970 Jim Perry, Minnesota Twins
1969 (tie) Mike Cuellar, Baltimore Orioles; Denny McLain, Detroit Tigers
1968 Denny McLain, Detroit Tigers
1967 Jim Lonborg, Boston Red Sox
1964 Dean Chance, Los Angeles Angels
1961 Whitey Ford, New York Yankees
1959 Early Wynn, Chicago White Sox
1958 Bob Turley, New York Yankees

Note: One award from 1956–66; NL pitchers won in 1956–57, 1960, 1962–63, 1965–66.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, November 16, 1999, the Federal debt stood at $5,689,775,697,887.62 (Five trillion, six hundred eighty-nine billion, seven hundred seventy-five million, six hundred ninety-seven thousand, eight hundred eighty-seven dollars and sixty-two cents).

One year ago, November 16, 1998, the Federal debt stood at $5,581,706,000,000 (Five trillion, five hundred eighty-one billion, seven hundred six million).

Five years ago, November 16, 1994, the Federal debt stood at $4,748,423,000,000 (Four trillion, seven hundred forty-eight billion, four hundred twenty-three million).

Ten years ago, November 16, 1989, the Federal debt stood at $2,918,690,000,000 (Two trillion, nine hundred eighteen billion, six hundred ninety million).

Fifteen years ago, November 16, 1984, the Federal debt stood at $1,627,271,000,000 (One trillion, six hundred twenty-seven billion, two hundred seventy-one million) which reflects a debt increase of more than $4 trillion—$4,062,504,697,887.62 (Four trillion, sixty-two billion, five hundred four million, six hundred ninety-seven thousand, eight hundred eighty-seven dollars and sixty-two cents) during the past 15 years.

UNDER THE INFLUENCE

Mr. LEVIN. Mr. President, in July, when the Senate debated the Commerce, Justice, State, and Judiciary fiscal year 2000 spending bill, an important amendment was adopted to the bill. That amendment, offered by my colleague Senator BOXER, would have made it illegal to sell or transfer firearms or ammunition to anyone under the influence of alcohol. Unfortunately, the House-Senate conference committee, in working out the differences between the two versions of this spending measure, removed the Senate-passed amendment from the final bill.

I do not understand how something so simple, so straightforward, could be deleted from the final bill. This amendment does nothing more than save lives and prevent injuries by prohibiting drunks from buying guns or ammunition. Under current law, it is illegal to sell firearms or ammunition to a purchaser under the influence of illicit drugs. This would simply close the loophole by making it illegal for someone under the influence of alcohol to purchase the same products.

It is unconscionable that House and Senate conferees deleted this commonsense provision from the bill. Unfortunately, this is just another example of how reasonable legislation is repeatedly stymied by the power of the NRA.

THE MICROSOFT RULING

Mr. HOLLINGS. Mr. President, two core principles guide our economy, competition and the rule of law. In the absence of competition there is no innovation or consumer choice. For over 100 years the anti-trust laws have served as an indispensable bullwark to ensure that unfettered competition does not result in monopoly power that stifles innovation and denies consumers a choice.

So it is curious that a veritable who's who of ''conservative'' politicians and think tanks unleashed a barrage of faxes attacking Federal Judge Thomas Penfield Jackson's decision in United States v. Microsoft.

Based on a voluminous record, Judge Jackson found that Microsoft had succeeded in ''stifling innovations that would benefit consumers, for the sole reason that they do not coincide with Microsoft's self-interest.''

The factual findings of the District Court held that ''Microsoft will use its

prodigious market power and immense profits to harm any firm that insists on pursuing initiatives that could intensify competition against one of its core products.''

According to the District Court, Microsoft ''foreclosed an opportunity for PC makers to make Windows PC systems less confusing and more user-friendly as consumers desired.''

The record included the testimony of numerous high tech entrepreneurs who felt the lash of Microsoft's monopolistic wrath. From IBM's inability to gain support for its OS2/Warp operating system to Apple's inability to effectively compete with Windows to threats to cut off Netscape's ''oxygen supply,'' Microsoft engaged in a pernicious pattern of anticompetitive behavior, openly flaunting the rule of law. Perhaps the most damning of all was the evasive testimony of Microsoft founder William Gates.

It is, frankly, a record that is quite embarrassing. But rather than show remorse, Microsoft has embarked on a vendetta to punish the outstanding group of Justice Department lawyers who bested its minions of high-payed lawyers and spin doctors.

So, Mr. President, let me take this opportunity to praise the Justice Department's Antitrust Division and its leader Joel Klein. It is well known that I had my doubts about Mr. Klein, but I am pleased to say, and not too proud to admit, that I misjudged him. He is doing an outstanding job.

In the long run, failure to promote competition and innovation will undermine our preeminence in the high tech arena.

THE CONSERVATION AND REINVESTMENT ACT OF 1999

Mrs. LINCOLN. Mr. President, I rise today to join the Senator from Louisiana in calling upon our colleagues in the Senate, as well as the Administration, to capitalize on the momentum provided by the House Resources Committee last week in passing the Conservation and Reinvestment Act of 1999. We must not let this opportunity slip away to enact what may well be the most significant conservation effort of the century.

As part of any discussion into utilizing revenues from Outer Continental Shelf oil drilling to fund conservation programs, I want to ensure that wildlife programs are kept among the priorities of the debate. Specifically, I want to comment upon the importance of funding for wildlife conservation, education, and restoration efforts as provided in both the House and Senate versions of the Conservation and Reinvestment Act of 1999. This funding would be administered as a permanent funding source through the successful Pittman-Robertson Act.

This program enjoys a great deal of support including a coalition of nearly 3,000 groups across the country known as the Teeming with Wildlife Coalition. Also, this funding would be provided without imposing new taxes. Funds will be allocated to all 50 states for wildlife conservation of non-game species, with the principal goal of preventing species from becoming endangered or listed under the Endangered Species Act.

In my home state of Arkansas, we have recognized the importance of funding conservation and management initiatives. The people of Arkansas were successful in passing a one-eighth cent sales tax to fund these types of programs. As I'm sure is true all across this country, people don't mind paying taxes for programs that promote good wildlife management and help keep species off of the Endangered Species List.

By taking steps now to prevent species from becoming endangered, we are not only able to conserve the significant cultural heritage of wildlife enjoyment for the people of this country, but also to avoid the substantial costs associated with recovery for endangered species. In fact, all 50 states would benefit as a result of the important link between these wildlife education-based initiatives and the benefits of wildlife-related tourism.

I look forward to working with my colleagues on the Senate Energy and Natural Resources Committee to make this historic legislation a reality upon our return early next year.

FIRST YEAR IN THE SENATE

Mr. SCHUMER. Mr. President, as the first session of the 106th Congress comes to an end, I cannot help but think of what an interesting and exciting first year it has been for me in the United States Senate. The experience has been a wonderful one, to say the least. As my colleagues all well know from their first days in the Senate, setting up a Senate office is a daunting task, and setting one up right does not happen by accident. Many have helped make my transition from the House to the Senate a smooth one, and I would like to take a moment to stop and thank, in particular, the dedicated and loyal employees of the Architect of the Capitol, the Secretary of the Senate, and the Senate Sergeant at Arms who played an integral role in making sure that my staff and I could serve the citizens of New York as effectively as possible.

From the Architect of the Capitol's office, a special thanks goes to the following: Sherry Britton, Michael Cain, Edolphus Carpenter, Tim Chambers, Jerry Coates, David Cox, Darvin Davis, Andre DeVore, Reggie Donahue, Ed Fogle, Bob Garnett, Steve Howell, Donna Hupp, Lamont Jamison, JoAnn Martin, Dwight McBride, Alpha McGee, Richard Muriel, Randy Naylor, James Outlaw, Albert Price, Lindwood Simmons, Sally Tassler, Doug Whittington, Jr., Clarence Williams, Caroll Woods, and Greg Young.

Kim Brinkman, Timothy O'Keefe, John Trimble, and Timothy Wineman from the Office of Secretary of the Senate deserve special recognition.

And, from the Senate Sergeant at Arms office, I would like to point out: Roosevelt Allen, Sterret Carter, Robert Croson, Val Fisher, Denise Gresham, Kenneth Lloyd, Michael Lussier, Stacy Norris, Theresa Peel, Dan Templeton, Jeanne Tessieri, and James Wentz.

The professionalism that each of these individuals displayed should be a source of great pride to their bosses, and if I wore a hat, I would tip it to them. But, for now, I hope they will accept my thanks and praise for a job well done.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 10:02 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2541. An act to adjust the boundaries of the Gulf Islands National Seashore to include Cat Island, Mississippi.

H.R. 2818. An act to prohibit oil and gas drilling in Mosquito Creek Lake in Cortland, Ohio.

H.R. 2862. An act to direct the Secretary of the Interior to release reversionary interests held by the United States in certain parcels of land in Washington County, Utah, to facilitate an anticipated land exchange.

H.R. 2863. An act to clarify the legal effect on the United States of the acquisition of a parcel of land in the Red Cliffs Desert Reserve in the State of Utah.

H.R. 3063. An act to amend the Mineral Leasing Act to increase the maximum acreage of Federal leases for sodium that may be held by an entity in any one State, and for other purposes.

H.R. 3257. An act to amend the Congressional Budget Act of 1974 to assist the Congressional Budget Office with the scoring of State and local mandates.

H.R. 3373. An act to require the Secretary of the Treasury to mint coins in conjunction with the minting of coins by the Republic of Iceland in commemoration of the millennium of the discovery of the New World by Leif Ericson.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 165. Concurrent resolution expressing United States policy toward the Slovak Republic.

H. Con. Res. 206. Concurrent resolution expressing grave concern regarding armed conflict in the North Caucasus region of the Russian Federation which has resulted in civilian casualties and internally displaced persons, and urging all sides to pursue dialog for peaceful resolution of the conflict.

H. Con. Res. 211. Concurrent resolution expressing the strong support of the Congress for the recently concluded elections in the Republic of India and urging the President to travel to India.

H. Con. Res. 222. Concurrent resolution condemning the assassination of Armenian Prime Minister Vazgen Sargsian and other officials of the Armenian Government and expressing the sense of the Congress in mourning this tragic loss of the duly elected leadership of Armenia.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2116) to amend title 38, United States Code, to establish a program of extended care services for veterans and to make other improvements in health care programs of the Department of Veterans Affairs.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2112) to amend title 28, United States Code, to allow a judge to whom a case is transferred to retain jurisdiction over certain multidistrict litigation cases for trial, and to provide for Federal jurisdiction of certain multiparty, multiform civil actions, and asks a conference with the Senate on the disagreeing votes of the two houses thereon; and appoints Mr. HYDE, Mr. SENSENBRENNER, Mr. COBLE, Mr. CONYERS, and Mr. BERMAN, as managers of the conference on the part of the House.

At 11:20 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 80. Joint resolution making further continuing appropriations for the fiscal year 2000, and for other purposes.

A message from the House of Representatives, delivered by one of its reading clerks, announced that the House has passed the following bills, without amendment:

S. 278. An act to direct the Secretary of the Interior to convey certain lands to the county of Rio Arriba, New Mexico.

S. 382. An act to establish the Minuteman Missile National Historic Site in the State of South Dakota, and for other purposes.

S. 1235. An act to amend part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 to allow railroad police officers to attend the Federal Bureau of Investigation National Academy for law enforcement training.

S. 1398. An act to clarify certain boundaries on maps relating to the Coastal Barrier Resources System.

The message also announced that the House has passed the following bill, with amendment, in which it requests the concurrence of the Senate:

S. 416. An act to direct the Secretary of Agriculture to convey the city of Sisters, Oregon, a certain parcel of land for use in connection with a sewage treatment facility.

At 3:33 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3381. An act to reauthorize the Overseas Private Investment Corporation and the Trade and Development Agency, and for other purposes.

ENROLLED JOINT RESOLUTION SIGNED

At 4:33 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker had signed the following enrolled joint resolution:

H.J. Res. 80. Joint resolution making further continuing appropriations for the fiscal year 2000, and for other purposes.

The enrolled joint resolution was signed subsequently by the President pro tempore (Mr. THURMOND).

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–6181. A communication from the President of the United States, transmitting, pursuant to law, a report relative to the export to the People's Republic of China of an airport runway profiler containing an accelerometer; to the Committee on Foreign Relations.

EC–6182. A communication from the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, the Chairman of the Securities and Exchange Commission, and the Chairman of the Futures Trading Commission, transmitting jointly, a report entitled ''Over-the-Counter Derivatives Markets and the Commodity Exchange Act''; to the Committee on Agriculture, Nutrition, and Forestry.

EC–6183. A communication from the Administrator, Farm Service Agency, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Small Hog Operation Payment Program'' (RIN0560–AF70), received November 15, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–6184. A communication from the Associate Administrator, Dairy Programs, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Milk in the Central Arizona and New Mexico-West Texas Marketing Areas; Suspension of Certain Provisions of the Orders'' (Docket No. DA–99–05&09), received November 12, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–6185. A communication from the Associate Administrator, Dairy Programs, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Milk in the Texas and Eastern Colorado Marketing Areas; Suspension of Certain Provisions of the Orders'' (Docket No. DA–99–08&07), received November 12, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–6186. A communication from the Director, Civil Rights Center, Department of Labor, transmitting, pursuant to law, the report of a rule entitled ''Implementation of the Nondiscrimination and Equal Opportunity Provisions of the Workforce Investment Act of 1998'' (RIN1292–AA29), received November 16, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–6187. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Indirect Food Additives: Resinous and Polymeric Coatings'' (Docket No. 91F–0431), received November 9, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–6188. A communication from the Managing Director, Federal Housing Finance Board, transmitting, pursuant to law, the report of a rule entitled ''Availability of Unpublished Information'' (RIN3069–AA81), received November 9, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–6189. A communication from the Acting Executive Director, Emergency Steel Guarantee Loan Board, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Emergency Steel Guarantee Loan Program'' (RIN3004–ZA00), received November 9, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–6190. A communication from the Acting Executive Director, Emergency Oil and Gas Guaranteed Loan Board, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Emergency Oil and Gas Guaranteed Loan Program'' (RIN3003–ZA00), received November 9, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–6191. A communication from the Chairman, Federal Election Commission, transmitting, pursuant to law, the report of a rule entitled ''Public Financing of Presidential Primary and General Election Candidates'', received November 9, 1999; to the Committee on Rules and Administration.

EC–6192. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report relative to the Development of a Medical Support Incentive for the Child Support Enforcement program; to the Committee on Finance.

EC–6193. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Partnership Returns Required on Magnetic Media'' (RIN1545–AW14) (TD 8843), received November 10, 1999; to the Committee on Finance.

EC–6194. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Return of Partnership Income'' (RIN1545–AU99) (TD 8841), received November 10, 1999; to the Committee on Finance.

EC–6195. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Acquisition of an S Corporation by a Member of a Consolidated Group'' (RIN1545–AW32) (TD 8842), received November 9, 1999; to the Committee on Finance.

EC–6196. A communication from the Administrator, Environmental Protection Agency, transmitting, pursuant to law, a report entitled ''Benefits and Costs of the Clean Air Act, 1990 to 2010''; to the Committee on Environment and Public Works.

EC–6197. A communication from the Assistant Secretary of the Army (Civil Works), transmitting, pursuant to law, a report relative to the Tennessee-Tombigbee Waterway Mitigation Project, Alabama and Mississippi''; to the Committee on Environment and Public Works.

EC–6198. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting a report entitled ''Category for Persistent, Bioaccumulative, and Toxic New Chemical Substances'' (FRL #6097–7); to the Committee on Environment and Public Works.

EC–6199. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Interim Final Determination that State has Corrected Deficiencies; State of Arizona; Maricopa County'' (FRL #6468–8), received November 10, 1999; to the Committee on Environment and Public Works.

EC–6200. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Partial Withdrawal of Direct Final Rule for Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, Kern County Air Pollution Control District'' (FRL #6462–9), received November 10, 1999; to the Committee on Environment and Public Works.

EC–6201. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of State Plans for Designated Facilities and Pollutants: Vermont Negative Declaration'' (FRL #6474–1), received November 9, 1999; to the Committee on Environment and Public Works.

EC–6202. A communication from the Director, Office of White House Liaison, Department of Commerce, transmitting, pursuant to law, a report relative to the nomination of a Chief Financial Officer and Assistant Secretary for Administration; to the Committee on Commerce, Science, and Transportation.

EC–6203. A communication from the Chief, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Federal-State Joint Board on Universal Service'' (FCC 99–256) (CC Doc. 96–45), received November 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6204. A communication from the Chief, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Changes to the Board of Directors of NECA, Inc., Federal-State Joint Board on Universal Service'' (FCC 99–269) (CC Docs. 97–21 and 96–45), received November 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6205. A communication from the Chief, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''In the Matter of Federal-State Joint Board on Universal Service'' (FCC 99–306) (CC Doc. 96–45), received November 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6206. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''In the Matter of Biennial Review-Streamlining of Mass Media Applications, Rules, and Processes; Policies Regarding Minority and Female Ownership of Mass Media Facilities'' (FCC Docket Nos. 98–43 and 94–149) (FCC 99–267), received November 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6207. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Section 73.202(b), Table of FM Allotments; FM Broadcast Stations: Centerville, TX; Iowa Park, TX and Hunt, TX'' (MM Docket Nos. 99–257, 99–258 and 99–234), received November 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6208. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Section 73.202(b), Table of FM Allotments; FM Broadcast Stations: Marysville and Hilliard, OH'' (MM Docket Nos. 98–123, RM–9291), received November 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6209. A communication from the Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Atlantic Highly Migratory Species Fisheries; Large Coastal Shark Species; Fishery Reopening; Fishing Season Notification'' (I.D. 052499C), received November 5, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6210. A communication from the Deputy Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Final Rule to Implement Amendment 16B to the Fishery Management Plan for the Reef Fish Resources of the Gulf of Mexico'' (RIN0648–AL57), received November 5, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6211. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Mystic River, CT (CGD01–99–079)'' (RIN2115–AE47) (1999–0055), received November 4, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6212. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Housatonic River, CT (CGD01–99–085)'' (RIN2115–AE47) (1999–0056), received November 4, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6213. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Miles River, MD (CGD05–99–003)'' (RIN2115–AE47) (1999–0058), received November 15, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6214. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Sassafras River, Georgetown, MD (CGD05–99–006)'' (RIN2115–AE47) (1999–0057), received November 15, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6215. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Pequonnock River, CT (CGD01–99–086)'' (RIN2115–AE47) (1999–0063), received November 15, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6216. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Hackensack River, Passaic River, NJ (CGD01–9076)'' (RIN2115–AE47) (1999–0062), received November 15, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6217. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Kennebec River, ME (CGD01–98–174)'' (RIN2115–AE47) (1999–0061), received November 15, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6218. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Illinois River, IL (CGD08–99–014)'' (RIN2115AE47) (1999–0060), received November 15, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6219. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Niantic River, CT (CGD01–99–087)'' (RIN2115–AE47) (1999–0059), received November 15, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6220. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Kennebec River, ME (CGD01–99–024)'' (RIN2115–AE47) (1999–0054), received November 4, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6221. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of

Transportation, transmitting, pursuant to law, the report of a rule entitled ''Regatta Regulations; SLR; City of Augusta, GA (CGD07-99-068)'' (RIN2115-AE46) (1999-0042), received November 4, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6222. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety/Security Zone Regulations; Sciame Construction Fireworks, East River, Manhattan, NY (CGD01-99-181)'' (RIN2115-AA97) (1999-0068), received November 4, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6223. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety/Security Zone Regulations; All Coast Guard and Navy Vessels Involved in Evidence Transport, Narragansett Bay, Davisville, RI (CGD01-99-185)'' (RIN2115-AA97) (1999-0069), received November 15, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6224. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Licensing and Manning for Officers of Towing Vessels (USCG-1999-6224)'' (RIN2115-AF23) (1999-0001), received November 15, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6225. A communication from the Chief, Office of Regulations and Administrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Regulated Navigation Areas; Strait of Juan de Fuca and Adjacent Waters of Washington; Makah Whale Hunting (CGD-13-98-023)'' (RIN2115-AE84) (1999-0004), received November 15, 1999; to the Committee on Commerce, Science, and Transportation.

EC–6226. A communication from the Secretary of the Senate, transmitting, pursuant to law, the report of the receipts and expenditures of the Senate for the period April 1, 1999 through September 30, 1999; ordered to lie on the table.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–372. A resolution adopted by the Senate of the Legislature of the State of Michigan relative to tobacco subsidies and food-producing agricultural activities; to the Committee on Agriculture, Nutrition, and Forestry.

SENATE RESOLUTION NO. 68

Whereas, For many years, even as our country has wrestled with the costly and harmful effects of tobacco use, Americans have provided financial support for tobacco farming through federal tobacco subsidies. These subsidies include money spent for tobacco crop insurance and price support, in addition to inspection and grading services. While changes in federal agricultural programs and law have significantly reduced money going to tobacco farming and related activities, federal dollars continue to be spent on an endeavor that is harmful to our citizens; and

Whereas, One of the greatest challenges facing humanity in any age is the production of food of sufficient quantity and quality to meet ever-rising needs. Investments in the process of raising crops are among the most important commitments we can make to future generations. Subsidies for food production, research, and marketing hold the potential to touch every citizen in a positive fashion; and

Whereas, With the recent settlement among the states and the tobacco industry, the enormity of the cost tobacco exacts on our society is clear. Any money going to support any aspect of this activity would be far better spent elsewhere; now therefore, be it

Resolved by the Senate, That we memorialize the Congress of the United States to end tobacco subsidies and to redirect this support to food-producing agricultural activities; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

REPORT OF COMMITTEE

The following report of committee was submitted:

By Mr. THOMPSON, from the Committee on Governmental Affairs:

Report to accompany the bill (S. 1877) to amend the Federal Report Elimination and Sunset Act of 1995 (Rept. No. 106–223).

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committees were submitted:

By Mr. ROTH for the Committee on Finance:

Deanna Tanner Okun, of Idaho, to be a Member of the United States International Trade Commission for a term expiring June 16, 2008.

(The above nomination was reported with the recommendation that she be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. HATCH for the Committee on the Judiciary:

Kermit Bye, of North Dakota, to be United States Circuit Judge for the Eighth Circuit.

Thomas L. Ambro, of Delaware, to be United States Circuit Judge for the Third Circuit.

George B. Daniels, of New York, to be United States District Judge for the Southern District of New York.

Joel A. Pisano, of New Jersey, to be United States District Judge for the District of New Jersey.

(The above nominations were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. CRAIG:

S. 1937. A bill to amend the Pacific Northwest Electric Power Planning and Conservation Act to provide for sales of electricity by the Bonneville Power Administration to joint operating entities; to the Committee on Energy and Natural Resources.

By Mr. CRAIG (for himself, Mr. THOMAS, Mr. CRAPO, and Mr. BURNS):

S. 1938. A bill to provide for the return of fair and reasonable fees to the Federal Government for the use and occupancy of National Forest System land under the recreation residence program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HELMS:

S. 1939. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for dry cleaning equipment which uses reduced amounts of hazardous substances; to the Committee on Finance.

By Mr. LEAHY (for himself, Mr. BROWNBACK, Mr. FEINGOLD, Mr. KENNEDY, Mr. KERRY, Mr. JEFFORDS, and Mr. LAUTENBERG):

S. 1940. 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.

By Mr. DODD (for himself and Mr. DEWINE):

S. 1941. A bill to amend the Federal Fire Prevention and Control Act of 1974 to authorize the Director of the Federal Emergency Management Agency to provide assistance to fire departments and fire prevention organizations for the purpose of protecting the public and firefighting personnel against fire and fire-related hazards; to the Committee on Commerce, Science, and Transportation.

By Mr. JEFFORDS:

S. 1942. A bill to amend the Older Americans Act of 1965 to establish grant programs to provide State pharmacy assistance programs and medication management programs; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. MURRAY:

S. 1943. A bill to provide for an inexpensive book distribution program; to the Committee on Health, Education, Labor, and Pensions.

S. 1944. A bill to provide national challenge grants for innovation in the education of homeless children and youth; to the Committee on Health, Education, Labor, and Pensions.

By Mr. BOND (for himself and Mr. JOHNSON):

S. 1945. A bill to amend title 23, United States Code, to require consideration under the congestion mitigation and air quality improvement program of the extent to which a proposed project or program reduces sulfur or atmospheric carbon emissions, to make renewable fuel projects eligible under that program, and for other purposes; to the Committee on Environment and Public Works.

By Mr. INHOFE (for himself, Ms. SNOWE, Mr. BAUCUS, Mr. WARNER, Mrs. FEINSTEIN, Mr. LIEBERMAN, Mr. WYDEN, Mr. DOMENICI, Mr. MOYNIHAN, Ms. COLLINS, Mr. LAUTENBERG, Mr. KERRY, and Mr. BENNETT):

S. 1946. A bill to amend the National Environmental Education Act to redesignate that Act as the ''John H. Chafee Environmental Education Act'', to establish the John H. Chafee Memorial Fellowship Program, to extend the programs under that Act, and for other purposes; to the Committee on Environment and Public Works.

By Mr. HATCH:

S. 1947. A bill to provide for an assessment of the abuse of and trafficking in gamma hydroxybutyric acid and other controlled substances and drugs, and for other purposes; to the Committee on the Judiciary.

By Mr. LOTT:

S. 1948. A bill to amend the provisions of title 17, United States Code, and the Communications Act of 1934, relating to copyright licensing and carriage of broadcast signals by satellite; to the Committee on the Judiciary.

By Mr. LEAHY:

S. 1949. A bill to promote economically sound modernization of electric power generation capacity in the United States, to establish requirements to improve the combustion heat rate efficiency of fossil fuel-fired electric utility generating units, to reduce emissions of mercury, carbon dioxide, nitrogen oxides, and sulfur dioxide, to require that all fossil fuel-fired electric utility generating units operating in the United States meet new source review requirements, to promote the use of clean coal technologies, and to promote alternative energy and clean energy sources such as solar, wind, biomass, and fuel cells; to the Committee on Finance.

By Mr. ENZI (for himself and Mr. THOMAS):

S. 1950. A bill to amend the Mineral Leasing Act of 1920 to ensure the orderly development of coal, coalbed methane, natural gas, and oil in the Powder River Basin, Wyoming and Montana, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SCHUMER (for himself and Ms. COLLINS):

S. 1951. A bill to provide the Secretary of Energy with authority to draw down the Strategic Petroleum Reserve when oil and gas prices in the United States rise sharply because of anticompetitive activity, and to require the President, through the Secretary of Energy, to consult with Congress regarding the sale of oil from the Strategic Petroleum Reserve; to the Committee on Energy and Natural Resources.

By Mr. ABRAHAM:

S. 1952. A bill to amend the Internal Revenue Code of 1986 to provide a simplified method for determining a partner's share of items of a partnership which is a qualified investment club; to the Committee on Finance.

By Mr. KERREY:

S. 1953. A bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to authorize the establishment of a voluntary legal employment authentication program (LEAP) as a successor to the current pilot programs for employment eligibility confirmation; to the Committee on the Judiciary.

By Mr. BINGAMAN (for himself, Mr. THOMPSON, and Mr. KENNEDY):

S. 1954. A bill to establish a compensation program for employees of the Department of Energy, its contractors, subcontractors, and beryllium vendors, who sustained beryllium-related illness due to the performance of their duty; to establish a compensation program for certain workers at the Paducah, Kentucky, gaseous diffusion plant; to establish a pilot program for examining the possible relationship between workplace exposure to radiation and hazardous materials and illnesses or health conditions; and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mrs. HUTCHISON (for herself, Mr. ABRAHAM, Mr. KYL, and Mr. GRAMM):

S. Con. Res. 74. A concurrent resolution recognizing the United States Border Patrol's 75 years of service since its founding; to the Committee on the Judiciary.

By Mr. DURBIN (for himself and Mr. CAMPBELL):

S. Con. Res. 75. A concurrent resolution expressing the strong opposition of Congress to the continued egregious violations of human rights and the lack of progress toward the establishment of democracy and the rule of law in Belarus and calling on President Alexander Lukashenka to engage in negotiations with the representatives of the opposition and to restore the constitutional rights of the Belarusian people; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CRAIG (for himself, Mr. THOMAS, Mr. CRAPO, and Mr. BURNS):

S. 1938. A bill to provide for the return of fair and reasonable fees to the Federal Government for the use and occupancy of National Forest System land under the recreation residence program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

CABIN USER FEE FAIRNESS ACT OF 1999

Mr. CRAIG. Mr. President, I am introducing legislation today that will set a new course for the Forest Service in determining fees for forest lots on which families and individuals have been authorized to build cabins for seasonal recreation since the early part of this century. I am pleased to have Senators MIKE CRAPO, CRAIG THOMAS, and CONRAD BURNS joining me in sponsoring this legislation, which is a companion bill to H.R. 3327, introduced in the House of Representatives by Congressman GEORGE NETHERCUTT.

In 1915, under the Term Permit Act, Congress set up a program to give families the opportunity to recreate on our public lands through the so-called recreation residence program. Today, 15,000 of these forest cabins remain, providing generation after generation of families and their friends a respite from urban living and an opportunity to use our public lands.

These cabins stand in sharp contrast to many aspects of modern outdoor recreation, yet are an important aspect of the mix recreation opportunities for the American public. While many of us enjoy fast, off-road machines and watercraft or hiking to the backcountry with high-tech gear, others enjoy a relaxing weekend at their cabin in the woods with their family and friends.

The recreation residence programs allows families all across the country an opportunity to use our national forests. This quiet, somewhat uneventful program continues to produce close bonds and remarkable memories for hundreds of thousands of Americans, but in order to secure the future of the cabin program, this Congress needs to reexamine the basis on which fees are now being determined.

Roughly 20 years ago, the Forest Service saw the need to modernize the regulations under which the cabin program is administered. Acknowledging that the competition for access and use of forest resources has increased dramatically since 1915, both the cabin owners and the agency wanted a formal understanding about the rights and obligations of using and maintaining these structures.

New rules that resulted nearly a decade later reaffirmed the cabins as a valid recreational use of forest land. At the same time, the new policy reflected numerous limitations on use that are felt to be appropriate in order to keep areas of the forest where cabins are located open for recreational use by other forest visitors. Commercial use of the cabins is prohibited, as is year-round occupancy by the owner. Owners are restricted in the size, shape, paint color and presence of other structures or installations on the cabin lot. The only portion of a lot that is controlled by the cabin owner is that portion of the lot that directly underlies the footprint of the cabin itself.

At some locations, the agency has determined a need to remove cabins for a variety of reasons related to ''higher public purposes'' and cabin owners wanted to be certain in the writing of new regulations that a fair process would guide any future decisions about cabin removal. At other locations, some cabins have been destroyed by fire, avalanche or falling trees, and a more reliable process of determining whether such cabins might be rebuilt or relocated was needed. It was determined, therefore, that this recreational program would be tied more closely to the forest planning process.

The question of an appropriate fee to be paid for the opportunity of constructing and maintaining a cabin in the woods was also addressed at that time. Although the agency's policies for administration of the cabin program have, overall, held up well over time, the portion dealing with periodic redetermination of fees proved in the last few years to be a failure.

A base fee was determined 20 years ago by an appraisal of sales of comparable undeveloped lots in the real estate market adjacent to the national forest where a cabin was located. The new policy called for reappraisal of the value of the lot 20 years later—a trigger that led to initiation of the reappraisal process in 1995.

In the meantime, according to the policy, annual adjustments to the base

fee would be tracked by the Implicit Price Deflator (IPD), which proved to be a faulty mechanism for this purpose. Annual adjustments to the fee based on movements of the IPD failed entirely to keep track of the booming land values associated with recreation development.

As the results of actual reappraisals on the ground began reaching my office in 1997, it became clear that far more than the inoperative IPD was out of alignment in determining fees for the cabin owners.

At the Pettit Lake tract in Idaho's Sawtooth National Recreation Area, the new base fees skyrocketed into alarming five-digit amounts—so high that a single annual fee was nearly enough money to buy raw land outside the forest and construct a cabin. Meanwhile, the agency's appraisal methodology was resulting in new base fees in South Dakota, in Florida, and in some locations in Colorado that were actually lower than the previous fee.

Very generally speaking, the value of the use of the forest lot is approximately the same for any cabin owner, whether they are tucked into what has become in recent years the Sawtooth National Recreation Area of Idaho, or high in the Sierra Mountain range of California, or in the lowland forests of the southeastern States. Yet Idaho cabin owners are now expected to pay a new average fee of $9,221 each year, while cabin owners in Kentucky will be paying a new average fee of $140.

At the request of the chairman of the House Committee on Agriculture in 1998, the cabin owners named a coalition of leaders of their various national and State cabin owner associations to examine the methodology being used by the Forest Service to determine fees. It became obvious to these laymen that analysis of appraisal methodology and the determination of fees was beyond their grasp, and a prestigious consulting appraiser was retained to guide the cabin owners through their task. The report and recommendations of the coalition's consulting appraiser is available from my office for those who might wish to examine the details.

At the bottom line, it was learned that the Forest Service—contrary to its own policy—was appraising and affixing value to the lots being provided to cabin owners as if this land were fully developed, legally subdivided, fee simple residential land.

In other words, the agency has been capturing the values associated with a variety of structures and services that the homeowners themselves (not the agency) provide. The Forest Service, in setting fees on this basis, has been capturing incremental values assigned by a developer at various stages of development for risk, expectations of profit and other factors.

My goal is to see that the cabin program remains affordable for American families. Consistent with the recommendations of the coalition's consulting appraiser, the methodology for determining fees is directed toward the value of the use to the cabin owner—not what the market would bear, should the Forest Service decide to sell off its assets.

This is highly technical legislation. Its purpose is to send a clear set of instructions to appraisers in the field and a clear set of instructions to forest managers to respect the results of appraisals undertaken to place value on the raw land being offered cabin owners.

I intend to hold hearings on this legislation early in the next session. I urge each of my colleagues to be in contact with cabin owners in their State during the congressional recess. There are more than 15,000 families out there who fear that the long tradition of cabin-based forest recreation is nearing an end because the agencies fee mechanism has made the program unaffordable for all but the wealthy. These cabin owners and I would wholeheartedly welcome the support and cosponsorship of all Senators for this important legislation.

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

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

S. 1938

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 ''Fair Cabin User Fee Act of 1999''.

SEC. 2. FINDINGS.

Congress finds that—

(1) the recreation residence program is—

(A) a valid use of forest land and 1 of the multiple uses of the National Forest System; and

(B) an important component of the recreation program of the Forest Service;

(2) cabins located on forest land have provided a unique recreation experience to a large number of cabin owners, their families, and guests each year since Congress authorized the recreation residence program in 1915;

(3) tract associations, cabin owners, their extended families, guests, and others that regularly use and enjoy forest cabin tracts have contributed significantly toward efficient management of the program and the stewardship of forest land;

(4) cabin user fees have traditionally generated income to the Federal Government in amounts significantly greater than the Federal cost of administering the program;

(5) the rights and privileges granted to owners of cabins authorized under the program have steadily diminished while regulatory restrictions and fees charged under the program have steadily increased; and

(6) the current fee determination procedure has been shown to incorrectly reflect market value and value of use.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to ensure, to the maximum extent practicable, that the National Forest System recreation residence program is managed to preserve the opportunity for individual and family-oriented recreation at a reasonable cost; and

(2) to develop and implement a more efficient, cost-effective procedure for determining cabin user fees that better reflects the probable value of that use by the cabin owner, taking into consideration the limitations of the authorization and other relevant market factors.

SEC. 4. DEFINITIONS.

In this Act:

(1) AGENCY.—The term ''agency'' means the Forest Service.

(2) AUTHORIZATION.—The term ''authorization'' means a special use permit for the use and occupancy of National Forest System land by a cabin owner under the authority of the program.

(3) BASE CABIN USER FEE.—The term ''base cabin user fee'' means the initial fee for an authorization that results from the appraisal of a lot in accordance with sections 6 and 7.

(4) CABIN.—The term ''cabin'' means a privately built and owned structure authorized for use and occupancy on National Forest System land.

(5) CABIN USER FEE.—The term ''cabin user fee'' means a special use fee paid annually by a cabin owner to the Secretary in accordance with this Act.

(6) CABIN OWNER.—The term ''cabin owner'' means—

(A) a person authorized by the agency to use and to occupy a cabin on National Forest System land; and

(B) an heir or assign of such a person.

(7) CARETAKER CABIN.—The term ''caretaker cabin'' means a caretaker residence occupied in limited cases in which caretaker services are necessary to maintain the security of a tract.

(8) CENTER.—The term ''Center'' means the Federal Center for Dispute Resolution of the American Arbitration Association.

(9) CURRENT CABIN USER FEE.—The term ''current cabin user fee'' means the most recent cabin user fee that results from an annual adjustment to the base cabin user fee in accordance with section 8.

(10) LOT.—The term ''lot'' means a parcel of land of the National Forest System on which a cabin owner is authorized to build, use, occupy, and maintain a cabin and related improvements.

(11) PROGRAM.—The term ''program'' means the recreation residence program established under the Act of March 4, 1915 (38 Stat. 1101, chapter 144).

(12) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture, acting through the Chief of the Forest Service.

(13) TRACT.—The term ''tract'' means an established location within a National Forest containing 1 or more cabins authorized in accordance with the program.

(14) TRACT ASSOCIATION.—The term ''tract association'' means a cabin owner association in which all cabin owners within a tract are eligible for membership.

SEC. 5. ADMINISTRATION OF RECREATION RESIDENCE PROGRAM.

(a) IN GENERAL.—The Secretary shall ensure, to the maximum extent practicable, that the basis and procedure for calculating cabin user fees results in a reasonable and fair fee for an authorization that reflects the probable value of the use and occupancy of a lot to the cabin owner in accordance with subsection (b).

(b) DETERMINATION OF VALUE.—The value of the use and occupancy of a lot referred to in subsection (a)—

(1) shall not be equivalent to a rental fee of the lot; and

(2) shall reflect regional economic influences, as determined by an appraisal of the value of use of the National Forest in which the lot is located.

SEC. 6. APPRAISALS.

(a) REQUIREMENTS FOR CONDUCTING APPRAISALS.—In implementing and conducting an appraisal process for determining cabin user fees, the Secretary shall—

(1) establish an appraisal process to determine the value of the fee simple estate of a typical lot or lots within a tract, with adjustments to reflect limitations arising from the authorization and special use permit;

(2) enter into a contract with an appropriate professional organization for the development of specific appraisal guidelines in accordance with subsection (b), subject to public comment and congressional review;

(3) require that an appraisal be performed by a State-certified general real estate appraiser, selected by the Secretary and licensed to practice in the State in which the lot is located;

(4) provide the appraiser with—

(A) appraisal guidelines developed in accordance with this Act; and

(B) a copy of the special use permit associated with the typical lot to be appraised, with an instruction to the appraiser to consider any prohibitions or limitations contained in the authorization;

(5) notwithstanding any other provision of law, require the appraiser to coordinate the assignment closely with affected parties by seeking advice, cooperation, and information from cabin owners and tract associations;

(6) require that the appraiser perform the appraisal in compliance with—

(A) the most current edition of the Uniform Standards of Professional Appraisal Practice on the date of the appraisal;

(B) the most current edition of the Uniform Appraisal Standards for Federal Land Acquisitions on the date of the appraisal; and

(C) the specific appraisal guidelines developed in accordance with this Act;

(7) require that the appraisal report be a self-contained report (as defined by the Uniform Standards of Professional Appraisal Practice);

(8) require that the appraisal report comply with the reporting guidelines established by the Uniform Appraisal Standards for Federal Land Acquisitions; and

(9) before accepting any appraisal, conduct a review of the appraisal to ensure that the guidelines made available to the appraiser have been followed and that the appraised values are properly supported.

(b) SPECIFIC APPRAISAL GUIDELINES.—In the development of specific appraisal guidelines in accordance with paragraph (a)(2), the instructions to an appraiser shall require, at a minimum, the following:

(1) APPRAISAL OF A TYPICAL LOT.—

(A) IN GENERAL.—In conducting an appraisal under this paragraph, the appraiser shall appraise a typical lot or lots within a tract that are selected by the cabin owners and the agency in a manner consistent with the policy of the program.

(B) APPRAISAL.—In appraising a typical lot or lots within a tract, the appraiser shall—

(i) consult with affected cabin owners; and

(ii) appraise the typical lot or lots selected for purposes of comparison with other lots or groups of lots in the tract having similar value characteristics (rather than appraising each individual lot).

(B) ESTIMATE OF MARKET VALUE OF TYPICAL LOT.—

(i) IN GENERAL.—The appraiser shall estimate the market value of a typical lot as a parcel of undeveloped, raw land that has been made available for use and occupancy by the cabin owner on a seasonal or periodic basis.

(ii) NO EQUIVALENCE TO LEGALLY SUBDIVIDED LOT.—The appraiser shall not appraise the typical lot as being equivalent to a legally subdivided lot.

(2) REQUIREMENT FOR ANALYSIS OF COMPARABLE SALES.—The appraisal shall be based on a prioritized analysis of 1 or more categories of sales of comparable land as follows:

(A) LARGER PARCELS.—Sales of larger, privately-owned, and preferably unimproved parcels of rural land, generally similar in size to the tract being examined, shall be given the most weight in the analysis.

(B) SMALLER PARCELS.—Sales of smaller, privately-owned, and preferably unimproved parcels of rural land that are not part of an established subdivision shall be given secondary weight in the analysis.

(C) MAPPED AND RECORDED PARCELS.—Sales of privately-owned parcels in a mapped and recorded rural subdivision shall be given the least weight in the analysis.

(3) EXCEPTION FOR CERTAIN SALES OF LAND.—In conducting an analysis under paragraph (2), the appraiser shall select sales of comparable land that are outside the area of influence of—

(A) land affected by urban growth boundaries;

(B) land for which a government or institution holds a conservation or recreational easement; or

(C) land designated for conservation or recreational purposes by Congress, a State, or a political subdivision of a State.

(4) ADJUSTMENTS FOR TYPICAL VALUE INFLUENCES.—

(A) IN GENERAL.—The appraiser shall consider and adjust the price of sales of comparable land for all typical value influences described in subparagraph (B).

(B) VALUE INFLUENCES.—The typical value influences referred to in subparagraph (A) include—

(i) differences in the locations of the parcels;

(ii) accessibility, including limitations on access attributable to—

(I) weather;

(II) the condition of roads or trails; or

(III) other factors;

(iii) the presence of marketable timber;

(iv) limitations on, or the absence of, services such as law enforcement, fire control, road maintenance, or snow plowing;

(v) the condition and regulatory compliance of any site improvements; and

(vi) any other typical value influences described in standard appraisal literature.

(5) ADJUSTMENTS FOR RESTRICTIONS ON USE.—In evaluating the sale of a comparable fee simple parcel, an adjustment to the sale price of the parcel shall be made to reflect the influence of prohibitions or limitations on use or benefits imposed by the agency that affect the value of the subject cabin lot, including—

(A) any prohibition against year-round use and occupancy or any other restriction that limits or reduces the type or amount of cabin use and occupancy;

(B) any limitation on the right of the cabin owner to sell, lease, or rent the cabin without restrictions imposed by the Secretary;

(C) any limitation on, or prohibition against, improvements to the lot, such as remodeling or enlargement of the cabin, construction of additional structures, landscaping, signs, fencing, clothes drying lines, mail boxes, swimming pools, or other recreational facilities; and

(D) any limitation on, or prohibition against, use of the lot for placement of amenities such as playground equipment, domestic livestock, recreational vehicles, or boats.

(6) ADJUSTMENTS TO SALES OF COMPARABLE PARCELS.—

(A) IN GENERAL.—

(i) UTILITIES PROVIDED BY AGENCY.—Only utilities (such as water, sewer, electricity, or telephone) or access roads or trails that are clearly established as of the date of the appraisal as having been provided and maintained by the agency at a lot shall be included in the appraisal.

(ii) FEATURES PROVIDED BY CABIN OWNER.—All cabin facilities, decks, docks, patios, and other nonnatural features (including utilities or access)—

(I) shall be presumed to have been provided by, or funded by, the cabin owner; and

(II) shall be excluded from the appraisal by adjusting any comparable sales with the nonnatural features referred to in subparagraph (B)(ii).

(iii) WITHDRAWAL OF UTILITY OR ACCESS BY AGENCY.—If, during the term of an authorization, the agency makes a substantial and materially adverse change in the provision or maintenance of any utility or access, the cabin owner shall have the right to request and obtain a new determination of the base cabin user fee at the expense of the agency.

(B) ADJUSTMENT FOR IMPROVEMENTS.—

(i) IN GENERAL.—The appraiser shall consider and adjust the price of each sale of a comparable parcel for all nonnatural features referred to in subparagraph (A)(ii) that—

(I) are present at, or add value to, the parcel; but

(II) are not present at the lot being appraised or not included in the appraisal under subparagraph (A).

(ii) ADJUSTMENTS.—An adjustment to the price of a parcel sold under this subparagraph shall include allowances for matters such as—

(I) depreciated current replacement costs of installing nonnatural features referred to in clause (i) at the typical lot being appraised, including an allowance for entrepreneurial profit and overhead;

(II) likely construction difficulties for nonnatural features referred to in clause (i) at the lot being appraised; and

(III) the deduction in price that would be taken in the market as a risk allowance if—

(aa) a parcel does not have adequate access or adequate sewer or water systems; and

(bb) there is a risk of failure or material cost overruns in attempting to provide the systems referred to in item (aa).

(C) REAPPRAISAL FOR AND RECALCULATION OF BASE CABIN USER FEE.—Periodically, but not less often than once every 10 years, the Secretary shall recalculate the base cabin user fee (including conducting any reappraisal required to recalculate the base cabin user fee).

SEC. 7. CABIN USER FEES.

(a) IN GENERAL.—The Secretary shall establish the cabin user fee as the amount that is equal to 5 percent of the value of the lot, as determined in accordance with section 6, reflecting an adjustment to the market rate of return based solely on—

(1) the limited term of the authorization;

(2) the absence of significant property rights normally attached to fee simple ownership; and

(3) the public right of access to, and use of, any open portion of the lot on which the cabin or other enclosed improvements are not located.

(b) FEE FOR CARETAKER RESIDENCES.—The base cabin user fee for a lot on which a caretaker residence is located shall not be greater than the base cabin user fee charged for the authorized use of a similar typical lot in the tract.

(c) ANNUAL CABIN USER FEE IN THE EVENT OF DETERMINATION NOT TO REISSUE AUTHORIZATION.—If the Secretary determines that an authorization should not be reissued at the end of a term, the Secretary shall—

(1) establish as the new base cabin user fee for the remaining term of the authorization the amount charged as the cabin user fee in the year that was 10 years before the year in which the authorization expires; and

(2) calculate the current cabin user fee for each of the remaining 9 years of the term of the authorization by multiplying—

(i) 1/10 of the new base cabin user fee; by

(ii) the number of years remaining in the term of the authorization after the year for which the cabin user fee is being calculated.

(d) ANNUAL CABIN USER FEE IN EVENT OF CHANGED CONDITIONS.—If a review of a decision to convert a lot to an alternative public use indicates that the continuation of the authorization for use and occupancy of the cabin by the cabin owner is warranted, and the decision is subsequently reversed, the Secretary may require the cabin owner to pay any portion of annual cabin user fees, as calculated in accordance with subsection (d), that were forgone as a result of the expectation of termination of use and occupancy of the cabin by the cabin owner.

(e) TERMINATION OF FEE OBLIGATION IN LOSS RESULTING FROM ACTS OF GOD OR CATASTROPHIC EVENTS.—On a determination by the agency that, due to an act of God or a catastrophic event, a lot cannot be safely occupied and that the authorization for the lot should accordingly be terminated, the fee obligation of the cabin owner shall terminate effective on the date of the occurrence of the act or event.

SEC. 8. ANNUAL ADJUSTMENT OF CABIN USER FEE.

(a) IN GENERAL.—The Secretary shall adjust the cabin user fee annually, using a rolling 5-year average of a published price index in accordance with subsection (b) or (c) that reports changes in rural or similar land values in the State, county, or market area in which the lot is located.

(b) INITIAL INDEX.—

(1) IN GENERAL.—For the period of 10 years beginning on the date of enactment of this Act, the Secretary shall use changes in agricultural land prices in the appropriate State or county, as reported in the Index of Agricultural Land Prices published by the Department of Agriculture, to determine the annual adjustment to the cabin user fee in accordance with subsections (a) and (d).

(2) STATEWIDE CHANGES.—In determining the annual adjustment to the cabin user fee for an authorization located in a county in which agricultural land prices are influenced by the factors described in section 6(b)(3), the Secretary shall use average statewide changes in the State in which the lot is located.

(c) NEW INDEX.—

(1) IN GENERAL.—Not later than 10 years after the date of enactment of this Act, the Secretary may select and use an index other than the index described in subsection (b)(2) to adjust a cabin user fee if the Secretary determines that a different index better reflects change in the value of a lot over time.

(2) SELECTION PROCESS.—Before selecting a new index, the Secretary shall—

(A) solicit and consider comments from the public; and

(B) not later than 60 days before the date on which the Secretary makes a final index selection, submit any proposed selection of a new index to—

(i) the Committee on Resources of the House of Representatives; and

(ii) the Committee on Energy and Natural Resources of the Senate.

(d) LIMITATION.—In calculating an annual adjustment to the base cabin user fee, the Secretary shall—

(1) limit any annual fee adjustment to an amount that is not more than 5 percent per year when the change in agricultural land values exceeds 5 percent in any 1 year; and

(2) apply the amount of any adjustment that exceeds 5 percent to the annual fee payment for the next year in which the change in the index factor is less than 5 percent.

SEC. 9. PAYMENT OF CABIN USER FEES.

(a) DUE DATE FOR PAYMENT OF FEES.—A cabin user fee shall be paid or prepaid annually by the cabin owner on a monthly, quarterly, annual, or other schedule, as determined by the Secretary.

(b) PAYMENT OF EQUAL OR LESSER FEE.—If, in accordance with section 7, the Secretary determines that the amount of a new base cabin user fee is equal to or less than the current base cabin user fee, the Secretary shall require payment of the new base cabin user fee by the cabin owner in accordance with subsection (a).

(c) PAYMENT OF GREATER FEE.—If, in accordance with section 7, the Secretary determines that the amount of a new base cabin user fee is greater than the current base cabin user fee, the Secretary shall—

(1) require full payment of the new base cabin user fee in the first year following completion of the fee determination procedure if the increase in the amount of the new base cabin user fee is not more than 100 percent of the most recently paid cabin user fee; or

(2) phase in the increase over the current cabin user fee in approximately equal increments over 3 years if the increase in the amount of the new base cabin user fee is greater than 100 percent of the most recently paid base cabin user fee.

(d) REQUIREMENT FOR PAYMENT DURING ARBITRATION, APPEAL, OR JUDICIAL REVIEW.—If arbitration, an appeal, or judicial review concerning a cabin user fee is brought in accordance with section 11 or 12, the Secretary shall—

(1) suspend annual payment by the cabin owner of any increase in the cabin user fee, pending completion of the arbitration, appeal, or judicial review; and

(2) make any adjustments, as necessary, that result from the findings of the arbitration, appeal, or judicial review by providing to the cabin owner—

(A)(i) a credit toward future cabin user fee payments; or

(ii) a refund for any overpayment of the cabin user fee; and

(B) a supplemental billing for any additional amount of the cabin user fee that is due.

SEC. 10. RIGHT OF SECOND APPRAISAL.

(a) RIGHT OF SECOND APPRAISAL.—On receipt of notice from the Secretary of the determination of a new base cabin user fee, the cabin owner—

(1) not later than 60 days after the date on which the notice is received, shall notify the Secretary of the intent of the cabin owner to obtain a second appraisal; and

(2) may obtain, within 1 year following the date of receipt of the notice under this subsection, at the expense of the cabin owner, a second appraisal of the typical lot on which the initial appraisal was conducted.

(b) CONDUCT OF SECOND APPRAISAL.—In conducting a second appraisal, the appraiser selected by the cabin owner shall—

(1) consider all relevant factors in accordance with this Act (including guidelines developed under section 6(a)(2)); and

(2) notify the Secretary of any material differences of fact or opinion between the initial appraisal conducted by the agency and the second appraisal.

(c) REQUEST FOR RECONSIDERATION OF BASE CABIN USER FEE.—A cabin owner shall submit to the Secretary any request for reconsideration of the base cabin user fee, based on the results of the second appraisal, not later than 60 days after the receipt of the report for a second appraisal.

(d) RECONSIDERATION OF BASE CABIN USER FEE.—On receipt of a request from the cabin owner under subsection (c) for reconsideration of a base cabin user fee, not later than 60 days after the date of receipt of the request, the Secretary shall—

(1) review the initial appraisal of the agency;

(2) review the results and commentary from the second appraisal;

(3) determine a new base cabin user fee in an amount that is—

(A) equal to the fee determined by the initial or the second appraisal; or

(B) within the range of values, if any, between the initial and second appraisals; and

(4) notify the cabin owner of the amount of the new base cabin fee.

SEC. 11. RIGHT OF ARBITRATION.

(a) IN GENERAL.—

(1) REQUEST FOR ARBITRATION.—Not later than 30 days after the receipt of notice of a new base cabin fee under section 10(d)(4), the tract association may request arbitration if a cabin owner in the tract and the Secretary are unable to reach agreement on the amount of the base cabin user fee determined in accordance with section 10.

(2) IDENTIFICATION OF THIRD-PARTY NEUTRALS.—If arbitration is requested under paragraph (1), the Secretary shall promptly request the Center to develop a list of the names of not fewer than 20 appraisers and 10 attorneys who possess appropriate training and experience in valuations of land and interest in land to serve as qualified third-party neutrals.

(b) ARBITRATION.—Not later than 30 days after the receipt of a request from the tract association for arbitration, the Secretary shall—

(1) notify the Center of the request; and

(2) request the Center to provide to the Secretary and the tract association, within 15 days—

(A) instructions related to arbitration procedures; and

(B) the list of qualified third-party neutrals described in subsection (a)(2).

(c) ARBITRATION PANEL.—

(1) IN GENERAL.—Not later than 15 days after the receipt of the list described in subsection (a)(2), the Secretary and the tract association may each recommend the names of 2 appraisers and 1 attorney from the list for consideration in the selection of an arbitration panel by the Center.

(2) AVAILABILITY OF LIST.—The Secretary and the tract association shall disclose to each other the names of third-party neutrals recommended under paragraph (1).

(3) OPTION TO ELIMINATE RECOMMENDED NEUTRALS.—The Secretary and the tract association may each peremptorily eliminate from consideration for the arbitration panel 1 third-party neutral recommended under paragraph (1).

(4) SELECTION BY CENTER.—From the third-party neutrals recommended to the Center under paragraph (1) that are not eliminated from consideration under paragraph (3), the Center shall select and retain an arbitration panel consisting of 2 appraisers and 1 attorney.

(5) NOTIFICATION OF ESTABLISHMENT.—Not later than 5 days after the selection of members of the arbitration panel, the Center shall notify the Secretary and the tract association of the establishment of the arbitration panel.

(d) ARBITRATION PROCEDURE.—

(1) SUBMISSION OF INFORMATION.—Not later than 30 days after notification by the Center of the establishment of the arbitration panel under subsection (c)(3), each party shall submit to the arbitration panel—

(A) the appraisal report of each party, including comments, if any, of material differences of fact or opinion related to the initial appraisal or the second appraisal;

(B) a copy of the authorization associated with any typical lot that was subject to appraisal;

(C) a copy of this Act; and

(D) a copy of appraisal guidelines developed in accordance with section 6(a)(2).

(2) HEARING OR FIELD INSPECTION.—On agreement of both parties, the arbitration may be conducted without a hearing or a field inspection.

(3) SCHEDULE FOR DECISION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), not later than 60 days after the receipt of all materials described in paragraph (1), the arbitration panel shall prepare and forward to the Secretary a written advisory decision on the appropriate amount of the base cabin user fee.

(B) EXTENSION.—If the arbitration panel or the parties to the arbitration determine that a hearing or field inspection is necessary, the date for submission of the advisory decision under subparagraph (A) shall be extended for—

(i) not more than 30 days; or

(ii) in the case of difficult or hazardous road or weather conditions, such an additional period of time as is necessary to complete the inspection.

(4) DETERMINATION OF RECOMMENDED BASE CABIN USER FEE.—The base cabin user fee recommended by the arbitration panel shall fall within the range of values, if any, between the initial and second appraisals submitted to the arbitration panel by the parties.

(e) ADOPTION OF RECOMMENDED BASE CABIN USER FEE.—

(1) IN GENERAL.—Not later than 45 days after the receipt of the recommendation by the arbitration panel, the Secretary shall make a determination to adopt or reject the recommended base cabin user fee.

(2) NOTICE TO TRACT ASSOCIATION.—Not later than 15 days after making the determination under paragraph (1), the Secretary shall provide notice of the determination to the tract association.

(f) NO ADMISSION OF FACT OR RECOMMENDATION.—Neither the fact that arbitration in accordance with this section has occurred, nor the recommendation of the arbitration panel, shall be admissible in any court or administrative proceeding.

(g) COSTS OF ARBITRATION.—

(1) FEES.—

(A) IN GENERAL.—In addition to amounts collected under paragraph (2), the Center may charge a reasonable fee to each party to an arbitration under this Act for the provision of arbitration services.

(B) TRANSFER.—Fees collected under this paragraph shall be transferred to the Secretary for use in the administration of the program without further Act of appropriation.

(2) COST SHARING.—The agency and the tract association shall each pay 50 percent of the costs incurred by the Center in establishing and administering an arbitration in accordance with this section, unless the arbitration panel recommends that either the agency or the tract association bear the entire cost of establishing and administering the arbitration.

(h) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS FOR INITIAL COSTS.—There is authorized to be appropriated to the agency for the initial costs of establishing and administering the program not to exceed $15,000.

(2) ARBITRATION FEES.—Any amounts exceeding the amount authorized by paragraph (1) that are required for the administration of the program shall be derived from arbitration fees charged under subsection (g)(1).

SEC. 12. RIGHT OF APPEAL AND JUDICIAL REVIEW.

(a) RIGHTS OF APPEAL.—Notwithstanding any action of a cabin owner to exercise rights in accordance with section 10 or 11, the Secretary shall by regulation grant the cabin owner the right to an administrative appeal of the determination of a new base cabin user fee.

(b) JUDICIAL REVIEW.—A cabin owner that is adversely affected by a final decision of the Secretary under this Act may commence a civil action in United States district court.

SEC. 13. CONSISTENCY WITH OTHER LAW AND RIGHTS.

(a) CONSISTENCY WITH RIGHTS OF THE UNITED STATES.—Nothing in this Act limits or restricts any right, title, or interest of the United States in or to any land or resource.

(b) SPECIAL RULE FOR ALASKA.—In determining a cabin user fee in the State of Alaska, the Secretary shall not establish or impose a cabin fee or a condition affecting a cabin fee that is inconsistent with the requirements under section 1303(d) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3193(d)).

SEC. 14. REGULATIONS.

Not later than 1 year after the date of enactment of this Act, the Secretary shall promulgate regulations to implement this Act.

SEC. 15. TRANSITION PROVISIONS.

(a) IN GENERAL.—On enactment of this Act, the Secretary shall—

(1) suspend appraisal activities related to existing authorizations until new rules, policies, and procedures are promulgated in accordance with this Act; and

(2) temporarily charge an annual cabin user fee for each lot that is—

(A) an amount equal to the cabin user fee for the lot that was in effect on September 30, 1995, adjusted by application of the Implicit Price Deflator–Gross National Product Index, if no appraisal of the lot on which the cabin is located was completed after that date and before the date of enactment of this Act;

(B) an amount that is not more than 100 percent greater than the cabin user fee in effect on September 30, 1995, adjusted by application of the Implicit Price Deflator–Gross National Product Index prior to reappraisal, if an appraisal conducted after that date but before the date of enactment of this Act resulted in the increase; or

(C) the cabin user fee in effect on the date of enactment of this Act, if an appraisal conducted after September 30, 1995, including adjustments resulting from application of the Implicit Price Deflator–Gross National Product Index before the date of enactment of this Act, resulted a base cabin user fee that is not greater than the fee in effect before the appraisal.

(b) CONDUCT OF APPRAISALS UNDER NEW LAW.—On publication of new rules, policies, and procedures under this Act, the Secretary shall carry out any appraisals of lots and determinations of fees that were not completed between September 30, 1995, and the date of enactment of this Act.

(c) REQUEST FOR NEW APPRAISAL UNDER NEW LAW.—Not later than 2 years after the promulgation of final regulations and policies and the development of appraisal guidelines in accordance with section 6(a)(2), a cabin owner whose base cabin user fee was adjusted subject to an appraisal completed after September 30, 1995, but before the date of enactment of this Act, may request that the Secretary conduct a new appraisal and determine a new fee in accordance with this Act.

(d) CONDUCT OF NEW APPRAISAL.—On receiving a request under subsection (c), the Secretary shall conduct, and bear all costs incurred in conducting, a new appraisal and fee determination in accordance with this Act.

(e) ASSUMPTION OF NEW BASE CABIN USER FEE.—In the absence of a request under subsection (c) for a new appraisal and fee determination from a cabin owner whose cabin user fee was determined as a result of an appraisal conducted after September 30, 1995, but before the date of enactment of this Act, the Secretary may consider the base cabin user fee resulting from the appraisal conducted between September 30, 1995, and the date of enactment of this Act to be the base cabin user fee that complies with the transition provisions of this Act.

(f) TRANSITIONAL CABIN USER FEE OBLIGATION.—

(1) IN GENERAL.—In determining the liability of the cabin owner for payment of fees for the period of time between the date of enactment of this Act and the determination of a base cabin user fee in accordance with this Act, the Secretary shall—

(A) require the cabin owner to remit any balance owed for any underpayment of an annual cabin user fee; or

(B) if an overpayment of a cabin user fee has occurred, credit the cabin owner, or an heir or assign of the cabin owner, toward future cabin user fee obligations.

(2) BILLING.—The agency shall bill a cabin owner for amounts determined to be owed under paragraph (1)(A) in approximately equal increments over 3 years.

By Mr. LEAHY (for himself, Mr. BROWNBACK, Mr. FEINGOLD, Mr. KENNEDY, Mr. KERRY, Mr. JEFFORDS, and Mr. LAUTENBERG):

S. 1940. 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.

THE REFUGEE PROTECTION ACT

Mr. LEAHY. Mr. President, today Senators BROWNBACK, FEINGOLD, KENNEDY, KERRY, JEFFORDS, and I are introducing the Refugee Protection Act

of 1999, a bill to limit and reform the expedited removal system currently operating in our ports of entry.

In 1996, I introduced an amendment that would have only authorized the use of expedited removal at times of immigration emergencies. The bill I introduce today—with the cosponsorship of two Republican and three Democratic Senators—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.

Expedited removal allows INS inspections 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.

First, this policy 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 we saw Serb soldiers do in Kosovo earlier this year.

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 a low-level INS officer who can 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 referred for an interview with an asylum officer. But no safeguards exist to guarantee that this happens, and the secondary inspection interviews take place behind closed doors with no witnesses. Indeed, this interview often becomes unduly confrontation 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 an interpreter who speaks their language. If they are unlucky, they will receive no interpreter at all, or 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 is already producing a human cost.

Indeed, only a few years into this new regime, there are extraordinary troubling stories of bona fide refugees who were turned away unjustly at our borders. I will talk about two such refugees today.

''Dem'' (a pseudonym) was a 21-year-old ethnic Albanian student in Kosovo. In October 1998, Serbian police seized him and tortured him for 10 days, accusing him of terrorism and threatening to kill his family. Immediately after this experience, Dem fled Kosovo, without travel documents. He traveled through Albania to Italy, where he purchased a Slovenian passport. In January of this year, he flew via Mexico City to California, hoping to find refuge in the United States.

Dem's hopes were not realized. The INS referred him for a secondary inspection interview and provided for a Serbian translator to participate by telephone. Since Dem could speak only Albanian, the interpreter was useless. Instead of finding an interpreter who could speak Albanian, the INS officers simply closed Dem's case, handcuffed his hands behind his back and put him on a plane back to Mexico City. In other words, Dem—a victim of an ethnic conflict that was already front page news in America's newspapers—was removed from the United States without ever being asked in a language he could understand whether he was afraid to return to Kosovo. Luckily, Dem succeeded in a second attempt to enter the United States, has since been found to have a credible fear of persecution, and is now awaiting an asylum hearing. One can only wonder how many refugees in Dem's position never receive such a second chance.

While Dem was arriving in Los Angeles this January, a Tamil from Sri Lanka named Arumugam Thevakumar arrived at JFK Airport in New York seeking asylum. Mr. Thevakumar had escaped from Sri Lanka and its bloody civil war, but only after being persecuted by the army because he is a Tamil. When he had his secondary inspection interview, he told the interpreter that he was a refugee and sought asylum. The translator laughed and said that he was unable to translate Mr. Thevakumar's request into English. In addition to battling a language barrier and an uncooperative translator, Mr. Thevakumar's ability to convince the INS of his sincerity was further handicapped by the fact that he was handcuffed and shackled for significant portions of the interview.

Following his interview, Mr. Thevakumar was briefly detained and was allowed to telephone a cousin, who arranged for a lawyer. The lawyer contacted the INS to clarify that Mr. Thevakumar wanted to apply for asylum. But the INS sent Mr. Thevakumar back to Istanbul, where his flight to New York had originated, without affording him even the opportunity to show that he was deserving of asylum. Indeed, the INS faulted him for not making his intention to apply for asylum clear during his secondary inspection interview.

Mr. Thevakumar's ordeal did not end there. When he landed in Turkey, he was jailed for four days by immigration officials, who beat and interrogated him before handing him over to regular police. When he was finally released by the police, he was referred to a United Nations office in Ankara, halfway across the country from Istanbul. After 15 days of travel wearing clothes that were completely unsuitable for the Turkish winter, he finally arrived at the U.N. office and requested refugee status and asked not to be sent back to Sri Lanka. He is currently living in a Red Cross facility in Turkey.

These stories—just two 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 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 Dem, 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. The Attorney General is given the power to extend the declaration for further periods of 90 days,

in consultation with the House and Senate Judiciary Committees. s

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 ensure that refugees are assured of 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 right 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, immigration 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 low-level INS officers the unilateral power to remove an alien from the United States.

Second, expedited removal will not apply to aliens who have fled from a country that engages in serious human rights violations. The Attorney General, in consultation with the Assistant Secretary of State for Democracy, Human Rights, and Labor, will develop and maintain a list of such countries. This will help ensure that even during an immigration emergency, we will provide added protection for many of our most vulnerable refugees.

Third, 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. In addition to providing procedural guarantees, the bill also redefines ''credible fear of persecution'' as a claim for asylum that is not clearly fraudulent and is related to the criteria for granting asylum. In combination, these changes will make it easier for aliens requesting asylum in the United States to receive an appropriate asylum hearing before an immigrant judge.

Fourth, the bill clarifies that the Attorney General is not obligated to detain asylum applicants while their claims are pending. Asylum seekers are not criminals and they do not deserve to be imprisoned or detained against their will. There may be cases where detention is appropriate, and this bill allows for such cases, but I believe that that power should only be used in very rare cases. After all, these applicants have by definition demonstrated a credible fear of persecution. Moreover, detaining asylum applicants imposes a significant burden on the taxpayers, who of course must foot the bill for the detention. This bill also gives the Attorney General the ability to release an asylum applicant from detention pending a final determination of credible fear of persecution.

Finally, this Refugee Protection Act also addresses a few other problems that have arisen under the restrictive immigration laws Congress passed in 1996. First, it gives aliens the opportunity to demonstrate good cause for filing for asylum after the one-year time limit for claims has expired. 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, we must apply the one-year rule with some discretion and common sense. Indeed, when the Senate passed the 1996 immigration law, it contained a broad ''good cause'' exception that did not survive to become part of the final legislation. The Senate should take up this issue again; we were right in 1996, and the need is still there today.

In a similar vein, the bill allows asylum applicants whose claims have been rejected to submit a second application where they can show good cause. No one wants to allow aliens to submit repeated applications and drain the resources of our INS officers and immigration courts. But there are exceptional cases where a second application is justified, beyond the ''changed circumstances'' exception that exists under current law. For example, extraordinarily worthy asylum applicants, unfamiliar with the United States and its legal system, might submit an application without the benefit of counsel and without an understanding of the legal requirements of a successful asylum claim. Such people deserve a second chance to demonstrate that they deserve to receive asylum.

In conclusion, I point out that 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 passage before the end of the 106th Congress.

Mr. BROWNBACK. Mr. President, I join my distinguished colleagues from Vermont, Senator LEAHY and Senator JEFFORDS, among others, to introduce this bill entitled The Refugee Protection Act of 1999, which restores fairness to our treatment of refugees who arrive at our shores seeking freedom from persecution and oppression. This bill should dramatically reduce incidences where refugees are wrongly returned to their countries to face imprisonment, torture, and even death.

It was about 400 years when the refugee Pilgrims arrived in this new land seeking religious liberty. Defined by such events since the earliest days of the Republic, America has provided asylum to those fleeing tyranny and seeking liberty. George Washington urged his fellow citizens ''to render this country more and more a safe and propitious asylum for the unfortunates of other countries.'' In his 1801 First Annual Message, President Thomas Jefferson asked, ''Shall oppressed humanity find no asylum on this globe?''

In 1996, Congress changed the procedures by which arriving asylum seekers ask for protection in the United States, which our legislation corrects. Previously, arriving asylum seekers presented their claims directly to an immigration judge at an evidentiary hearing. The applicant could present witnesses and documentation to support their claim. Decisions by the immigration judge were subject to administrative and judicial review.

The new 1996 law did away with these fundamental due process protections, and instead, granted lower level INS officers the power to make life and death decisions that previously were entrusted to professional immigration judges. This new, unfortunate system of ''expedited removal'' presently allows for the immediate deportation of individuals who arrive without valid travel documents, such as a passport and visa. It can even be used against an individual who has a facially valid visa that INS inspectors suspect was obtained under false pretenses. In short, the process is so expedited and summary that it has resulted in the improper deportation of refugees fleeing persecution and torture. Simply put, our legislation restores the pre-1996 due process procedures, including a judicial review.

Last year, Congress addressed the problems of religious persecution which continues to be a serious problem worldwide. Enactment of the International Religious Freedom Act was the first time in the history of democracy that any country had adopted comprehensive, national legislation on religious liberty. That legislation ensures that religious liberty will be an important factor in our nation's foreign policy considerations. In the May 17, 1999 final report to the Secretary of State and to President of the United States, the Advisory Committee on Religious Freedom Abroad said:

Putting an end to such (religious) persecution cannot be accomplished without providing meaningful protection to the victims of religious persecution. We must upgrade domestic procedures that identify and protect refugees and asylum seekers fleeing religious persecution. We must strengthen our overseas refugee processing mechanisms to reach those in need of rescue. . . And, here at home we must eliminate processes such as ''expedited removal'' that can make victims of those fleeing religious persecution rather than providing access to protection.

Consistent with this commitment to protect international religious liberty, we must also ensure that persons fleeing religious persecution are not wrongly turned away at our shores because of unfair procedures. This will be accomplished through this Act.

The Refugee Protection Act returns fairness to the system by limiting expedited removal procedures only to emergency situations. An ''emergency'' must be declared as such by the Attorney General, and typically involves large numbers of immigrants arriving en masse, so as to overwhelm the INS review system. In the event that ''expedited removal'' is employed, the Act requires an immigration judge to review the summary deportation order. Also, it permits claims for asylum to be filed beyond the one-year deadline created by the 1996 legislation, if there is good cause for the delay or when consideration of the claims is clearly in the interest of justice.

Our refugee asylum system reflects both the best and the worst policies, throughout our history as a nation. In 1939, more than 900 Jews aboard the SS *St. Louis*, who were within sight of Miami, were rejected and forced to return to Europe where they were murdered in concentration camps. Yet when World War II ended, the United States led the effort to establish universally recognized fundamental rights. As a result of this advocacy, the General Assembly of the United Nations adopted the Universal Declaration of Human Rights on December 10, 1948 which recognized a right of asylum.

Over the next 30 years the United States provided refuge to numerous people fleeing communism, including to those involved in 'underground' democracy movements in Hungary, Cuba, and Southeast Asia. Yet it was not until 1980 that Congress enacted a comprehensive asylum system using the criteria of the 1951 Convention Relating to the Status of Refugees. The Convention defines a refugee as someone with a ''well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion.'' Under the procedures of this Refugee Act of 1980, requests for asylum were decided by an immigration judge, thus providing a fundamental due process protection. Notably, this judicial review was stripped in the 1996 legislation, and is a flaw which our legislation seeks to correct.

Fair procedures are critically important in making life or death decisions, as asylum cases can be. At a June 24, 1999 hearing of the Senate Subcommittee on International Operations and Human Rights, Ms. Lavinia Limon, Director of the Office of Refugee Resettlement at the Department of Health and Human Services, noted:

Once released, torture victims often attempt to flee to countries such as the United States to become invisible and safe, and to survive. But they retain the impact of torture: they are not able to speak of their experiences for fear officials will not believe them or understand them or will regard them as criminals. They often cannot express themselves effectively in asylum interviews because they cannot speak articulately of their experiences and they feel vulnerable to all officials. They have learned to fear government and the police and they do not trust any government officials and authorities to help them. They have been weakened and disabled psychologically from the torture. Many times the victims must flee alone, enduring long periods of separation from their families who might otherwise provide emotional support.

Today the need for proper asylum reviews is greater than ever. Worldwide, religious intolerance and ethnic strife turn religious leaders and ordinary citizens into desperate asylum seekers. According to Amnesty International, government-sanctioned torture is practiced in 125 countries.

This legislation helps those fleeing intolerable injustices in the name of religious freedom and democracy. Placing the decision squarely in the hands of an immigration judge does not impose an unreasonable or impossible burden on the government. Congress should enact the Refugee Protection Act because it restores the fundamental due process protections needed to ensure that legitimate asylum seekers are not wrongly turned away.

Mr. FEINGOLD. Mr. President, I rise today to join my distinguished colleagues, Senators LEAHY, BROWNBACK, and JEFFORDS, to introduce a bill that will reduce the likelihood that people fleeing genuine persecution in their homelands and seeking refuge in America will be unfairly returned to their countries.

Mr. President, as you know, our nation has been built by people who arrived on our shores from all over the world. Immigrants have enriched our nation economically, culturally, and in so many other invaluable ways. I don't think anyone can dispute that, of all the countries in the world, our nation has the deepest, richest commitment to welcoming all people who want to make a new home and a new life.

At the same time, Mr. President, our nation also has a deep tradition of welcoming those who are fleeing oppression in their native land. From the pilgrims who set foot in present day Massachusetts and Virginia, to the Kosovars who fled brutality in their homeland earlier this year, America has been a safe refuge for those fleeing persecution. Our nation's first president, George Washington, said: ''America is open to receive not only the opulent and respectable stranger, but the oppressed and persecuted of all nations and religions.'' George Washington said those words in 1783. One hundred and one years later, France would present our country with a gift, a statue called ''Liberty Enlightening the World.'' In 1884, that title was a profound statement of our nation's past, our present and hope for the future. ''Liberty Enlightening the World'' later became known as the Statue of Liberty. The Statue of Liberty has these words inscribed on her:

. . . Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore.
Send these, the homeless, tempest-tost to me,
I lift my lamp beside the golden door!

Unfortunately, Mr. President, our current asylum and immigration laws have nearly slammed the door shut on victims of persecution, even those who are sure to suffer if returned to their home countries. Current law originates with the passage in 1996 of the Illegal Immigration Reform and Immigrant Responsibility Act. That law was an attempt to combat illegal immigration. But in the process, Congress denied victims of persecution the protection that our nation historically has offered. The current system provides for the immediate deportation of individuals who arrive without travel documents precisely in order. Now, Mr. President, it's appropriate that we require these documents, but people who have fled torture and great brutality may not have proper documentation because of the circumstances under which they fled their homelands. As a result, genuine victims of persecution face the risk of being turned away at our borders and put on the next plane back to face imprisonment, torture or death. The 1996 law effectively empowers low level INS officers to summarily make the life and death decision as to whether to deport an asylum seeker. Prior to 1996, those decisions were made by an immigration judge. We must return a judicial role to the review of asylum claims.

As my colleagues who were here in 1995 and 1996 may recall, the 1996 law was enacted in reaction to a flurry of concern that our border controls were too lax. The debate on the 1996 law was fueled by legitimate concern over criminals who managed to enter the country and commit acts of terrorism or other crimes. In response, the INS began a sensible tightening of the asylum process. In 1994 and 1995, the INS ceased issuing work authorizations at the border. Instead, asylum seekers

had to wait until an adjudication of their case before receiving work authorization. As a result, claims for asylum dropped dramatically—those who were seeking work but did not have a legitimate fear of persecution were no longer claiming asylum. The INS reforms were effective. But the 1996 law went too far. In our rush to keep undesirable asylum applicants out, Congress created a system where those with bona fide asylum claims face the great risk of being immediately deported to face the wrath of oppressive home governments without a real chance to make their case.

Because an INS officer has the authority to deport refugees immediately, with no record keeping requirement, it has been difficult to determine exactly how many genuine refugees with a valid fear of persecution in their home countries have been turned away at our airports and borders as a result of the 1996 law. Organizations like the Lawyers Committee for Human Rights, however, have been able to collect some data on the extent of the problem.

One of the most troubling stories is the case of a 21-year-old Kosovar Albanian known as ''Dem.'' In October 1998, Serb police seized Dem at his home, beat him, and threatened to kill his family. This abuse occurred over a period of ten days. When the Serb police finally released Dem, he fled Kosovo. He eventually made his way to the United States in January of this year, landing in California via Mexico City. When he arrived, the INS arranged for a Serbian translator to assist by telephone with its questioning of Dem. But Dem, a Kosovar Albanian, could not speak Serbian. After the translator spoke with Dem, the translator said something to the INS officer. The INS officer promptly handcuffed and fingerprinted Dem and then put him on a plane back to Mexico City.

Fortunately, Dem was not returned to Kosovo. Dem tried re-entering the United States and on this second attempt, he was allowed to apply for asylum. But the facts supporting Dem's asylum claim had not changed. We must fix a system that produces such arbitrary results where people's lives, and American ideals, are at stake.

We don't know exactly how many victims of real persecution have been immediately deported, and we obviously don't know exactly what has happened to each victim since enactment of the 1996 law. What we do know is that an asylum seeker who is fleeing torture, abuse or death faces the risk of being kicked out of our country, without even obtaining a perfunctory hearing before an immigration judge.

The Refugee Protection Act of 1999 will return fairness and due process to the treatment of asylum seekers. For non-emergency migration situations, the bill would restore the pre-1996 law, when immigration judges were involved in the decision to deport someone who claimed asylum. The current process will continue to apply in emergency migration situations and would designate the Attorney General as the official with authority to determine when an emergency migration situation exists. The bill also would provide that an emergency cannot exist for more than 90 days, unless the Attorney General, after consultation with the Senate and House Judiciary Committees, determines that the emergency situation continues to exist.

Mr. President, this is a sensible bill that allows us to scrutinize those who come to our borders, but honors our best traditions and returns fairness and humanity to our treatment of those who are fleeing persecution. I urge my colleagues to join me and Senators LEAHY, BROWNBACK and JEFFORDS in fighting for basic human dignity, decency and justice. Let us lift the torch of ''Liberty Enlightening the World'' once again. Let us not reflexively turn away those whose very lives may depend on a fair hearing as they seek refuge in the United States.

By Mr. DODD (for himself and Mr. DEWINE):

S. 1941. A bill to amend the Federal Fire Prevention and Control Act of 1974 to authorize the Director of the Federal Emergency Management Agency to provide assistance to fire departments and fire prevention organizations for the purpose of protecting the public and firefighting personnel against fire and fire-related hazards; to the Committee on Commerce, Science, and Transportation.

FIREFIGHTER INVESTMENT AND RESPONSE ENHANCEMENT ACT

• Mr. DODD. Mr. President, I rise today with my colleague and friend, Senator DEWINE of Ohio, to introduce legislation that would represent our nation's first comprehensive commitment to fire safety. The Firefighter Investment and Response Enhancement Act (the FIRE bill), will, for the first time, provide volunteer and professional firefighters with the resources they need to protect the people and property of their towns and cities.

In communities throughout America, firefighters are almost always the first to respond to a call for help. They respond to a fire alarm. They are on the scene of traffic accidents and construction accidents. Emergency medical technicians, who often belong to fire departments, each day answer tens of thousands of calls for medical assistance. And, when a natural or manmade calamity strikes—from hurricanes to school shootings to bombings—firefighters are there without fail, restoring order and saving lives.

Given all that they do, it should surprise no one that, across the Nation, fire departments struggle to find resources to help keep our communities safe. As the demands placed on fire departments have grown in volume and magnitude, the ability of local residents to support them has been put to a severe test. As a result, towns and cities throughout the country are struggling mightily to provide the fire departments with the resources they require.

The FIRE Act will help localities meet that critical objective. It will provide grants to help localities hire more firefighters, train new and existing personnel to handle the volume and intensity of today's tragedies, and purchase badly needed equipment.

This legislation will also provide critical resources to communities to fund fire prevention and education programs so that they can anticipate disasters and respond appropriately. Such programs are critical means of preventing tragedies from occurring in the first place. Eight out of ten fire deaths occur in a place where people feel the safest—their homes. Tragically, our children and the elderly account for a disproportionate number of these deaths. Indeed, preschool children face a risk of death from fire that is more than twice the risk for all age groups combined. While we can and should ensure that the fire equipment and personnel are available to respond to these tragedies, our best defense remains education and prevention. Yet, it is a painful irony that when resources are scarce, education and prevention efforts are often the first to be put on the budgetary chopping block. The legislation Senator DEWINE and I are introducing will help ensure that no locality is put in the painful position of choosing between prevention and responding to emergencies.

This legislation will enable our fire departments to worry more about saving lives and less about finding dollars. It will enable communities to better prevent disasters, and better train firefighters.

I look forward to working with Senator DEWINE to successfully advance this legislation in the Senate. It is our shared hope that our colleagues will come to realize that this bill is one whose time has come. Our Nation's firefighters deserve the support that this bill will provide, and I hope that we will give it to them before the end of this Congress.•

• Mr. DEWINE. Mr. President, each day, we entrust our lives and the safety of our families, friends, and neighbors to the capable hands of the brave men and women in our local police and fire departments. These individuals have decided that they are willing to risk their lives and safety out of a dedication to their citizens and their commitment to public service.

In Congress, we have recognized the dangers inherent in police work by dedicating federal resources to help

local police departments. In fact, this year, Fiscal Year (FY) 1999, the federal government spent $11 billion on law enforcement initiatives, such as the COPS program, to help local law enforcement face the daily challenges of their communities. In contrast, though, the federal government spent only $32 million on fire prevention and training.

We ask local firefighters to risk no less than their lives every time they respond to a fire alarm. We ask them to risk their lives responding to the approximately two million reports of fire that they receive on an annual basis. We expect them to be willing to give their lives in exchange for the lives of our families, neighbors, and friends once every 71 seconds while responding to the 400,000 residential fires—fires which represent only about 22% of all fires reported. We count on them to protect our lives and the lives of our loved ones.

I believe the Federal Government needs to show a greater commitment to the fire services. So, today, along with my colleague and friend from Connecticut, Senator DODD, I rise to introduce the Firefighter Investment and Response Enhancement Act—or, FIRE bill. This bill is very simple. It authorizes, over five years, $5 billion in grants to local fire departments. These grants can be used for just about any purpose—training, equipment, hiring more firefighters, or education and prevention programs. A new office, established by this bill under the Federal Emergency Management Agency (FEMA), would be responsible for distributing grants to local departments based on a competitive process, involving needs assessment. To ensure that the funding is not spent solely on brand new state-of-the-art fire trucks, it mandates that no more than 25% of the grant funding can be used to purchase new fire vehicles. Finally, it requires that at least 10% of the funds are used for fire prevention programs.

Our bill is supported by the National Safe Kids Campaign, the International Association of Fire Fighters, International Association of Fire Chiefs, national Volunteer Fire Council, International Association of Arson Investigators, International Society of Fire Service Instructors, and the National Fire Protection Association. It is also a companion measure to legislation introduced in the House by Congressmen PASCRELL and WELDON, where almost 200 members of the House of Representatives have cosponsored it. I am proud to introduce this bill with my friend from Connecticut and look forward to working to ensure that the federal government increases its commitment to the men and women who make up our local fire departments. We owe it to them.●

By Mr. JEFFORDS:

S. 1942. A bill to amend the Older Americans Act of 1965 to establish grant programs to provide State pharmacy assistance programs and medication management programs; to the Committee on Health, Education, Labor, and Pensions.

PHARMACEUTICAL AID FOR OLDER AMERICANS ACT

Mr. JEFFORDS. Mr. President, there has been considerable attention rightfully paid by our colleagues this year to the issue of providing prescription drug coverage for our older American citizens. Estimates of the number of older Americans without some form of added coverage for prescription drugs vary between a low of 16.7 percent to 50 percent. About 7.7 million Medicare beneficiaries with annual incomes below 200 percent of poverty have no prescription drug coverage, despite some evidence indicating they are in poorer health than those beneficiaries with coverage. Those without added coverage for prescription benefits spend approximately 50 percent of their total income on out-of-pocket health care costs, and there are anecdotal reports that some elders forgo taking their prescribed medicines in order to have food to eat. Finally, there are econometric studies that conclude that a $1 increase in pharmaceutical expenditure is associated with a $3.65 reduction in hospital care expenditure.

The problems posed by the lack of prescription drug coverage for the neediest elders is compounded by the well-documented effects of inappropriate drug use among the elderly. In 1995, the General Accounting Office (GAO) found that inappropriate drug use among elders is acute and that elders were particularly susceptible to unintended, adverse drug events (ADEs), due in part to the natural aging process and also to the likelihood that they are taking multiple medications. One study of drug use by the elderly, done by the Vermont Program for Quality in Health Care, found that it was not uncommon for elders to be taking more than a dozen drugs at one time. In fact, the Vermont study actually documented one case in which ''a single individual received prescriptions for 71 different drugs in a single year, several of which probably should not have been taken in combination.''

The GAO report also cited studies showing that hospitalizations for elderly patients due to ADEs were six times greater than for the general population, with an estimated annual cost of $20 billion. However, a recent Journal of the American Medical Association article indicated that the level of ADEs could be reduced 66 percent, if a pharmacist participated in grand rounds. Clearly, more must be done to recognize the importance of medication management programs that ensure the quality of drug therapy, including patient evaluations, compliance assessments, and drug therapy reviews.

We are all aware that prescription drug costs continue to grow at an alarming rate. Seniors are being forced to spend greater and greater portions of their fixed incomes on prescription drugs which they need to live. Research and development of prescription drugs have come a long way since Medicare was originally enacted in 1965. Today, drugs are just as important as hospital visits, and in many cases more important, and it just doesn't make sense for Medicare to reimburse hospitals for surgery but not to provide coverage for the drugs that might prevent surgery. We need to modernize the Medicare program so that it does not go bankrupt in the next 10 to 15 years, and at the same time we must ensure that any Medicare reform proposal we consider includes a prescription drug benefit that helps all seniors.

Mr. President, I have already introduced two measures that will help our older citizens obtain the medicines they need and at prices they can afford. My first bill, S. 1462, the ''Personal Use Prescription Drug Importation Act of 1999,'' allows Americans of all ages to avail themselves of the lower prices for prescription medicines that are available in Canada. A second measure, S. 1725, the ''DrugGap Insurance for Seniors Act of 1999,'' would provide for a more comprehensive access to prescription drugs by Medicare beneficiaries through reform and modernization of the Medicare Supplemental, Medigap, program. Under this approach, all existing Medigap plans, and three new drug-only Medigap plans, would provide various levels of prescription drug benefits from which seniors could choose. And our neediest elders' needs would be supported through Federal contributions for the cost of their premiums.

During the 1st Session of the 106th Congress, no fewer than eight bills have been introduced in the Senate to provide a prescription drug benefit for Medicare beneficiaries—with most proposals estimated to cost between $5 billion and $40 billion per year. While I'm hopeful that we will all work hard to include a prescription drug benefit for Medicare beneficiaries, I am also concerned that at the end of the Congress we may not be successful. That is why I am introducing a measure today, the ''Pharmaceutical Aid to Older Americans Act,'' which will serve as a backstop for our neediest elders. This program builds on State pharmacy assistance programs that are already in place, and it encourages States to begin them where they don't already exist.

Fifteen States are cutting new and innovative paths for providing prescription drug coverage for their neediest citizens. Most of these programs

are for elder citizens (more than half also cover people with disabilities), and cover a wide variety of drugs—though some are limited to certain drugs or conditions, some require cost sharing for prescription medicines, and some have annual enrollment fees or monthly premiums. As of 1997, these programs aided over 700,000 people. The Pharmaceutical Aid to Older Americans Act is designed to assist States in their efforts to provide medicines and appropriate pharmacy counseling benefits for their neediest elders.

This Act will strengthen the Older Americans Act by authorizing two discretionary grant programs, subject to appropriations, to fund State-based pharmaceutical assistance and medication management programs. Under this measure, States would develop models that work best for them and would have the latitude to design and implement innovative approaches for providing benefits to their neediest elders. States awarded grant money would agree to: match Federal funds with 30 percent new or existing State funds or in-kind contributions and not supplant current State expenditures with Federal funds. In-kind contributions counting toward the match requirement could include assistance from pharmaceutical companies and organization- and community-based pharmacies, thereby making this approach a truly public-private partnership.

Each application for pharmaceutical assistance funds must include a medication management program that ensures the quality of drug therapies through patient evaluations, compliance assessments, and drug therapy reviews. Federal funds could be used to provide drug coverage benefits only to eligible beneficiaries, defined as Medicare beneficiaries with incomes up to 200 percent of poverty but without any other coverage for prescription drug benefits (States could expand eligibility with State resources). All senior citizens could utilize the medication management portion of the program.

This is not government control of drug prices or price-fixing. The States can purchase pharmaceuticals from any willing seller, including pharmaceutical manufacturers, pharmaceutical distributors, wholesalers, pharmacy benefit management firms (PBMs), and chain or local pharmacies, without any Federal requirement for wholesale prices or Medicaid-based rebates. In some instances, it's likely that States may be able to negotiate better purchasing prices than any of those set by some artificial, imposed ceiling. Finally, for those States that choose not to provide pharmaceutical benefits, the Act authorizes grants to States to create or support stand-alone Medication Management Programs that will involve the States in collaborative efforts with community, chain-based, and institutional pharmacists to implement medication management programs.

As I mentioned earlier, Mr. President, I am fully committed to providing a prescription benefit for all our elders as we move forward on comprehensive reform of the Medicare program. I am equally committed to seeing that the Older Americans Act is reauthorized this Congress, and I will work diligently to get these jobs accomplished. However, if the latter effort succeeds and the former doesn't, then the Pharmaceutical Assistance for Older Americans Act will be in place to provide much-needed medicines for our neediest elders. I'm very pleased Mr. President, that this measure has received endorsement of two of the key advocacy organizations associated with the Older Americans Act, the National Association of Area Agencies on Aging and the National Association of State Units on Aging. Note that these guardians of the aged support this measure, like me, if and only if we are unsuccessful in passing a prescription drug benefit for the Medicare program.

Mr. President, I ask unanimous consent that the bill and the text of these letters and this measure be printed in the RECORD.

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

S. 1942

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 ''Pharmaceutical Aid to Older Americans Act''.

SEC. 2. AMENDMENT TO OLDER AMERICANS ACT OF 1965.

Part B of title IV of the Older Americans Act of 1965 (42 U.S.C. 3034 et seq.) is amended by adding at the end the following:

''SEC. 429K. GRANTS FOR STATE PHARMACY ASSISTANCE PROGRAMS.

''(a) PROGRAM AUTHORIZED.—The Assistant Secretary may award grants to States to provide and administer State pharmacy assistance programs.

''(b) PREFERENCE.—In awarding grants under subsection (a), the Assistant Secretary shall give preference to States that propose to develop and implement State pharmacy assistance programs, or to provide assistance to State pharmacy assistance programs in existence on the date of enactment of this section, that provide services for underserved populations or for populations residing in rural areas.

''(c) USE OF FUNDS.—A State that receives a grant under subsection (a) shall use funds made available through the grant to—

''(1) develop and implement a State pharmacy assistance program, or to provide assistance to a State pharmacy assistance program in existence on the date of enactment of this section; and

''(2) prepare and submit an evaluation to the Assistant Secretary on the implementation of, or provision of, or assistance to a program described in paragraph (1).

''(d) APPLICATION.—To be eligible to receive a grant under subsection (a), a State shall submit to the Assistant Secretary an application at such time, in such manner, and containing such information as the Assistant Secretary may require, including—

''(1) a description of a State pharmacy assistance program that such State plans to develop and implement, including information on the anticipated number of individuals to be served, eligibility criteria of individuals to be served, such as the age and income level of such individuals, drugs to be covered by the program, and performance measures to be used to evaluate the program; or

''(2) a description of a State pharmacy assistance program in existence on the date of enactment of this section that such State plans to assist with funds received under subsection (a), including information on the number of individuals served, eligibility criteria of individuals served, such as the age and income level of such individuals, drugs covered by the program, and performance measures used to evaluate the program.

''(e) MINIMUM AMOUNT.—In awarding grants under subsection (a), from the amount appropriated under subsection (l)(1) for each fiscal year, the Assistant Secretary shall award, to each eligible State, an amount that is not less than $250,000.

''(f) DURATION OF GRANT.—In awarding grants under subsection (a), the Assistant Secretary shall award such grants for periods of 2 years.

''(g) MATCHING REQUIREMENT.—The Assistant Secretary shall not award a grant to a State under subsection (a) unless that State agrees that, with respect to the costs to be incurred by the State in carrying out the program for which the grant was awarded, the State will make available (directly or through donations from public or private entities) non-Federal contributions in an amount that is not less than 30 percent of Federal funds provided under the grant.

''(h) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, any other Federal, State, or local funds expended by a State to provide the services for programs described in this section.

''(i) EVALUATIONS AND REPORT.—

''(1) PROGRAM EVALUATIONS.—Not later than 6 months after the end of the period for which the grant is awarded under subsection (a), the State shall prepare an evaluation of the effectiveness of programs carried out with funds received under this section. Not later than 6 months after the end of such period, the State shall submit to the Assistant Secretary a report containing the results of the evaluation, in such form and containing such information as the Assistant Secretary may require.

''(2) REPORT TO CONGRESS.—Not later than 36 months after the date of enactment of this section, the Assistant Secretary shall prepare and submit to the Speaker of the House of Representatives and the President pro tempore of the Senate a report that describes the effectiveness of the programs carried out with funds received under this section.

''(j) SUNSET PROVISION.—This section shall not apply beginning on the date of enactment of legislation that provides comprehensive health care coverage for prescription drugs under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) for all medicare beneficiaries.

''(k) DEFINITIONS.—In this section:

''(1) MEDICATION MANAGEMENT.—The term 'medication management program' means a

program of services for older individuals, including pharmacy counseling, medicine screening, or patient and health care provider education programs, that—

''(A) provides information and counseling on the prescription drug purchases that are currently the most economical, and safe and effective;

''(B) provides services to minimize unnecessary or inappropriate use of prescription drugs; and

''(C) provides services to minimize adverse events due to unintended prescription drug-to-drug interactions.

''(2) STATE PHARMACY ASSISTANCE PROGRAMS.—The term 'State pharmacy assistance program' means a program that provides coverage for prescription drugs and medication management programs for individuals who—

''(A) are not less than 65 years of age;

''(B) are not eligible for medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.);

''(C) are from families with incomes at or below 200 percent of the poverty line; and

''(D) have no coverage for prescription drugs other than coverage provided by a State pharmacy assistance program.

''(l) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $25,000,000 for fiscal year 2001, and such sums as may be necessary for each of fiscal years 2002 through 2005.

''(2) RESERVATION.—From the amount appropriated under paragraph (1), for each fiscal year, the Assistant Secretary shall reserve not less than 33.3 percent of such amount to enable States to assist State pharmacy assistance programs in existence on the date of enactment of this section.

''SEC. 429L. GRANTS FOR MEDICATION MANAGEMENT PROGRAMS.

''(a) PROGRAM AUTHORIZED.—The Assistant Secretary may award grants to State agencies to assist such agencies or area agencies on aging in providing and administering medication management programs.

''(b) USE OF FUNDS.—A State agency or area agency on aging that receives funds through a grant awarded under subsection (a) shall use such funds to—

''(1) develop and implement a medication management program, or to provide assistance to a medication management program in existence on the date of enactment of this section; and

''(2) prepare an evaluation on the implementation of or provision of assistance to a program described in paragraph (1), and, in the case of an area agency on aging, submit the evaluation to the appropriate State agency.

''(c) APPLICATION.—To be eligible to receive a grant under subsection (a), a State agency shall submit to the Assistant Secretary an application at such time, in such manner, and containing such information as the Assistant Secretary may require.

''(d) MINIMUM AMOUNT.—In awarding grants under subsection (a), from the amount appropriated under subsection (j) for each fiscal year, the Assistant Secretary shall award, to each eligible State agency, an amount that is not less than $50,000.

''(e) DURATION OF GRANT.—In awarding grants under subsection (a), the Assistant Secretary shall award such grants for a period of 2 years.

''(f) MATCHING REQUIREMENT.—The Assistant Secretary shall not award a grant to a State agency under subsection (a) unless that State agency agrees that, with respect to the costs to be incurred in carrying out programs for which the grant was awarded, the State agency will make available (directly or through donations from public or private entities) non-Federal contributions in an amount that is not less than 30 percent of Federal funds provided under the grant.

''(g) SUPPLEMENT NOT SUPPLANT.—Funds made available under this section shall be used to supplement, and not supplant, any other Federal, State, or local funds expended by a State agency or area agency on aging to provide the services for programs described in this section.

''(h) REPORTS.—

''(1) REPORT TO ASSISTANT SECRETARY.—Not later than 24 months after receipt of a grant under subsection (a), a State agency shall prepare and submit to the Assistant Secretary a report on the medication management programs carried out by the State agency or area agencies on aging in the State in such form and containing such information as the Assistant Secretary may require, including an analysis of the effectiveness of the programs. Such report shall in part be based on evaluations submitted under subsection (b)(2).

''(2) REPORT TO CONGRESS.—Not later than 36 months after grants have been awarded under subsection (a), the Assistant Secretary shall prepare and submit to the Speaker of the House of Representatives and the President pro tempore of the Senate a report that describes the effectiveness of the programs carried out with funds received under this section.

''(i) MEDICATION MANAGEMENT PROGRAMS.—In this section, the term 'medication management program' means a program of services for older individuals, including pharmacy counseling, medicine screening, or patient and health care provider education programs, that—

''(1) provides information and counseling on the prescription drug purchases that are currently the most economical, and safe and effective;

''(2) provides services to minimize unnecessary or inappropriate use of prescription drugs; and

''(3) provides services to minimize adverse events due to unintended prescription drug-to-drug interactions.

''(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $15,000,000 for fiscal year 2001, and such sums as may be necessary for each of fiscal years 2002 through 2005.''.

NATIONAL ASSOCIATION OF
AREA AGENCIES ON AGING,
Washington, DC, November 9, 1999.

Hon. JAMES JEFFORDS,
Chair, Committee on Health, Education, Labor & Pensions, U.S. Senate, Washington, DC.

DEAR SENATOR JEFFORDS: The National Association of Area Agencies on Aging (N4A) is pleased that you are introducing the Pharmaceutical Aid to Older Americans Act. We believe implementation of this Act could be an ideal interim measure until a Medicare prescription drug benefit is enacted.

As you know, a fast-growing aging population coupled with escalating pharmaceutical costs makes the lack of prescription drug coverage one of the most pressing problems facing our nation's older Americans. The proposed State Pharmacy Assistance Program would allow states with existing benefit programs to expand services and provide a strong incentive for other states to implement a prescription drug program.

Your legislative measure also goes far in addressing drug misuse, which is another escalating and dangerous problem. The proposed Medication Management Program would provide states with a financial base to implement a statewide information, education and counseling program that would significantly benefit the health and welfare of older adults.

While N4A supports your proposal in concept, we have some specific questions about the implementation of these programs and concerns about the roles and responsibilities of Area Agencies on Aging (AAAs) and Title IV Native American grantees. We welcome the opportunity to meet with you in the near future to address these concerns.

Again, we applaud your efforts and look forward to working with you next session as you further define the proposal and shepherd it through the legislative process.

Sincerely,

JANICE JACKSON,
Executive Director.

NATIONAL ASSOCIATION OF
STATE UNITS ON AGING,
Washington, DC, November 10, 1999.

SEAN DONOHUE,
U.S. Senate, Committee on Health, Education, Labor, and Pensions, Washington, DC.

DEAR SEAN: Dan Quirk and I reviewed the draft you sent last week outlining Senator Jeffords' proposed Pharmaceutical Aid to Older Americans Act. Overall, the proposal to provide grants to states to support the development or expansion of pharmaceutical assistance programs and medication management programs is a good one, and using the existing infrastructure of the Older Americans Act makes good sense. The aging network is well suited to develop and administer these types of programs. Your proposal was well developed and thoughtful.

Both programs would provide valuable assistance to older people who do not have any other prescription drug coverage available. The requirement for a 30-percent state match seems high, but allowing contributions to be ''in-kind'' will help states in that regard. The income eligibility level of 200-percent of the federal poverty level may conflict with the eligibility levels set by states in existing programs, though I haven't done an analysis of this yet. As with other programs under the Older Americans Act, if state-funded programs already exist that provide the same services, and eligibility or cost sharing requirements are at odds with the federal program, it requires states essentially to manage two different funding streams for the same program or set of services. As always, giving states the flexibility to blend federal funds with state funds to develop one program would decrease administrative expenses for the states and allow the money saved to be used for direct services.

NASUA continues to support overall reform of the Medicare program that would provide a comprehensive prescription drug benefit to beneficiaries. In the meantime, state-funded programs that are being developed and which would be supported under this proposal continue to fill in the gaps for people with no coverage for prescription drugs. This proposal would strengthen the existing infrastructure, and perhaps could serve to support a prescription program under Medicare whenever it may be implemented in the future.

We hope this proposal will generate some further interest in reauthorizing the Older Americans Act as soon as possible, hopefully before the end of the 106th Congress. We were very disappointed that reauthorization was stalled over long-standing disagreements over the Title V program.

If there is anything NASUA can do to support Senator Jeffords proposal and reauthorization, please let me know.

Thanks for the opportunity to review the Pharmaceutical Aid to Older Americans Act.

Sincerely,

KATHLEEN C. KONKA,
Policy Associate.

By Mrs. MURRAY:

S. 1943. A bill to provide for an inexpensive book distribution program; to the Committee on Health, Education, Labor, and Pensions.

FIRST BOOK DISTRIBUTION PROGRAM ACT

● Mrs. MURRAY. Mr. President, today I introduce legislation on another topic I will be discussing with Chairman JEFFORDS as we move forward with reauthorization of the Elementary and Secondary Education Act in the Senate Health, Education, Labor, and Pensions Committee.

I am introducing legislation today to fund an innovative book distribution program targeted at giving low-income students their own ''first book.''

The ''First Book'' program is a nonprofit private organization that has been tremendously successful gathering and distibuting new children's books to needy children throughout the nation. Key to the success of ''First Book'' are local boards called ''First Book Local Advisory Boards.'' Under my legislation, which would provide $5 million a year federal investment to such boards, will help them leverage millions more in funds from other sources. ''First Book'' has been successful because it is locally-driven, and reflects private industry initiative. ''First Book'' provides new books, which the program purchases from publishers at discount rates, to disadvantaged children and families primarily through tutoring, mentoring, and family literacy programs.

This bill builds on successful efforts underway in communities across the country. It takes what has been a successful but very targeted program, and will increase its reach and effect into many more American communities. ''First Book'' makes a very real difference for disadvantaged children and their families, and with this investment, it will make a difference for thousands more.●

By Mrs. MURRAY:

S. 1944. A bill to provide national challenge grants for innovation in the education of homeless children and youth; to the Committee on Health, Education, Labor, and Pensions.

STUART MC KINNEY HOMELESS EDUCATION IMPROVEMENT ACT

● Mrs. MURRAY. Mr. President, today I introduce legislation on another topic I will be discussing with Chairman JEFFORDS as we move forward with reauthorization of the Elementary and Secondary Education Act in the Senate Health, Education, Labor, and Pensions Committee.

The bill deals with an improvement I hope we can make in the Stuart McKinney Homeless Education program. While the McKinney program is relatively small, my hope is that we can greatly improve its effectiveness by recognizing and funding innovative approaches for serving homeless students.

Chairman JEFFORDS and others have recognized that keeping a homeless child in their school district of origin is vital to their success. Children, especially homeless children, need continuity in their lives. Yet as a nation, we have not yet focused on funding the innovative practices that will show how this can be done and done effectively.

In addition, there are chronic problems facing homeless children, such as the problems of trying to reach out to unaccompanied homeless youth, those young people who do not have parents or guardians with them in their homeless situation. Homeless preschoolers present another whole range of issues that many schools struggle to overcome.

My legislation will provide $2 million each year in national competitive challenge grants for innovation in the education of homeless children and youth. We follow this same approach in education technology and other areas, and challenge grants are remarkably successful in sparking innovation and dissemination of new methods of instruction.

Homeless students face many challenges, and schools face challenges in serving them. Creating a small challenge grant for homeless education is one necessary step we can take to help schools help these students succeed and achieve.●

By Mr. LOTT:

S. 1948. A bill to amend the provisions of title 17, United States Code, and the Communications Act of 1934, relating to copyright licensing and carriage of broadcast signals by satellite; to the Committee on the Judiciary.

INTELLECTUAL PROPERTY AND COMMUNICATIONS OMNIBUS REFORM ACT OF 1999

Mr. LOTT: Mr. President, I ask unanimous consent that the following section-by-section analysis be printed in the RECORD.

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

S. 1948—SECTION-BY-SECTION ANALYSIS

Section 1. Short Title. This Act may be cited as the ''Intellectual Property and Communications Omnibus Reform Act of 1999.''

TITLE I—SATELLITE HOME VIEWER IMPROVEMENT ACT OF 1999

When Congress passed the Satellite Home Viewer Act in 1988, few Americans were familiar with satellite television. They typically resided in rural areas of the country where the only means of receiving television programming was through use of a large, backyard C-band satellite dish. Congress recognized the importance of providing these people with access to broadcast programming, and created a compulsory copyright license in the Satellite Home Viewer Act that enabled satellite carriers to easily license the copyrights to the broadcast programming that they retransmitted to their subscribers.

The 1988 Act fostered a boom in the satellite television industry. Coupled with the development of high-powered satellite service, or DSS, which delivers programming to a satellite dish as small as 18 inches in diameter, the satellite industry now serves homes nationwide with a wide range of high quality programming. Satellite is no longer primarily a rural service, for it offers an attractive alternative to other providers of multichannel video programming; in particular, cable television. Because satellite can provide direct competition with the cable industry, it is in the public interest to ensure that satellite operates under a copyright framework that permits it to be an effective competitor.

The compulsory copyright license created by the 1988 Act was limited to a five year period to enable Congress to consider its effectiveness and renew it where necessary. The license was renewed in 1994 for an additional five years, and amendments made that were intended to increase the enforcement of the network territorial restrictions of the compulsory license. Two-year transitional provisions were created to enable local network broadcasters to challenge satellite subscribers' receipt of satellite network service where the local network broadcaster had reason to believe that these subscribers received an adequate off-the-air signal from the broadcaster. The transitional provisions were minimally effective and caused much consumer confusion and anger regarding receipt of television network stations.

The satellite license is slated to expire at the end of this year, requiring Congress to again consider the copyright licensing regime for satellite retransmissions of over-the-air television broadcast stations. In passing this legislation, the Conference Committee was guided by several principles. First, the Conference Committee believes that promotion of competition in the marketplace for delivery of multichannel video programming is an effective policy to reduce costs to consumers. To that end, it is important that the satellite industry be afforded a statutory scheme for licensing television broadcast programming similar to that of the cable industry. At the same time, the practical differences between the two industries must be recognized and accounted for.

Second, the Conference Committee reasserts the importance of protecting and fostering the system of television networks as they relate to the concept of localism. It is well recognized that television broadcast stations provide valuable programming tailored to local needs, such as news, weather, special announcements and information related to local activities. To that end, the Committee has structured the copyright licensing regime for satellite to encourage and promote retransmissions by satellite of local television broadcast stations to subscribers who reside in the local markets of those stations.

Third, perhaps most importantly, the Conference Committee is aware that in creating compulsory licenses, it is acting in derogation of the exclusive property rights granted by the Copyright Act to copyright holders, and that it therefore needs to act as narrowly as possible to minimize the effects of

the government's intrusion on the broader market in which the affected property rights and industries operate. In this context, the broadcast television market has developed in such a way that copyright licensing practices in this area take into account the national network structure, which grants exclusive territorial rights to programming in a local market to local stations either directly or through affiliation agreements. The licenses granted in this legislation attempt to hew as closely to those arrangements as possible. For example, these arrangements are mirrored in the section 122 ''local-to-local'' license, which grants satellite carriers the right to retransmit local stations within the station's local market, and does not require a separate copyright payment because the works have already been licensed and paid for with respect to viewers in those local markets. By contrast, allowing the importation of distant or out-of-market network stations in derogation of the local stations' exclusive right—bought and paid for in market-negotiated arrangements—to show the works in question undermines those market arrangements. Therefore, the specific goal of the 119 license, which is to allow for a life-line network television service to those homes beyond the reach of their local television stations, must be met by only allowing distant network service to those homes which cannot receive the local network television stations. Hence, the ''unserved household'' limitation that has been in the license since its inception. The Committee is mindful and respectful of the interrelationship between the communications policy of ''localism'' outlined above and property rights considerations in copyright law, and seeks a proper balance between the two.

Finally, although the legislation promotes satellite retransmissions of local stations, the Conference Committee recognizes the continued need to monitor the effects of distant signal importation by satellite. To that end, the compulsory license for retransmission of distant signals is extended for a period of five years, to afford Congress the opportunity to evaluate the effectiveness and continuing need for that license at the end of the five-year period.

Section 1001. Short Title

This title may be cited as the ''Satellite Home Viewer Improvement Act.''

Section 1002. Limitations on Exclusive Rights; Secondary Transmissions by Satellite Carriers Within Local Markets

The House and the Senate provisions were in most respects highly similar. The conference substitute generally follows the House approach, with the differences described here.

Section 1002 of this Act creates a new statutory license, with no sunset provision, as a new section 122 of the Copyright Act of 1976. The new license authorizes the retransmission of television broadcast stations by satellite carriers to subscribers located within the local markets of those stations.

Creation of a new statutory license for retransmission of local signals is necessary because the current section 119 license is limited to the retransmission of distance signals by satellite. The section 122 license allows satellite carriers for the first time to provide their subscribers with the television signals they want most: their local stations. A carrier may retransmit the signal of a network station (or superstation) to all subscribers who reside within the local market of that station, without regard to whether the subscriber resides in an ''unserved household.'' The term ''local market'' is defined in Section 119(j)(2), and generally refers to a station's Designated Market Area as defined by Nielsen.

Because the section 122 license is permanent, subscribers may obtain their local television stations without fear that their local broadcast service may be turned off at a future date. In addition, satellite carriers may deliver local stations to commercial establishments as well as homes, as the cable industry does under its license. These amendments create parity and enhanced competition between the satellite and cable industries in the provision of local television broadcast stations.

For a satellite carrier to be eligible for this license, this Act, following the House approach, provides both in new section 122(a) and in new section 122(d) that a carrier may use the new local-to-local license only if it is in full compliance with all applicable rules and regulations of the Federal Communications Commission, including any requirements that the Commission may adopt by regulation concerning carriage of stations or programming exclusivity. These provisions are modeled on similar provisions in section 111, the terrestrial compulsory license. Failure to fully comply with Commission rules with respect to retransmission of one or more stations in the local market precludes the carrier from making use of the section 122 license. Put another way, the statutory license overrides the normal copyright scheme only to the extent that carriers strictly comply with the limits Congress has put on that license.

Because terrestrial systems, such as cable, as a general rule do not pay any copyright royalty for local retransmissions of broadcast stations, the section 122 license does not require payment of any copyright royalty by satellite carriers for transmissions made in compliance with the requirements of section 122. By contrast, the section 119 statutory license for distant signals does require payment of royalties. In addition, the section 122 statutory license contains no ''unserved household'' limitation, while the section 119 license does contain that limitation.

Satellite carriers are liable for copyright infringement, and subject to the full remedies of the Copyright Act, if they violate one or more of the following requirements of the section 122 license. First, satellite carriers may not in any way willfully alter the programming contained on a local broadcast station.

Second, satellite carriers may not use the section 122 license to retransmit a television broadcast station to a subscriber located outside the local market of the station. Retransmission of a station to a subscriber located outside the station's local market is covered by section 119, and is permitted only when all conditions of that license are satisfied. Accordingly, satellite carriers are required to provide local broadcasters with accurate lists of the street addresses of their local-to-local subscribers so that broadcasters may verify that satellite carriers are making proper use of the license. The subscriber information supplied to broadcasters is for verification purposes only, and may not be used by broadcasters for any other reason. Any knowing provision of false information by a satellite carrier would, under section 122(d), bar use of the Section 122 license by the carrier engaging in such practices. The section 122 license contains remedial provisions parallel to those of Section 119, including a ''pattern or practice'' provision that requires termination of the Section 122 statutory license as to a particular satellite carrier if it engages in certain abuses of the license.

Under this provision, just as in the statutory licenses codified in sections 111 and 119, a violation may be proven by showing willful activity, or simple delivery of the secondary transmission over a certain period of time. In addition to termination of service on a nationwide or local or regional basis, statutory damages are available up to $250,000 for each 6–month period during which the pattern or practice of violations was carried out. Satellite carriers have the burden of proving that they are not improperly making use of the section 122 license to serve subscribers outside the local markets of the television broadcast stations they are providing. The penalties created under this section parallel those under Section 119, and are to deter satellite carriers from providing signals to subscribers in violation of the licenses.

The section 122 license is limited in geographic scope to service to locations in the United States, including any commonwealth, territory or possession of the United States. In addition, section 122(j) makes clear that local retransmission of television broadcast stations to subscribers is governed solely by the section 122 license, and that no provision of the section 111 cable compulsory license should be interpreted to allow satellite carriers to make local retransmissions of television broadcast stations under that license. Likewise, no provision of the section 119 license (or any other law) should be interpreted as authorizing local-to-local retransmissions. As with all statutory licenses, these explicit limitations are consistent with the general rule that, because statutory licenses are in derogation of the exclusive rights granted under the Copyright Act, they should be interpreted narrowly.

Section 1002(a) of this Act contains new standing provisions. Adopting the approach of the House bill, section 122(f)(1) of the Copyright Act is parallel to section 119(e), and ensures that local stations, in addition to any other parties that qualify under other standing provisions of the Act, will have the ability to sue for violations of section 122. New section 122(f)(2) of the Copyright Act enables a local television station that is not being carried by a satellite carrier in violation of the license to file a copyright infringement lawsuit in federal court to enforce its rights.

Section 1003. Extension of Effect of Amendments to Section 119 of Title 17, United States Code

As in both the House bill and the Senate amendment, this Act extends the section 119 satellite statutory license for a period of five years by changing the expiration date of the legislation from December 31, 1999, to December 31, 2004. The procedural and remedial provisions of section 119, which have already been interpreted by the courts, are being extended without change. Should the section 119 license be allowed to expire in 2004, it shall do so at midnight on December 31, 2004, so that the license will cover the entire second accounting period of 2004.

The advent of digital terrestrial broadcasting will necessitate additional review and reform of the distant signal statutory license. And responsibility to oversee the development of the nascent local station satellite service may also require for review of the distant signal statutory license in the future. For each of these reasons, this Act establishes a period for review in 5 years.

Although the section 119 regime is largely being extended in its current form, certain

sections of the Act may have a near-term effect on pending copyright infringement lawsuits brought by broadcasters against satellite carriers. These changes are prospective only; Congress does not intend to change the legality of any conduct that occurred prior to the date of enactment. Congress does intend, however, to benefit consumers where possible and consistent with existing copyright law and principles.

This Act attempts to strike a balance among a variety of public policy goals. While increasing the number of potential subscribers to distant network signals, this Act clarifies that satellite carriers may carry up to, but no more than, two stations affiliated with the same network. The original purpose of the Satellite Home Viewer Act was to ensure that all Americans could receive network programming and other television services provided they could not receive those services over-the-air or in any other way. This bill reflects the desire of the Conference to meet this requirement and consumers' expectations to receive the traditional level of satellite service that has built up over the years, while avoiding an erosion of the programming market affected by the statutory licenses.

Section 1004. Computation of Royalty Fees for Satellite Carriers

Like both the House bill and the Senate amendment, this Act reduces the royalty fees currently paid by satellite carriers for the retransmission of network and superstations by 45 percent and 30 percent, respectively. These are reductions of the 27–cent royalty fees made effective by the Librarian of Congress on January 1, 1998. The reductions take effect on July 1, 1999, which is the beginning of the second accounting period for 1999, and apply to all accounting periods for the five-year extension of the section 119 license. The Committee has drafted this provision such that, if the section 119 license is renewed after 2004, the 45 percent and 30 percent reductions of the 27–cent fee will remain in effect, unless altered by legislative amendment.

In addition, section 119(c) of title 17, United States Code, is amended to clarify that in royalty distribution proceedings conducted under section 802 of the Copyright Act, the Public Broadcasting Service may act as agent for all public television copyright claimants and all Public Broadcasting Service member stations.

Section 1005. Distant Signal Eligibility for Consumers

The Senate bill contained provisions retaining the existing Grade B intensity standard in the definition of ''unserved household.'' The House agreed to the Senate provisions with amendments, which extend the ''unserved household'' definition of section 119 of title 17 intact in certain respects and amend it in other respects. Consistent with the approach of the Senate amendment, the central feature of the existing definition of ''unserved household''—inability to receive, through use of a conventional outdoor rooftop receiving antenna, a signal of Grade B intensity from a primary network station—remains intact. The legislation directs the FCC, however, to examine the definition of ''Grade B intensity,'' reflecting the dBu levels long set by the Federal Communications Commission in 47 C.F.R. §73.683(a), and issue a rulemaking within 6 months after enactment to evaluate the standard and, if appropriate, make recommendations to Congress about how to modify the analog standard, and make a further recommendation about what an appropriate standard would be for digital signals. In this fashion, the Congress will have the best input and recommendations from the Commission, allowing the Commission wide latitude in its inquiry and recommendations, but reserve for itself the final decision-making authority over the scope of the copyright licenses in question, in light of all relevant factors.

The amended definition of ''unserved household'' makes other consumer-friendly changes. It will eliminate the requirement that a cable subscriber wait 90 days to be eligible for satellite delivery of distant network signals. After enactment, cable subscribers will be eligible to receive distant network signals by satellite, upon choosing to do so, if they satisfy the other requirements of section 119.

In addition, this Act adds three new categories to the definition of ''unserved household'' in section 119(d)(10): (a) certain subscribers to network programming who are not predicted to receive a signal of Grade A intensity from any station of the relevant network, (b) operators of recreational vehicles and commercial trucks who have complied with certain documentation requirements, and (c) certain C-band subscribers to network programming. This Act also confirms in new section 119(d)(10)(B) what has long been understood by the parties and accepted by the courts, namely that a subscriber may receive distant network service if all network stations affiliated with the relevant network that are predicted to serve that subscriber give their written consent.

Section 1005(a)(2) of the bill creates a new section 119(a)(2)(B)(i) of the Copyright Act to prohibit a satellite carrier from delivering more than two distant TV stations affiliated with a single network in a single day to a particular customer. This clarifies that a satellite carrier provides a signal of a television station throughout the broadcast day, rather than switching between stations throughout a day to pick the best programming among different signals.

Section 1005(a)(2) of this Act creates a new section 119(a)(2)(B)(ii)(I) of the Copyright Act to confirm that courts should rely on the FCC's ILLR model to presumptively determine whether a household is capable of receiving a signal of Grade B intensity. The conferees understand that the parties to copyright infringement litigation under the Satellite Home Viewer Act have agreed on detailed procedures for implementing the current version of ILLR, and nothing in this Act requires any change in those procedures. In the future, when the FCC amends the ILLR model to make it more accurate pursuant to section 339(c)(3) of the Communications Act of 1934, the amended model should be used in place of the current version of ILLR. The new language also confirms in new section 119(a)(2)(B)(ii)(II) that the ultimate determination of eligibility to receive network signals shall be a signal intensity test pursuant to 47 C.F.R. §73.686(d), as reflected in new section 339(c)(5) of the Communications Act of 1934. Again, the conferees understand that existing Satellite Home Viewer Act court orders already incorporate this FCC-approved measurement method, and nothing in this Act requires any change in such orders. Such a signal intensity test may be conducted by any party to resolve a customer's eligibility in litigation under section 119.

Section 1005(a)(2) of this Act creates a new section 119(a)(2)(B)(iii) of the Copyright Act to permit continued delivery by means of C-band transmissions of network stations to C-band dish owners who received signals of the pertinent network on October 31, 1999, or were recently required to have such service terminated pursuant to court orders or settlements under section 119. This provision does not authorize satellite delivery of network stations to such persons by any technology other than C-band.

Section 1005(b) also adds a new provision (E) to section 119(a)(5). The purpose of this provision is to allow certain longstanding superstations to continue to be delivered to satellite customers without regard to the ''unserved household'' limitation, even if the station now technically qualifies as a ''network station'' under the 15–hour-per-week definition of the Act. This exception will cease to apply if such a station in the future becomes affiliated with one of the four networks (ABC, CBS, Fox, and NBC) that qualified as networks as of January 1, 1995.

Section 1005(c) of this Act adds a new section 119(e) of the Copyright Act. This provision contains a moratorium on terminations of network stations to certain otherwise ineligible recent subscribers to network programming whose service has been (or soon would have been) terminated and allows them to continue to be eligible for distant signal services. The subscribers affected are those predicted by the current version of the ILLR model to receive a signal of less than Grade A intensity from any network station of the relevant network defined in section 73.683(a) of Commission regulations (47 C.F.R. 73.683(a)) as in effect January 1, 1999. As the statutory language reflects, recent court orders and settlements between the satellite and broadcasting industries have required (or will in the near future require) significant numbers of terminations of network stations to ineligible subscribers in this category. Although the conferees strongly condemn lawbreaking by satellite carriers, and intend for satellite carriers to be subject to all other available legal remedies for any infringements in which the carriers have engaged, the conferees have concluded that the public interest will be served by the grandfathering of this limited category of subscribers whose service would otherwise be terminated.

The decision by the conferees to direct this limited grandfathering should not be understood as condoning unlawful conduct by satellite carriers, but rather reflects the concern of the conference for those subscribers who would otherwise be punished for the actions of the satellite carriers. Note that in the previous 18 months, court decisions have required the termination of some distant network signals to some subscribers. However, the Conferees are aware that in some cases satellite carriers terminated distant network service that was not subject to the original lawsuit. The Conferees intend that affected subscribers remain eligible for such service.

The words ''shall remain eligible'' in section 119(e) refer to eligibility to receive stations affiliated with the same network from the same satellite carrier through use of the same transmission technology at the same location; in other words, grandfathered status is not transferable to a different carrier or a different type of dish or at a new address. The provisions of new section 119(e) are incorporated by reference in the definition of ''unserved household'' as new section 119(d)(10)(C).

Section 1005(d) of this Act creates a new section 119(a)(11), which contains provisions governing delivery of network stations to recreational vehicles and commercial trucks.

This provision is, in turn, incorporated in the definition of ''unserved household'' in new section 119(d)(10)(D). The purpose of these amendments is to allow the operators of recreational vehicles and commercial trucks to use satellite dishes permanently attached to those vehicles to receive, on television sets located inside those vehicles, distant network signals pursuant to section 119. To prevent abuse of this provision, the exception for recreational vehicles and commercial trucks is limited to persons who have strictly complied with the documentation requirements set forth in section 119(a)(11). Among other things, the exception will only become available as to a particular recreational vehicle or commercial truck after the satellite carrier has provided all affected networks with all documentation set forth in section 119(a). The exception will apply only for reception in that particular recreational vehicle or truck, and does not authorize any delivery of network stations to any fixed dwelling.

Section 1006. Public Broadcasting Service Satellite Feed

The conference agreement follows the Senate bill with an amendment that applies the network copyright royalty rate to the Public Broadcasting Service the satellite feed. The conference agreement grants satellite carriers a section 119 compulsory license to retransmit a national satellite feed distributed and designated by PBS. The license would apply to educational and informational programming to which PBS currently holds broadcast rights. The license, which would extend to all households in the United States, would sunset on January 1, 2002, the date when local-to-local must-carry obligations become effective. Under the conference agreement, PBS will designate the national satellite feed for purposes of this section.

Section 1007. Application of Federal Communications Commission Regulations

The section 119 license is amended to clarify that satellite carriers must comply with all rules, regulations, and authorizations of the Federal Communications Commission in order to obtain the benefits of the section 119 license. As provided in the House bill, this would include any programming exclusivity provisions or carriage requirements that the Commission may adopt. Violations of such rules, regulations or authorizations would render a carrier ineligible for the copyright statutory license with respect to that retransmission.

Section 1008. Rules for Satellite Carriers Retransmitting Television Broadcast Signals

The Senate agrees to the House bill provisions regarding carriage of television broadcast signals, with certain amendments, as discussed below. Section 108 creates new sections 338 and 339 of the Communications Act of 1934. Section 338 addresses carriage of local television signals, while section 339 addresses distant television signals.

New section 338 requires satellite carriers, by January 1, 2002, to carry upon request all local broadcast stations' signals in local markets in which the satellite carriers carry at least one signal pursuant to section 122 of title 17, United States Code. The conference report added the cross-reference to section 122 to the House provision to indicate the relationship between the benefits of the statutory license and the carriage requirements imposed by this Act. Thus, the conference report provides that, as of January 1, 2002, royalty-free copyright licenses for satellite carriers to retransmit broadcast signals to viewers in the broadcasters' service areas will be available only on a market-by-market basis.

The procedural provisions applicable to section 338 (concerning costs, avoidance of duplication, channel positioning, compensation for carriage, and complaints by broadcast stations) are generally parallel to those applicable to cable systems. Within one year after enactment, the Federal Communications Commission is to issue implementing regulations which are to impose obligations comparable to those imposed on cable systems under paragraphs (3) and (4) of section 614(b) and paragraphs (1) and (2) of section 615(g), such as the requirement to carry a station's entire signal without additions or deletions. The obligation to carry local stations on contiguous channels is illustrative of the general requirement to ensure that satellite carriers position local stations in a way that is convenient and practically accessible for consumers. By directing the FCC to promulgate these must-carry rules, the conferees do not take any position regarding the application of must-carry rules to carriage of digital television signals by either cable or satellite systems.

To make use of the local license, satellite carriers must provide the local broadcast station signal as part of their satellite service, in a manner consistent with paragraphs (b), (c), (d), and (e), FCC regulations, and retransmission consent requirements. Until January 1, 2002, satellite carriers are granted a royalty-free copyright license to retransmit broadcast signals on a station-by-station basis, consistent with retransmission consent requirements. The transition period is intended to provide the satellite industry with a transitional period to begin providing local-into-local satellite service to communities throughout the country.

The conferees believe that the must-carry provisions of this Act neither implicate nor violate the First Amendment. Rather than requiring carriage of stations in the manner of cable's mandated duty, this Act allows a satellite carrier to choose whether to incur the must-carry obligation in a particular market in exchange for the benefits of the local statutory license. It does not deprive any programmers of potential access to carriage by satellite carriers. Satellite carriers remain free to carry any programming for which they are able to acquire the property rights. The provisions of this Act allow carriers an easier and more inexpensive way to obtain the right to use the property of copyright holders when they retransmit signals from all of a market's broadcast stations to subscribers in that market. The choice whether to retransmit those signals is made by carriers, not by the Congress. The proposed licenses are a matter of legislative grace, in the nature of subsidies to satellite carriers, and reviewable under the rational basis standard.[1]

In addition, the conferees are confident that the proposed license provisions would pass constitutional muster even if subjected to the O'Brien standard applied to the cable must-carry requirement.[2] The proposed provisions are intended to preserve free television for those not served by satellite or cable systems and to promote widespread dissemination of information from a multiplicity of sources. The Supreme Court has found both to be substantial interests, unrelated to the suppression of free expression.[3] Providing the proposed license on a market-by-market basis furthers both goals by preventing satellite carriers from choosing to carry only certain stations and effectively preventing many other local broadcasters from reaching potential viewers in their service areas. The Conference Committee is concerned that, absent must-carry obligations, satellite carriers would carry the major network affiliates and few other signals. Non-carried stations would face the same loss of viewership Congress previously found with respect to cable noncarriage.[4]

The proposed licenses place satellite carrier in a comparable position to cable systems, competing for the same customers. Applying a must-carry rule in markets which satellite carriers choose to serve benefits consumers and enhances competition with cable by allowing consumers the same range of choice in local programming they receive through cable service. The conferees expect that, by January 1, 2002, satellite carriers' market share will have increased and that the Congress' interest in maintaining free over-the-air television will be undermined if local broadcasters are prevented from reaching viewers by either cable or satellite distribution systems. The Congress' preference for must-carry obligations has already been proven effective, as attested by the appearance of several emerging networks, which often serve underserved market segments. There are no narrower alternatives that would achieve the Congress' goals. Although the conferees expect that subscribers who receive no broadcast signals at all from their satellite service may install antennas or subscribe to cable service in addition to satellite service, the Conference Committee is less sanguine that subscribers who receive network signals and hundreds of other programming choices from their satellite carrier will undertake such trouble and expense to obtain over-the-air signals from independent broadcast stations. National feeds would also be counterproductive because they siphon potential viewers from local over-the-air affiliates. In sum, the Conference Committee finds that trading the benefits of the copyright license for the must carry requirement is a fair and reasonable way of helping viewers have access to all local programming while benefitting satellite carriers and their customers.

Section 338(c) contains a limited exception to the general must-carry requirements, stating that a satellite carrier need not carry two local affiliates of the same network that substantially duplicate each others' programming, unless the duplicating stations are licensed to communities in different states. The latter provisions address unique and limited cases, including WMUR (Manchester, New Hampshire) / WCVB (Boston, Massachusetts) and WPTZ (Plattsburg, New York)/ WNNE (White River Junction, Vermont), in which mandatory carriage of both duplicating local stations upon request assures that satellite subscribers will not be precluded from receiving the network affiliate that is licensed to the state in which they reside.

Because of unique technical challenges on satellite technology and constraints on the use of satellite spectrum, satellite carriers may initially be limited in their ability to deliver must carry signals into multiple markets. New compression technologies, such as video streaming, may help overcome these barriers however, and, if deployed, could enable satellite carriers to deliver must-carry signals into many more markets than they could otherwise. Accordingly, the conferees urge the FCC, pursuant to its obligations under section 338, or in any other related proceedings, to not prohibit satellite

See footnotes at end of Analysis.

carriers from using reasonable compression, reformatting, or similar technologies to meet their carriage obligations, consistent with existing authority.

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New section 339 of the Communications Act contains provisions concerning carriage of distant television stations by satellite carriers. Section 339(a)(1) limits satellite carriers to providing a subscriber with no more than two stations affiliated with a given television network from outside the local market. In addition, a satellite carrier that provides two distant signals to eligible households may also provide the local television signals pursuant to section 122 of title 17 if the subscriber offers local-to-local service in the subscriber's market. This provision furthers the congressional policy of localism and diversity of broadcast programming, which provides locally-relevant news, weather, and information, but also allows consumers in unserved households to enjoy network programming obtained via distant signals. Under new section 339(a)(2), which is based on the Senate amendment, the knowing and willful provision of distant television signals in violation of these restrictions is subject to a forfeiture penalty under section 503 of the Communications Act of $50,000 per violation or for each day of a continuing violation.

New section 339(b)(1)(A) requires the Commission to commence within 45 days of enactment, and complete within one year after the date of enactment, a rulemaking to develop regulations to apply network nonduplication, syndicated exclusivity and sports blackout rules to the transmission of nationally distributed superstations by satellite carriers. New section 339(b)(1)(B) requires the Commission to promulgate regulations on the same schedule with regard to the application of sports blackout rules to network stations. These regulations under subparagraph (B) are to be imposed ''to the extent technically feasible and not economically prohibitive'' with respect to the affected parties. The burden of showing that conforming to rules similar to cable would be ''economically prohibitive'' is a heavy one. It would entail a very serious economic threat to the health of the carrier. Without that showing, the rules should be as similar as possible to that applicable to cable services.

Section 339(c) of the Communications Act of 1934 addresses the three distinct areas discussed by the Commission in its Report & Order in Docket No. 98–201: (i) the definition of ''Grade B intensity,'' which is the substantive standard for determining eligibility to receive distant network stations by satellite, (ii) prediction of whether a signal of Grade B intensity from a particular station is present at a particular household, and (iii) measurement of whether a signal of Grade B intensity from a particular station is present at a particular household. Section 339(c) addresses each of these topics.

New section 339(c) addresses evaluation and possible recommendations for modification by the Commission of the definition of Grade B intensity, which is incorporated into the definition of ''unserved household'' in section 119 of the Copyright Act. Under section 339(c), the Commission is to complete a rulemaking within 1 year after enactment to evaluate, and if appropriate to recommend modifications to the Grade B intensity standard for analog signals set forth in 47 C.F.R. §73.683(a), for purposes of determining eligibility for distant signal satellite service. In addition, the Commission is to recommend a signal standard for digital signals to prepare Congress to update the statutory license for digital television broadcasting. The Committee intends that this report would reflect the FCC's best recommendations in light of all relevant considerations, and be based on whatever factors and information the Commission deems relevant to determining whether the signal intensity standard should be modified and in what way. As discussed above, the two-part process allows the Commission to recommend modifications leaving to Congress the decision-making power on modifications of the copyright licenses at issue.

Section 339(c)(3) addresses requests to local television stations by consumers for waivers of the eligibility requirements under section 119 of title 17, United States Code. If a satellite carrier is barred from delivering distant network signals to a particular customer because the ILLR model predicts the customer to be served by one or more television stations affiliated with the relevant network, the consumer may submit to those stations, through his or her satellite carrier, a written request for a waiver. The statutory phrase ''station asserting that the retransmission is prohibited'' refers to a station that is predicted by the ILLR model to serve the household. Each such station must accept or reject the waiver request within 30 days after receiving the request from the satellite carrier. If a relevant network station grants the requested waiver, or fails to act on the waiver within 30 days, the viewer shall be deemed unserved with respect to the local network station in question.

Section 339(c)(4) addresses the ILLR predictive model developed by the Commission in Docket No. 98–201. The provision requires the Commission to attempt to increase its accuracy further by taking into account not only terrain, as the ILLR model does now, but also land cover variations such as buildings and vegetation. If the Commission discovers other practical ways to improve the accuracy of the ILLR model still further, it shall implement those methods as well. The linchpin of whether particular proposed refinements to the ILLR model result in greater accuracy is whether the revised model's predictions are closer to the results of actual field testing in terms of predicting whether households are served by a local affiliate of the relevant network.

The ILLR model of predicting subscribers' eligibility will be of particular use in rural areas. To make the ILLR more accurate and more useful to this group of Americans, the Conference Committee believes the Commission should be particularly careful to ensure that the ILLR is accurate in areas that use star routes, postal routes, or other addressing systems that may not indicate clearly the location of the actual dwelling of a potential subscriber. The Commission should to ensure the model accurately predicts the signal strength at the viewers' actual location.

New section 339(c)(5) addresses the third area discussed in the Commission's Report & Order in Docket No. 98–201, namely signal intensity testing. This provision permits satellite carriers and broadcasters to carry out signal intensity measurements, using the procedures set forth by the Commission in 47 C.F.R. §73.686(d), to determine whether particular households are unserved. Unless the parties otherwise agree, any such tests shall be conducted on a ''loser pays'' basis, with the network station bearing the costs of tests showing the household to be unserved, and the satellite carrier bearing the costs of tests showing the household to be served. If the satellite carrier and station is unable to agree on a qualified individual to perform the test, the Commission is to designate an independent and neutral entity by rule. The Commission is to promulgate rules that avoid any undue burdens being imposed on any party.

Section 1009. Retransmission Consent

Section 1009 amends the provisions of section 325 of the Communications Act governing retransmission consent. As revised, section 325(b)(1) bars multichannel video programming distributors from retransmitting the signals of television broadcast stations, or any part thereof, without the express authority of the originating station. Section 325(b)(2) contains several exceptions to this general prohibition, including noncommercial stations, certain superstations, and, until the end of 2004, retransmission of not more than two distant signals by satellite carriers to unserved households outside of the local market of the retransmitted stations, and (E) for six months to the retransmission of local stations pursuant to the statutory license in section 122 of the title 17.

Section 1009 also amends section 325(b) of the Communications Act to require the Commission to issue regulations concerning the exercise by television broadcast stations of the right to grant retransmission consent. The regulations would, until January 1, 2006, prohibit a television broadcast station from entering into an exclusive retransmission consent agreement with a multichannel video programming distributor or refusing to negotiate in good faith regarding retransmission consent agreements. A television station may generally offer different retransmission consent terms or conditions, including price terms, to different distributors. The FCC may determine that such different terms represent a failure to negotiate in good faith only if they are not based on competitive marketplace considerations.

Section 1009 of the bill adds a new subsection (e) to section 325 of the Communications Act. New subsection 325(e) creates a set of expedited enforcement procedures for the alleged retransmission of a television broadcast station in its own local market without the station's consent. The purpose of these expedited procedure is to ensure that delays in obtaining relief from violations do not make the right to retransmission consent an empty one. The new provision requires 45–day processing of local-to-local retransmission consent complaints at the Commission, followed by expedited enforcement of any Commission orders in the United States District Court for the Eastern District of Virginia. In addition, a television broadcast station that has been retransmitted in its local market without its consent will be entitled to statutory damages of $25,000 per violation in an action in federal district court. Such damages will be awarded only if the television broadcast station agrees to contribute any statutory damage award above $1,000 to the United States Treasury for public purposes. The expedited enforcement provision contains a sunset which prevents the filing of any complaint with the Commission or any action in federal district court to enforce any Commission order under this section after December 31, 2001. The conferees believe that these procedural provisions, which provide ample due process protections while ensuring speedy enforcement, will ensure that retransmission consent will be respected by all parties and promote a smoothly functioning marketplace.

Section 1010. Severability

Section 1010 of the Act provides that if any provision of section 325(b) of the Communications Act as amended by this Act is declared unconstitutional, the remaining provisions of that section will stand.

Section 1011. Technical Amendments

Section 1011 of this Act makes technical and conforming amendments to sections 101, 111, 119, 501, and 510 of the Copyright Act. Apart from these technical amendments, this legislation makes no changes to section 111 of the Copyright Act. In particular, nothing in this legislation makes any changes concerning entitlement or eligibility for the statutory licenses under sections 111 and 119, nor specifically to the definitions of ''cable system'' under section 111(f), and ''satellite carrier'' under section 119(d)(6). Certain technical amendments to these definitions that were included in the Conference Report to the Intellectual Property and Communications Omnibus Reform Act (IPCORA) of 1999 are not included in this legislation. Congress intends that neither the courts nor the Copyright Office give any legal significance either to the inclusion of the amendments in the IPCORA conference report or their omission in this legislation. These statutory definitions are to be interpreted in the same way after enactment of this legislation as they were interpreted prior to enactment of this legislation.

Section 1011(b) makes a technical and clarifying change to the definition of a ''work made for hire'' in section 101 of the Copyright Act. Sound recordings have been registered in the Copyright Office as works made for hire since being protected in their own right. This clarifying amendment shall not be deemed to imply that any sound recording or any other work would not otherwise qualify as a work made for hire in the absence of the amendment made by this subsection.

Section 1012. Effective dates.

Under section 1012 of this Act, sections 1001, 1003, 1005, and 1007 through 1011 shall be effective on the date of enactment. The amendments made by sections 1002, 1004, and 1006 shall be effective as of July 1, 1999.

TITLE II—RURAL LOCAL TELEVISION SIGNALS

Section 2001. Short Title

This title may be referred to as the ''Rural Local Broadcast Signal Act.''

Section 2002. Local Television Service in Unserved and Underserved Markets

To encourage the FCC to approve needed licenses (or other authorizations to use spectrum) to provide local TV service in rural areas, the Commission is required to make determinations regarding needed licenses within one year of enactment.

However, the FCC shall ensure that no license or authorization provided under this section will cause ''harmful interference'' to the primary users of the spectrum or to public safety use. Subparagraph (2), states that the Commission shall not license under subsection (a) any facility that causes harmful interference to existing primary users of spectrum or to public safety use. The Commission typically categorizes a licensed service as primary or secondary. Under Commission rules, a secondary service cannot be authorized to operate in the same band as a primary user of that band unless the proposed secondary user conclusively demonstrates that the proposed secondary use will not cause harmful interference to the primary service. The Commission is to define ''harmful interference'' pursuant to the definition at 47 C.F.R. section 2.1 and in accordance with Commission rules and policies.

For purposes of section 2005(b)(3) the FCC may consider a compression, reformatting or other technology to be unreasonable if the technology is incompatible with other applicable FCC regulation or policy under the Communications Act of 1934, as amended.

The Commission also may not restrict any entity granted a license or other authorization under this section, except as otherwise specified, from using any reasonable compression, reformatting, or other technology.

TITLE III—TRADEMARK CYBERPIRACY PREVENTION

Section 3001. Short Title; References

This section provides that the Act may be cited as the ''Anticybersquatting Consumer Protection Act'' and that any references within the bill to the Trademark Act of 1946 shall be a reference to the Act entitled ''An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes,'' approved July 5, 1946 (15 U.S.C. 1051 et seq.), also commonly referred to as the Lanham Act.

Sec. 3002. Cyberpiracy Prevention

Subsection (a). In General. This subsection amends the Trademark Act to provide an explicit trademark remedy for cybersquatting under a new section 43(d). Under paragraph (1)(A) of the new section 43(d), actionable conduct would include the registration, trafficking in, or use of a domain name that is identical or confusingly similar to, or dilutive of, the mark of another, including a personal name that is protected as a mark under section 43 of the Lanham Act, provided that the mark was distinctive (i.e., enjoyed trademark status) at the time the domain name was registered, or in the case of trademark dilution, was famous at the time the domain name was registered. The bill is carefully and narrowly tailored, however, to extend only to cases where the plaintiff can demonstrate that the defendant registered, trafficked in, or used the offending domain name with bad-faith intent to profit from the goodwill of a mark belonging to someone else. Thus, the bill does not extend to innocent domain name registrations by those who are unaware of another's use of the name, or even to someone who is aware of the trademark status of the name but registers a domain name containing the mark for any reason other than with bad faith intent to profit from the goodwill associated with that mark.

The phrase ''including a personal name which is protected as a mark under this section'' addresses situations in which a person's name is protected under section 43 of the Lanham Act and is used as a domain name. The Lanham Act prohibits the use of false designations of origin and false or misleading representations. Protection under 43 of the Lanham Act has been applied by the courts to personal names which function as marks, such as service marks, when such marks are infringed. Infringement may occur when the endorsement of products or services in interstate commerce is falsely implied through the use of a personal name, or otherwise, without regard to the goods or services of the parties. This protection also applies to domain names on the Internet, where falsely implied endorsements and other types of infringement can cause greater harm to the owner and confusion to a consumer in a shorter amount of time than is the case with traditional media. The protection offered by section 43 to a personal name which functions as a mark, as applied to domain names, is subject to the same fair use and first amendment protections as have been applied traditionally under trademark law, and is not intended to expand or limit any rights to publicity recognized by States under State law.

Paragraph (1)(B)(i) of the new section 43(d) sets forth a number of nonexclusive, nonexhaustive factors to assist a court in determining whether the required bad-faith element exists in any given case. These factors are designed to balance the property interests of trademark owners with the legitimate interests of Internet users and others who seek to make lawful uses of others' marks, including for purposes such as comparative advertising, comment, criticism, parody, news reporting, fair use, etc. The bill suggests a total of nine factors a court may wish to consider. The first four suggest circumstances that may tend to indicate an absence of bad-faith intent to profit from the goodwill of a mark, and the next four suggest circumstances that may tend to indicate that such bad-faith intent exits. The last factor may suggest either bad-faith or an absence thereof depending on the circumstances.

First, under paragraph (1)(B)(i)(I), a court may consider whether the domain name registrant has trademark or any other intellectual property rights in the name. This factor recognizes, as does trademark law in general, that there may be concurring uses of the same name that are noninfringing, such as the use of the ''Delta'' mark for both air travel and sink faucets. Similarly, the registration of the domain name ''deltaforce.com'' by a movie studio would not tend to indicate a bad faith intent on the part of the registrant to trade on Delta Airlines or Delta Faucets' trademarks.

Second, under paragraph (1)(B)(i)(II), a court may consider the extent to which the domain name is the same as the registrant's own legal name or a nickname by which that person is commonly identified. This factor recognizes, again as does the concept of fair use in trademark law, that a person should be able to be identified by their own name, whether in their business or on a web site. Similarly, a person may bear a legitimate nickname that is identical or similar to a well-known trademark, such as in the well-publicized case of the parents who registered the domain name ''pokey.org'' for their young son who goes by that name, and these individuals should not be deterred by this bill from using their name online. This factor is not intended to suggest that domain name registrants may evade the application of this act by merely adopting Exxon, Ford, or other well-known marks as their nicknames. It merely provides a court with the appropriate discretion to determine whether or not the fact that a person bears a nickname similar to a mark at issue is an indication of an absence of bad-faith on the part of the registrant.

Third, under paragraph (1)(B)(i)(III), a court may consider the domain name registrant's prior use, if any, of the domain name in connection with the bona fide offering of goods or services. Again, this factor recognizes that the legitimate use of the domain name in online commerce may be a good indicator of the intent of the person registering that name. Where the person has used the domain name in commerce without creating a likelihood of confusion as to the source or origin of the goods or services and

has not otherwise attempted to use the name in order to profit from the goodwill of the trademark owner's name, a court may look to this as an indication of the absence of bad faith on the part of the registrant.

Fourth, under paragraph (1)(B)(i)(IV), a court may consider the person's bona fide noncommercial or fair use of the mark in a web site that is accessible under the domain name at issue. This factor is intended to balance the interests of trademark owners with the interests of those who would make lawful noncommercial or fair uses of others' marks online, such as in comparative advertising, comment, criticism, parody, news reporting, etc. Under the bill, the mere fact that the domain name is used for purposes of comparative advertising, comment, criticism, parody, news reporting, etc., would not alone establish a lack of bad-faith intent. The fact that a person uses a mark in a site in such a lawful manner may be an appropriate indication that the person's registration or use of the domain name lacked the required element of bad-faith. This factor is not intended to create a loophole that otherwise might swallow the bill, however, by allowing a domain name registrant to evade application of the Act by merely putting up a noninfringing site under an infringing domain name. For example, in the well know case of Panavision Int'l v. Toeppen, 141 F.3d 1316 (9th Cir. 1998), a well known cybersquatter had registered a host of domain names mirroring famous trademarks, including names for Panavision, Delta Airlines, Neiman Marcus, Eddie Bauer, Lufthansa, and more than 100 other marks, and had attempted to sell them to the mark owners for amounts in the range of $10,000 to $15,000 each. His use of the ''panavision.com'' and ''panaflex.com'' domain names was seemingly more innocuous, however, as they served as addresses for sites that merely displayed pictures of Pana Illinois and the word ''Hello'' respectively. This bill would not allow a person to evade the holding of that case—which found that Mr. Toeppen had made a commercial use of the Panavision marks and that such uses were, in fact, diluting under the Federal Trademark Dilution Act—merely by posting noninfringing uses of the trademark on a site accessible under the offending domain name, as Mr. Toeppen did. Similarly, the bill does not affect existing trademark law to the extent it has addressed the interplay between First Amendment protections and the rights of trademark owners. Rather, the bill gives courts the flexibility to weigh appropriate factors in determining whether the name was registered or used in bad faith, and it recognizes that one such factor may be the use the domain name registrant makes of the mark.

Fifth, under paragraph (1)(B)(i)(V), a court may consider whether, in registering or using the domain name, the registrant intended to divert consumers away from the trademark owner's website to a website that could harm the goodwill of the mark, either for purposes of commercial gain or with the intent to tarnish or disparage the mark, by creating a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the site. This factor recognizes that one of the main reasons cybersquatters use other people's trademarks is to divert Internet users to their own sites by creating confusion as to the source, sponsorship, affiliation, or endorsement of the site. This is done for a number of reasons, including to pass off inferior goods under the name of a well-known mark holder, to defraud consumers into providing personally identifiable information, such as credit card numbers, to attract ''eyeballs'' to sites that price online advertising according to the number of ''hits'' the site receives, or even just to harm the value of the mark. Under this provision, a court may give appropriate weight to evidence that a domain name registrant intended to confuse or deceive the public in this manner when making a determination of bad-faith intent.

Sixth, under paragraph (1)(B)(i)(VI), a court may consider a domain name registrant's offer to transfer, sell, or otherwise assign the domain name to the mark owner or any third party for financial gain, where the registrant has not used, and did not have any intent to use, the domain name in the bona fide offering of any goods or services. A court may also consider a person's prior conduct indicating a pattern of such conduct. This factor is consistent with the court cases, like the Panavision case mentioned above, where courts have found a defendant's offer to sell the domain name to the legitimate mark owner as being indicative of the defendant's intent to trade on the value of a trademark owner's marks by engaging in the business of registering those marks and selling them to the rightful trademark owners. It does not suggest that a court should consider the mere offer to sell a domain name to a mark owner or the failure to use a name in the bona fide offering of goods or services as sufficient to indicate bad faith. Indeed, there are cases in which a person registers a name in anticipation of a business venture that simply never pans out. And someone who has a legitimate registration of a domain name that mirrors someone else's domain name, such as a trademark owner that is a lawful concurrent user of that name with another trademark owner, may, in fact, wish to sell that name to the other trademark owner. This bill does not imply that these facts are an indication of bad-faith. It merely provides a court with the necessary discretion to recognize the evidence of bad-faith when it is present. In practice, the offer to sell domain names for exorbitant amounts to the rightful mark owner has been one of the most common threads in abusive domain name registrations. Finally, by using the financial gain standard, this paragraph allows a court to examine the motives of the seller.

Seventh, under paragraph (1)(B)(i)(VII), a court may consider the registrant's intentional provision of material and misleading false contact information in an application for the domain name registration, the person's intentional failure to maintain accurate contact information, and the person's prior conduct indicating a pattern of such conduct. Falsification of contact information with the intent to evade identification and service of process by trademark owners is also a common thread in cases of cybersquatting. This factor recognizes that fact, while still recognizing that there may be circumstances in which the provision of false information may be due to other factors, such as mistake or, as some have suggested in the case of political dissidents, for purposes of anonymity. This bill balances those factors by limiting consideration to the person's contact information, and even then requiring that the provision of false information be material and misleading. As with the other factors, this factor is nonexclusive and a court is called upon to make a determination based on the facts presented whether or not the provision of false information does, in fact, indicate bad-faith.

Eight, under paragraph (1)(B)(i)(VIII), a court may consider the domain name registrant's acquisition of multiple domain names which the person knows are identical or confusingly similar to, or dilutive of, others' marks. This factor recognizes the increasingly common cybersquatting practice known as ''warehousing'', in which a cybersquatter registers multiple domain names—sometimes hundreds, even thousands—that mirror the trademarks of others. By sitting on these marks and not making the first move to offer to sell them to the mark owner, these cybersquatters have been largely successful in evading the case law developed under the Federal Trademark Dilution Act. This bill does not suggest that the mere registration of multiple domain names is an indication of bad faith, but it allows a court to weigh the fact that a person has registered multiple domain names that infringe or dilute the trademarks of others as part of its consideration of whether the requisite bad-faith intent exists.

Lastly, under paragraph (1)(B)(i)(IX), a court may consider the extent to which the mark incorporated in the person's domain name registration is or is not distinctive and famous within the meaning of subsection (c)(1) of section 43 of the Trademark Act of 1946. The more distinctive or famous a mark has become, the more likely the owner of that mark is deserving of the relief available under this act. At the same time, the fact that a mark is not well-known may also suggest a lack of bad-faith.

Paragraph (1)(B)(ii) underscores the bad-faith requirement by making clear that bad-faith shall not be found in any case in which the court determines that the person believed and had reasonable grounds to believe that the use of the domain name was a fair use or otherwise lawful.

Paragraph (1)(C) makes clear that in any civil action brought under the new section 43(d), a court may order the forfeiture, cancellation, or transfer of a domain name to the owner of the mark.

Paragraph (1)(D) clarifies that a prohibited ''use'' of a domain name under the bill applies only to a use by the domain name registrant or that registrant's authorized licensee.

Paragraph (1)(E) defines what means to ''traffic in'' a domain name. Under this Act, ''traffics in'' refers to transactions that include, but are not limited to, sales, purchases, loans, pledges, licenses, exchanges of currency, and any other transfer for consideration or receipt in exchange for consideration.

Paragraph (2)(A) provides for in rem jurisdiction, which allows a mark owner to seek the forfeiture, cancellation, or transfer of an infringing domain name by filing an in rem action against the name itself, where the mark owner has satisfied the court that it has exercised due diligence in trying to locate the owner of the domain name but is unable to do so, or where the mark owner is otherwise unable to obtain in personam jurisdiction over such person. As indicated above, a significant problem faced by trademark owners in the fight against cybersquatting is the fact that many cybersquatters register domain names under aliases or otherwise provide false information in their registration applications in order to avoid identification and service of process by the mark owner. This bill will alleviate this difficulty, while protecting the notions of fair play and substantial justice, by enabling a mark owner to seek an injunction against the infringing property in those cases where, after due diligence, a mark owner is unable to proceed against the domain name registrant because the registrant

has provided false contact information and is otherwise not to be found, or where a court is unable to assert personal jurisdiction over such person, provided the mark owner can show that the domain name itself violates substantive federal trademark law (i.e., that the domain name violates the rights of the registrant of a mark registered in the Patent and Trademark Office, or section 43(a) or (c) of the Trademark Act). Under the bill, a mark owner will be deemed to have exercised due diligence in trying to find a defendant if the mark owner sends notice of the alleged violation and intent to proceed to the domain name registrant at the postal and e-mail address provided by the registrant to the registrar and publishes notice of the action as the court may direct promptly after filing the action. Such acts are deemed to constitute service of process by paragraph (2)(B).

The concept of in rem jurisdiction has been with us since well before the Supreme Court's landmark decision in Pennoyer v. Neff, 95 U.S. 714 (1877). Although more recent decisions have called into question the viability of quasi in rem ''attachment'' jurisdiction, see Shaffer v. Heitner, 433 U.S. 186 (1977), the Court has expressly acknowledged the propriety of true in rem proceedings (or even type I quasi in rem proceedings[5]) where ''claims to the property itself are the source of the underlying controversy between the plaintiff and the defendant.'' Id. at 207–08. The Act clarifies the availability of in rem jurisdiction in appropriate cases involving claims by trademark holders against cyberpirates. In so doing, the Act reinforces the view that in rem jurisdiction has continuing constitutional vitality, see R.M.S. Titanic, Inc. v. Haver, 171 F.3d 943, 957–58 (4th Cir. 1999) (''In rem actions only require that a party seeking an interest in a res bring the res into the custody of the court and provide reasonable, public notice of its intention to enable others to appear in the action to claim an interest in the res.''); Chapman v. Vande Bunte, 604 F. Supp. 714, 716–17 (E.D. N.C. 1985) (''In a true in rem proceeding, in order to subject property to a judgment in rem, due process requires only that the property itself have certain minimum contacts with the territory of the forum.'').

By authorizing in rem jurisdiction, the Act also attempts to respond to the problems faced by trademark holders in attempting to effect personal service of process on cyberpirates. In an effort to avoid being held accountable for their infringement or dilution of famous trademarks, cyberpirates often have registered domain names under fictitious names and addresses or have used offshore addresses or companies to register domain names. Even when they actually do receive notice of a trademark holder's claim, cyberpirates often either refuse to acknowledge demands from a trademark holder altogether, or simply respond to an initial demand and then ignore all further efforts by the trademark holder to secure the cyberpirate's compliance. The in rem provisions of the Act accordingly contemplate that a trademark holder may initiate in rem proceedings in cases where domain name registrants are not subject to personal jurisdiction or cannot reasonably be found by the trademark holder.

Paragraph (2)(C) provides that in an in rem proceeding, a domain name shall be deemed to have its situs in the judicial district in which (1) the domain name registrar, registry, or other domain name authority that registered or assigned the domain name is located, or (2) documents sufficient to establish control and authority regarding the disposition of the registration and use of the domain name are deposited with the court.

Paragraph (2)(D) limits the relief available in such an in rem action to an injunction ordering the forfeiture, cancellation, or transfer of the domain name. Upon receipt of a written notification of the complaint, the domain name registrar, registry, or other authority is required to deposit with the court documents sufficient to establish the court's control and authority regarding the disposition of the registration and use of the domain name to the court, and may not transfer, suspend, or otherwise modify the domain name during the pendency of the action, except upon order of the court. Such domain name registrar, registry, or other authority is immune from injunctive or monetary relief in such an action, except in the case of bad faith or reckless disregard, which would include a willful failure to comply with any such court order.

Paragraph (3) makes clear that the new civil action created by this Act and the in rem action established therein, and any remedies available under such actions, shall be in addition to any other civil action or remedy otherwise applicable. This paragraph thus makes clear that the creation of a new section 43(d) in the Trademark Act does not in any way limit the application of current provisions of trademark, unfair competition and false advertising, or dilution law, or other remedies under counterfeiting or other statutes, to cybersquatting cases.

Paragraph (4) makes clear that the in rem jurisdiction established by the bill is in addition to any other jurisdiction that otherwise exists, whether in rem or in personam.

Subsection (b). Cyberpiracy Protection for Individuals

Subsection (b) prohibits the registration of a domain name that is the name of another living person, or a name that is substantially and confusingly similar thereto, without such person's permission, if the registrant's specific intent is to profit from the domain name by selling it for financial gain to such person or a third party. While the provision is broad enough to apply to the registration of full names (e.g., johndoe.com), appellations (e.g., doe.com), and variations thereon (e.g. john-doe.com or jondoe.com), the provision is still very narrow in that it requires a showing that the registrant of the domain name registered that name with a specific intent to profit from the name by selling it to that person or to a third party for financial gain. This section authorizes the court to grant injunctive relief, including ordering the forfeiture or cancellation of the domain name or the transfer of the domain name to the plaintiff. Although the subsection does not authorize a court to grant monetary damages, the court may award costs and attorneys' fees to the prevailing party in appropriate cases.

This subsection does not prohibit the registration of a domain name in good faith by an owner or licensee of a copyrighted work, such as an audiovisual work, a sound recording, a book, or other work of authorship, where the personal name is used in, affiliated with, or related to that work, where the person's intent in registering the domain is not to sell the domain name other than in conjunction with the lawful exploitation of the work, and where such registration is not prohibited by a contract between the domain name registered and the named person. This limited exemption recognizes the First Amendment issues that may arise in such cases and defers to existing bodies of law that have developed under State and Federal law to address such uses of personal names in conjunction with works of expression. Such an exemption is not intended to provide a loophole for those whose specific intent is to profit from another's name by selling the domain name to that person or a third party other than in conjunction with the bona fide exploitation of a legitimate work of authorship. For example, the registration of a domain name containing a personal name by the author of a screenplay that bears the same name, with the intent to sell the domain name in conjunction with the sale or license of the screenplay to a production studio would not be barred by this subsection, although other provisions of State or Federal law may apply. On the other hand, the exemption for good faith registrations of domain names tied to legitimate works of authorship would not exempt a person who registers a personal name as a domain name with the intent to sell the domain name by itself, or in conjunction with a work of authorship (e.g., a copyrighted web page) where the real object of the sale is the domain name, rather than the copyrighted work.

In sum, this subsection is a narrow provision intended to curtail one form of ''cybersquatting''—the act of registering someone else's name as a domain name for the purpose of demanding remuneration from the person in exchange for the domain name. Neither this section nor any other section in this bill is intended to create a right of publicity of any kind with respect to domain names. Nor is it intended to create any new property rights, intellectual or otherwise, in a domain name that is the name of a person. This subsection applies prospectively only, affecting only those domain names registered on or after the date of enactment of this Act.

Sec. 3003. Damages and Remedies

This section applies traditional trademark remedies, including injunctive relief, recovery of defendant's profits, actual damages, and costs, to cybersquatting cases under the new section 43(d) of the Trademark Act. The bill also amends section 35 of the Trademark Act to provide for statutory damages in cybersquatting cases, in an amount of not less than $1,000 and not more than $100,000 per domain name, as the court considers just.

Sec. 3004. Limitation on Liability

This section amends section 32(2) of the Trademark Act to extend the Trademark Act's existing limitations on liability to the cybersquatting context. This section also creates a new subparagraph (D) in section 32(2) to encourage domain name registrars and registries to work with trademark owners to prevent cybersquatting through a limited exemption from liability for domain name registrars and registries that suspend, cancel, or transfer domain names pursuant to a court order or in the implementation of a reasonable policy prohibiting cybersquatting. Under this exemption, a registrar, registry, or other domain name registration authority that suspends, cancels, or transfers a domain name pursuant to a court order or a reasonable policy prohibiting cybersquatting will not be held liable for monetary damages, and will be not be subject to injunctive relief provided that the registrar, registry, or other registration authority has deposited control of the domain name with a court in which an action has been filed regarding the disposition of the domain name, it has not transferred, suspended, or otherwise modified the domain

name during the pendency of the action, other than in response to a court order, and it has not willfully failed to comply with any such court order. Thus, the exemption will allow a domain name registrar, registry, or other registration authority to avoid being joined in a civil action regarding the disposition of a domain name that has been taken down pursuant to a dispute resolution policy, provided the court has obtained control over the name from the registrar, registry, or other registration authority, but such registrar, registry, or other registration authority would not be immune from suit for injunctive relief where no such action has been filed or where the registrar, registry, or other registration authority has transferred, suspended, or otherwise modified the domain name during the pendency of the action or wilfully failed to comply with a court order.

This section also protects the rights of domain name registrants against overreaching trademark owners. Under a new subparagraph (D)(iv) in section 32(2), a trademark owner who knowingly and materially misrepresents to the domain name registrar or registry that a domain name is infringing shall be liable to the domain name registrant for damages resulting from the suspension, cancellation, or transfer of the domain name. In addition, the court may grant injunctive relief to the domain name registrant by ordering the reactivation of the domain name or the transfer of the domain name back to the domain name registrant. In creating a new subparagraph (D)(iii) of section 32(2), this section codifies current case law limiting the secondary liability of domain name registrars and registries for the act of registration of a domain name, absent bad-faith on the part of the registrar and registry.

Finally, subparagraph (D)(v) provides additional protections for domain name holders by allowing a domain name registrant whose name has been suspended, disabled, or transferred to file a civil action to establish that the registration or use of the domain name by such registrant is not a violation of the Lanham Act. In such cases, a court may grant injunctive relief to the domain name registrant, including the reactivation of the domain name or transfer of the domain name to the domain name registrant.

Sec. 3005. Definitions

This section amends the Trademark Act's definitions section (section 45) to add definitions for key terms used in this Act. First, the term ''Internet'' is defined consistent with the meaning given that term in the Communications Act (47 U.S.C. 230(f)(1)). Second, this section creates a narrow definition of ''domain name'' to target the specific bad faith conduct sought to be addressed while excluding such things as screen names, file names, and other identifiers not assigned by a domain name registrar or registry.

Sec. 3006. Study on Abusive Domain Name Registrations Involving Personal Names

This section directs the Secretary of Commerce, in consultation with the Patent and Trademark Office and the Federal Election Commission, to conduct a study and report to Congress with recommendations on guidelines and procedures for resolving disputes involving the registration or use of domain names that include personal names of others or names that are confusingly similar thereto. This section further directs the Secretary of Commerce to collaborate with the Internet Corporation for Assigned Names and Numbers (ICANN) to develop guidelines and procedures for resolving disputes involving the registration or use of domain names that include personal names of others or names that are confusingly similar thereto.

Sec. 3007. Historic Preservation

This section provides a limited immunity from suit under trademark law for historic buildings that are on or eligible for inclusion on the National Register of Historic Places, or that are designated as an individual landmark or as a contributing building in a historic district.

Sec. 3008. Savings Clause

This section provides an explicit savings clause making clear that the bill does not affect traditional trademark defenses, such as fair use, or a person's first amendment rights.

Sec. 3009. Effective Date

This section provides that damages provided for under this bill shall not apply to the registration, trafficking, or use of a domain name that took place prior to the enactment of this Act.

TITLE VI—INVENTOR PROTECTION

Sec. 4001. Short Title

This title may be cited as the ''American Inventors Protection Act of 1999.''

Sec. 4002. Table of Contents

Section 4002 enumerates the table of contents of this title.

SUBTITLE A—INVENTORS' RIGHTS

Subtitle A creates a new section 297 in chapter 29 of title 35 of the United States Code, designed to curb the deceptive practices of certain invention promotion companies. Many of these companies advertise on television and in magazines that inventors may call a toll-free number for assistance in marketing their inventions. They are sent an invention evaluation form, which they are asked to complete to allow the promoter to provide expert analysis of the market potential of their inventions. The inventors return the form with descriptions of the inventions, which become the basis for contacts by salespeople at the promotion companies. The next step is usually a ''professional''-appearing product research report which contains nothing more than boilerplate information stating that the invention has outstanding market potential and fills an important need in the field. The promotion companies attempt to convince the inventor to buy their marketing services, normally on a sliding scale in which the promoter will ask for a front-end payment of up to $10,000 and a percentage of resulting profits, or a reduced front-end payment of $6,000 or $8,000 with commensurately larger royalties on profits. Once paid under such a scenario, a promoter will typically and only forward information to a list of companies that never respond.

This subtitle addresses these problems by (1) requiring an invention promoter to disclose certain materially relevant information to a customer in writing prior to entering into a contract for invention promotion services; (2) establishing a federal cause of action for inventors who are injured by material false of fraudulent statements or representations, or any omission of material fact, by an invention promoter, or by the invention promoter's failure to make the required written disclosures; and (3) requiring the Director of the United States Patent and Trademark Office to make publicly available complaints received involving invention promoters, along with the response to such complaints, if any, from the invention promoters.

Sec. 4101. Short title

This subtitle may be cited as the ''Inventors'' Rights Act of 1999.''

Sec. 4102. Integrity in invention promotion services

This section adds a new section 297 to in chapter 29 of title 35, United States Code, intended to promote integrity in invention promotion services. Legitimate invention assistance and development organizations can be of great assistance to novice inventors by providing information on how to protect an invention, how to develop it, how to obtain financing to manufacture it, or how to license or sell the invention. While many invention developers are legitimate, the unscrupulous ones take advantage of untutored inventors, asking for large sums of money up front for which they provide no real service in return. This new section provides a much needed safeguard to assist independent inventors in avoiding becoming victims of the predatory practices of unscrupulous invention promoters.

New section 297(a) of title 35 requires an invention promoter to disclose certain materially relevant information to a customer in writing prior to entering into a contract for invention promotion services. Such information includes: (1) The number of inventions evaluated by the invention promoter and stating the number of those evaluated positively and the number negatively; (2) The number of customers who have contracted for services with the invention promoter in the prior five years; (3) The number of customers known by the invention promoter to have received a net financial profit as a direct result of the invention promoter's services; (4) The number of customers known by the invention promoter to have received license agreements for their inventions as a direct result of the invention promoter's services; and (5) the names and addresses of all previous invention promotion companies with which the invention promoter or its officers have collectively or individually been affiliated in the previous 10 years to enable the customer to evaluate the reputations of these companies.

New section 297(b) of title 35 establishes a civil cause of action against any invention promoter who injures a customer through any material false or fraudulent statement, representation, or omission of material fact by the invention promoter, or any person acting on behalf of the invention promoter, or through failure of the invention promoter to make all the disclosures required under subsection (a). In such a civil action, the customer may recover, in addition to reasonable costs and attorneys' fees, the amount of actual damages incurred by the customer or, at the customer's election, statutory damages up to $5,000, as the court considers just. Subsection (b)(2) authorizes the court to increase damages to an amount not to exceed three times the amount awarded as statutory or actual damages in a case where the customer demonstrates, and the court finds, that the invention promoter intentionally misrepresented or omitted a material fact to such customer, or failed to make the required disclosures under subsection (a), for the purpose of deceiving the customer. In determining the amount of increased damages, courts may take into account whether regulatory sanctions or other corrective action has been taken as a result of previous complaints against the invention promoter.

New section 297(c) defines the terms used in the section. These definitions are carefully crafted to cover true invention promoters without casting the net too broadly. Paragraph (3) excepts from the definition of ''invention promoter'' departments and

agencies of the Federal, state, and local governments; any nonprofit, charitable, scientific, or educational organizations qualified under applicable State laws or described under §170(b)(1)(A) of the Internal Revenue Code of 1986; persons or entities involved in evaluating the commercial potential of, or offering to license or sell, a utility patent or a previously filed nonprovisional utility patent application; any party participating in a transaction involving the sale of the stock or assets of a business; or any party who directly engages in the business of retail sales or distribution of products. Paragraph (4) defines the term ''invention promotion services'' to mean the procurement or attempted procurement for a customer of a firm, corporation, or other entity to develop and market products or services that include the customer's invention.

New section 297(d) requires the Director of the USPTO to make publicly available all complaints submitted to the USPTO regarding invention promoters, together with any responses by invention promoters to those complaints. The Director is required to notify the invention promoter of a complaint and provide a reasonable opportunity to reply prior to making such complaint public. Section 297(d)(2) authorizes the Director to request from Federal and State agencies copies of any complaints relating to invention promotion services they have received and to include those complaints in the records maintained by the USPTO regarding invention promotion services. It is anticipated that the Director will use appropriate discretion in making such complaints available to the public for a reasonably sufficient, yet limited, length of time, such as a period of three years from the date of receipt, and that the Director will consult with the Federal Trade Commission to determine whether the disclosure requirements of the FTC and section 297(a) can be coordinated.

Sec. 4103. Effective date

This section provides that the effective date of section 297 will be 60 days after the date of enactment of this Act.

SUBTITLE B—PATENT AND TRADEMARK FEE FAIRNESS

Subtitle B provides patent and trademark fee reform, by lowering patent fees, by directing the Director of the USPTO to study alternative fee structures to encourage full participation in our patent system by all inventors, large and small, and by strengthening the prohibition against the use of trademark fees for non-trademark uses.

Sec. 4201. Short title

This subtitle may be cited as the ''Patent and Trademark Fee Fairness Act of 1999.''

Sec. 4202. Adjustment of patent fees.

This section reduces patent filing an reissue fees by $50, and reduces patent maintenance fees by $110. This would mark only the second time in history that patent fees have been reduced. Because trademark fees have not been increased since 1993 and because of the application of accounting based cost principles and systems, patent fee income has been partially offsetting the cost of trademark operations. This section will restore fairness to patent and trademark fees by reducing patent fees to better reflect the cost of services.

Sec. 4203. Adjustment of trademark fees.

This section will allow the Director of the USPTO to adjust trademark fees in fiscal year 2000 without regard to fluctuations in the Consumer Price Index in order to better align those fees with the costs of services.

Sec. 4204. Study on alternative fee structures

This section directs the Director of the USPTO to conduct a study and report to the Judiciary Committees of the House and Senate within one year on alternative fee structures that could be adopted by the USPTO to encourage maximum participation in the patent system by the American inventor community.

Sec. 4205. Patent and Trademark Office funding

Pursuant to section 42(c) of the Patent Act, fees available to the Commissioner under section 31 of the Trademark Act of 1946[6] may be used only for the processing of trademark registrations and for other trademark-related activities, and to cover a proportionate share of the administrative costs of the USPTO. In an effort to more tightly ''fence'' trademark funds for trademark purposes, section 4205 amends this language such that all (trademark) fees available to the Commissioner shall be used for trademark registration and other trademark-related purposes. In other words, the Commissioner may exercise no discretion when spending funds; they must be earmarked for trademark purposes.

SUBTITLE C—FIRST INVENTOR DEFENSE

Subtitle C strikes an equitable balance between the interests of U.S. inventors who have invented and commercialized business methods and processes, many of which until recently were thought not to be patentable, and U.S. or foreign inventors who later patent the methods and processes. The subtitle creates a defense for inventors who have reduced an invention to practice in the U.S. at least one year before the patent filing date of another, typically later, inventor and commercially used the invention in the U.S. before the filing date. A party entitled to the defense must not have derived the invention from the patent owner. The bill protects the patent owner by providing that the establishment of the defense by such an inventor or entrepreneur does not invalidate the patent.

The subtitle clarifies the interface between two key branches of intellectual property law—patents and trade secrets. Patent law serves the public interest by encouraging innovation and investment in new technology, and may be thought of as providing a right to exclude other parties from an invention in return for the inventor making a public disclosure of the invention. Trade secret law, however, also serves the public interest by protecting investments in new technology. Trade secrets have taken on a new importance with an increase in the ability to patent all business methods and processes. It would be administratively and economically impossible to expect any inventor to apply for a patent on all methods and processes now deemed patentable. In order to protect inventors and to encourage proper disclosure, this subtitle focuses on methods for doing and conducting business, including methods used in connection with internal commercial operations as well as those used in connection with the sale or transfer of useful end results—whether in the form of physical products, or in the form of services, or in the form of some other useful results; for example, results produced through the manipulation of data or other inputs to produce a useful result.

The earlier-inventor defense is important to many small and large businesses, including financial services, software companies, and manufacturing firms—any business that relies on innovative business processes and methods. The 1998 opinion by the U.S. Court of Appeals for the Federal Circuit in State Street Bank and Trust Co. v. Signature Financial Group,[7] which held that methods of doing business are patentable, has added to the urgency of the issue. As the Court noted, the reference to the business method exception had been improperly applied to a wide variety of processes, blurring the essential question of whether the invention produced a ''useful, concrete, and tangible result.'' In the wake of State Street, thousands of methods and processes used internally are now being patented. In the past, many businesses that developed and used such methods and processes thought secrecy was the only protection available. Under established law, any of these inventions which have been in commercial use—public or secret—for more than one year cannot now be the subject of a valid U.S. patent.

Sec. 4301. Short title

This subtitle may be cited as the ''First Inventor Defense Act of 1999.''

Sec. 4302. Defense to patent infringement based on earlier inventor

In establishing the defense, subsection (a) of section 4302 creates a new section 273 of the Patent Act, which in subsection (a) sets forth the following definitions:

(1) ''Commercially used and commercial use'' mean use of any method in the United States so long as the use is in connection with an internal commercial use or an actual sale or transfer of a useful end result;

(2) ''Commercial use as applied to a nonprofit research laboratory and nonprofit entities such as a university, research center, or hospital intended to benefit the public'' means that such entities may assert the defense only based on continued use by and in the entities themselves, but that the defense is inapplicable to subsequent commercialization or use outside the entities;

(3) ''Method'' means any method for doing or conducting an entity's business; and (4) ''Effective filing date'' means the earlier of the actual filing date of the application for the patent or the filing date of any earlier US, foreign, or international application to which the subject matter at issue is entitled under the Patent Act.

To be ''commercially used'' or in ''commercial use'' for purposes of subsection (a), the use must be in connection with either an internal commercial use or an actual arm's-length sale or other arm's-length commercial transfer of a useful end result. The method that is the subject matter of the defense may be an internal method for doing business, such as an internal human resources management process, or a method for conducting business such as a preliminary or intermediate manufacturing procedure, which contributes to the effectiveness of the business by producing a useful end result for the internal operation of the business or for external sale. Commercial use does not require the subject matter at issue to be accessible to or otherwise known to the public.

Subject matter that must undergo a premarketing regulatory review period during which safety or efficacy is established before commercial marketing or use is considered to be commercially used and in commercial use during the regulatory review period.

The issue of whether an invention is a method is to be determined based on its underlying nature and not on the technicality of the form of the claims in the patent. For example, a method for doing or conducting business that has been claimed in a patent as a programmed machine, as in the State

Street case, is a method for purposes of section 273 if the invention could have as easily been claimed as a method. Form should not rule substance.

Subsection (b)(1) of section 273 establishes a general defense against infringement under section 271 of the Patent Act. Specifically, a person will not be held liable with respect to any subject matter that would otherwise infringe one or more claims to a method in another party's patent if the person:

(1) Acting in good faith, actually reduced the subject matter to practice at least one year before the effective filing date of the patent; and

(2) Commercially used the subject matter before the effective filing date of the patent.

The first inventor defense is not limited to methods in any particular industry such as the financial services industry, but applies to any industry which relies on trade secrecy for protecting methods for doing or conducting the operations of their business.

Subsection (b)(2) states that the sale or other lawful disposition of a useful end result produced by a patented method, by a person entitled to assert a section 273 defense, exhausts the patent owner's rights with respect to that end result to the same extent such rights would have been exhausted had the sale or other disposition been made by the patent owner. For example, if a purchaser would have had the right to resell a product or other end result if bought from the patent owner, the purchaser will have the same right if the product is purchased from a person entitled to a section 273 defense.

Subsection (b)(3) creates limitations and qualifications on the use of the defense. First, a person may not assert the defense unless the invention for which the defense is asserted is for a commercial use of a method as defined in section 273(a)(1) and (3). Second, a person may not assert the defense if the subject matter was derived from the patent owner or persons in privity with the patent owner. Third, subsection (b)(3) makes clear that the application of the defense does not create a general license under all claims of the patent in question—it extends only to the specific subject matter claimed in the patent with respect to which the person can assert the defense. At the same time, however, the defense does extend to variations in the quantity or volume of use of the claimed subject matter, and to improvements that do not infringe additional, specifically-claimed subject matter.

Subsection (b)(4) requires that the person asserting the defense has the burden of proof in establishing it by clear and convincing evidence. Subsection (b)(5) establishes that the person who abandons the commercial use of subject matter may not rely on activities performed before the date of such abandonment in establishing the defense with respect to actions taken after the date of abandonment. Such a person can rely only on the date when commercial use of the subject matter was resumed.

Subsection (b)(6) notes that the defense may only be asserted by the person who performed the acts necessary to establish the defense, and, except for transfer to the patent owner, the right to assert the defense cannot be licensed, assigned, or transferred to a third party except as an ancillary and subordinate part of a good-faith assignment or transfer for other reasons of the entire enterprise or line of business to which the defense relates.

When the defense has been transferred along with the enterprise or line of business to which it relates as permitted by subsection (b)(6), subsection (b)(7) limits the sites for which the defense may be asserted. Specifically, when the enterprise or line of business to which the defense relates has been transferred, the defense may be asserted only for uses at those sites where the subject matter was used before the later of the patent filing date or the date of transfer of the enterprise or line of business.

Subsection (b)(8) states that a person who fails to demonstrate a reasonable basis for asserting the defense may be held liable for attorneys' fees under section 285 of the Patent Act.

Subsection (b)(9) specifies that the successful assertion of the defense does not mean that the affected patent is invalid. Paragraph (9) eliminates a point of uncertainty under current law, and strikes a balance between the rights of an inventor who obtains a patent after another inventor has taken the steps to qualify for a prior use defense. The bill provides that the commercial use of a method in operating a business before the patentee's filing date, by an individual or entity that can establish a section 273 defense, does not invalidate the patent. For example, under current law, although the matter has seldom been litigated, a party who commercially used an invention in secrecy before the patent filing date and who also invented the subject matter before the patent owner's invention may argue that the patent is invalid under section 102 (g) of the Patent Act. Arguably, commercial use of an invention in secrecy is not suppression or concealment of the invention within the meaning of section 102(g), and therefore the party's earlier invention could invalidate the patent.[8]

Sec. 4303. Effective date and applicability

The effective date for subtitle C is the date of enactment, except that the title does not apply to any infringement action pending on the date of enactment or to any subject matter for which an adjudication of infringement, including a consent judgment, has been made before the date of enactment.

SUBTITLE D—PATENT TERM GUARANTEE

Subtitle D amends the provisions in the Patent Act that compensate patent applicants for certain reductions in patent term that are not the fault of the applicant. The provisions that were initially included in the term adjustment provisions of patent bills in the 105th Congress only provided adjustments for up to 10 years for secrecy orders, interferences, and successful appeals. Not only are these adjustments too short in some cases, but no adjustments were provided for administrative delays caused by the USPTO that were beyond the control of the applicant. Accordingly, subtitle D removes the 10–year caps from the existing provisions, adds a new provision to compensate applicants fully for USPTO-caused administrative delays, and, for good measure, includes a new provision guaranteeing diligent applicants at least a 17–year term by extending the term of any patent not granted within three years of filing. Thus, no patent applicant diligently seeking to obtain a patent will receive a term of less than the 17 years as provided under the pre-GATT[9] standard; in fact, most will receive considerably more. Only those who purposely manipulate the system to delay the issuance of their patents will be penalized under subtitle D, a result that the Conferees believe entirely appropriate.

Sec. 4401. Short title

This subtitle may be cited as the ''Patent Term Guarantee Act of 1999.''

Sec.4402. Patent term guarantee authority

Section 4402 amends section 154(b) of the Patent Act covering term. First, new subsection (b)(1)(A)(i)-(iv) guarantees day-for-day restoration of term lost as a result of delay created by the USPTO when the agency fails to:

(1) Make a notification of the rejection of any claim for a patent or any objection or argument under §132, or give or mail a written notice of allowance under §151, within 14 months after the date on which a non-provisional application was actually filed in the USPTO;

(2) Respond to a reply under §132, or to an appeal taken under §134, within four months after the date on which the reply was filed or the appeal was taken;

(3) Act on an application within four months after the date of a decision by the Board of Patent Appeals and Interferences under §134 or §135 or a decision by a Federal court under §§141, 145, or 146 in a case in which allowable claims remain in the application; or (4) Issue a patent within four months after the date on which the issue fee was paid under §151 and all outstanding requirements were satisfied.

Further, subject to certain limitations, infra, section 154(b)(1)(B) guarantees a total application pendency of no more than three years. Specifically, day-for-day restoration of term is granted if the USPTO has not issued a patent within three years after ''the actual date of the application in the United States.'' This language was intentionally selected to exclude the filing date of an application under the Patent Cooperation Treaty (PCT).[10] Otherwise, an applicant could obtain up to a 30–month extension of a U.S. patent merely by filing under PCT, rather than directly in the USPTO, gaining an unfair advantage in contrast to strictly domestic applicants. Any periods of time

(1) consumed in the continued examination of the application under §132(b) of the Patent Act as added by section 4403 of this Act;

(2) lost due to an interference under section135(a), a secrecy order under section 181, or appellate review by the Board of Patent Appeals and Interferences or by a Federal court (irrespective of the outcome); and

(3) incurred at the request of an applicant in excess of the three months to respond to a notice from the Office permitted by section 154(b)(2)(C)(ii) unless excused by a showing by the applicant under section 154(b)(3)(C) that in spite of all due care the applicant could not respond within three months

shall not be considered a delay by the USPTO and shall not be counted for purposes of determining whether the patent issued within three years from the actual filing date.

Day-for-day restoration is also granted under new section 154(b)(1)(C) for delays resulting from interferences,[11] secrecy orders,[12] and appeals by the Board of Patent Appeals and Interferences or a Federal court in which a patent was issued as a result of a decision reversing an adverse determination of patentability.

Section 4402 imposes limitations on restoration of term. In general, pursuant to new §154(b)(2)(A)-(C) of the bill, total adjustments granted for restorations under (b)(1) are reduced as follows:

(1) To the extent that there are multiple grounds for extending the term of a patent that may exist simultaneously (e.g., delay due to a secrecy order under section 181 and administrative delay under section 154(b)(1)(A)), the term should not be extended for each ground of delay but only for the actual number of days that the issuance of a patent was delayed;

(2) The term of any patent which has been disclaimed beyond a date certain may not receive an adjustment beyond the expiration date specified in the disclaimer; and

(3) Adjustments shall be reduced by a period equal to the time in which the applicant failed to engage in reasonable efforts to conclude prosecution of the application, based on regulations developed by the Director, and an applicant shall be deemed to have failed to engage in such reasonable efforts for any periods of time in excess of three months that are taken to respond to a notice from the Office making any rejection or other request;

New section 154(b)(3) sets forth the procedures for the adjustment of patent terms. Paragraph (3)(A) empowers the Director to establish regulations by which term extensions are determined and contested. Paragraph (3)(B) requires the Director to send a notice of any determination with the notice of allowance and to give the applicant one opportunity to request reconsideration of the determination. Paragraph (3)(C) requires the Director to reinstate any time the applicant takes to respond to a notice from the Office in excess of three months that was deducted from any patent term extension that would otherwise have been granted if the applicant can show that he or she was, in spite of all due care, unable to respond within three months. In no case shall more than an additional three months be reinstated for each response. Paragraph (3)(D) requires the Director to grant the patent after completion of determining any patent term extension irrespective of whether the applicant appeals.

New section 154(b)(4) regulates appeals of term adjustment determinations made by the Director. Paragraph (4)(A) requires a dissatisfied applicant to seek remedy in the District Court for the District of Columbia under the Administrative Procedures Act[13] within 180 days after the grant of the patent. The Director shall alter the term of the patent to reflect any final judgment. Paragraph (4)(B) precludes a third party from challenging the determination of a patent term prior to patent grant.

Section 4402(b) makes certain conforming amendments to section 282 of the Patent Act and the appellate jurisdiction of the U.S. Court of Appeals for the Federal Circuit.[14]

Sec. 4403. Continued examination of patent applications

Section 4403 amends section 132 of the Patent Act to permit an applicant to request that an examiner continue the examination of an application following a notice of ''final'' rejection by the examiner. New section 132(b) authorizes the Director to prescribe regulations for the continued examination of an application notwithstanding a final rejection, at the request of the applicant. The Director may also establish appropriate fees for continued examination proceedings, and shall provide a 50% fee reduction for small entities which qualify for such treatment under section 41(h)(1) of the Patent Act.

Section 4404. Technical clarification

Section 4404 of the bill coordinates technical term adjustment provisions set forth in section 154(b) with those in section 156(a) of the Patent Act.

Section 4405. Effective date

The effective date for the amendments in section 4402 and 4404 is six months after the date of enactment and, with the exception of design applications (the terms of which are not measured from filing), applies to any application filed on or after such date. The amendments made by section 4403 take effect six months after date of enactment to allow the USPTO to prepare implementing regulations an apply to all national and international (PCT) applications filed on or after June 8, 1995.

SUBTITLE E—DOMESTIC PUBLICATION OF PATENT APPLICATIONS PUBLISHED ABROAD

Subtitle E provides for the publication of pending patent applications which have a corresponding foreign counterpart. Any pending U.S. application filed only in the United States (e.g., one that does not have a foreign counterpart) will not be published if the applicant so requests. Thus, an applicant wishing to maintain her application in confidence may do so merely by filing only in the United States and requesting that the USPTO not publish the application. For those applicants who do file abroad or who voluntarily publish their applications, provisional rights will be available for assertion against any third party who uses the claimed invention between publication and grant provided that substantially similar claims are contained in both the published application and granted patent. This change will ensure that American inventors will be able to see the technology that our foreign competition is seeking to patent much earlier than is possible today.

Sec. 4501. Short title

This subtitle may be cited as the ''Domestic Publication of Foreign Filed Patent Applications Act of 1999.''

Sec. 4502. Publication

As provided in subsection (a) of section 4502, amended section 122(a) of the Patent Act continues the general rule that patent applications will be maintained in confidence. Paragraph (1)(A) of new subsection (b) of section 122 creates a new exception to this general rule by requiring publication of certain applications promptly after the expiration of an 18–month period following the earliest claimed U.S. or foreign filing date. The Director is authorized by subparagraph (B) to determine what information concerning published applications shall be made available to the public, and, under subparagraph (C) any decision made in this regard is final and not subject to review.

Subsection (b)(2) enumerates exceptions to the general rule requiring publication. Subparagraph (A) precludes publication of any application that is: (1) no longer pending at the 18th month from filing; (2) the subject of a secrecy order until the secrecy order is rescinded; (3) a provisional application;[15] or (4) a design patent application.[16]

Pursuant to subparagraph (B)(i), any applicant who is not filing overseas and does not wish her application to be published can simply make a request and state that her invention has not and will not be the subject of an application filed in a foreign country that requires publication after 18 months. Subparagraph (B)(ii) clarifies that an applicant may rescind this request at any time. Moreover, if an applicant has requested that her application not be published in a foreign country with a publication requirement, subparagraph (B)(iii) imposes a duty on the applicant to notify the Director of this fact. An unexcused failure to notify the Director will result in the abandonment of the application. If an applicant either rescinds a request that her application not be published or notifies the Director that an application has been filed in an early publication country or through the PCT, the U.S. application will be published at 18 months pursuant to subsection (b)(1).

Finally, under subparagraph (B)(v), where an applicant has filed an application in a foreign country, either directly or through the PCT, so that the application will be published 18 months from its earliest effective filing date, the applicant may limit the scope of the publication by the USPTO to the total of the cumulative scope of the applications filed in all foreign countries. Where the foreign application is identical to the application filed in the United States or where an application filed under the PCT is identical to the application filed in the United States, the applicant may not limit the extent to which the application filed in the United States is published. However, where an applicant has limited the description of an application filed in a foreign country, either directly or through the PCT in comparison with the application filed in the USPTO, the applicant may restrict the publication by the USPTO to no more than the cumulative details of what will be published in all of the foreign applications and through the PCT. The applicant may restrict the extent of publication of her U.S. application by submitting a redacted copy of the application to the USPTO eliminating only those details that will not be published in any of the foreign applications. Any description contained in at least one of the foreign national or PCT filings may not be excluded from publication in the corresponding U.S. patent application. To ensure that any redacted copy of the U.S. application is published in place of the original U.S. application, the redacted copy must be received within 16 months from the earliest effective filing date. Finally, if the published U.S. application as redacted by the applicant does not enable a person skilled in the art to make and use the claimed invention, provisional rights under section 154(d) shall not be available.

Subsection (c) requires the Director to establish procedures to ensure that no protest or other form of pre-issuance opposition to the grant of a patent on an application may be initiated after publication without the express written consent of the applicant.

Subsection (d) protects our national security by providing that no application may be published under subsection (b)(1) where the publication or disclosure of such invention would be detrimental to the national security. In addition, the Director of the USPTO is required to establish appropriate procedures to ensure that such applications are promptly identified and the secrecy of such inventions is maintained in accordance with chapter 17 of the Patent Act, which governs secrecy of inventions in the interest of national security.

Subsection (b) of section 4502 of subtitle E requires the Government Accounting Office (GAO) to conduct a study of applicants who file only in the United States during a three-year period beginning on the effective date of subtitle E. The study will focus on the percentage of U.S. applicants who file only in the United States versus those who file outside the United States; how many domestic-only filers request not to be published; how many who request not to be published later rescind that request; and whether there is any correlation between the type of applicant (e.g., small vs. large entity) and publication. The Comptroller General must submit the findings of the study, once completed, to the Committees on the Judiciary of the House and Senate.

Sec. 4503. Time for claiming benefit of earlier filing date

Section 119 of the Patent Act prescribes procedures to implement the right to claim

priority under Article 4 of the Paris Convention for the Protection of Industrial Property.[17] Under that Article, an applicant seeking protection in the United States may claim the filing date of an application for the same invention filed in another Convention country—provided the subsequent application is filed in the United States within 12 months of the earlier filing in the foreign country.

Section 4503 of subtitle V amends section 119(b) of the Patent Act to authorize the Director to establish a cut-off date by which the applicant must claim priority. This is to ensure that the claim will be made early enough—generally not later than the 16th month from the earliest effective filing date—so as to permit an orderly publication schedule for pending applications. As the USPTO moves to electronic filing, it is envisioned that this date could be moved closer to the 18th month.

The amendment to §119(b) also gives the Director the discretion to consider the failure of the applicant to file a timely claim for priority to be a waiver of any such priority claim. The Director is also authorized to establish procedures (including the payment of a surcharge) to accept an unintentionally delayed priority claim.

Section 4503(b) of subtitle E amends section 120 of the Patent Act in a similar way. This provision empowers the Director to: (1) establish a time by which the priority of an earlier filed United States application must be claimed; (2) consider the failure to meet that time limit to be a waiver of the right to claim such priority; and (3) accept an unintentionally late claim of priority subject to the payment of a surcharge.

Sec. 4504. Provisional rights

Section 4504 amends section 154 of the Patent Act by adding a new subsection (d) to accord provisional rights to obtain a reasonable royalty for applicants whose applications are published under amended section 122(b) of the Patent Act, supra, or applications designating the United States filed under the PCT. Generally, this provision establishes the right of an applicant to obtain a reasonable royalty from any person who, during the period beginning on the date that his or her application is published and ending on the date a patent is issued—

(1) makes, uses, offers for sale, or sells the invention in the United States, or imports such an invention into the United States; or

(2) if the invention claimed is a process, makes, uses, offers for sale, sells, or imports a product made by that process in the United States; and

(3) had actual notice of the published application and, in the case of an application filed under the PCT designating the United States that is published in a language other than English, a translation of the application into English.

The requirement of actual notice is critical. The mere fact that the published application is included in a commercial database where it might be found is insufficient. The published applicant must give actual notice of the published application to the accused infringer and explain what acts are regarded as giving rise to provisional rights.

Another important limitation on the availability of provisional royalties is that the claims in the published application that are alleged to give rise to provisional rights must also appear in the patent in substantially identical form. To allow anything less than substantial identity would impose an unacceptable burden on the public. If provisional rights were available in the situation where the only valid claim infringed first appeared in substantially that form in the granted patent, the public would have no guidance as to the specific behavior to avoid between publication and grant. Every person or company that might be operating within the scope of the disclosure of the published application would have to conduct her own private examination to determine whether a published application contained patentable subject matter that she should avoid. The burden should be on the applicant to initially draft a schedule of claims that gives adequate notice to the public of what she is seeking to patent.

Amended section 154(d)(3) imposes a six-year statute of limitations from grant in which an action for reasonable royalties must be brought.

Amended section 154(d)(4) sets forth some additional rules qualifying when an international application under the PCT will give rise to provisional rights. The date that will give rise to provisional rights for international applications will be the date on which the USPTO receives a copy of the application published under the PCT in the English language; if the application is published under the PCT in a language other than English, then the date on which provisional rights will arise will be the date on which the USPTO receives a translation of the international application in the English language. The Director is empowered to require an applicant to provide a copy of the international application and a translation of it.

Sec. 4505. Prior art effect of published applications

Section 4505 amends section 102(e) of the Patent Act to treat an application published by the USPTO in the same fashion as a patent published by the USPTO. Accordingly, a published application is given prior art effect as of its earliest effective U.S. filing date against any subsequently filed U.S. applications. As with patents, any foreign filing date to which the published application is entitled will not be the effective filing date of the U.S. published application for prior art purposes. An exception to this general rule is made for international applications designating the United States that are published under Article 21(2)(a) of the PCT in the English language. Such applications are given a prior art effect as of their international filing date. The prior art effect accorded to patents under section 4505 remains unchanged from present section 102(e) of the Patent Act.

Sec. 4506. Cost recovery for publications

Section 4506 authorizes the Director to recover the costs of early publication required by the amendment made by section 4502 of this Act by charging a separate publication fee after a notice of allowance is given pursuant to section 151 of the Patent Act.

Sec. 4507. Conforming amendments

Section 4507 consists of various technical and conforming amendments to the Patent Act. These include amending section 181 of the Patent Act to clarify that publication of pending applications does not apply to applications under secrecy orders, and amending section 284 of the Patent Act to ensure that increased damages authorized under section 284 shall not apply to the reasonable royalties possible under amended section 154(d). In addition, section 374 of the Patent Act is amended to provide that the effect of the publication of an international application designating the United States shall be the same as the publication of an application published under amended section 122(b), except as its effect as prior art is modified by amended section 102(e) and its giving rise to provisional rights is qualified by new section 154(d).

Sec. 4508. Effective date

Subtitle E shall take effect on the date that is one year after the date of enactment and shall apply to all applications filed under section 111 of the Patent Act on or after that date; and to all applications complying with section 371 of the Patent Act that resulted from international applications filed on or after that date. The provisional rights provided in amended section 154(d) and the prior art effect provided in amended section 102(e) shall apply to all applications pending on the date that is one year after the date of enactment that are voluntarily published by their applicants. Finally, section 404 (provisional rights) shall apply to international applications designating the United States that are filed on or after the date that is one year after the date of enactment.

SUBTITLE F—OPTIONAL INTER PARTES REEXAMINATION PROCEDURE

Subtitle F is intended to reduce expensive patent litigation in U.S. district courts by giving third-party requesters, in addition to the existing ex parte reexamination in Chapter 30 of title 35, the option of inter partes reexamination proceedings in the USPTO. Congress enacted legislation to authorize ex parte reexamination of patents in the USPTO in 1980, but such reexamination has been used infrequently since a third party who requests reexamination cannot participate at all after initiating the proceedings. Numerous witnesses have suggested that the volume of lawsuits in district courts will be reduced if third parties can be encouraged to use reexamination by giving them an opportunity to argue their case for patent invalidity in the USPTO. Subtitle F provides that opportunity as an option to the existing ex parte reexamination proceedings.

Subtitle F leaves existing ex parte reexamination procedures in Chapter 30 of title 35 intact, but establishes an inter partes reexamination procedure which third-party requesters can use at their option. Subtitle VI allows third parties who request inter partes reexamination to submit one written comment each time the patent owner files a response to the USPTO. In addition, such third-party requesters can appeal to the USPTO Board of Patent Appeals and Interferences from an examiner's determination that the reexamined patent is valid, but may not appeal to the Court of Appeals for the Federal Circuit. To prevent harassment, anyone who requests inter partes reexamination must identify the real party in interest and third-party requesters who participate in an inter partes reexamination proceeding are estopped from raising in a subsequent court action or inter partes reexamination any issue of patent validity that they raised or could have raised during such inter partes reexamination.

Subtitle F contains the important threshold safeguard (also applied in ex parte reexamination) that an inter partes reexamination cannot be commenced unless the USPTO makes a determination that a ''substantial new question'' of patentability is raised. Also, as under Chapter 30, this determination cannot be appealed, and grounds for inter partes reexamination are limited to earlier patents and printed publications—grounds that USPTO examiners are well-suited to consider.

Sec. 4601. Short title

This subtitle may be cited as the ''Optional Inter Partes Reexamination Procedure Act.''

Sec. 4602. Clarification of Chapter 30

This section distinguishes Chapter 31 from existing Chapter 30 by changing the title of Chapter 30 to ''Ex Parte Reexamination of Patents.''

Sec. 4603. Definitions

This section amends section 100 of the Patent Act by defining ''third-party requester'' as a person who is not the patent owner requesting ex parte reexamination under section 302 or inter partes reexamination under section 311.

Sec. 4604. Optional Inter Partes Reexamination Procedure

Section 4604 amends Part III of title 35 by inserting a new Chapter 31 setting forth optional inter partes reexamination procedures.

New section 311, as amended by this section, differs from section 302 of existing law in Chapter 30 of the Patent Act by requiring any person filing a written request for inter partes reexamination to identify the real party in interest.

Similar to section 303 of existing law, new section 312 of the Patent Act confers upon the Director the authority and responsibility to determine, within three months after the filing of a request for inter partes reexamination, whether a substantial new question affecting patentability of any claim of the patent is raised by the request. Also, the decision in this regard is final and not subject to judicial review.

Proposed sections 313–14 under this subtitle are similarly modeled after sections 304–305 of Chapter 30. Under proposed section 313, if the Director determines that a substantial new question of patentability affecting a claim is raised, the determination shall include an order for inter partes reexamination for resolution of the question. The order may be accompanied by the initial USPTO action on the merits of the inter partes reexamination conducted in accordance with section 314. Generally, under proposed section 314, inter partes reexamination shall be conducted according to the procedures set forth in sections 132–133 of the Patent Act. The patent owner will be permitted to propose any amendment to the patent and a new claim or claims, with the same exception contained in section 305: no proposed amended or new claim enlarging the scope of the claims will be allowed.

Proposed section 314 elaborates on procedure with regard to third-party requesters who, for the first time, are given the option to participate in inter partes reexamination proceedings. With the exception of the inter partes reexamination request, any document filed by either the patent owner or the third-party requester shall be served on the other party. In addition, the third party-requester in an inter partes reexamination shall receive a copy of any communication sent by the USPTO to the patent owner. After each response by the patent owner to an action on the merits by the USPTO, the third-party requester shall have one opportunity to file written comments addressing issues raised by the USPTO or raised in the patent owner's response. Unless ordered by the Director for good cause, the agency must act in an inter partes reexamination matter with special dispatch.

Proposed section 315 prescribes the procedures for appeal of an adverse USPTO decision by the patent owner and the third-party requester in an inter partes reexamination. Both the patent owner and the third-party requester are entitled to appeal to the Board of Patent Appeals and Interferences (section 134 of the Patent Act), but only the patentee can appeal to the U.S. Court of Appeals for the Federal Circuit (§§141–144); either may also be a party to any appeal by the other to the Board of Patent Appeals and Interferences. The patentee is not entitled to the alternative of an appeal of an inter partes reexamination to the U.S. District Court for the District of Columbia. Such appeals are rarely taken from ex parte reexamination proceedings under existing law and its removal should speed up the process.

To deter unnecessary litigation, proposed section 315 imposes constraints on the third-party requester. In general, a third-party requester who is granted an inter partes reexamination by the USPTO may not assert at a later time in any civil action in U.S. district court[18] the invalidity of any claim finally determined to be patentable on any ground that the third-party requester raised or could have raised during the inter partes reexamination. However, the third-party requester may assert invalidity based on newly discovered prior art unavailable at the time of the reexamination. Prior art was unavailable at the time of the inter partes reexamination if it was not known to the individuals who were involved in the reexamination proceeding on behalf of the third-party requester and the USPTO.

Section 316 provides for the Director to issue and publish certificates canceling unpatentable claims, confirming patentable claims, and incorporating any amended or new claim determined to be patentable in an inter partes procedure.

Subtitle F creates a new section 317 which sets forth certain conditions by which inter partes reexamination is prohibited to guard against harassment of a patent holder. In general, once an order for inter partes reexamination has been issued, neither a third-party requester nor the patent owner may file a subsequent request for inter partes reexamination until an inter partes reexamination certificate is issued and published, unless authorized by the Director. Further, if a third-party requester asserts patent invalidity in a civil action and a final decision is entered that the party failed to prove the assertion of invalidity, or if a final decision in an inter partes reexamination instituted by the requester is favorable to patentability, after any appeals, that third-party requester cannot thereafter request inter partes reexamination on the basis of issues which were or which could have been raised. However, the third-party requester may assert invalidity based on newly discovered prior art unavailable at the time of the civil action or inter partes reexamination. Prior art was unavailable at the time if it was not known to the individuals who were involved in the civil action or inter partes reexamination proceeding on behalf of the third-party requester and the USPTO.

Proposed section 318 gives a patent owner the right, once an inter partes reexamination has been ordered, to obtain a stay of any pending litigation involving an issue of patentability of any claims of the patent that are the subject of the inter partes reexamination, unless the court determines that the stay would not serve the interests of justice.

Sec. 4605. Conforming amendments

Section 4605 makes the following conforming amendments to the Patent Act:

A patent owner must pay a fee of $1,210 for each petition in connection with an unintentionally abandoned application, delayed payment, or delayed response by the patent owner during any reexamination.

A patent applicant, any of whose claims has been twice rejected; a patent owner in a reexamination proceeding; and a third-party requester in an inter partes reexamination proceeding may all appeal final adverse decisions from a primary examiner to the Board of Patent Appeals and Interferences.

Proposed section 141 states that a patent owner in a reexamination proceeding may appeal an adverse decision by the Board of Patent Appeals and Interferences only to the U.S. Court of Appeals for the Federal Circuit as earlier noted. A third-party requester in an inter partes reexamination proceeding may not appeal beyond the Board of Patent Appeals and Interferences.

The Director is required pursuant to section 143 (proceedings on appeal to the Federal Circuit) to submit to the court the grounds for the USPTO decision in any reexamination addressing all the issues involved in the appeal.

Sec. 4606. Report to Congress

Not later than five years after the effective date of subtitle F, the Director must submit to Congress a report evaluating whether the inter partes reexamination proceedings set forth in the title are inequitable to any of the parties in interest and, if so, the report shall contain recommendations for change to eliminate the inequity.

Sec. 4607. Estoppel Effect of Reexamination

Section 4607 estops any party who requests inter partes reexamination from challenging at a later time, in any civil action, any fact determined during the process of the inter partes reexamination, except with respect to a fact determination later proved to be erroneous based on information unavailable at the time of the inter partes reexamination. The estoppel arises after a final decision in the inter partes reexamination or a final decision in any appeal of such reexamination. If section 4607 is held to be unenforceable, the enforceability of the rest of subtitle F or the Act is not affected.

Sec. 4608. Effective date

Subtitle F shall take effect on the date of the enactment and shall apply to any patent that issues from an original application filed in the United States on or after that date, except that the amendments made by section 4605(a) shall take effect one year from the date of enactment.

SUBTITLE G—UNITED STATES PATENT AND TRADEMARK OFFICE

Subtitle G establishes the United States Patent and Trademark Office (USPTO) as an agency of the United States within the Department of Commerce. The Secretary of Commerce gives policy direction to the agency, but the agency is autonomous and responsible for the management and administration of its operations and has independent control of budget allocations and expenditures, personnel decisions and processes, and procurement. The Committee intends that the Office will conduct its patent and trademark operations without micro-management by Department of Commerce officials, with the exception of policy guidance of the Secretary. The agency is headed by an Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, a Deputy, and a Commissioner of Patents and a Commissioner of Trademarks. The agency is exempt from government-wide personnel ceilings. A patent public advisory committee and a trademark public advisory committee are established to advise the Director on agency

policies, goals, performance, budget and user fees.

Sec. 4701. Short title

This subtitle may be cited as the ''Patent and Trademark Office Efficiency Act.''

Subchapter A—United States Patent and Trademark Office

Sec. 4711. Establishment of Patent and Trademark Office

Section 4711 establishes the USPTO as an agency of the United States within the Department of Commerce and under the policy direction of the Secretary of Commerce. The USPTO, as an autonomous agency, is explicitly responsible for decisions regarding the management and administration of its operations and has independent control of budget allocations and expenditures, personnel decisions and processes, procurements, and other administrative and management functions. Patent operations and trademark operations are to be treated as separate operating units within the Office, each under the direction of its respective Commissioner, as supervised by the Director.

The USPTO shall maintain its principal office in the metropolitan Washington, D.C., area, for the service of process and papers and for the purpose of discharging its functions. For purposes of venue in civil actions, the agency is deemed to be a resident of the district in which its principal office is located, except where otherwise provided by law. The USPTO is also permitted to establish satellite offices in such other places in the United States as it considers necessary and appropriate to conduct business. This is intended to allow the USPTO, if appropriate, to serve American applicants better.

Sec. 4712. Powers and duties

Subject to the policy direction of the Secretary of the Commerce, in general the USPTO will be responsible for the granting and issuing of patents, the registration of trademarks, and the dissemination of patent and trademark information to the public.

The USPTO will also possess specific powers, which include:

(1) a requirement to adopt and use an Office seal for judicial notice purposes and for authenticating patents, trademark certificates and papers issued by the Office;

(2) the authority to establish regulations, not inconsistent with law, that

(A) govern the conduct of USPTO proceedings within the Office,

(B) are in accordance with § 553 of title 5,

(C) facilitate and expedite the processing of patent applications, particularly those which can be processed electronically,

(D) govern the recognition, conduct, and qualifications of agents, attorneys, or other persons representing applicants or others before the USPTO,

(E) recognize the public interest in ensuring that the patent system retain a reduced fee structure for small entities, and

(F) provide for the development of a performance-based process for managing that includes quantitative and qualitative measures, standards for evaluating cost-effectiveness, and consistency with principles of impartiality and competitiveness;

(3) the authority to acquire, construct, purchase, lease, hold, manage, operate, improve, alter and renovate any real, personal, or mixed property as it considers necessary to discharge its functions;

(4) the authority to make purchases of property, contracts for construction, maintenance, or management and operation of facilities, as well as to contract for and purchase printing services without regard to those federal laws which govern such proceedings;

(5) the authority to use services, equipment, personnel, facilities and equipment of other federal entities, with their consent and on a reimbursable basis;

(6) the authority to use, with the consent of the United States and the agency, government, or international organization concerned, the services, records, facilities or personnel of any State or local government agency or foreign patent or trademark office or international organization to perform functions on its behalf;

(7) the authority to retain and use all of its revenues and receipts;

(8) a requirement to advise the President, through the Secretary of Commerce, on national and certain international intellectual property policy issues;

(9) a requirement to advise Federal departments and agencies of intellectual property policy in the United States and intellectual property protection abroad;

(10) a requirement to provide guidance regarding proposals offered by agencies to assist foreign governments and international intergovernmental organizations on matters of intellectual property protection;

(11) the authority to conduct programs, studies or exchanges regarding domestic or international intellectual property law and the effectiveness of intellectual property protection domestically and abroad;

(12) a requirement to advise the Secretary of Commerce on any programs and studies relating to intellectual property policy that the USPTO may conduct or is authorized to conduct, cooperatively with foreign intellectual property offices and international intergovernmental organizations; and

(13) the authority to (A) coordinate with the Department of State in conducting programs and studies cooperatively with foreign intellectual property offices and international intergovernmental organizations, and (B) transfer, with the concurrence of the Secretary of State, up to $100,000 in any year to the Department of State to pay an international intergovernmental organization for studies and programs advancing international cooperation concerning patents, trademarks, and other matters.

The specific powers set forth in new subsection (b) are clarified in new subsection (c). The special payments of paragraph (14)(B) are additional to other payments or contributions and are not subject to any limitation imposed by law. Nothing in subsection (b) derogates from the duties of the Secretary of State or the United States Trade Representative as set forth in section 141 of the Trade Act of 1974[19], nor derogates from the duties and functions of the Register of Copyrights. The Director is required to consult with the Administrator of General Services when exercising authority under paragraphs (3) and (4)(A). Nothing in section 4712 may be construed to nullify, void, cancel, or interrupt any pending request-for-proposal let or contract issued by the General Services Administration for the specific purpose of relocating or leasing space to the USPTO. Finally, in exercising the powers and duties under this section, the Director shall consult with the Register of Copyright on all Copyright and related matters.

Sec. 4713. Organization and management

Section 4713 details the organization and management of the agency. The powers and duties of the USPTO shall be vested in the Under Secretary and Director, who shall be appointed by the President, by and with the consent of the Senate. The Under Secretary and Director performs two main functions. As Under Secretary of Commerce for Intellectual Property, she serves as the policy advisor to the Secretary of Commerce and the President on intellectual property issues. As Director, she is responsible for supervising the management and direction of the USPTO. She shall consult with the Public Advisory Committees, infra, on a regular basis regarding operations of the agency and before submitting budgetary proposals and fee or regulation changes. The Director shall take an oath of office. The President may remove the Director from office, but must provide notification to both houses of Congress.

The Secretary of Commerce, upon nomination of the Director, shall appoint a Deputy Director to act in the capacity of the Director if the Director is absent or incapacitated. The Secretary of Commerce shall also appoint two Commissioners, one for Patents, the other for Trademarks, without regard to chapters 33, 51, or 53 of title 5 of the U.S. Code. The Commissioners will have five-year terms and may be reappointed to new terms by the Secretary. Each Commissioner shall possess a demonstrated experience in patent and trademark law, respectively; and they shall be responsible for the management and direction of the patent and trademark operations, respectively. In addition to receiving a basic rate of compensation under the Senior Executive Service[20] and a locality payment,[21] the Commissioners may receive bonuses of up to 50 percent of their annual basic rate of compensation, not to exceed the salary of the Vice President, based on a performance evaluation by the Secretary, acting through the Director. The Secretary may remove Commissioners for misconduct or unsatisfactory performance. It is intended that the Commissioners will be non-political expert appointees, independently responsible for operations, subject to supervision by the Director.

The Director may appoint all other officers, agents, and employees as she sees fit, and define their responsibilities with equal discretion. The USPTO is specifically not subject to any administratively or statutorily imposed limits (full-time equivalents, or ''FTEs'') on positions or personnel.

The USPTO is charged with developing and submitting to Congress a proposal for an incentive program to retain senior (of the primary examiner grade or higher) patent and trademark examiners eligible for retirement for the sole purpose of training patent and trademark examiners.

The Director of the USPTO, in consultation with the Director of the Office of Personnel Management, is required to maintain a program for identifying national security positions at the USPTO and for providing for appropriate security clearances for USPTO employees in order to maintain the secrecy of inventions as described in section 181 of the Patent Act and to prevent disclosure of sensitive and strategic information in the interest of national security.

The USPTO will be subject to all provisions of title 5 of the U.S. Code governing federal employees. All relevant labor agreements which are in effect the day before enactment of subtitle G shall be adopted by the agency. All USPTO employees as of the day before the effective date of subtitle G shall remain officers and employees of the agency without a break in service. Other personnel of the Department of Commerce shall be transferred to the USPTO only if necessary to carry out purposes of subtitle G of the bill and if a major function of their work is reimbursed by the USPTO, they spend at least

half of their work time in support of the USPTO, or a transfer to the USPTO would be in the interest of the agency, as determined by the Secretary of Commerce in consultation with the Director.

On or after the effective date of the Act, the President shall appoint an individual to serve as Director until a Director qualifies under subsection (a). The persons serving as the Assistant Commissioner for Patents and the Assistant Commissioner for Trademarks on the day before the effective date of the Act may serve as the Commissioner for Patents and the Commissioner for Trademarks, respectively, until a respective Commissioner is appointed under subsection (b)(2).

Sec. 4714. Public Advisory Committees

Section 4714 provides a new section 5 of the Patent Act which establishes a Patent Public Advisory Committee and a Trademark Public Advisory Committee. Each Committee has nine voting members with three-year terms appointed by and serving at the pleasure of the Secretary of Commerce. Initial appointments will be made within three months of the effective date of the Act; and three of the initial appointees will receive one-year terms, three will receive two-year terms, and three will receive full terms. Vacancies will be filled within three months. The Secretary will also designate chairpersons for three-year terms.

The members of the Committees will be U.S. citizens and will be chosen to represent the interests of USPTO users. The Patent Public Advisory Committee shall have members who represent small and large entity applicants in the United States in proportion to the number of applications filed by the small and large entity applicants. In no case shall the small entity applicants be represented by less than 25 percent of the members of the Patent Public Advisory Committee, at least one of whom shall be an independent inventor. The members of both Committees shall include individuals with substantial background and achievement in finance, management, labor relations, science, technology, and office automation. The patent and trademark examiners' unions are entitled to have one representative on their respective Advisory Committee in a non-voting capacity.

The Committees meet at the call of the chair to consider an agenda established by the chair. Each Committee reviews the policies, goals, performance, budget, and user fees that bear on its area of concern and advises the Director on these matters. Within 60 days of the end of a fiscal year, the Committees prepare annual reports, transmit the reports to the Secretary of Commerce, the President, and the Committees on the Judiciary of the Congress, and publish the reports in the Official Gazette of the USPTO.

Members of the Committees are compensated at a defined daily rate for meeting and travel days. Members are provided access to USPTO records and information other than personnel or other privileged information including that concerning patent applications. Members are special Government employees within the meaning of section 202 of title 18. The Federal Advisory Committee Act shall not apply to the Committees. Finally, section 4714 provides that Committee meetings shall be open to the public unless by a majority vote the Committee meets in executive session to consider personnel or other confidential information.

Sec. 4715. Conforming amendments

Technical conforming amendments to the Patent Act are set forth in section 4715.

Sec. 4716. Trademark Trial and Appeal Board

Section 4716 amends section 17 of the Trademark Act of 1946 by specifying that the Director shall give notice to all affected parties and shall direct a Trademark Trial and Appeal Board to determine the respective rights of those parties before it in a relevant proceeding. The section also invests the Director with the power of appointing administrative trademark judges to the Board. The Director, the Commissioner for Trademarks, the Commissioner for Patents, and the administrative trademark judges shall serve on the Board.

Sec. 4717. Board of Patent Appeals and Interferences

Under existing section 7 of the Patent Act, the Commissioner, Deputy Commissioner, Assistant Commissioners, and the examiners-in-chief constitute the Board of Patent Appeals and Interferences. Pursuant to section 4717 of subtitle G, the Board shall be comprised of the Director, the Commissioner for Patents, the Commissioner for Trademarks, and the administrative patent judges. In addition, the existing statute allows each appellant a hearing before three members of the Board who are designated by the Director. Section 4717 empowers the Director with this authority.

Sec. 4718. Annual report of Director

No later than 180 days after the end of each fiscal year, the Director must provide a report to Congress detailing funds received and expended by the USPTO, the purposes for which the funds were spent, the quality and quantity of USPTO work, the nature of training provided to examiners, the evaluations of the Commissioners by the Secretary of Commerce, the Commissioners' compensation, and other information relating to the agency.

Sec. 4719. Suspension or exclusion from practice

Under existing section 32 of the Patent Act, the Commissioner (the Director pursuant to this Act) has the authority, after notice and a hearing, to suspend or exclude from further practice before the USPTO any person who is incompetent, disreputable, indulges in gross misconduct or fraud, or is noncompliant with USPTO regulations. Section 4719 permits the Director to designate an attorney who is an officer or employee of the USPTO to conduct a hearing under section 32.

Sec. 4720. Pay of Director and Deputy Director

Section 4720 replaces the Assistant Secretary of Commerce and Commissioner of Patents and Trademarks with the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office to receive pay at Level III of the Executive Schedule.[22] Section 4720 also establishes the pay of the Deputy Director at Level IV of the Executive Schedule.[23]

Subchapter B—Effective Date; Technical Amendments

Sec. 4731. Effective date

The effective date of subtitle G is four months after the date of enactment.

Sec. 4732. Technical and conforming amendments

Section 4732 sets forth numerous technical and conforming amendments related to subtitle G.

Subchapter C—Miscellaneous Provisions

Sec. 4741. References

Section 4741 clarifies that any reference to the transfer of a function from a department or office to the head of such department or office means the head of such department or office to which the function is transferred. In addition, references in other federal materials to the current Commissioner of Patents and Trademarks refer, upon enactment, to the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office. Similarly, references to the Assistant Commissioner for Patents are deemed to refer to the Commissioner for Patents and references to the Assistant Commissioner for Trademarks are deemed to refer to the Commissioner for Trademarks.

Sec. 4742. Exercise of authorities

Under section 4742, except as otherwise provided by law, a federal official to whom a function is transferred pursuant to subtitle G may exercise all authorities under any other provision of law that were available regarding the performance of that function to the official empowered to perform that function immediately before the date of the transfer of the function.

Sec. 4743. Savings provisions

Relevant legal documents that relate to a function which is transferred by subtitle G, and which are in effect on the date of such transfer, shall continue in effect according to their terms unless later modified or repealed in an appropriate manner. Applications or proceedings concerning any benefit, service, or license pending on the effective date of subtitle G before an office transferred shall not be affected, and shall continue thereafter, but may later be modified or repealed in the appropriate manner.

Subtitle G will not affect suits commenced before the effective date of passage. Suits or actions by or against the Department of Commerce, its employees, or the Secretary shall not abate by reason of enactment of subtitle G. Suits against a relevant government officer in her official capacity shall continue post enactment, and if a function has transferred to another officer by virtue of enactment, that other officer shall substitute as the defendant. Finally, administrative and judicial review procedures that apply to a function transferred shall apply to the head of the relevant federal agency and other officers to which the function is transferred.

Sec. 4744. Transfer of assets

Section 4744 states that all available personnel, property, records, and funds related to a function transferred pursuant to subtitle G shall be made available to the relevant official or head of the agency to which the function transfers at such time or times as the Director of the Office of Management and Budget (OMB) directs.

Sec. 4745. Delegation and assignment

Section 4745 allows an official to whom a function is transferred under subtitle G to delegate that function to another officer or employee. The official to whom the function was originally transferred nonetheless remains responsible for the administration of the function.

Sec. 4746. Authority of Director of the Office of Management and Budget with respect to functions transferred

Pursuant to section 4746, if necessary the Director of OMB shall make any determination of the functions transferred pursuant to subtitle G.

Sec. 4747. Certain vesting of functions considered transfers

Section 4747 states that the vesting of a function in a department or office pursuant

to reestablishment of an office shall be considered to be the transfer of that function.

Sec. 4748. Availability of existing funds

Under section 4748, existing appropriations and funds available for the performance of functions and other activities terminated pursuant to subtitle G shall remain available (for the duration of their period of availability) for necessary expenses in connection with the termination and resolution of such functions and activities, subject to the submission of a plan to House and Senate appropriators in accordance with Public Law 105–277 (Departments of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations Act, Fiscal Year 1999).

Sec. 4749. Definitions

''Function'' includes any duty, obligation, power, authority, responsibility, right, privilege, activity, or program.

''Office'' includes any office, administration, agency, bureau, institute, council, unit, organizational entity, or component thereof.

SUBTITLE H—MISCELLANEOUS PATENT PROVISIONS

Subtitle H consists of seven largely-unrelated provisions that make needed clarifying and technical changes to the Patent Act . Subtitle H also authorizes a study. The provisions in Subtitle H take effect on the date of enactment except where stated otherwise in certain sections.

Sec. 4801. Provisional applications

Section 4801 amends section 111(b)(5) of the Patent Act by permitting a provisional application to be converted into a non-provisional application. The applicant must make a request within 12 months after the filing date of the provisional application for it to be converted into a non-provisional application.

Section 4801 also amends section 119(e) of the Patent Act by clarifying the treatment of a provisional application when its last day of pendency falls on a weekend or a Federal holiday, and by eliminating the requirement that a provisional application must be copending with a non-provisional application if the provisional application is to be relied on in any USPTO proceeding.

Sec. 4802. International applications

Section 4802 amends section 119(a) of the Patent Act to permit persons who filed an application for patent first in a WTO[24] member country to claim the right of priority in a subsequent patent application filed in the United States, even if such country does not yet afford similar privileges on the basis of applications filed in the United States. This amendment was made in conformity with the requirements of Articles 1 and 2 of the TRIPS Agreement.[25] These Articles require that WTO member countries apply the substantive provisions of the Paris Convention for the Protection of Industrial Property to other WTO member countries. As some WTO member countries are not yet members of the Paris Convention, and as developing countries are generally permitted periods of up to 5 years before complying with all provisions of the TRIPS Agreement, they are not required to extend the right of priority to other WTO member countries until such time.

Section 4802 also adds subsection (f) to section 119 of the Patent Act to provide for the right of priority in the United States on the basis of an application for a plant breeder's right first filed in a WTO member country or in a UPOV[26] Contracting Party. Many foreign countries provide only a sui generis system of protection for plant varieties. Because section 119 presently addresses only patents and inventors' certificates, applicants from those countries are technically unable to base a priority claim on a foreign application for a plant breeder's right when seeking plant patent or utility patent protection for a plant variety in this country.

Subsection (g) is added to section 119 to define the terms ''WTO member country'' and ''UPOV Contracting Party.''

Sec. 4803. Certain limitations on remedies for patent infringement not applicable

Section 4803 amends section 287(c)(4) of the Patent Act, which pertains to certain limitations on remedies for patent infringement, to make it applicable only to applications filed on or after September 30, 1996.

Sec. 4804. Electronic filing and publications

Section 4804 amends section 22 of the Patent Act to clarify that the USPTO may receive, disseminate, and maintain information in electronic form. Subsection (d)(2), however, prohibits the Director from ceasing to maintain paper or microform collections of U.S. patents, foreign patent documents, and U.S. trademark registrations, except pursuant to notice and opportunity for public comment and except the Director shall first submit a report to Congress detailing any such plan, including a description of the mechanisms in place to ensure the integrity of such collections and the data contained therein, as well as to ensure prompt public access to the most current available information, and certifying that the implementation of such plan will not negatively impact the public.

In addition, in the operation of its information dissemination programs and as the sole source of patent data, the USPTO should implement procedures that assure that bulk patent data are provided in such a manner that subscribers have the data in a manner that grants a sufficient amount of time for such subscribers to make the data available through their own systems at the same time the USPTO makes the data publicly available through its own Internet system.

Sec. 4805. Study and report on biologic deposits in support of biotechnology patents

Section 4805 charges the Comptroller General, in consultation with the Director of the USPTO, with conducting a study and submitting a report to Congress no later than six months after the date of enactment on the potential risks to the U.S. biotechnological industry regarding biological deposits in support of biotechnology patents. The study shall include: an examination of the risk of export and of transfers to third parties of biological deposits, and the risks posed by the 18–month publication requirement of subtitle E; an analysis of comparative legal and regulatory regimes; and any related recommendations. The USPTO is then charged with considering these recommendations when drafting regulations affecting biological deposits.

Sec. 4806. Prior invention

Section 4806 amends section 102(g) of the Patent Act to make clear that an inventor who is involved in a USPTO interference proceeding and establishes a date of invention under section 104 is subject to the requirements of section 102(g), including the requirement that the invention was not abandoned, suppressed, or concealed.

Sec. 4807. Prior art exclusion for certain commonly assigned patents

Section 4807 amends section 103 of the Patent Act, which sets forth patentability conditions related to the nonobviousness of subject matter. Section 103(c) of the current statute states that subject matter developed by another person which qualifies as prior art only under section 102(f) or (g) shall not preclude granting a patent on an invention with only obvious differences where the subject matter and claimed invention were, at the time the invention was made, owned by the same person or subject to an obligation of assignment to the same person. The bill amends section 103(c) by adding a reference to section 102(e), which currently bars the granting of a patent if the invention was described in another patent granted on an application filed before the applicant's date of invention. The effect of the amendment is to allow an applicant to receive a patent when an invention with only obvious differences from the applicant's invention was described in a patent granted on an application filed before the applicant's invention, provided the inventions are commonly owned or subject to an obligation of assignment to the same person.

Sec. 4808. Exchange of copies of patents with foreign countries

Sec. 4808 amends section 12 of the Patent Act to prohibit the Director of the USPTO from entering into an agreement to exchange patent data with a foreign country that is not one of our NAFTA[27] or WTO trading partners, unless the Secretary of Commerce explicitly authorizes such an exchange.

TITLE V—MISCELLANEOUS PROVISIONS

Section 5001. Commission on Online Child Protection.

Section 5001(a) provides that references contained in the amendments made by this title are to section 1405 of the Child Online Protection Act (47 U.S.C. 231 note).

Section 5001(b) amends the membership of the Commission on Online Child Protection to remove a requirement that a specific number of representatives come from designated sectors of private industry, as outlined in the Act. Section 5001(b) also provides that the members appointed to the Commission as of October 31, 1999, shall remain as members. Section 5001(b) also prevents the members of the Commission from being paid for their work on the Commission. This provision, however, does not preclude members from being reimbursed for legitimate costs associated with participating in the Commission (such as travel expenses).

Section 5001(c) extends the due date for the report of the Commission by one year.

Section 5001(d) establishes that the Commission's statutory authority will expire either (1) 30 days after the submission of the report required by the Act, or (2) November 30, 2000, whichever is earlier.

Section 5001(e) requires the Commission to commence its first meeting no later than March 31, 2000. Section 5001(e) also requires that the Commission elect, by a majority vote, a chairperson of the Commission not later than 30 days after holding its first meeting.

Section 5001(f) establishes minimum rules for the operations of the Commission, and also allows the Commission to adopt other rules as it deems necessary.

Section 5002. Privacy Protection for Donors to Public Broadcasting Entities.

This provision, which was added in Conference, protects the privacy of donors to public broadcasting entities.

Section 5003. Completion of Biennial Regulatory Review.

Section 5003 provides that, within 180 days after the date of enactment, the FCC will

complete the biennial review required by section 202(h) of the Telecommunications Act of 1996. The Conferees expect that if the Commission concludes that it should retain any of the rules under the review unchanged, the Commission shall issue a report that includes a full justification of the basis for so finding.

Section 5004. Broadcasting Entities.

This provision, added in Conference, allows for a remittance of copyright damages for public broadcasting entities where they are not aware and have no reason to believe that their activities constituted violations of copyright law. This is currently the standard for nonprofit libraries, archives and educational institutions.

Section 5005. Technical Amendments Relating to Vessel Hull Design Protection.

This section makes several amendments to chapter 13 of the Copyright Act regarding design protection for vessel hulls. The sunset provision for chapter 13, enacted as part of the Digital Millennium Copyright Act, is removed so that chapter 13 is now a permanent provision of the Copyright Act. The timing and number of joint studies to be done by the Copyright Office and the Patent and Trademark Offices of the effectiveness of chapter 13 are also amended by reducing the number of studies from two to one, and requiring that the one study not be submitted until November 1, 2003. Current law requires delivery of two studies within the first two years of chapter 13, which is unnecessary and an insufficient amount of time for the Copyright Office and the Patent and Trademark Office to accurately measure and assess the effectiveness of design protection within the marine industry.

The definition of a ''vessel'' in chapter 13 is amended to provide that in addition to being able to navigate on or through water, a vessel must be self-propelled and able to steer, and must be designed to carry at least one passenger. This clarifies Congress's intent not to allow design protection for such craft as barges, toy and remote controlled boas, inner tubes and surf boards.

Section 5006. Informal Rulemaking of Copyright Determination.

The Copyright Office has requested that Congress make a technical correction to section 1201(a)(1)(C) of title 17 by deleting the phrase ''on the record.'' The Copyright Office believes that this correction is necessary to avoid any misunderstanding regarding the intent of Congress that the rulemaking proceeding which is the be conducted by the Copyright Office under this provision shall be an informal, rather than a formal, rulemaking proceeding. Accordingly, the phrase ''on the record'' is deleted as a technical correction to clarify the intent of Congress that the Copyright Office shall conduct the rulemaking under section 1201(a)(1)(C) as an informal rulemaking proceeding pursuant to section 553 of Title 5. The intent is to permit interested persons an opportunity to participate through the submission of written statements, oral presentations at one or more of the public hearings, and the submission of written responses to the submissions or presentations of others.

Section 5007. Service of Process for Surety Corporations

This section allows surety corporations, like other corporations, to utilize approved state officials to receive service of process in any legal proceeding as an alternative to having a separate agent for service of process in each of the 94 federal judicial districts.

Section 5008. Low-Power Television.

Section 5008, which can be cited as the Community Broadcasters Protection Act of 1999, will ensure that many communities across the nation will continue to have access to free, over-the-air low-power television (LPTV) stations, even as full-service television stations proceed with their conversion to digital format. In particular, Section 5008 requires the Federal Communications Commission (FCC) to provide certain qualifying LPTV stations with ''primary'' regulatory status, which in turn will enable these LPTV stations to attract the financing that is necessary to provide consumers with critical information and programming. At the same time, recognizing the importance of, and the engineering complexity in, the FCC's plan to convert full-service television stations to digital format, Section 5009 protects the ability of these stations to provide both digital and analog service throughout their existing service areas.

The FCC began awarding licenses for low-power television service in 1982. Low-power television service is a relatively inexpensive and flexible means of delivering programming tailored to the interests of viewers in small localized areas. It also ensures that spectrum allocated for broadcast television service is more efficiently used and promotes opportunities for entering the television broadcast business.

The FCC estimates that there are more than 2,000 licensed and operational LPTV stations, about 1,500 of which are operated in the continental United States by 700 different licensees in nearly 750 towns and cities.[28] LPTV stations serve rural and urban communities alike, although about two-thirds of all LPTV stations serve rural communities. LPTV stations in urban markets typically provide niche programming (e.g., bilingual or non-English programming) to under-served communities in large cities. In many rural markets, LPTV stations are consumers' only source of local, over-the-air programming. Owners of LPTV stations are diverse, including high school and college student populations, churches and religious groups, local governments, large and small businesses, and even individual citizens.

From an engineering standpoint, the term ''low-power television service'' means precisely what it implies, i.e., broadcast television service that operates at a lower level of power than full-service stations. Specifically, LPTV stations radiate 3 kilowatts of power for stations operating on the VHF band (i.e., channels 2 through 13), and 150 kilowatts of power for stations operating on the UHF band (i.e., channels 14 through 69). By comparison, full-service stations on VHF channels radiate up to 316 kilowatts of power, and stations on UHF channels radiate up to 5,000 kilowatts of power. The reduced power levels that govern LPTV stations mean these stations serve a much smaller geographic region than do full-service stations. LPTV signals typically extend to a range of approximately 12 to 15 miles, whereas the originating signal of full-service stations often reach households 60 or 80 miles away.

Compared to its rules for full-service television station licensees, the FCC's rules for obtaining and operating an LPTV license are minimal. But in return for ease of licensing, LPTV stations must operate not only at reduced power levels but also as ''secondary'' licensees. This means LPTV stations are strictly prohibited from interfering with, and must accept signal interference from, ''primary'' licensees, such as full-service television stations. Moreover, LPTV stations must yield at any point in time to full-service stations that increase their power levels, as well as to new full-service stations.

The video programming marketplace is intensely competitive. The three largest broadcast networks that once dominated the market now face competition from several emerging broadcast and cable networks, cable systems, satellite television operators, wireless cable, and even the Internet. Low-power television plays a valuable, albeit modest, role in this market because it is capable of providing locally-originated programming to rural and urban communities that have either no access to local programming, or an over-abundance of national programming.

Low-power television's future, however, is uncertain. To begin with, LPTV's secondary regulatory status means a licensee can be summarily displaced by a full-service station that seeks to expand its own service area, or by a new full-service station seeking to enter the same market. This cloud of regulatory uncertainty necessarily affects the ability of LPTV stations to raise capital over the long-term, irrespective of an LPTV station's popularity among consumers.

The FCC's plan to convert full-service stations to digital substantially complicates LPTV stations' already uncertain future. In its digital television (DTV) proceeding, the FCC adopted a table of allotments for DTV service that provided a second channel for each existing full-service station to use for DTV service in making the transition from the existing analog technology to the new DTV technology. These second channels were provided to broadcasters on a temporary basis. At the end of the DTV transition, which is currently scheduled for December 31, 2006, they must relinquish one of their two channels.

In assigning DTV channels, the FCC maintained the secondary status of LPTV stations (as well as translators). In order to provide all full-service television stations with a second channel, the FCC was compelled to establish DTV allotments that will displace a number of LPTV stations, particularly in the larger urban market areas where the available spectrum is most congested.

The FCC's plan also provides for the recovery of a portion of the existing broadcast television spectrum so that it can be reallocated to new uses. Specifically, the FCC provided for immediate recovery of broadcast channels 60 through 69, and for recovery of broadcast channels 52 through 59 at the end of the DTV transition. As further required by Congress under the Balanced Budget Act of 1997,[29] the FCC has completed the reallocation of broadcast channels 60 through 69. Existing analog stations, including LPTV stations and a few DTV stations, are permitted to operate on these channels during the DTV transition. But at the end of the transition, all analog broadcast TV stations will have to cease operation, and the DTV stations on broadcast channels 52 through 69 will be relocated to new channels in the DTV core spectrum. As a result, the FCC estimates that the DTV transition will require about 35 to 45 percent of all LPTV stations to either change their operation or cease operation. Indeed, some full-service stations have already ''bumped'' several LPTV stations a number of times, at substantial cost to the LPTV station, with no guarantee that the LPTV station will be permitted to remain on its new channel in the long term.

The conferees, therefore, seek to provide some regulatory certainty for low-power television service. The conferees recognize that,

because of emerging DTV service, not all LPTV stations can be guaranteed a certain future. Moreover, it is not clear that all LPTV stations should be given such a guarantee in light of the fact that many existing LPTV stations provide little or no original programming service.

Instead, the conferees seek to buttress the commercial viability of those LPTV stations which can demonstrate that they provide valuable programming to their communities. The House Committee on Commerce's record in considering this legislation reflects that there are a significant number of LPTV stations which broadcast programming—including locally originated programming—for a substantial portion of each day. From the consumers' perspective, these stations provide video programming that is functionally equivalent to the programming they view on full-service stations, as well as national and local cable networks. Consequently, these stations should be afforded roughly similar regulatory status. Section 5008, the Community Broadcasters Protection Act of 1999, will achieve that objective, and at the same time, protect the transition to digital.

Section 5008(a) provides that the short title of this section is the ''Community Broadcasters Protection Act of 1999.''

Section 5008(b) describes the Congress' findings on the importance of low-power television service. The Congress finds that LPTV stations have operated in a manner beneficial to the public, and in many instances, provide worthwhile and diverse services to communities that lack access to over-the-air programming. The Congress also finds, however, that LPTV stations' secondary regulatory status effectively blocks access to capital.

Section 5008(c) amends section 336 of the Communications Act of 1934[30] to require the FCC to create a new ''Class A'' license for certain qualifying LPTV stations. New paragraph (1)(A) in particular directs the FCC to prescribe rules within 120 days of enactment for the establishment of a new Class A television license that will be available to qualifying LPTV stations. The FCC's rules must ensure that a Class A licensee receives the same license terms and renewal standards as any full-service licensee, and that each Class A licensee is accorded primary regulatory status. Subparagraph (B) further requires the FCC, within 30 days of enactment, to send to each existing LPTV licensee a notice that describes the requirements for Class A designation. Within 60 days of enactment (or within 30 days of the FCC's notice), LPTV stations intending to seek Class A designation must submit a certification of eligibility to the FCC. Absent a material deficiency in an LPTV station's certification materials, the FCC is required under subparagraph (B) to grant a certification of eligibility.

Subparagraph (C) permits an LPTV station, within 30 days of the issuance of the rules required under subparagraph (A), to submit an application for Class A designation. The FCC must award a Class A license to a qualifying LPTV station within 30 days of receiving such application. Subparagraph (D) mandates that the FCC must act to preserve the signal contours of an LPTV station pending the final resolution of its application for a Class A license. In the event technical problems arise that require an engineering solution to a full-service station's allotted parameters or channel assignment in the DTV table of allotments, subparagraph (D) requires the FCC to make the necessary modifications to ensure that such full-service station can replicate or maximize its service area, as provided for in the FCC's rules.

With regard to maximization, a full-service digital television station must file an application for maximization or a notice of intent to seek such maximization by December 31, 1999, file a bona fide application for maximization by May 1, 2000, and also comply with all applicable FCC rules regarding the construction of digital television facilities. The term ''maximization'' is defined in paragraph 31 of the FCC's Sixth Report and Order as the process by which stations increase their service areas by operating with additional power or higher antennae than specified in the FCC's digital television table of allotments. Subparagraph(E) requires that a station must reduce the protected contour of its digital television service area in accordance with any modifications requested in future change applications. This provision is intended to ensure that stations indeed utilize the full amount of maximized spectrum for which they originally apply by the aforementioned deadlines.

Paragraph (2) lists the criteria an LPTV station must meet to qualify for a Class A license. Specifically, the LPTV station must: during the 90 days preceding the date of enactment, broadcast a minimum of 18 hours per day—including at least 3 hours per week of locally-originated programming—and also be in compliance with the FCC's rules on low-power television service; and from and after the date of its application for a Class A license, be in compliance with the FCC's rules for full-service television stations. In the alternative, the FCC may qualify an LPTV station as a Class A licensee if it determines that such qualification would serve the public interest, convenience, and necessity or for other reasons determined by the FCC.

Paragraph (3) provides that no LPTV station authorized as of the date of enactment may be disqualified for a Class A license based on common ownership with any other medium of mass communication.

Paragraph (4) makes clear that the FCC is not required to issue Class A LPTV stations (or translators) an additional license for advanced television services. The FCC, however, must accept applications for such services, provided the station will not cause interference to any other broadcast facility applied for, protected, permitted or authorized on the date of the filing of the application for advanced television services. Either the new license for advanced services or the original license must be forfeited at the end of the DTV transition. The licensee may elect to convert to advanced television services on its analog channel, but is not required to convert to digital format until the end of the DTV transition.

Paragraph (5) clarifies that nothing in new subsection 336(f) preempts, or otherwise affects, section 337 of the Communications Act of 1934.[31]

Paragraph (6) precludes the FCC from granting Class A licenses to LPTV stations operating between 698 megahertz (MHz) and 806 MHz (i.e., television broadcast channels 52 through 69). However, the FCC shall provide to LPTV stations assigned to, and temporarily operating on, those channels the opportunity to qualify for a Class A license. If a qualifying LPTV station is ultimately assigned a channel within the band of frequencies that will eventually comprise the ''core spectrum'' (i.e., television broadcast channels 2 through 51), then the FCC is required to issue a Class A license simultaneously. However, the FCC may not grant a Class A license to an LPTV station operating on a channel within the core spectrum that the FCC will identify within 180 days of enactment.

Finally, paragraph (7) provides that the FCC may not grant a Class A license (or a modification thereto) unless the requesting LPTV station demonstrates that it will not interfere with one of three types of radio-based services. First, under subparagraph (A), the LPTV station must show that it will not interfere with: (i) the predicted Grade B contour of any station transmitting in analog format; or (ii) the digital television service areas provided in the DTV table of allotments; or the digital television areas explicitly protected (as opposed to those areas that may be permitted) in the Commission's digital television regulations; or the digital television service areas of stations subsequently granted by the FCC prior to the filing of a Class A application; or lastly, stations seeking to maximize power under the FCC's rules (provided such stations are in compliance with the notification requirements under paragraph (1)).

Second, under subparagraph (B), the LPTV station must show that it will not interfere with any licensed, authorized or pending LPTV station or translator. And third, under subparagraph (C), the LPTV station must show that it will not interfere with other services (e.g., land mobile services) that also operate on television broadcast channels 14 through 20.

Finally, paragraph (8) establishes priority for those LPTVs that are displaced by an application filed under this section, in that these LPTVs have priority over other LPTVs in the assignment of available channels.

FOOTNOTES

[1] See Rust v. Sullivan, 500 U.S. 173 (1991) (grants); Indopco, Inc. v. Commissioner, 503 U.S. 79, 84 (1992) (tax benefits). The First Amendment requires only that Congress not aim at ''the suppression of dangerous ideas.'' NEA v. Finley, 118 S. Ct. 2168, 2178–79 (1998).

[2] See United States v. O'Brien, 391 U.S. 367 (1968).

[3] See Turner Broadcasting Sys., Inc. v. FCC, 512 U.S. 622, 663 (1994).

[4] See, e.g., H.R. Rep. No. 102–628, p. 51 (1992); S. Rep. No. 102–92, p. 62 (1991); see also Feb. 24 Hearing (Al DeVaney).

[5] The Supreme Court has described the ''two types'' of quasi in rem proceedings: a type I proceeding, in which ''the plaintiff is seeking to secure a pre-existing claim in the subject property and to extinguish or establish the nonexistence of similar interests of particular persons,'' and a type II action, in which ''the plaintiff seeks to apply what he concedes to be the property of the defendant to the satisfaction of a claim against him.'' Hanson v. Denckla, 357 U.S. 235, 246 n.12 (1958).

[6] 15 U.S.C. §1051, et seq.

[7] 149 F.3d 1368 (Fed. Cir. 1998) [hereinafter State Street].

[8] See Dunlop Holdings v. Ram Golf Corp., 524 F.2d 33 (7th Cir. 1975), cert. denied, 424 US 985 (1976).

[9] General Agreement on Tariffs and Trade, Pub. L. No. 103–465. The framework for international trade since its inception in 1948, GATT is now administered under the auspices of the World Trade Organization (WTO) (see note 19, infra).

[10] See Herbert F. Schwartz, Patent Law & Practice (2d ed., Federal Judicial Center, 1995), note 72 at 22. The PCT is a multilateral treaty among more than 50 nations that is designed to simplify the patenting process when an applicant seeks a patent on the same invention in more than one nation. See also 35 U.S.C.A. chs. 35–37 and PCT Applicant's Guide (1992, rev. 1994).

[11] 35 U.S.C. §135(a).

[12] 35 U.S.C. §181.

[13] 5 U.S.C. §§551–559, 701–706, 1305, 3105, 3344, 5372, 7521.

[14] 28 U.S.C. §1295.

[15] 35 U.S.C. §111(b). Pursuant to 35 U.S.C. §111(b)(5), all provisional applications are abandoned 12 months after the date of their filing; accordingly,

they are not subject to the 18–month publication requirement.

[16] 35 U.S.C. §171. Since design applications do not disclose technology, inventors do not have a particular interest in having them published. The bill as written therefore simplifies the proposed system of publication to confine the requirement to those applications for which there is a need for publication.

[17] Mar. 20, 1883, as revised at Brussels, Dec. 14, 1900, 25 Stat. 1645, T.S. No. 579, and subsequently through 1967. The Convention has 156 member nations, including the United States.

[18] See 28 U.S.C. §1338.

[19] 19 U.S.C. §2171.

[20] 28 U.S.C. §5382.

[21] 5 U.S.C. §5304(h)(2)(C).

[22] 5 U.S.C. §5314.

[23] 5 U.S.C. §5315.

[24] World Trade Organization. The agreement establishing the WTO is a multilateral instrument which creates a permanent organization to oversee the implementation of the Uruguay Round Agreements, including the GATT 1994, to provide a forum for multilateral trade negotiations and to administer dispute settlements (see note 3, supra). Staff of the House Comm. on Ways and Means, 104th Cong., 1st Sess., Overview and Compilation of U.S. Trade Statutes 1040 (Comm. Print 1995) [hereinafter, Overview and Compilation of U.S. Trade Statutes].

[25] Trade-Related Aspects of Intellectual Property Rights Agreement; i.e., that component of GATT which addresses intellectual property rights among the signatory members.

[26] International Convention for the Protection of New Varieties of Plants. UPOV is administered by the World Intellectual Property Organization (WIPO), which is charged with the administration of, and activities concerning revisions to, the international intellectual property treaties. UPOV has 40 members, and guarantees plant breeders national treatment and right of priority in other countries that are members of the treaty, along with certain other benefits. See M.A. Leaffer, International Treaties on Intellectual Property at 47 (BNA, 2d ed. 1997).

[27] North American Free Trade Agreement, Pub. L. No. 103–182. The cornerstone of NAFTA is the phased-out elimination of all tariffs on trade between the U.S., Canada, and Mexico. Overview and Compilation of U.S. Trade Statutes 1999.

[28] LPTV stations are distinct from so called ''translators.'' Whereas LPTV stations typically offer original programming, translators merely amplify or ''boost'' a full-service television station's signal into rural and mountainous regions adjacent to the station's market.

[29] See 47 U.S.C. §337.

[30] 47 U.S.C. §336.

[31] 47 U.S.C. §337.

By Mr. LEAHY:

S. 1949. A bill to promote economically sound modernization of electric power generation capacity in the United States, to establish requirements to improve the combustion heat rate efficiency of fossil fuel-fired electric utility generating units, to reduce emissions of mercury, carbon dioxide, nitrogen oxides, and sulfur dioxide, to require that all fossil fuel-fired electric utility generating units operating in the United States meet new review requirements, to promote the use of clean coal technologies, and to promote alternative energy and clean energy sources such as solar, wind, biomass, and fuel cells; to the Committee on Finance.

CLEAN POWER PLANT AND MODERNIZATION ACT OF 1999

Mr. LEAHY. Mr. President, Vermonters have a proud tradition of protecting our environment. We have some of the strongest environmental laws in the country. Yet despite this proud tradition of environmental stewardship, we have seen how pollution from outside our state has affected our mountains, lakes and streams. Acid rain caused from sulfur dioxide emissions outside Vermont has drifted through the atmosphere and scarred our mountains and poisoned our streams. Mercury has quietly made its deadly poisonous presence into the food chain of our fish to the point where health advisories have been posted for the consumption of several species. And, despite our own tough air laws and small population, the EPA has considered air quality warnings in Vermont that are comparable to emissions consistent for much larger cities. Silently each night, pollution from outside Vermont seeps into our state, and our exemplary and forward-looking environmental laws are powerless to stop or even limit the encroachment.

The Clean Air Act of 1970 was a milestone law which established national air quality standards for the first time and attempted to provide protection for populations who are affected by emissions outside their own local and state control. That bill did much to halt declining air quality around the country and improve it in some areas. It also acknowledged that fossil fuel utility plants contribute a significant amount of air pollution not only in the area immediately around the plant but can affect air quality hundreds of miles away.

While the bill has improved air quality, changes in the utility market since passage of the Clean Air Act make it necessary to consider important updates to the legislation. States throughout the country are deregulating utilities and soon Congress may consider federal legislation on this issue. I support these economic changes but Congress and the Administration should keep pace with this changing market. Breaking down the barriers of a regulated utility market can have important economic consequences for utility customers. More competition will drive down prices. But these lower costs will come with a price—the cheapest power is unfortunately produced by some of the dirtiest power plants. Most of these power plants were grandfathered under the Clean Air Act.

So today I am introducing the ''Clean Power Plant and Modernization Act'' to address the local, regional, and global air pollution problems that are posed by fossil-fired power plants under a deregulated market.

In the last few weeks, the EPA and the Administration have taken some important steps to address the power plant loophole in the Clean Air Act that allows hundreds of old, mostly coal-fired power plants to continue to pollute at levels much higher than new plants. Closing this loophole is critical to protecting the health of our environment and the health of our children.

Last week the Justice Department and the Environmental Protection Agency filed suit against 32 coal-fired power plants who had made major changes to their plants without also installing new equipment to control smog, acid rain and soot. This is illegal, even under the Clean Air Act, and it spotlights the glaring need to level the playing field for all power plants. This is particularly as our country moves toward a deregulated electricity industry.

Unfortunately, some of our colleagues decided that this move unfairly targeted some of their utilities that have benefitted from this loophole for almost thirty years. I would point out that many of us from New England and New York believe it is unfair that our states have been the dumping ground for the pollution coming out of these plants for the past thirty years. My colleagues have heard me speak on the floor about how this pollution is contaminating our fish with mercury, damaging our lakes and forests with acid rain, and causing respiratory problems and obscuring the view of Vermont's mountains with summertime ozone pollution from nitrogen oxide emissions.

Now, added to these concerns is the growing body of knowledge showing that carbon dioxide emissions are having an impact on the global climate. More than a decade of record heat, reports from around the globe of dying coral reefs, and melting glaciers should be warning signals to all of us.

In Vermont, one of our warning signals is the impact to sugar maples. Sugar maple now range naturally as far south as Tennessee and west of the Mississippi River from Minnesota to Missouri. Given the current predictions for climate changes, by the end of the next century the range of sugar maples in North America will be limited the state of Maine and portions of eastern Canada. Vermont's climate may not change so much that palm trees will line the streets of Burlington and Montpelier, but the impact on the character and economy of Vermont and many other states will be profound.

It is hard to imagine a Vermont hillside in the fall without the brilliant reds of the sugar maples, and it is hard to imagine a stack of pancakes without Vermont maple syrup. And it is unlikely that sugar maples will be the only species or crop that will be affected by climate change, or that the effects will be limited to Vermont. Many like to dismiss concerns about pollution from power plants as a ''Northeastern issue.'' It is not; it affects all of us, perhaps in ways that we have not even begun to imagine.

I can show you maps that mark the deposition ''hot spots'' for these pollutants in the Everglades, the Upper Midwest, New England, Long Island Sound, Chesapeake Bay and the West Coast. This clearly is not a regional issue. Collectively, fossil fuel-fired power

plants constitute the largest source of air pollution in the United States, annually emitting more than 2 billion tons of carbon dioxide, more than 12 million tons of acid rain producing sulfur dioxide, nearly 6 million tons of smog producing nitrogen oxides, and more than 50 tons of highly toxic mercury.

These are staggering sums. Consider the fact that it would take nearly 25,000 Washington Monuments, weighing 81,120 tons apiece, to add up to 2 billion tons. And that is just one year.

Why are we continuing to allow pollutants on that enormous scale to be dumped on some of our most fragile ecosystems, much less into our lungs through the air we breathe? It is because Congress assumed when it passed the 1970 Clean Air Act that these old pollution-prone plants would be retired over time and replaced by newer, cleaner plants. It has not worked out that way, and it is time for the Congress to rethink our strategy.

More than 75 percent of the fossil-fuel fired plants in the United States began operation before the 1970 Clean Air Act was passed. As a result, they are ''grandfathered'' out from under the full force of its regulations. Many of the environmental problems posed by this industry are linked to the antiquated and inefficient technologies at these plants. The average fossil-fuel fired power plant uses combustion technology devised in the 1950's or before. Would any of us buy a car today that was still using 1950s technology? Of course not. So why are we still going out of our way to preserve 1950s technology for power plants?

As long as we allow these plants to operate inefficiently they will produce enormous amounts of air pollution. My bill takes a new approach to reducing this pollution by retiring the inefficient ''grandfathered'' power plants and bring new, clean, and efficient technologies for the 21st Century on line.

Obviously, major changes in this industry will not occur over night. The ''continue-business-as-usual'' inertia is enormous. The old, inefficient, pollution-prone power plants will operate until they fall down because they are paid for, burn the cheapest fuel, and are subject to much less stringent environmental requirements. ''Grandfathered'' plants have the statutory equivalent of an eternal lifetime under the Clean Air Act loophole.

Mr. President, this article in Forbes Magazine describes how valuable the old ''grandfathered'' power plants are. The article cites the example of the ''grandfathered'' Homer City generating station outside of Pittsburgh. Until last year, the utility valued this plant at $540 million. According to the Forbes article, last year the utility sold the plant for $1.8 billion. That works out to $955 per kilowatt of generating capacity, or about the cost of building a new plant. Why are these old pollution-prone plants suddenly so valuable? Maybe their ''grandfathered'' status has something to do with it.

What does my bill propose to do? First, it closes the ''grandfather'' loophole. Second, it lays out an aggressive but achievable set of air pollution and efficiency requirements for fossil-fired power plants. Third, the emissions standards will allow clean coal technologies to have a fair chance to compete in the future mix of electrical power generation. Fourth, it provides industry decision-makers with a comprehensive and predictable set of regulatory requirements and tax code changes so they can see up-front what the playing field is going to look like in the future. This will allow them to make informed, comprehensive, and economically efficient business decisions. Public health and the environment will benefit, consumers will benefit, and the utility companies will benefit from this approach.

As U.S. power plants become more efficient and more power is produced by renewable technologies, less fossil fuel will be consumed. This will have an impact on the workers and communities that produce fossil fuels. These effects are likely to be greatest for coal, even with significant deployment of clean coal technology. The bill provides funding for programs to help workers and communities during the period of transition. I am eager to work with organized labor to ensure that these provisions address the needs of workers, particularly those who may not fully benefit from retraining programs.

The bill provides substantial additional funding for research, development, and commercial demonstrations of renewable and clean energy technologies such as solar, wind, biomass, and fuel cells. As utilities retire their ''grandfathered'' plants and plan for future generating capacity, renewable and clean technologies need to be part of the equation. My bill also authorizes expenditures for implementing known ways of biologically sequestering carbon dioxide from the atmosphere such as planting trees, preserving wetlands, and soil restoration.

How will the environment benefit from the emission and efficiency standards in my bill? Mercury emissions will be cut from more than 50 tons per year to no more than 5 tons per year. Annual emissions of sulfur dioxide that causes acid rain will be cut by more than 6 million tons beyond the requirements in Phase II of the Clean Air Act of 1990. Nitrogen oxide emissions that result in summertime ozone pollution will be cut by more than 3 million tons per year beyond Phase II requirements. And the bill would prevent at least 650 million tons of carbon dioxide emissions per year.

Of course, this discussion should not just be about the impact to our environment. This debate should equally be focused on public health. There is mounting evidence of the health effects of these pollutants. The Washington Post Magazine ran an alarming article that documented the escalating number of children with asthma, jumping to 17.3 million in 1998 from 6.8 million in 1980. Asthma may not be caused directly by air pollution, but it certainly aggravates it and can lead to premature deaths.

The American public still overwhelmingly supports the commitment to the environment that we made in the early 1970s. As stewards of the environment for our children and our grandchildren, we need to act without delay to ensure that in the new millennium the United States produces electricity more efficiently and with much less environmental and public health impact. There is no reason why we should go into the next century still using technology from the era of Ozzie and Harriet.

Mr. President, I ask unanimous consent that the bill, a section-by-section overview of the bill, and an article entitled ''Poor Me'' from the May 31, 1999, edition of Forbes Magazine, be printed in the RECORD.

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

S. 1949

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 ''Clean Power Plant and Modernization Act of 1999''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.
Sec. 4. Combustion heat rate efficiency standards for fossil fuel-fired generating units.
Sec. 5. Air emission standards for fossil fuel-fired generating units.
Sec. 6. Extension of renewable energy production credit.
Sec. 7. Megawatt hour generation fees.
Sec. 8. Clean Air Trust Fund.
Sec. 9. Accelerated depreciation for investor-owned generating units.
Sec. 10. Grants for publicly owned generating units.
Sec. 11. Recognition of permanent emission reductions in future climate change implementation programs.
Sec. 12. Renewable and clean power generation technologies.
Sec. 13. Clean coal, advanced gas turbine, and combined heat and power demonstration program.
Sec. 14. Evaluation of implementation of this Act and other statutes.
Sec. 15. Assistance for workers adversely affected by reduced consumption of coal.
Sec. 16. Community economic development incentives for communities adversely affected by reduced consumption of coal.

Sec. 17. Carbon sequestration.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the United States is relying increasingly on old, needlessly inefficient, and highly polluting powerplants to provide electricity;

(2) the pollution from those powerplants causes a wide range of health and environmental damage, including—

(A) fine particulate matter that is associated with the deaths of approximately 50,000 Americans annually;

(B) urban ozone, commonly known as ''smog'', that impairs normal respiratory functions and is of special concern to individuals afflicted with asthma, emphysema, and other respiratory ailments;

(C) rural ozone that obscures visibility and damages forests and wildlife;

(D) acid deposition that damages estuaries, lakes, rivers, and streams (and the plants and animals that depend on them for survival) and leaches heavy metals from the soil;

(E) mercury and heavy metal contamination that renders fish unsafe to eat, with especially serious consequences for pregnant women and their fetuses;

(F) eutrophication of estuaries, lakes, rivers, and streams; and

(G) global climate change that may fundamentally and irreversibly alter human, animal, and plant life;

(3) tax laws and environmental laws—

(A) provide a very strong incentive for electric utilities to keep old, dirty, and inefficient generating units in operation; and

(B) provide a strong disincentive to investing in new, clean, and efficient generating technologies;

(4) fossil fuel-fired power plants, consisting of plants fueled by coal, fuel oil, and natural gas, produce nearly two-thirds of the electricity generated in the United States;

(5) since, according to the Department of Energy, the average combustion heat rate efficiency of fossil fuel-fired power plants in the United States is 33 percent, 67 percent of the heat generated by burning the fuel is wasted;

(6) technology exists to increase the combustion heat rate efficiency of coal combustion from 35 percent to 50 percent above current levels, and technological advances are possible that would boost the net combustion heat rate efficiency even more;

(7) coal-fired power plants are the leading source of mercury emissions in the United States, releasing an estimated 52 tons of this potent neurotoxin each year;

(8) in 1996, fossil fuel-fired power plants in the United States produced over 2,000,000,000 tons of carbon dioxide, the primary greenhouse gas;

(9) on average—

(A) fossil fuel-fired power plants emit 1,999 pounds of carbon dioxide for every megawatt hour of electricity produced;

(B) coal-fired power plants emit 2,110 pounds of carbon dioxide for every megawatt hour of electricity produced; and

(C) coal-fired power plants emit 205 pounds of carbon dioxide for every million British thermal units of fuel consumed;

(10) the average fossil fuel-fired generating unit in the United States commenced operation in 1964, 6 years before the Clean Air Act (42 U.S.C. 7401 et seq.) was amended to establish requirements for stationary sources;

(11)(A) according to the Department of Energy, only 23 percent of the 1,000 largest emitting units are subject to stringent new source performance standards under section 111 of the Clean Air Act (42 U.S.C. 7411); and

(B) the remaining 77 percent, commonly referred to as ''grandfathered'' power plants, are subject to much less stringent requirements;

(12) on the basis of scientific and medical evidence, exposure to mercury and mercury compounds is of concern to human health and the environment;

(13) pregnant women and their developing fetuses, women of childbearing age, and children are most at risk for mercury-related health impacts such as neurotoxicity;

(14) although exposure to mercury and mercury compounds occurs most frequently through consumption of mercury-contaminated fish, such exposure can also occur through—

(A) ingestion of breast milk;

(B) ingestion of drinking water, and foods other than fish, that are contaminated with methyl mercury; and

(C) dermal uptake through contact with soil and water;

(15) the report entitled ''Mercury Study Report to Congress'' and submitted by the Environmental Protection Agency under section 112(n)(1)(B) of the Clean Air Act (42 U.S.C. 7412(n)(1)(B)), in conjunction with other scientific knowledge, supports a plausible link between mercury emissions from combustion of coal and other fossil fuels and mercury concentrations in air, soil, water, and sediments;

(16)(A) the Environmental Protection Agency report described in paragraph (15) supports a plausible link between mercury emissions from combustion of coal and other fossil fuels and methyl mercury concentrations in freshwater fish;

(B) in 1997, 39 States issued health advisories that warned the public about consuming mercury-tainted fish, as compared to 27 States that issued such advisories in 1993; and

(C) the number of mercury advisories nationwide increased from 899 in 1993 to 1,675 in 1996, an increase of 86 percent;

(17) pollution from powerplants can be reduced through adoption of modern technologies and practices, including—

(A) methods of combusting coal that are intrinsically more efficient and less polluting, such as pressurized fluidized bed combustion and an integrated gasification combined cycle system;

(B) methods of combusting cleaner fuels, such as gases from fossil and biological resources and combined cycle turbines;

(C) treating flue gases through application of pollution controls;

(D) methods of extracting energy from natural, renewable resources of energy, such as solar and wind sources;

(E) methods of producing electricity and thermal energy from fuels without conventional combustion, such as fuel cells; and

(F) combined heat and power methods of extracting and using heat that would otherwise be wasted, for the purpose of heating or cooling office buildings, providing steam to processing facilities, or otherwise increasing total efficiency; and

(18) adopting the technologies and practices described in paragraph (17) would increase competitiveness and productivity, secure employment, save lives, and preserve the future.

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

(1) to protect and preserve the environment while safeguarding health by ensuring that each fossil fuel-fired generating unit minimizes air pollution to levels that are technologically feasible through modernization and application of pollution controls;

(2) to greatly reduce the quantities of mercury, carbon dioxide, sulfur dioxide, and nitrogen oxides entering the environment from combustion of fossil fuels;

(3) to permanently reduce emissions of those pollutants by increasing the combustion heat rate efficiency of fossil fuel-fired generating units to levels achievable through—

(A) use of commercially available combustion technology, including clean coal technologies such as pressurized fluidized bed combustion and an integrated gasification combined cycle system;

(B) installation of pollution controls;

(C) expanded use of renewable and clean energy sources such as biomass, geothermal, solar, wind, and fuel cells; and

(D) promotion of application of combined heat and power technologies;

(4)(A) to create financial and regulatory incentives to retire thermally inefficient generating units and replace them with new units that employ high-thermal-efficiency combustion technology; and

(B) to increase use of renewable and clean energy sources such as biomass, geothermal, solar, wind, and fuel cells;

(5) to establish the Clean Air Trust Fund to fund the training, economic development, carbon sequestration, and research, development, and demonstration programs established under this Act;

(6) to eliminate the ''grandfather'' loophole in the Clean Air Act relating to sources in operation before the promulgation of standards under section 111 of that Act (42 U.S.C. 7411);

(7) to express the sense of Congress that permanent reductions in emissions of greenhouse gases that are accomplished through the retirement of old units and replacement by new units that meet the combustion heat rate efficiency and emission standards specified in this Act should be credited to the utility sector and the owner or operator in any climate change implementation program;

(8) to promote permanent and safe disposal of mercury recovered through coal cleaning, flue gas control systems, and other methods of mercury pollution control;

(9) to increase public knowledge of the sources of mercury exposure and the threat to public health from mercury, particularly the threat to the health of pregnant women and their fetuses, women of childbearing age, and children;

(10) to decrease significantly the threat to human health and the environment posed by mercury;

(11) to provide worker retraining for workers adversely affected by reduced consumption of coal; and

(12) to provide economic development incentives for communities adversely affected by reduced consumption of coal.

SEC. 3. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Environmental Protection Agency.

(2) GENERATING UNIT.—The term ''generating unit'' means an electric utility generating unit.

SEC. 4. COMBUSTION HEAT RATE EFFICIENCY STANDARDS FOR FOSSIL FUEL-FIRED GENERATING UNITS.

(a) STANDARDS.—

(1) IN GENERAL.—Not later than the day that is 10 years after the date of enactment

of this Act, each fossil fuel-fired generating unit that commences operation on or before that day shall achieve and maintain, at all operating levels, a combustion heat rate efficiency of not less than 45 percent (based on the higher heating value of the fuel).

(2) FUTURE GENERATING UNITS.—Each fossil fuel-fired generating unit that commences operation more than 10 years after the date of enactment of this Act shall achieve and maintain, at all operating levels, a combustion heat rate efficiency of not less than 50 percent (based on the higher heating value of the fuel), unless granted a waiver under subsection (d).

(b) TEST METHODS.—Not later than 2 years after the date of enactment of this Act, the Administrator, in consultation with the Secretary of Energy, shall promulgate methods for determining initial and continuing compliance with this section.

(c) PERMIT REQUIREMENT.—Not later than 10 years after the date of enactment of this Act, each generating unit shall have a permit issued under title V of the Clean Air Act (42 U.S.C. 7661 et seq.) that requires compliance with this section.

(d) WAIVER OF COMBUSTION HEAT RATE EFFICIENCY STANDARD.—

(1) APPLICATION.—The owner or operator of a generating unit that commences operation more than 10 years after the date of enactment of this Act may apply to the Administrator for a waiver of the combustion heat rate efficiency standard specified in subsection (a)(2) that is applicable to that type of generating unit.

(2) ISSUANCE.—The Administrator may grant the waiver only if—

(A)(i) the owner or operator of the generating unit demonstrates that the technology to meet the combustion heat rate efficiency standard is not commercially available; or

(ii) the owner or operator of the generating unit demonstrates that, despite best technical efforts and willingness to make the necessary level of financial commitment, the combustion heat rate efficiency standard is not achievable at the generating unit; and

(B) the owner or operator of the generating unit enters into an agreement with the Administrator to offset by a factor of 1.5 to 1, using a method approved by the Administrator, the emission reductions that the generating unit does not achieve because of the failure to achieve the combustion heat rate efficiency standard specified in subsection (a)(2).

(3) EFFECT OF WAIVER.—If the Administrator grants a waiver under paragraph (1), the generating unit shall be required to achieve and maintain, at all operating levels, the combustion heat rate efficiency standard specified in subsection (a)(1).

SEC. 5. AIR EMISSION STANDARDS FOR FOSSIL FUEL-FIRED GENERATING UNITS.

(a) ALL FOSSIL FUEL-FIRED GENERATING UNITS.—Not later than 10 years after the date of enactment of this Act, each fossil fuel-fired generating unit, regardless of its date of construction or commencement of operation, shall be subject to, and operating in physical and operational compliance with, the new source review requirements under section 111 of the Clean Air Act (42 U.S.C. 7411).

(b) EMISSION RATES FOR SOURCES REQUIRED TO MAINTAIN 45 PERCENT EFFICIENCY.—Not later than 10 years after the date of enactment of this Act, each fossil fuel-fired generating unit subject to section 4(a)(1) shall be in compliance with the following emission limitations:

(1) MERCURY.—Each coal-fired or fuel oil-fired generating unit shall be required to remove 90 percent of the mercury contained in the fuel, calculated in accordance with subsection (e).

(2) CARBON DIOXIDE.—

(A) NATURAL GAS-FIRED GENERATING UNITS.—Each natural gas-fired generating unit shall be required to achieve an emission rate of not more than 0.9 pounds of carbon dioxide per kilowatt hour of net electric power output.

(B) FUEL OIL-FIRED GENERATING UNITS.—Each fuel oil-fired generating unit shall be required to achieve an emission rate of not more than 1.3 pounds of carbon dioxide per kilowatt hour of net electric power output.

(C) COAL-FIRED GENERATING UNITS.—Each coal-fired generating unit shall be required to achieve an emission rate of not more than 1.55 pounds of carbon dioxide per kilowatt hour of net electric power output.

(3) SULFUR DIOXIDE.—Each fossil fuel-fired generating unit shall be required—

(A) to remove 95 percent of the sulfur dioxide that would otherwise be present in the flue gas; and

(B) to achieve an emission rate of not more than 0.3 pounds of sulfur dioxide per million British thermal units of fuel consumed.

(4) NITROGEN OXIDES.—Each fossil fuel-fired generating unit shall be required—

(A) to remove 90 percent of nitrogen oxides that would otherwise be present in the flue gas; and

(B) to achieve an emission rate of not more than 0.15 pounds of nitrogen oxides per million British thermal units of fuel consumed.

(c) EMISSION RATES FOR SOURCES REQUIRED TO MAINTAIN 50 PERCENT EFFICIENCY.—Each fossil fuel-fired generating unit subject to section 4(a)(2) shall be in compliance with the following emission limitations:

(1) MERCURY.—Each coal-fired or fuel oil-fired generating unit shall be required to remove 90 percent of the mercury contained in the fuel, calculated in accordance with subsection (e).

(2) CARBON DIOXIDE.—

(A) NATURAL GAS-FIRED GENERATING UNITS.—Each natural gas-fired generating unit shall be required to achieve an emission rate of not more than 0.8 pounds of carbon dioxide per kilowatt hour of net electric power output.

(B) FUEL OIL-FIRED GENERATING UNITS.—Each fuel oil-fired generating unit shall be required to achieve an emission rate of not more than 1.2 pounds of carbon dioxide per kilowatt hour of net electric power output.

(C) COAL-FIRED GENERATING UNITS.—Each coal-fired generating unit shall be required to achieve an emission rate of not more than 1.4 pounds of carbon dioxide per kilowatt hour of net electric power output.

(3) SULFUR DIOXIDE.—Each fossil fuel-fired generating unit shall be required—

(A) to remove 95 percent of the sulfur dioxide that would otherwise be present in the flue gas; and

(B) to achieve an emission rate of not more than 0.3 pounds of sulfur dioxide per million British thermal units of fuel consumed.

(4) NITROGEN OXIDES.—Each fossil fuel-fired generating unit shall be required—

(A) to remove 90 percent of nitrogen oxides that would otherwise be present in the flue gas; and

(B) to achieve an emission rate of not more than 0.15 pounds of nitrogen oxides per million British thermal units of fuel consumed.

(d) PERMIT REQUIREMENT.—Not later than 10 years after the date of enactment of this Act, each generating unit shall have a permit issued under title V of the Clean Air Act (42 U.S.C. 7661 et seq.) that requires compliance with this section.

(e) COMPLIANCE DETERMINATION AND MONITORING.—

(1) REGULATIONS.—Not later than 2 years after the date of enactment of this Act, the Administrator, in consultation with the Secretary of Energy, shall promulgate methods for determining initial and continuing compliance with this section.

(2) CALCULATION OF MERCURY EMISSION REDUCTIONS.—Not later than 2 years after the date of enactment of this Act, the Administrator shall promulgate fuel sampling techniques and emission monitoring techniques for use by generating units in calculating mercury emission reductions for the purposes of this section.

(3) REPORTING.—

(A) IN GENERAL.—Not less than often than quarterly, the owner or operator of a generating unit shall submit a pollutant-specific emission report for each pollutant covered by this section.

(B) SIGNATURE.—Each report required under subparagraph (A) shall be signed by a responsible official of the generating unit, who shall certify the accuracy of the report.

(C) PUBLIC REPORTING.—The Administrator shall annually make available to the public, through 1 or more published reports and 1 or more forms of electronic media, facility-specific emission data for each generating unit and pollutant covered by this section.

(D) CONSUMER DISCLOSURE.—Not later than 2 years after the date of enactment of this Act, the Administrator shall promulgate regulations requiring each owner or operator of a generating unit to disclose to residential consumers of electricity generated by the unit, on a regular basis (but not less often than annually) and in a manner convenient to the consumers, data concerning the level of emissions by the generating unit of each pollutant covered by this section and each air pollutant covered by section 111 of the Clean Air Act (42 U.S.C. 7411).

(f) DISPOSAL OF MERCURY CAPTURED OR RECOVERED THROUGH EMISSION CONTROLS.—

(1) CAPTURED OR RECOVERED MERCURY.—Not later than 2 years after the date of enactment of this Act, the Administrator shall promulgate regulations to ensure that mercury that is captured or recovered through the use of an emission control, coal cleaning, or another method is disposed of in a manner that ensures that—

(A) the hazards from mercury are not transferred from 1 environmental medium to another; and

(B) there is no release of mercury into the environment.

(2) MERCURY-CONTAINING SLUDGES AND WASTES.—The regulations promulgated by the Administrator under paragraph (1) shall ensure that mercury-containing sludges and wastes are handled and disposed of in accordance with all applicable Federal and State laws (including regulations).

(g) PUBLIC REPORTING OF FACILITY-SPECIFIC EMISSION DATA.—

(1) IN GENERAL.—The Administrator shall annually make available to the public, through 1 or more published reports and the Internet, facility-specific emission data for each generating unit and for each pollutant covered by this section.

(2) SOURCE OF DATA.—The emission data shall be taken from the emission reports submitted under subsection (e)(3).

SEC. 6. EXTENSION OF RENEWABLE ENERGY PRODUCTION CREDIT.

Section 45(c) of the Internal Revenue Code of 1986 (relating to definitions) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking ''and'';

(B) in subparagraph (B), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(C) solar power.'';

(2) in paragraph (3)—

(A) by inserting '', and December 31, 1998, in the case of a facility using solar power to produce electricity'' after ''electricity''; and

(B) by striking ''1999'' and inserting ''2010''; and

(3) by adding at the end the following:

''(4) SOLAR POWER.—The term 'solar power' means solar power harnessed through—

''(A) photovoltaic systems,

''(B) solar boilers that provide process heat, and

''(C) any other means.''.

SEC. 7. MEGAWATT HOUR GENERATION FEES.

(a) IN GENERAL.—Chapter 38 of the Internal Revenue Code of 1986 (relating to miscellaneous excise taxes) is amended by inserting after subchapter D the following:

''Subchapter E—Megawatt Hour Generation Fees

''Sec. 4691. Imposition of fees.

''SEC. 4691. IMPOSITION OF FEES.

''(a) TAX IMPOSED.—There is hereby imposed on each covered fossil fuel-fired generating unit a tax equal to 30 cents per megawatt hour of electricity produced by the covered fossil fuel-fired generating unit.

''(b) ADJUSTMENT OF RATES.—Not less often than once every 2 years beginning after 2002, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall evaluate the rate of the tax imposed by subsection (a) and increase the rate if necessary for any succeeding calendar year to ensure that the Clean Air Trust Fund established by section 9511 has sufficient amounts to fully fund the activities described in section 9511(c).

''(c) PAYMENT OF TAX.—The tax imposed by this section shall be paid quarterly by the owner or operator of each covered fossil fuel-fired generating unit.

''(d) COVERED FOSSIL FUEL-FIRED GENERATING UNIT.—The term 'covered fossil fuel-fired generating unit' means an electric utility generating unit that—

''(1) is powered by fossil fuels;

''(2) has a generating capacity of 5 or more megawatts; and

''(3) because of the date on which the generating unit commenced commercial operation, is not subject to all regulations promulgated under section 111 of the Clean Air Act (42 U.S.C. 7411).''.

(b) CONFORMING AMENDMENT.—The table of subchapters for such chapter 38 is amended by inserting after the item relating to subchapter D the following:

''SUBCHAPTER E. Megawatt hour generation fees.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to electricity produced in calendar years beginning after December 31, 2000.

SEC. 8. CLEAN AIR TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 (relating to trust fund code) is amended by adding at the end the following:

''SEC. 9511. CLEAN AIR TRUST FUND.

''(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'Clean Air Trust Fund' (hereafter referred to in this section as the 'Trust Fund'), consisting of such amounts as may be appropriated or credited to the Trust Fund as provided in this section or section 9602(b).

''(b) TRANSFERS TO TRUST FUND.—There are hereby appropriated to the Trust Fund amounts equivalent to the taxes received in the Treasury under section 4691.

''(c) EXPENDITURES FROM TRUST FUND.—Amounts in the Trust Fund shall be available, without further Act of appropriation, upon request by the head of the appropriate Federal agency in such amounts as the agency head determines are necessary—

''(1) to provide funding under section 12 of the Clean Power Plant and Modernization Act of 1999, as in effect on the date of enactment of this section;

''(2) to provide funding for the demonstration program under section 13 of such Act, as so in effect;

''(3) to provide assistance under section 15 of such Act, as so in effect;

''(4) to provide assistance under section 16 of such Act, as so in effect; and

''(5) to provide funding under section 17 of such Act, as so in effect.''.

(b) CONFORMING AMENDMENT.—The table of sections for such subchapter A is amended by adding at the end the following:

''Sec. 9511. Clean Air Trust Fund.''.

SEC. 9. ACCELERATED DEPRECIATION FOR INVESTOR-OWNED GENERATING UNITS.

(a) IN GENERAL.—Section 168(e)(3) of the Internal Revenue Code of 1986 (relating to classification of certain property) is amended—

(1) in subparagraph (E) (relating to 15-year property), by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'', and by adding at the end the following:

''(iv) any 45-percent efficient fossil fuel-fired generating unit.''; and

(2) by adding at the end the following:

''(F) 12-YEAR PROPERTY.—The term '12-year property' includes any 50-percent efficient fossil fuel-fired generating unit.''.

(b) DEFINITIONS.—Section 168(i) of the Internal Revenue Code of 1986 (relating to definitions and special rules) is amended by adding at the end the following:

''(15) FOSSIL FUEL-FIRED GENERATING UNITS.—

''(A) 50-PERCENT EFFICIENT FOSSIL FUEL-FIRED GENERATING UNIT.—The term '50-percent efficient fossil fuel-fired generating unit' means any property used in an investor-owned fossil fuel-fired generating unit pursuant to a plan approved by the Secretary, in consultation with the Administrator of the Environmental Protection Agency, to place into service such a unit that is in compliance with sections 4(a)(2) and 5(c) of the Clean Power Plant and Modernization Act of 1999, as in effect on the date of enactment of this paragraph.

''(B) 45-PERCENT EFFICIENT FOSSIL FUEL-FIRED GENERATING UNIT.—The term '45-percent efficient fossil fuel-fired generating unit' means any property used in an investor-owned fossil fuel-fired generating unit pursuant to a plan so approved to place into service such a unit that is in compliance with sections 4(a)(1) and 5(b) of such Act, as so in effect.''.

(c) CONFORMING AMENDMENT.—The table contained in section 168(c) of the Internal Revenue Code of 1986 (relating to applicable recovery period) is amended by inserting after the item relating to 10-year property the following:

''12-year property ..... 12 years''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to property used after the date of enactment of this Act.

SEC. 10. GRANTS FOR PUBLICLY OWNED GENERATING UNITS.

Any capital expenditure made after the date of enactment of this Act to purchase, install, and bring into commercial operation any new publicly owned generating unit that—

(1) is in compliance with sections 4(a)(1) and 5(b) shall, for a 15-year period, be eligible for partial reimbursement through annual grants made by the Secretary of the Treasury, in consultation with the Administrator, in an amount equal to the monetary value of the depreciation deduction that would be realized by reason of section 168(c)(3)(E) of the Internal Revenue Code of 1986 by a similarly-situated investor-owned generating unit over that period; and

(2) is in compliance with sections 4(a)(2) and 5(c) shall, over a 12-year period, be eligible for partial reimbursement through annual grants made by the Secretary of the Treasury, in consultation with the Administrator, in an amount equal to the monetary value of the depreciation deduction that would be realized by reason of section 168(c)(3)(D) of such Code by a similarly-situated investor-owned generating unit over that period.

SEC. 11. RECOGNITION OF PERMANENT EMISSION REDUCTIONS IN FUTURE CLIMATE CHANGE IMPLEMENTATION PROGRAMS.

It is the sense of Congress that—

(1) permanent reductions in emissions of carbon dioxide and nitrogen oxides that are accomplished through the retirement of old generating units and replacement by new generating units that meet the combustion heat rate efficiency and emission standards specified in this Act, or through replacement of old generating units with nonpolluting renewable power generation technologies, should be credited to the utility sector, and to the owner or operator that retires or replaces the old generating unit, in any climate change implementation program enacted by Congress;

(2) the base year for calculating reductions under a program described in paragraph (1) should be the calendar year preceding the calendar year in which this Act is enacted; and

(3) a reasonable portion of any monetary value that may accrue from the crediting described in paragraph (1) should be passed on to utility customers.

SEC. 12. RENEWABLE AND CLEAN POWER GENERATION TECHNOLOGIES.

(a) IN GENERAL.—Under the Renewable Energy and Energy Efficiency Technology Act of 1989 (42 U.S.C. 12001 et seq.), the Secretary of Energy shall fund research and development programs and commercial demonstration projects and partnerships to demonstrate the commercial viability and environmental benefits of electric power generation from—

(1) biomass (excluding unseparated municipal solid waste), geothermal, solar, and wind technologies; and

(2) fuel cells.

(b) TYPES OF PROJECTS.—Demonstration projects may include solar power tower plants, solar dishes and engines, co-firing of biomass with coal, biomass modular systems, next-generation wind turbines and wind turbine verification projects, geothermal energy conversion, and fuel cells.

(c) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts made available under any other law, there is authorized to be appropriated to carry out this section $75,000,000 for each of fiscal years 2001 through 2010.

SEC. 13. CLEAN COAL, ADVANCED GAS TURBINE, AND COMBINED HEAT AND POWER DEMONSTRATION PROGRAM.

(a) IN GENERAL.—Under subtitle B of title XXI of the Energy Policy Act of 1992 (42 U.S.C. 13471 et seq.), the Secretary of Energy shall establish a program to fund projects and partnerships designed to demonstrate the efficiency and environmental benefits of electric power generation from—

(1) clean coal technologies, such as pressurized fluidized bed combustion and an integrated gasification combined cycle system;

(2) advanced gas turbine technologies, such as flexible midsized gas turbines and baseload utility scale applications; and

(3) combined heat and power technologies.

(b) SELECTION CRITERIA.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of Energy shall promulgate criteria and procedures for selection of demonstration projects and partnerships to be funded under subsection (a).

(2) REQUIRED CRITERIA.—At a minimum, the selection criteria shall include—

(A) the potential of a proposed demonstration project or partnership to reduce or avoid emissions of pollutants covered by section 5 and air pollutants covered by section 111 of the Clean Air Act (42 U.S.C. 7411); and

(B) the potential commercial viability of the proposed demonstration project or partnership.

(c) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—In addition to amounts made available under any other law, there is authorized to be appropriated to carry out this section $75,000,000 for each of fiscal years 2001 through 2010.

(2) DISTRIBUTION.—The Secretary shall make reasonable efforts to ensure that, under the program established under this section, the same amount of funding is provided for demonstration projects and partnerships under each of paragraphs (1), (2), and (3) of subsection (a).

SEC. 14. EVALUATION OF IMPLEMENTATION OF THIS ACT AND OTHER STATUTES.

(a) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Secretary of Energy, in consultation with the Chairman of the Federal Energy Regulatory Commission and the Administrator, shall submit to Congress a report on the implementation of this Act.

(b) IDENTIFICATION OF CONFLICTING LAW.—The report shall identify any provision of the Energy Policy Act of 1992 (Public Law 102–486), the Energy Supply and Environmental Coordination Act of 1974 (15 U.S.C. 791 et seq.), the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.), or the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8301 et seq.), or the amendments made by those Acts, that conflicts with the intent or efficient implementation of this Act.

(c) RECOMMENDATIONS.—The report shall include recommendations from the Secretary of Energy, the Chairman of the Federal Energy Regulatory Commission, and the Administrator for legislative or administrative measures to harmonize and streamline the statutes specified in subsection (b) and the regulations implementing those statutes.

SEC. 15. ASSISTANCE FOR WORKERS ADVERSELY AFFECTED BY REDUCED CONSUMPTION OF COAL.

In addition to amounts made available under any other law, there is authorized to be appropriated $75,000,000 for each of fiscal years 2001 through 2015 to provide assistance, under the economic dislocation and worker adjustment assistance program of the Department of Labor authorized by title III of the Job Training Partnership Act (29 U.S.C. 1651 et seq.), to coal industry workers who are terminated from employment as a result of reduced consumption of coal by the electric power generation industry.

SEC. 16. COMMUNITY ECONOMIC DEVELOPMENT INCENTIVES FOR COMMUNITIES ADVERSELY AFFECTED BY REDUCED CONSUMPTION OF COAL.

In addition to amounts made available under any other law, there is authorized to be appropriated $75,000,000 for each of fiscal years 2001 through 2015 to provide assistance, under the economic adjustment program of the Department of Commerce authorized by the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.), to assist communities adversely affected by reduced consumption of coal by the electric power generation industry.

SEC. 17. CARBON SEQUESTRATION.

(a) CARBON SEQUESTRATION STRATEGY.—In addition to amounts made available under any other law, there is authorized to be appropriated to the Environmental Protection Agency and the Department of Energy for each of fiscal years 2001 through 2003 a total of $15,000,000 to conduct research and development activities in basic and applied science in support of development by September 30, 2003, of a carbon sequestration strategy that is designed to offset all growth in carbon dioxide emissions in the United States after 2010.

(b) METHODS FOR BIOLOGICALLY SEQUESTERING CARBON DIOXIDE.—In addition to amounts made available under any other law, there is authorized to be appropriated to the Environmental Protection Agency and the Department of Agriculture for each of fiscal years 2001 through 2010 a total of $30,000,000 to carry out soil restoration, tree planting, wetland protection, and other methods of biologically sequestering carbon dioxide.

(c) LIMITATION.—A project carried out using funds made available under this section shall not be used to offset any emission reduction required under any other provision of this Act.

SECTION-BY-SECTION OVERVIEW OF ''THE CLEAN POWER PLANT AND MODERNIZATION ACT OF 1999''

WHAT WILL THE ''CLEAN POWER PLANT AND MODERNIZATION ACT OF 1999'' DO?

The ''Clean Power Plant and Modernization Act of 1999'' lays out an ambitious, achievable, and balanced set of financial incentives and regulatory requirements designed to increase power plant efficiency, reduce emissions, and encourage use of renewable power generation methods. The bill encourages innovation, entrepreneurship, and risk-taking.

The bill encourages ''retirement and replacement'' of old, pollution-prone, and inefficient generating capacity with new, clean, and efficient capacity. The bill does not utilize a ''cap and trade'' approach. Many believe that the ''retirement and replacement'' approach does a superior job at the local and regional levels of protecting public health and the environment from mercury pollution, ozone pollution, and acid deposition. On a global level, the ''retirement and replacement'' also does a far superior job of permanently reducing the volume of carbon dioxide emitted.

WHAT WILL THE BILL DO FOR THE ENVIRONMENT?

The bill would prevent at least 650 million tons of carbon dioxide emissions per year. Over time, even more greenhouse gas emissions will be avoided annually as increases in power plant efficiencies exceed 50%, more combined heat and power systems are installed, and use of renewable energy sources increases. Prevention of greenhouse gas emissions of up to 1 billion tons per year may be possible. Mercury emissions will be cut from more than 50 tons per year to no more than 5 tons per year. Annual emissions of acid rain producing sulfur dioxide emissions will be cut by more than 6 million tons beyond Phase II Clean Air Act of 1990 requirements. Nitrogen oxide emissions that result in summertime ozone pollution will be cut by 3.2 million tons per year beyond Phase II requirements.

Over a 50 year period, the proposal laid out in the bill will prevent more than 30 billion tons in carbon dioxide emissions, and maybe as high as 50 billion tons. Carbon dioxide is further addressed in the bill by authorizing expenditures for implementing known ways of biologically sequestering carbon dioxide from the atmosphere such as planting trees, preserving wetlands, and soil restoration.

Over a 50 year period, more than 2,200 tons of mercury emissions would be avoided. While this might not sound like a lot in relation to the other pollutants, consider that a teaspoon of mercury is enough to contaminate several millions of gallons of water. And over a 50 year period more than 300 million tons of sulfur dioxide and 160 million tons of nitrogen oxides will be prevented beyond the Phase II emission limits specified in the Clean Air Act of 1990.

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Section 2. Findings and purposes

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Section 4. Heat rate efficiency standards for fossil fuel-fired generating units

On average, fossil fuel-fired power plants in the United States operate at a thermal efficiency rate of 33%, converting just one-third of the energy in the fuel to electricity, and wasting 67% of the heat generated by burning the fuel. Increasing efficiency in converting the energy in the fuel into electricity is really the only way to reduce carbon dioxide ''greenhouse'' emissions from these facilities. According to the Energy Information Administration, fossil-fired power plants in the United States emit more the 2 billion tons of carbon dioxide per year (or the weight equivalent of nearly 25,000 Washington Monuments every year). This is approximately 40% of annual domestic carbon dioxide emissions.

Section 4 lays out a phased two-stage process for increasing efficiency. In the first stage, by 10 years after enactment, all units in operation must achieve a heat rate efficiency (at the higher heating value) of not less than 45%. In the second stage, with expected advances in combustion technology, units commencing operation more than 10 years after enactment must achieve a heat rate efficiency (at the higher heating value) of not less than 50%.

If, for some unforeseen reason, technological advances do not achieve the 50% efficiency level, Section 4 contains a waiver provision that allows owners of new units to offset any shortfall in carbon dioxide emissions through implementation of carbon sequestration projects.

Section 5. Air emission standards for fossil fuel-fired generating units

Subsection (a) eliminates the ''grandfather'' loophole in the Clean Air Act and requires all units, regardless of when they were constructed or began operation, to comply

with existing new source review requirements under Section 111 of the Clean Air Act. The average ''in service'' date for fossil-fired generating units in the United States is 1964—six years before passage of the Clean Air Act. More than 75% of operating fossil-fired generating units came into service before implementation of the 1970 Clean Air Act and are subject to much less stringent requirements than newer units.

Subsection (b) sets mercury, carbon dioxide, sulfur dioxide, and nitrogen oxide emission standards for units that are subject to the 45% thermal efficiency standards set forth in Section 4. For mercury, 90% removal of mercury contained in the fuel is required. For carbon dioxide, the emission limits are set by fuel type (i.e., natural gas = 0.9 pounds per kilowatt hour of output; fuel oil = 1.3 pounds per kilowatt hour of output; coal = 1.55 pounds per kilowatt hour of output). Ninety-five percent of sulfur dioxide emissions (and not more than 0.3 pounds per million Btus of fuel consumed), and 90 percent of nitrogen oxides (and not more than 0.15 pounds per million Btus of fuel consumed) are to be removed.

Subsection (c) contains the same emission standards for mercury, sulfur dioxide, and nitrogen oxides as those in Subsection (b). Increased thermal efficiency will result in lower emissions of carbon dioxide, and the fuel specific emission limits at the 50% efficiency level are lowered accordingly (i.e., natural gas = 0.8 pounds per kilowatt hour of output; fuel oil = 1.2 pounds per kilowatt hour of output; coal = 1.4 pounds per kilowatt hour of output).

Furthering the public's right-to-know information on emission volumes, Subsection (e) requires EPA to annually publish pollutant-specific emissions data for each generating unit covered by the ''Clean Power Plant and Modernization Act of 1999.'' In addition, at least once per year residential consumers will receive information from their electricity supplier on the emission volumes.

Section 6. Extension of renewable energy production credit

Section 45(c) of the Internal Revenue Code of 1986 is amended to include solar power, and to extend renewable energy production credit to 2010 (it is currently set to expire in 1999).

Section 7. Mega watt hour generation fee, and Section 8. Clean air trust fund

The Clean Air Trust Fund is similar to the Highway Trust Fund and the Superfund. Revenue for the Clean Air Trust Fund will be provided through implementation of a fee on electricity produced by fossil-fired generating units that are ''grandfathered'' from the Clean Air Act's Section 111 new source requirements. Utilities will be assessed at the rate of 30 cents per megawatt hour of electricity that they produce from ''grandfathered'' units. For residential consumers receiving power from ''grandfathered'' plants, the cost of the fee would average 25 cents per month. Income from the fee will be placed in the Clean Air Trust Fund to pay for: a.) assistance to workers and communities adversely affected by reduced consumption of coal; b.) research and development and demonstration programs for renewable and clean power generation technologies (e.g., wind, solar, biomass, and fuel cells); c) demonstrations of the efficiency, environmental benefits, and commercial viability of electrical power generation from clean coal, advanced gas, and combined heat and power technologies; and d.) carbon sequestration projects.

Section 9. Accelerated depreciation for investor-owned generating units.

Under the Internal Revenue Code of 1986, utilities can depreciate their generating equipment over a 20-year period. New, cleaner and efficient generating technologies will experience shorter physical lifetimes compared to their dirtier, less efficient, but more durable predecessors. Over a 20-year timeframe, most components of new generating units will need to be replaced; some components will be replaced several times. To update the Internal Revenue Code of 1986 to reflect this change in the expected physical lifetimes of generating equipment, Section 9 amends Section 168 of the Code to allow depreciation over a 15-year period for units meeting the 45% efficiency level and the emission standards in Section 5(b) above. Section 168 is further amended to allow for deprecation over a 12-year period for units meeting the 50% efficiency level and the emission standards in Section 5(c).

Section 10. Grants for publicly-owned generating units.

No federal taxes are paid on publicly-owned generating units. Section 10 provides for annual grants in an amount equal to the monetary value of the depreciation deduction that would be realized by a similarly-situated investor owned generating unit under Section 9. Units meeting the 45% efficiency level and the emission standards in Section 5(b) above would receive annual grants over a 15-year period, and units meeting the 50% efficiency level and the emission standards in Section 5(c) would receive annual grants over a 12-year period.

Section 11. Recognition of permanent emission reductions in future climate change implementation programs.

This section expresses the sense of Congress that permanent reductions in emissions of carbon dioxide and nitrogen oxides that are accomplished through the retirement of old generating units and replacement by new generating units that meet the efficiency and emissions standards in the bill, or through replacement with non polluting renewable power generation technologies, should be credited to the utility sector and to the owner/operator in any climate change implementation program enacted by Congress. The base year for calculating reductions will be the year preceding enactment of the ''Clean Power Plant and Modernization Act of 1999.'' The bill stipulates that a portion of any monetary value that may accrue from credits under this section should be passed on to utility customers.

Section 12. Renewable and clean power generation technologies.

This section provides a total of $750 million over 10 years to fund research and development programs and commercial demonstration projects and partnerships to demonstrate the commercial viability and environmental benefits of electric power generation from biomass, geothermal, solar, wind, and fuel cell technologies. Types of projects may include solar power tower plants, solar dishes and engines, co-firing biomass with coal, biomass modular systems, next-generation wind turbines and wind verification projects, geothermal energy conversion, and fuel cells.

Section 13. Clean coal, advanced gas turbine, and combined heat and power generation demonstration program.

This section provides a total of $750 million over 10 years to fund projects and partnerships that demonstrate the efficiency and environmental benefits and commercial viability of electric power generation from clean coal technologies (including, but not limited to, pressurized fluidized bed combustion and integrated gasification combined cycle systems), advanced gas turbine technologies (including, but not limited to, flexible mid-sized gas turbines and baseload utility scale applications), and combined heat and power technologies.

Section 14. Evaluation of implementation of this act and other statutes

Not later than 2 years after enactment, DOE, in consultation with EPA and FERC, shall report to Congress on the implementation of the ''Clean Power Plant and Modernization Act of 1999.'' The report shall identify any provision of the Energy Policy Act of 1992, the Energy Supply and Environmental Coordination Act of 1974, the Public Utilities Regulatory Policies Act of 1978, or the Powerplant and Industrial Fuel Use Act of 1978 that conflicts with the efficient implementation of the ''Clean Power Plant and Modernization Act of 1999.'' The report shall include recommendations for legislative or administrative measures to harmonize and streamline these other statutes.

Section 15. Assistance for workers adversely affected by reduced consumption of coal

With increased power plant efficiency, less fuel will need to be burned to produce a given quantity of electricity. This section provides a total of $1.125 billion over 15 years ($75 million per year) to provide assistance to workers who are adversely affected as a result of reduced consumption of coal by the electric power generation industry. The funds will be administered under the economic dislocation and workers' adjustment assistance program of the Department of Labor authorized by Title III of the Job Training Partnership Act.

Section 16. Community economic development incentives for communities adversely affected by reduced consumption of coal

With increased power plant efficiency, less fuel will need to be burned to produce a given quantity of electricity. This section provides a total of $1.125 billion over 15 years ($75 million per year) to provide assistance to communities adversely affected as a result of reduced consumption of coal by the electric power generation industry. The funds will be administered under the economic adjustment program of the Department of Commerce authorized by the Public Works and Economic Development Act of 1965.

Section 17. Carbon sequestration

This section authorizes expenditure of $345 million over 10 years for development of a long-term carbon sequestration strategy ($45 million) for the United States, and authorizes EPA and USDA to fund carbon sequestration projects including soil restoration, tree planting, wetland's protection, and other ways of biologically sequestering carbon dioxide ($300 million). Projects funded under this section may not be used to offset emissions otherwise mandated by the ''Clean Power Plant and Modernization Act of 1999.''

POOR ME

(By Christopher Palmeri)

Utilities are telling the rate regulators that their old power plants are practically

worthless. But they're selling them for fancy prices.

The Homer City Generation Station is a 34-year-old, coal-fired power plant near Pittsburgh. What's it worth? Until last year it was carried on the books of two utilities for $540 million. Then the companies sold it for $1.8 billion, or $955 per kilowatt—about what it would cost to build a brand-spanking-new electric plant.

Are old plants a millstone for utilities as they enter the deregulated future? That's what the utilities are telling rate regulators. We built all these plants over the years because you told us to, they are saying—and now that newcomers are about to undercut us, we need compensation for the ''stranded costs.'' The logic of compensation for stranded costs is unassailable. The only debate is over the amount. Is the average power plant indeed a white elephant?

According to data collected by Cambridge Energy Research Associates, the average nonnuclear power plant put up for sale in the last year sold for nearly twice its book value. Granted, the plants being sold tend to be the more desirable ones, by dint of their location or their fuel efficiency. Still, the pricing makes one wonder whether the power industry should be entitled to much of anything for stranded costs.

Some states—California, Maine, Connecticut and New York, for example—have ordered utilities to sell all or part of their generation capacity. That should set an arm's length fair price. Thanks largely to the fat prices received for its power plants, Sempra Energy, the parent of San Diego Gas & Electric, says that its stranded-cost charges related to generation—about 12% of a typical customer's bill—will be paid off by July. That is two and a half years ahead of schedule, a savings of $400 million for southern Californians.

Not every state legislature or utility commission has the political will to force divestiture, however. If a utility does not want to sell, the utility and the regulators have to estimate the fair market value for a plant and then see if that is a lot less than book value.

This is tricky business. Last year Allegheny Energy, parent of West Penn Power Co., estimated the value of its power plant at $148 a kilowatt, half of their book value. An expert hired by a number of industrial energy users suggested the value should be $409. A hearing revealed that Allegheny had bought back a half-interest in one of its plants two years earlier at a price of $612 a kilowatt. Allegheny settled with the Pennsylvania Public Utility Commission for a valuation of $225 a kilowatt, half again the original estimate. At that price, Allegheny's 700,000 customers in western Pennsylvania are stuck paying $670 million in stranded costs.

What happens if the utility doesn't get the compensation it wants? Litigation. In New Hampshire the state legislature passed a law designed to open up the power market in 1996. New Hampshire's power companies and utility commission have been tied up in court ever since over the issue of stranded costs.

For this reason, legislators and regulators sometimes feel like they need to cut some deal, any deal, just to get a competitive market moving forward. The state of Virginia, for example, dodged any stranded cost calculation. In a move supported by local utilities, the legislature delayed true competition and simply froze electric rates until 2007. Utilities had donated more than $1 million to Virginia politicians in the last two election cycles.

Last year Ohio legislators proposed a bill to open up the power market. They figured stranded costs at $6 billion, spread among Ohio's eight big utilities. Not liking that number, the utilities came up with an $18 billion figure. The latest compromise is $11 billion. This number represents, in effect, the excess of the plants' book value over their market value.

Wait a minute, says Samuel Randazzo, an attorney for some industrial power users. That $11 billion number is more than the book value of all the plants. Can the utilities lose more than their investment? Negotiations are to continue.

''We are applying a political solution to an economic problem,'' shrugs Ohio utility commissioner Craig Glazer. ''All intellectual arguments have been thrown out the window. Now it comes down to who screams the loudest.

Expect further screaming as utilities enter the deregulated market.

By Mr. ENZI (for himself and Mr. THOMAS):

S. 1950. A bill to amend the Mineral Leasing Act of 1920 to ensure the orderly development of coal, coalbed methane, natural gas, and oil in the Powder River Basin, Wyoming and Montana, and for other purposes; to the Committee on Energy and Natural Resources.

THE POWDER RIVER BASIN RESOURCE DEVELOPMENT ACT

Mr. ENZI. Mr. President, I rise today to introduce the ''Powder River Basin Resource Development Act of 1999.'' This legislation is designed to provide a procedure for the orderly and timely resolution of disputes between coal producers and oil and gas operators in the Powder River Basin in north-central Wyoming and southern Montana. This legislation is cosponsored by my colleague from Wyoming, Senator THOMAS.

Mr. President, the Powder River Basin in Wyoming and southern Montana is one of the richest energy resource regions in the world. This area contains the largest coal reserves in the United States, providing nearly thirty percent of America's total coal production. This region also contains rich reserves of oil and gas, including coalbed methane. Wyoming is the fifth largest producer of natural gas in the county and the sixth largest producer of crude oil. The Powder River Basin plays an important role in the Wyoming's oil and gas production, and this role promises to grow as the exploration and production of coalbed methane increases over the next several years. This region, and the State of Wyoming as a whole, provides many of the resources that heat our homes, fuel our cans, generate electricity for our computers, microwaves, and televisions. In short, there is very little that any of us do in a day that is not affected by the resources of coal, oil, and natural gas.

The production of these natural resources is a vital part of the economy of my home state of Wyoming. The production of coal and oil and gas employs more than 21,000 people in Wyoming. The property taxes, severance taxes, and state and federal royalties fund our schools, our roads, and many of the other services that are essential for the functioning of our state. Since Wyoming has no state income tax, our State relies heavily on the minerals industry for our tax base.

Given the great importance both the coal and oil and gas industries have to Wyoming's economy, the State of Wyoming and the Federal Government have tried to encourage concurrent development in areas where it is feasible and safe to do so. Unfortunately, this is not always possible. This legislation is designed to provide a procedure for the fair and expeditious resolution of conflicts between oil and gas producers and coal producers who have interests on federal land in the Powder River Basin in Wyoming and southern Montana.

Mr. President, this legislation sets forth a reasonable procedure to resolve conflicts between coal producers and oil and gas producers when their mineral rights come into conflict because of overlapping federal leasing. First, this proposal requires that once a potential conflict is identified, the parties must attempt to negotiate an agreement between themselves to resolve this conflict. Second, if the parties are unable to come to an agreement between themselves, either of the parties may file a petition for relief in U.S. district court in the district in which the conflict is located. Third, after such a petition is filed, the court would determine whether an actual conflict exists. Fourth, if the court determines that a conflict does in fact exist, the court would determine whether the public interest, as determined by the greater economic benefit of each mineral, is best served by suspension of the federal coal lease or suspension or termination of all or part of the oil and gas lease. Fifth, a panel of three experts would be assembled to determine the value of the mineral of lesser economic value. Each party to the action; the oil and gas interest, the coal interest, and the federal government, would each appoint one of the three experts. Finally, after the panel issues its final valuation report, the court would enter an order setting the compensation that is due the developer who had to temporarily or permanently forgo his development rights. This compensation would be paid by the owner of the mineral of greater economic value. A credit against federal royalties would also be available against the compensation price in a limited number of situations where the value of such compensation was not foreseen in the original federal lease bid.

Mr. President, the ''Powder River Basin Resource Development Act of

1999'' has several benefits over the present system. First, it requires parties whose mineral interests may come into conflict to attempt to negotiate an agreement among themselves before either one of them may avail themselves of the expedited resolution mechanism. No such requirement exists today. Second, it directs the Secretary of the Interior to encourage expedited development of federal minerals and that are leased pursuant to the federal Mineral Leasing Act, that exist in conflict areas, and which may otherwise be lossed or bypassed. As such, this legislation encourages full and expeditious development of federal resources in this narrow conflict area where it is economically feasible and safe to do so. Third and finally, this bill provides an expeditious procedure to resolve conflicts that cannot be solved by the two parties alone, and it does so in a manner that ensures that any mineral owner will be fairly compensated for any suspension or loss of his mineral rights. In turn, this proposal will prevent the serious economic hardship to hundreds of families and the State treasury that could occur if mineral development is stalled for an indefinite amount of time due to protracted litigation under the current system.

Mr. President, this legislation builds on legislation I introduced last year with Senators THOMAS and BINGAMAN, which passed Congress and was signed into law last November. That bill, S. 2500, ensured that existing lease and contract rights to coalbed methane would not be terminated by a decision from the 10th Circuit Court of Appeals which concluded that coalbed methane gas was reserved to the federal government under earlier coal reservation Acts. As it turned out, the Supreme Court earlier this year realized we got in right in our bill and held that the coalbed methane was in fact a gas and not a solid, and therefore was not reserved to the government under earlier coal reservation Acts. As such, the protections we provided in S. 2500 were guaranteed to future as well as past oil and gas leaseholders.

Mr. President, S. 2500 was an important step in providing certainty and resolution to the question of mineral ownership in Wyoming, and throughout the country. This bill, builds on last year's work by providing a means to resolve ongoing development conflicts between owners of coal and oil and gas in the Powder River Basin. It represents the result of nearly a year of negotiations between the coal and coalbed producers, as well as the deep oil and gas interests, on a method to fairly reconcile mineral development disputes when they occur because of multiple leasing by the federal government. This bill has also incorporated recommendations made by the Bureau of Land Management. I look forward to working with all the affected parties during the second session of the 106th Congress to pass legislation that will put into place a reasonable, balanced method to ensure that we receive the best return on our valuable natural resources in the Powder River Basin.

By Mr. SCHUMER (for himself and Ms. COLLINS):

S. 1951. A bill to provide the Secretary of Energy with authority to draw down the Strategic Petroleum Reserve when oil and gas prices in the United States rise sharply because of anticompetitive activity, and to require the President, through the Secretary of Energy, to consult with Congress regarding the sale of oil from the Strategic Petroleum Reserve; to the Committee on Energy and Natural Resources.

OIL PRICE SAFEGUARD ACT

Ms. COLLINS. Mr. President, I rise this afternoon to join my distinguished colleague, Senator SCHUMER, in introducing legislation that provides an effective option to the President and the Secretary of Energy to address the unfair, harmful manipulation in the global oil market. The Oil Price Safeguard Act would help to moderate sharp spikes in oil and gas prices caused by price fixing and production quotas through the judicious use of our enormous petroleum reserves.

The global oil market is dominated by an international cartel with the ability to dramatically affect the price of oil. The eleven member countries of the Organization of Petroleum Exporting Countries known as OPEC supply over 40 percent of the world's oil and possess 78 percent of the world's total proven crude oil reserves. Their control of the world's oil supply allows these countries to collude to drive up the price of oil. OPEC has power to dominate the market and when it wields this power, consumers lose. Mr. President, if OPEC operated in the United States, the Department of Justice would undoubtedly prosecute the cartel for violation of U.S. anti-trust laws, but the cartel is beyond the reach of our antitrust enforcement.

To appreciate how much economic power OPEC wields, it is helpful to review the historical relationship between world oil prices and the U.S. Gross Domestic Product. When OPEC cuts production to increase profits, the American consumer suffers, as does our economy. Rising oil prices increase transportation and manufacturing costs, dampening economic growth.

The chart behind me entitled, ''Oil is a Vital Resource for the U.S. Economy,'' was prepared by the Energy Information Administration of the Department of Energy. On this chart, world oil prices are represented by the blue line, and U.S. Gross Domestic Product is represented by the red line. It is easy to see the inverse relationship between the two. When world oil prices are high, U.S. Gross Domestic Product drops. For example, in the late 1970s and early 1980s, as the price of oil climbed, the U.S. economy slumped into a deep recession. Conversely, the strength currently enjoyed by the U.S. economy was until recently accompanied by low oil prices.

If these historical trends hold, the current rise in crude oil prices is a serious threat to our economic prosperity. This second chart entitled ''EIA Crude Oil Price Outlook,'' shows that crude oil prices have risen since January 1999 and are expected to continue rising this winter. To a large extent, this chart demonstrates the ability of OPEC to drive the price of oil up. It is chilling, that the Federal agency responsible for projecting energy prices for the government is predicting that the price of oil will be above $25 a barrel into January of next year. This prediction underscores the need for the legislation Senator SCHUMER and I introduce today.

The bottom line is that consumers, as well as businesses, are hurt by expensive petroleum products. A rise in crude oil prices increases the price of home heating oil and gasoline. Northern states like Maine are particularly hard hit by increased oil prices because of the need to heat homes through long cold winters. Since about 6 out of 10 Maine homes burn oil and the average household uses 800 gallons annually increases in oil prices have a dramatic impact on the state's population and particularly on low-income families and seniors.

A rural state like Maine is also hard hit by increased gasoline prices at the pump since rural residents often travel further distances than those living in urban or suburban areas. For example, my constituents in Aroostook County are currently paying close to $1.50 a gallon for regular octane gasoline. At the same time, higher petroleum prices increase the cost of transporting oil and gasoline to rural areas, like Northern Maine.

At a recent OPEC meeting, the member nations reasserted their resolve to maintain high crude oil prices through production quotas. This is particularly troubling considering that the Energy Information Administration has projected that if New England experiences a particularly cold winter, the price of home heating oil could reach as high as $1.20 per gallon. This is 50 percent higher than what New Englanders paid for oil last year. Even if this winter has normal weather, the Energy Information Administration predicts significantly increased oil prices due in large measure to the OPEC production reductions. This chart, ''Crude and Distillate Price Outlook Higher than Last Winter'' shows projections for steeply increased prices in crude oil and, consequently, home heating oil. As you

can see, prices have risen already and are expected to reach levels higher than those experienced during the winter of 1996–97.

Even if our diplomatic efforts fail to break OPEC's choke-hold on the world oil supply, we need not sit idly as oil and gas prices rise well-beyond where they would be in a normally-functioning market.

The United States has a tool available to ease the sting of this unfair market manipulation. The United States owns the largest strategic reserve of crude oil in the world. The Strategic Petroleum Reserve (SPR) consists of roughly 571 million barrels of crude oil held in salt caverns in Texas and Louisiana. The Energy Policy and Conservation Act allows the Secretary of Energy to sell oil from the reserve if the President makes certain findings set forth in the law. In order to tap into the Reserve, the President must determine that an emergency situation exists causing significant and lasting reductions in the supply of oil and severe price increases likely to cause a major adverse impact on the national economy. In the history of the Reserve, the President has only made this declaration once, during the Gulf War.

The legislation I am proud to sponsor with Senator SCHUMER today, who has been a leader on this issue, will give the President more flexibility in using the Strategic Petroleum Reserve to protect American consumers. Specifically, this measure will amend the Energy Policy and Conservation Act to authorize a draw down of the reserve when the President finds that a significant reduction in the supply of oil has been caused by anti-competitive conduct. While many, myself included, believe that the President currently should consider ordering a draw down to counteract OPEC's latest market-distorting production quotas, this legislation will make it clear that he has the power to do so. It will also ensure that the proceeds from a draw-down of the Reserve are used to replenish its oil. The bill does by mandating that the proceeds are deposited in a special account designed for that purpose. We want to give the President the authority to use the SPR to restore market discipline, but not to permanently deplete the reserve in the process.

To further encourage the use of the SPR to offset harmful and uncompetitive activities of foreign pricing cartels, the Oil Price Safeguard Act will require the Secretary of Energy to consult with Congress regarding the sale of oil from the Reserve. If the price of a barrel of crude exceeds 25 dollars for a period greater than 14 days, the President, through the Secretary of Energy, will be required to submit to Congress a report within thirty days. This report will have four parts. First, it will detail the causes and potential consequences of the price increase. Second, it will provide an estimate of the likely duration of the price increase, based on analyses and forecasts of the Energy Information Administration. Third, it will provide an analysis of the effects of the price increase on the cost of home heating oil. And fourth, the report will provide a specific rationale for why the President does or does not support a draw down and distribution of oil from the SPR to counteract anti-competitive behavior in the oil market.

The bill we are introducing today will grant important new authority to the President to protect consumers from the market-distorting behavior of foreign cartels. It will require the President to explain to Congress and the American people why actions available to the President have not been exercised to protect consumers. I urge my colleagues to join Senator SCHUMER and me in working for expeditious passage of this important measure.

I yield to my colleague, the distinguished Senator from New York, so he may provide further explanation of our legislation. I commend him for his leadership on this issue.

Mr. SCHUMER. I thank Senator COLLINS from Maine for her leadership on this issue. She has well represented her constituents on an issue of great concern. Like Maine, northern New York—much of New York—is very concerned with the prices of oil; not only gasoline but some heating oil, which—just as it is in Maine—is going through the roof in New York as we come into this winter season, which, thus far anyway, has been colder than people have predicted. I thank the Senator for garnering time to talk about our legislation, and I look forward to working with her on this issue.

Two months ago, I wrote President Clinton and Energy Secretary Richardson requesting that they look into the possibility of releasing a modest amount of oil from our Nation's well-stocked Strategic Petroleum Reserve. I made this request not because the price of crude oil was rising, but rather because global oil prices had recently more than doubled, primarily due to the new-found unity between OPEC members and allies to uphold rigid supply quotas—not free market but rigid supply quotas.

OPEC's decision in September to maintain the supply quotas meant the daily global oil supply would remain millions of barrels below last year's levels—and millions of barrels per day below global demand. The effects this decision would have on oil prices were clear. Yesterday, my colleagues—listen to this—oil closed at nearly $26 a barrel, and many industry experts now believe it will go to $30 or even $35 a barrel this winter.

Most industry and financial experts believe oil prices above $25 per barrel for an extended period will adversely affect economic growth, even if you come from Arizona; not only will it raise your gasoline prices—you don't have to worry about home heating oil, but $35 per barrel is clearly recessionary.

The effects will be felt most among the poor and elderly, both at the gas pump and in a sharp increase in the cost of home heating oil. It will effect our manufacturing, transportation, as well as other businesses that rely on oil.

I don't believe in interfering with free markets. But these OPEC decisions are not examples of fair economic play. In fact, OPEC recently announced that it would not even revisit the supply until March of 2000. With American and global oil demand increasing, and a cold winter forecast for North America, OPEC's continued supply quota could have a severely detrimental effect on the U.S. economy over the coming months, and may very well throw sand in the gears of the global economy.

Unfortunately, OPEC, with more than 40 percent market share in the global oil market, can have inordinate power over the global economy.

So the question is, Should we rely on the judgment of OPEC ministers to make the right decision when it comes to the American and the world economy? The answer is clearly no.

The next question is, What can we do about it?

My colleague from Maine, Senator COLLINS, and I have worked together to formulate what we believe is a reasonable response policy by the U.S. Government to instances when foreign oil producers collude to manipulate oil prices to a level that will likely cause a significant adverse impact on our economy, not to mention gasoline, which could go to a $1.60, $1.70, or even higher a gallon, and home heating oil that could go, in my part of the country, from $1 to $1.25 a gallon.

Here is how our legislation works. It works within the parameters of the 1975 Energy Policy and Conservation Act, which set up the U.S. Strategic Petroleum Reserve and the Energy Policy Act of 1992, which described oil supply reductions leading to severe price increases as a potential national emergency.

We simply add a provision that allows the Energy Secretary to order a drawdown of the SPR when oil and gas prices in the U.S. rise sharply because of anticompetitive conduct of foreign oil producers.

Oil supply can fall short for many natural, market-based reasons. But when the shortfall is due to opportunistic manipulations by foreign producers, especially to the degree that it will harm our economic well-being, we have the right to act in our own defense.

That is why our bill also requires the administration to report to Congress

within 30 days after the price of oil sustains a price higher than $25 for more than 2 weeks. This reporting requirement—which will get Congress more involved in SPR policies—simply calls for a comprehensive review of the causes and likely consequences of the price increase. It also requires the President to explain why the administration does or does not —we don't force his hand—support the drawdown and distribution of oil from the SPR.

Before concluding, I want to make a few things clear about this legislation. First, it doesn't attempt in any way to bring oil prices down to what some would call unreasonable levels. Most of us believe oil prices were unrealistically low last winter, and that OPEC's initial supply cuts were an understandable strategy to achieve a better balance between global supply and demand.

But to maintain the cuts despite the price recovery and the projected growth in demand amounts to nothing less than price gouging.

OPEC is currently enjoying unity as a cartel not seen since the early 1980s.

The bill also protects our national security by requiring that proceeds from the sale of oil from the SPR be used only to resupply the SPR, with profits from sales remaining in the SPR account. Therefore, in the long run, we are not going to deplete the oil reserve. We are just going to use it to try to bring oil prices to a reasonable level.

And with the SPR currently stocked at 570 million barrels, we have more than enough oil to release several hundred thousand barrels a day in the event of a supply crisis without undercutting our stockpile. This should be more than sufficient to pressure oil producers to increase their supply to more realistically meet demand.

The bottom line is this legislation would show foreign producers the U.S. can and may well intervene when unfair markets threaten our domestic economy. We will say loud and clear our national economic health is a national security issue. That knowledge may be sufficient to prevent OPEC from extensive oil market manipulations in the first place.

A signal to OPEC that we are willing to use some of our strategic reserves to stabilize oil prices is consistent with the prudent long-term approach toward maintaining a stable economy.

Mr. President, this legislation is a measured, bipartisan response to a vital economic issue. I look forward to debating and passing this legislation next year.

With that, I yield back my time to the good Senator from Maine and thank her for her leadership.

Ms. COLLINS. Mr. President, it has been a pleasure to work with the Senator from New York on this issue.

By Mr. BINGAMAN (for himself, Mr. THOMPSON, and Mr. KENNEDY):

S. 1954. A bill to establish a compensation program for employees of the Department of Energy, its contractors, subcontractors, and beryllium vendors, who sustained beryllium-related illness due to the performance of their duty; to establish a compensation program for certain workers at the Paducah, Kentucky, gaseous diffusion plant; to establish a pilot program for examining the possible relationship between workplace exposure to radiation and hazardous materials and illnesses or health conditions; and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

ENERGY EMPLOYEES' COMPENSATION ACT

Mr. BINGAMAN. Mr. President, I am pleased to introduce today, along with my colleagues, Senators THOMPSON and KENNEDY, a bill to establish compensation programs for workers at Department of Energy sites, contractors, and vendors who are ill because they were exposed to severe chemical and radioactive hazards while on the job. This bill, the Energy Employees' Compensation Act, will recognize three of the more egregious workplace hazards that were allowed to exist over the years at DOE facilities.

The first of these situations was the exposure of workers at DOE sites and vendors to beryllium, a metal that has been used for the past 50 years in the production of nuclear weapons. Even very small amounts of exposure to beryllium can result in the onset of Chronic Beryllium Disease (CBD), an allergic lung reaction resulting in lung scarring and loss of lung function. The only treatment is the use of steroids to control the inflammation. There is no cure. Once a person has been exposed to beryllium, he or she has a lifelong risk of developing CBD. While only 1 to 6 percent of exposed people will generally develop CBD, some work tasks are associated with disease rates as high as 16 percent. Beryllium was used at 20 DOE sites, including sites in my state of New Mexico. An estimated 20,000 workers may have been exposed, including 1,000–1,500 in New Mexico. To date, DOE screening programs have identified 146 cases of CBD among current and former workers, although the number can be expected to grow. The people who are affected by this disease were typically blue-collar workers at these facilities. They are not covered by the federal workers' compensation system, and the various state workers' compensation programs are not well geared to deal with chronic occupational illnesses like CBD. I believe that, since these workers became exposed to beryllium while working in the defense of their country, the country owes them something in return, should they come down with Chronic Beryllium Disease. That is why I will fight to help the workers and their families in New Mexico and elsewhere through this part of the bill.

The second situation which this bill seeks to remedy occurred at the DOE Paducah Gaseous Diffusion Plant in Kentucky. Here, workers were unknowingly exposed to plutonium and other highly radioactive materials that were present in recycled uranium sent to the plant by the former Atomic Energy Commission. The AEC and the managers of the plant knew about this hazard in the 1950s, but enhanced protection for workers at Paducah was not implemented until 1992. This is an unbelievable and outrageous error. These workers deserve full compensation for the health effects of exposures that they were subject to without their knowledge.

The third situation that this bill addresses occurred to 55 workers at the DOE's East Tennessee Technology Park, who also suffered exposures to radiation and hazardous materials that have resulted in occupational illness. Through this provision, DOE can make a grant of $100,000 to each worker, if medical experts find that it is appropriate.

The Department of Energy, under Secretary Richardson's leadership, is facing up to some of its past failures to properly oversee worker health and safety at its facilities. It is a tragedy that we have to introduce and pass bills like this one, particularly in cases where it seems so clear that the problems could have been prevented. But this bill is the right thing to do for workers who served their country and expected that they would be kept safe from occupational injury. As the Congress considers this bill, I hope that we also remain vigilant to the ongoing challenges to worker safety and health at DOE facilities, particularly in the parts of the Department that are being reorganized as a result of legislation we passed earlier this year.

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

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

SECTION-BY-SECTION ANALYSIS

TITLE I—ENERGY EMPLOYEES' BERYLLIUM COMPENSATION ACT

SECTION 101. SHORT TITLE

This section designates this title as the ''Energy Employees' Beryllium Compensation Act.''

SECTION 102. FINDINGS

Employees of the Department of Energy, and employees of the Department's contractors and vendors, have been, and currently may be, exposed to harmful substances, including dust particles or vapor of beryllium, while performing duties uniquely related to the Department of Energy's nuclear weapons production program. Exposure to dust particles or vapor of beryllium in this situation may cause beryllium sensitivity and chronic beryllium disease, and those who suffer beryllium-related health conditions should have uniform and adequate compensation.

SECTION 103. DEFINITIONS

This section provides the definitions of a number of terms necessary to implement

this legislation. It also incorporates the definitions of multiple terms from the Federal Employees' Compensation Act, section 8101 of title, United States Code.

A beryllium vendor is defined as those vendors known to have produced or provided beryllium for the Department of Energy. The definition allows the Secretary of Energy to add other vendors by regulation.

A covered employee is defined as an employee of entities that contracted with the Department of Energy to perform certain services at a Department of Energy facility and an employee of a subcontractor. The definition also includes an employee of a beryllium vendor during a time when beryllium was being processed and sold to the Department of Energy. An employee of the federal government is also a covered employee if the employee may have been exposed to beryllium at a Department of Energy facility or that of a beryllium vendor.

Covered illness is defined as Beryllium Sensitivity and Chronic Beryllium Disease. The statute sets forth criteria by which the existence of these conditions may be established. Consequential injuries arising from these conditions are also covered illnesses.

SECTION 104. REGULATORY AUTHORITY TO REVISE DEFINITIONS

This section provides specific authority for the Secretary of Energy to designate by regulation additional entities as beryllium vendors for the purposes of this title. This section also authorizes the Secretary of Energy to provide by regulation additional criteria through which a claimant may establish the existence of a covered illness.

With regard to proposed subsection (a), it is possible that new vendors of beryllium or beryllium-related products will develop contractual relationships with the Department of Energy in the future; as these contractual relationships develop, it will become necessary to designate these vendors as ''beryllium vendors'' for the purposes of this title.

With respect to subsection (b), advances in medical science and testing, and in the medical field's understanding of the harmful effects of exposure to beryllium, are expected to occur. The definition of ''covered illness'' in section 103(4) of this title represents the understanding of the Department of Energy of the current state of medical knowledge on the demonstrated methods of establishing beryllium sensitivity or chronic beryllium disease. This subsection would allow the Secretary of Energy to specify additional criteria by which a claimant may establish existence of a covered illness.

SECTION 105. ADMINISTRATION

This section provides that the Secretary of Energy may administer the program or may enter into an agreement with another agency of the United States, such as the Department of Labor, to administer the program. The Department of Energy would reimburse the other agency for its administrative services.

SECTION 106. EXPOSURE TO BERYLLIUM IN THE PERFORMANCE OF DUTY

In order to receive compensation under the Energy Employees' Beryllium Compensation Act (EEBCA) for any condition related to exposure to beryllium, a covered employee must be determined to have been exposed to beryllium in the performance of duty.

Subsection (a) of this section provides a rebuttable presumption that employees of DOE contractors (section 103(3)(A)) and federal employees (section 103(3)(C)) who were employed at a DOE facility, or whose employment caused them to be present at a DOE or a beryllium vendor's facility, when beryllium was present, were exposed to beryllium in the performance of duty. To rebut the presumptions, substantial evidence would have to be introduced into the record establishing that the covered employee was not exposed to beryllium or beryllium dust during the employee's presence at the facility.

With respect to employees of beryllium vendors (section 103(3)(B)), subsection (b) of this section provides that these employees have the burden of establishing by substantial evidence exposure to beryllium that was intended for sale to, or to be used by, the DOE. Thus, to the extent that employees of beryllium vendors adduce evidence of exposure to beryllium or beryllium dust solely in circumstances where the eventual product was not intended for sale to, or use by, the DOE, this evidence would not support a finding that the employees were exposed to beryllium in the performance of duty.

SECTION 107. COMPENSATION FOR DISABILITY OR DEATH, MEDICAL SERVICES, AND VOCATIONAL REHABILITATION

This section incorporates into this statute the relevant provisions of the FECA regarding payment of compensation and other benefits for covered illnesses. Provisions incorporated by reference include FECA sections regarding medical services and benefits (5 U.S.C. §8103); vocational rehabilitation (§§8104 and 8111(b)); total (§8105) and partial (§8106) disability; schedule awards for permanent impairment (§§8107–8109); augmented compensation for dependents (§8110); additional compensation for services of attendants (§8111(a)); maximum and minimum monthly payments (§8112); increase or decrease of basic compensation (§8113); wage-earning capacity (§8115); three-day waiting period (§8117); compensation in case of death (§8133); funeral expenses (§8134); lump-sum payment (§8135); and cost-of-living adjustment (§8146a (a) and (b)).

Subsection (b) of this section provides that all of the compensation under this title will come out of the Energy Employees' Beryllium Compensation Fund established pursuant to section 120 of this title and is limited to amounts available in that fund.

Subsection (c) of this section prohibits any payment of compensation for any period prior to the effective date of the title, except for the retroactive lump-sum compensation payment specified in section 111 of this title.

SECTION 108. COMPUTATION OF PAY

This section incorporates 5 U.S.C. §8114 regarding computation of pay into this title. Subsection (b) of this section contains slight wording changes from 5 U.S.C. §8114(d)(3) necessitated by the fact that not all covered employees under this title are federal employees within the meaning of the FECA.

SECTION 109. LIMITATIONS ON RECEIVING COMPENSATION

This section parallels, with some modifications, the restrictions on receipt of compensation simultaneously with receipt of other benefits for the same covered illness set forth in 5 U.S.C. §8116. Subsections (a) and (b) of section 109 contain the same prohibitions against dual benefits sete forth in 5 U.S.C. §8116(a) and (b), and apply to federal employees and beneficiaries whose benefit derives from federal employees. Thus, individuals who are eligible to receive benefits under this title may not simultaneously receive those benefits and an annuity from the Office of Personnel Management, whether such annuity is based on length of service or disability. The election required by subsection (b) is not subject to the provisions of section 110 regarding coordination of benefits.

Subsection (c) applies only to federal employees awarded benefits under this title and under FECA for the same covered illness or death, and requires an election between the two systems.

Once an informed election has been made, the election is irrevocable.

Subsections (d) and (e) require an individual eligible to receive benefits under this title, and also eligible to receive benefits under a state worker's compensation system based on the same covered illness or death, to elect either benefits under this title (subject to the reduction in benefits set forth in section 110) or under the applicable state workers' compensation system, unless the state workers' compensation coverage was secured by an insurance policy or contract, and the Secretary of Energy specifically waives the requirement to make an election. An informed election under these two subsections, once made, is irrevocable.

Subsection (f) requires a widow or widower who would theoretically be eligible for benefits derived from more than one husband or wife to make an election of one benefit. The provision prevents a potential duplication of compensation benefits in unusual, but predictable, circumstances. An informed election under this subsection, once made, is irrevocable.

SECTION 110. COORDINATION OF BENEFITS

This section provides for reduction of benefits under this title if the claimant is awarded benefits under any state or federal workers' compensation system for the same covered illness or death. This section is intended to prevent a double recovery by individuals who have already received compensation for illnesses covered by this title. Subsection (a) of this section provides for a dollar-for-dollar reduction of benefits under this title by the amount of benefits received under this state or federal workers' compensation system, less than reasonable costs of obtaining such benefits. The determination of the reasonable costs obtaining such benefits is a matter reserved to the Secretary of Energy.

Subsection (b) of this section provides that, if the Secretary of Energy has granted a waiver of the election requirement under section 109(d)(2) of this title, the amount of compensation benefits is reduced by eighty percent of the net amount of any state workers' compensation benefits actually received or entitled to be received in the future, after deducting the claimant's reasonable costs (as determined by the Secretary of Energy) of obtaining such benefits. Permitting an employee whose state workers' compensation remedy is secured by insurance to retain an additional twenty percent of state benefits provides an incentive for the employee to seek such benefits in situations where the Secretary of Energy has determined that it is appropriate to waive the election requirement. In these circumstances; value may be obtained for insurance policies purchased prior to the enactment of this title.

SECTION 111. RETROACTIVE COMPENSATION

This section allows an eligible covered employee to elect to receive retroactive compensation of $100,000, in lieu of any other compensation under this title, if the employee was diagnosed, prior to October 1, 1999, as having a beryllium-related pulmonary condition consistent with Chronic Beryllium Disease and if the employee demonstrates the existence of such diagnosis and condition by medical documentation created during the employee's lifetime, at the time of death, or autopsy.

When an employee who would have been eligible to elect to receive retroatice compensation dies prior to making the election, of any cause, the employee's survivors may make the election. The right to make an election shall be afforded to survivors in the order of precedence set forth in section 8109 of title 5, United States Code, which is based, in essence, on proximity of family relationship to the covered employee.

The employee or survivor must make the election within 30 days after the date the Secretary of Energy determined to award compensation for total or partial disability or within 30 days after the date that the Secretary informs the employee or the employee's survivor of the right to make the election, whichever is later, unless the Secretary extends the time. Informed elections are irrevocable and binding on all survivors.

When an employee or a survivor has made an election, no other payment of compensation may be made on account of any other beryllium-releated illness.

A determination that the covered employee had ''beryllium-related pulmonary condition'' does not constitute a determination that he or she had a covered illness.

Retroactive compensation is not subject to a cost of living adjustment.

SECTION 112. EXCLUSIVITY OF REMEDY AGAINST THE UNITED STATES, CONTRACTORS, AND SUBCONTRACTORS

This section provides that the benefits authorized under this title are an exclusive remedy for individuals against the United States, DOE, and DOE contractors and subcontractors, except for proceedings under a state or federal workers compensation statute, subject to sections 109 and 110 of this title.

SECTION 113. ELECTION OF REMEDY AGAINST BERYLLIUM VENDORS

This section provides that if an individual elects to accept payment under this title, acceptance also will be an exclusive remedy against beryllium vendors who have supplied DOE with beryllium products, except for proceedings under a state or federal workers compensation statute, subject to sections 109 and 110.

SECTION 114. CLAIM

This section adopts the requirements of a claim in section 8121, title 5, United States Code, which requires a claim to be in writing and delivered or properly mailed to the Secretary of Energy. The claim must be on an approved form, contain all required information, sworn, and accompanied by a physician's certificate stating the nature of the injury and the nature and probable extent of the disability, although the Secretary may waive these latter four requirements for reasonable cause.

SECTION 115. TIME LIMITATION ON FILING A CLAIM

This section limits the time for fling a claim under this title.

SECTION 116. REVIEW OF AWARD

This section provides that the decisions of the Secretary of Energy in allowing or denying any payment under this title are final, and are not subject to judicial review or review by another official of the United States. For purposes of this section, decisions issued by the Beryllium Compensation Appeals Panel (to be established under regulations authorized by section 122 of this title) are decisions of the designee of the Secretary of Energy, in the same way that the decisions of the Employees' Compensation Appeals Board established under 5 U.S.C. §8149 are decisions of the designee of the Secretary of Labor.

SECTION 117. ASSIGNMENT OF CLAIM

This section is identical to 5 U.S.C. §8130.

SECTION 118. ADJUDICATION

Subsection (a) provides that, if the Secretary of Energy establishes new criteria for establishing coverage of a covered illness by specifically promulgating a regulation pursuant to the authority granted by section 104(b) of this title, a claimant has the right to request reconsideration of a decision awarding or denying coverage. This provision is intended to permit a claimant whose claim was properly denied under the criteria in effect at the time of the initial denial to seek and obtain reconsideration based on the new criteria, notwithstanding the fact that, under the administrative appeal rights contained in this title, the claimant would not be entitled to reconsideration.

Subsection (b) incorporates into this title FECA provisions regarding physical examinations (§123); findings and awards (§8124); misbehavior at proceedings (§8125); subpoenas, oaths, and examination of witnesses (§8126); representation and attorney's fees (§8127); reconsideration (§8128); and recovery of overpayments (§8129).

SECTION 119. SUBROGATION OF THE UNITED STATES

This section incorporates the provisions of 5 U.S.C. §§8131 and 8132 into this title. Based on these provisions, the United States has the same statutory right of reimbursement of the compensation payable under this title against the proceeds of any recovery from a responsible third party tortfeasor as that set forth in the FECA.

Subsection (c) notes that, for purposes of this title, the last sentence of 5 U.S.C. §8131(a) that an ''employee required to appear as a party or witness in the prosecution of such an action [against a third party] is in an active duty status while so engaged'' applies only to federal employees covered under this title, as defined in section 103(3)(C).

SECTION 120. ENERGY EMPLOYEES BERYLLIUM COMPENSATION FUND

This section creates in the U.S. Treasury the Energy Employees' Beryllium Compensation Fund, which consists of amounts appropriated to it or transferred to it from other DOE accounts and amounts that otherwise accrue to it under this title. Amounts in the Fund may be used for the payment of compensation and other benefits and expenses authorized by this title and for payment of administrative expenses.

SECTION 121. FORFEITURE OF BENEFITS BY CONVICTED FELONS

Any individual convicted of violating section 1920 of title 18, United States Code, which prohibits false statements to obtain federal employees' compensation, or any other federal or state criminal statute relating to fraud in the application or receipt of any benefits under the title, or any other workers' compensation Act, shall forfeit (as of the date of conviction) any benefits for any injury occurring on or before the date of the conviction. This forfeiture is in addition to any action of the Secretary of Energy under two other provisions of the FECA that have been incorporated into this title. Section 8106 of title 5, United States Code, provides that an employee who fails to make a required report or knowingly understates earnings forfeits compensation for any period for which the report was required. Section 8129 provides for the recovery of overpayments made to an individual due to a mistake in fact or law by decreasing later payments.

Except for payments to dependents as calculated under section 8133 of title 5, United States Code, an individual confined for the commission of a felony may not receive benefits during the period of incarceration or retroactively after release.

State and federal governments must make available to the Secretary of Energy, upon written request, the names and social security numbers of individuals who are incarcerated for felony offenses.

SECTION 122. REGULATIONS—BERYLLIUM COMPENSATION APPEALS PANEL

This section, modeled after 5 U.S.C. §8149, authorizes the Secretary of Energy to provide by regulation for the creation of the Beryllium Compensation Appeals Panel. This panel is intended to have the same adjudicatory authority over appeals from adverse determinations of claims under this title that the Employees' Compensation Appeals Board exercises over appeals from adverse determinations of claims under the FECA.

SECTION 123. CIVIL SERVICE RETENTION RIGHTS

This section provides that a federal employee who meets the definition of a covered employee within the meaning of section 103(3)(C) of this title has the same civil service retention rights as are applicable to federal employees by virtue of the provisions of 5 U.S.C. §8151. Civil Service retention rights are administered by the Office of Personnel Management; as with 5 U.S.C. §8151, see Charles J. McQuistion, 37 ECAB 193 (1985), this section is intended to be administered, enforced, and interpreted by OPM.

SECTION 124. ANNUAL REPORT

This section provides that the Secretary of Energy will prepare a report with respect to the administration of this title on a fiscal year basis, and will submit this report to Congress.

SECTION 125. AUTHORIZATION OF APPROPRIATIONS

This section authorizes appropriations and authorizes transfers from other DOE accounts, to the extent provided in advance in appropriations Acts, to carry out the purposes of this title. This section also provides that the Secretary limit the amount for the payment of compensation and other benefits to an amount not in excess of the sum of the appropriations to the Fund and amounts made available by transfer to the Fund.

SECTION 126. CONSTRUCTION

This section provides that any amendments to provisions of the Federal Employees' Compensation Act, 5 U.S.C. §§8101–8151, which have been incorporated by reference into this title, will also be effective to proceedings under this title.

SECTION 127. CONFORMING AMENDMENTS

This section makes conforming amendments to criminal provisions of the United States Code (18 U.S.C. §§1920, 1921, and 1922).

SECTION 128. EFFECTIVE DATE

This section provides that the title is effective upon enactment, and applies to all claims, civil actions, and proceedings ''pending on, or filed on or after, the date of the enactment'' of this title. Because compensation under this title constitutes a covered employee's exclusive remedy against the United States, and DOE's contractors and subcontractors, any claim against the United States (under the Federal Tort Claims Act) or against any of the other above-referenced entities that has not been

reduced to a final judgment before the date is barred by this title.

TITLE II—ENERGY EMPLOYEES PILOT PROJECT ACT

SECTION 201. SHORT TITLE

This section designates this Act as the ''Energy Employees Pilot Project Act.''

SECTION 202. PILOT PROJECT

This section directs the Secretary of Energy to conduct a pilot program to examine the possible relationship between workplace exposures to radiation, hazardous materials, or both and occupational illness or other adverse health conditions.

SECTION 203. PHYSICIANS PANEL

This section requires a panel of physicians who specialize in health conditions related to occupational exposure to radiation and hazardous materials to issue a report which examines whether 55 current and former employees of the Department of Energy's East Tennessee Technology Park may have sustained any illness or health condition as a result of their employment.

SECTION 204. SECRETARY OF ENERGY FINDING

The contractor is required by this section to provide the report of the panel to the Secretary of Energy, who will determine whether any of the employees who are covered by the report may have sustained an adverse health condition from their employment.

SECTION 205. AWARD

If the Secretary of Energy makes a positive finding under section 204 concerning an employee, the employee may receive an award of $100,000. If the employee is eligible for an award under title I, the employee may elect to receive payment under this title in place of compensation under title I.

SECTION 206. ELECTION

This section provides that the employee is to make the election under section 205 within a certain period of time. Informed elections are irrevocable and binding on all survivors.

SECTION 207. SURVIVOR'S ELECTION

If an individual dies before making the election, the employee's survivor may make the election. The right to make an election shall be afforded to survivors in the order of precedence set forth in section 8109 of title 5, United States Code, which is based, in essence, on proximity of family relationship to the covered employee.

SECTION 208. STATUS OF AWARD

An award is not income under the Internal Revenue Code.

SECTION 209. PAYMENT IN FULL SETTLEMENT OF CLAIMS AGAINST THE UNITED STATES, CONTRACTORS, AND SUBCONTRACTORS

This section provides that employees at the facility eligible for benefits under this title can elect which remedy to pursue. If they elect to proceed under this title, then acceptance of payment under this title will be in full settlement of all claims against the United States, DOE, a DOE contractor, a DOE subcontractor, or an employee, agent, or assign of one of them arising out of the condition for which the payment was made, except that the employee would retain the right to proceed under a state workers compensation statute, subject to the reduction-of-benefits provision of subsection (c). Under that subsection, the benefits awarded to a claimant under this title would be reduced by the amount of any other payments received by that claimant because of the same illness or adverse health condition, excluding payments for medical expenses under a workers' compensation system.

SECTION 210. SUBROGATION

This section sets out the conditions under which the United States is subrogated to a claim.

SECTION 211. AUTHORIZATION OF APPROPRIATION

This section authorizes appropriations for the program and provides that authority under this title to make payments is effective in any fiscal year only to the extent, or in the amounts, provided in advance in an appropriation Act

TITLE III—PADUCAH EMPLOYEES' EXPOSURE COMPENSATION ACT

SECTION 301. SHORT TITLE

This section designates this Act as the ''Paducah Employees' Exposure Compensation Act.''

SECTION 302. DEFINITIONS

This section defines a number of terms necessary to implement this legislation, including ''Paducah employee'' and ''specified disease''

SECTION 303. PADUCAH EMPLOYEES' EXPOSURE COMPENSATION FUND

This section establishes in the Treasury of the United States the Paducah Employee's Exposure Compensation Fund. The amounts in the fund are available for expenditure by the Attorney General under section 305, and the Fund terminates 22 years after the date of enactment of this title. This section also authorizes appropriations to the Fund in the sums necessary to carry out the purposes of the title and provides that authority under this Act to enter into contracts or to make payments is not effective in any fiscal year except to the extent, or in the amounts, provided in advance in appropriations Acts.

SECTION 304. ELIGIBLE EMPLOYEES

This section sets forth who is eligible to receive compensation under this title and provides that an eligible employee who files a claim that the Attorney General determines meets the requirements of this title, receives $100,000 as compensation.

A person eligible for compensation is a Paducah employee (as defined under section 302(2)) who was employed at the Paducah, Kentucky, gaseous diffusion plant for at least one year during the period beginning on January 1, 1953, and ending on February 1, 1992, who during that period was monitored through the use of dosimetry badges for exposure at the plant to radiation from gamma rays or who worked in a job that, as determined by regulation, led to exposure at the plant to radioactive contaminants, including plutonium contaminants; and who submits written medical documentation as to having contracted a specified disease after beginning employment at the plant during the indicated period and after being monitored or beginning work at a job that could have led to exposure as specified.

SECTION 305. DETERMINATION AND PAYMENT OF CLAIMS

Generally, this section sets forth the procedures for filing claims, authority for the Attorney General to consider claims and make compensation payments, consequences of payment of a claim, cost of administering the program, and appeals procedures.

Subsection (a) provides that the Attorney General establish procedures whereby individuals may submit claims for payment under this title.

Subsection (b) provides that the Attorney General determine whether a claim filed under this title meets the requirements of the title. It also provides for consultation with the Surgeon General and the Secretary of Energy in certain instances.

Subsection (c) provides that the Attorney General pay, from amounts available in the Fund, claims filed under this title that the Attorney General determines meet the requirements of this title. This subsection also sets out the conditions under which payments are offset and the United States is subrogated to a claim. It also provides for payment to the survivor of a Paducah employee who is deceased at the time of payment under this section.

Subsection (d) provides that the Attorney General complete the determination on each claim not later than twelve months after the claim is so filed. The Attorney General may request from any claimant, or from any individual or entity on behalf of any claimant, additional information or documentation necessary to complete the determination.

Subsection (e) provides that employees at the Paducah facility eligible for benefits under this title can elect which remedy to pursue. If they elect to proceed under this title, then acceptance of payment under this title will be in full settlement of all claims against the United States, DOE, a DOE contractor, a DOE subcontractor, or an employee, agent, or assign of one of them arising out of the illness for which the payment was made, except for claims in an administrative or judicial proceeding under a state workers' compensation statute, subject to the reduction-of-benefits provision of subparagraph (3). Under that subparagraph, the benefits awarded to a claimant under this title would be reduced by the amount of any other payments received by that claimant because of the same specified illness, excluding payments for medical expenses under a workers' compensation system.

Subsection (f) sets forth how costs of administering the title are paid.

Subsection (g) provides that the duties of the Attorney General under this section cease when the Fund terminates.

Subsection (h) provides that amounts paid to an individual under this section are not subject to federal income tax under the internal revenue laws of the United States; are not included as income or resources for purposes of determining eligibility to receive benefits described in section 3803(c)(2)(C) of title 31, United States Code or the amount of these benefits; and are not subject to offset under section 3701 et seq. of title 31, United States Code.

Subsection (i) provides that the Attorney General may issue the regulations necessary to carry out this title.

Subsection (j) provides that regulations, guidelines, and procedures to carry out this title shall be issued not later than 270 days after the date of enactment of this title.

Subsection (k) sets forth administrative appeals procedures and procedures for judicial review.

SECTION 306. CLAIMS NOT ASSIGNABLE OR TRANSFERABLE

This section provides that a claim cognizable under this title is not assignable or transferable.

SECTION 307. LIMITATIONS ON CLAIMS

This section provides that claim to which this title applies shall be barred unless the claim is filed within 20 years after the date of the enactment of this title.

SECTION 308. ATTORNEY FEES

This section limits the amount of attorney fees for services rendered in connection with a claim under this title to no more than 10 percent of a payment made on the claim. An attorney who violates this section shall be fined not more than $5,000.

SECTION 309. CERTAIN CLAIMS NOT AFFECTED BY AWARDS OF DAMAGES

This section provides that a payment made under this title shall not be considered as any form of compensation or reimbursement for a loss for purposes of imposing liability on the individual receiving the payment, on the basis of this receipt; to repay any insurance carrier for insurance payments. A payment under this title does not affect any claim against an insurance carrier with respect to insurance.

ADDITIONAL COSPONSORS

S. 88

At the request of Mr. BUNNING, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 88, a bill to amend title XIX of the Social Security Act to exempt disabled individuals from being required to enroll with a managed care entity under the medicaid program.

S. 345

At the request of Mr. ALLARD, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 345, a bill to amend the Animal Welfare Act to remove the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 505

At the request of Mr. GRASSLEY, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 505, a bill to give gifted and talented students the opportunity to develop their capabilities.

S. 751

At the request of Mr. LEAHY, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 751, a bill to combat nursing home fraud and abuse, increase protections for victims of telemarketing fraud, enhance safeguards for pension plans and health care benefit programs, and enhance penalties for crimes against seniors, and for other purposes.

S. 761

At the request of Mr. ABRAHAM, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 761, a bill to regulate interstate commerce by electronic means by permitting and encouraging the continued expansion of electronic commerce through the operation of free market forces, and for other purposes.

S. 961

At the request of Mr. HARKIN, his name was added as a cosponsor of S. 961, a bill to amend the Consolidated Farm And Rural Development Act to improve shared appreciation arrangements.

S. 1187

At the request of Mr. DORGAN, the names of the Senator from Utah (Mr. BENNETT), and the Senator from Alaska (Mr. STEVENS) were added as cosponsors of S. 1187, a bill to require the Secretary of the Treasury to mint coins in commemoration of the bicentennial of the Lewis and Clark Expedition, and for other purposes.

S. 1272

At the request of Mr. NICKLES, the name of the Senator from Louisiana (Mr. BREAUX) was added as a cosponsor of S. 1272, a bill to amend the Controlled Substances Act to promote pain management and palliative care without permitting assisted suicide and euthanasia, and for other purposes.

S. 1384

At the request of Mr. KOHL, the name of the Senator from Louisiana (Mr. BREAUX) was added as a cosponsor of S. 1384, a bill to amend the Public Health Service Act to provide for a national folic acid education program to prevent birth defects, and for other purposes.

S. 1452

At the request of Mr. SHELBY, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1452, a bill to modernize the requirements under the National Manufactured Housing Construction and Safety Standards of 1974 and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes.

S. 1526

At the request of Mr. ROCKEFELLER, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 1526, a bill to amend the Internal Revenue Code of 1986 to provide a tax credit to taxpayers investing in entities seeking to provide capital to create new markets in low-income communities.

S. 1547

At the request of Mr. BURNS, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 1547, a bill to amend the Communications Act of 1934 to require the Federal Communications Commission to preserve low-power television stations that provide community broadcasting, and for other purposes.

S. 1557

At the request of Mr. KERREY, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 1557, a bill to amend the Internal Revenue Code of 1986 to codify the authority of the Secretary of the Treasury to issue regulations covering the practices of enrolled agents.

S. 1579

At the request of Ms. SNOWE, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 1579, a bill to amend title 38, United States Code, to revise and improve the authorities of the Secretary of Veterans Affairs relating to the provision of counseling and treatment for sexual trauma experienced by veterans.

S. 1592

At the request of Mr. DURBIN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 1592, a bill to amend the Nicaraguan Adjustment and Central American Relief Act to provide to certain nationals of El Salvador, Guatemala, Honduras, and Haiti an opportunity to apply for adjustment of status under that Act, and for other purposes.

S. 1680

At the request of Mr. ASHCROFT, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 1680, a bill to provide for the improvement of the processing of claims for veterans compensation and pensions, and for other purposes.

S. 1762

At the request of Mr. COVERDELL, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 1762, a bill to amend the Watershed Protection and Flood Prevention Act to authorize the Secretary of Agriculture to provide cost share assistance for the rehabilitation of structural measures constructed as part of water resources projects previously funded by the Secretary under such Act or related laws.

S. 1798

At the request of Mr. REID, his name was added as a cosponsor of S. 1798, a bill to amend title 35, United States Code, to provide enhanced protection for investors and innovators, protect patent terms, reduce patent litigation, and for other purposes.

S. 1803

At the request of Mr. ROBB, the names of the Senator from Connecticut (Mr. DODD) and the Senator from New Jersey (Mr. TORRICELLI) were added as cosponsors of S. 1803, a bill to amend the Internal Revenue Code of 1986 to extend permanently and expand the research tax credit.

S. 1812

At the request of Mr. WARNER, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1812, a bill to establish a commission on a nuclear testing treaty, and for other purposes.

S. 1814

At the request of Mr. SMITH, the name of the Senator from New Hampshire (Mr. GREGG) was added as a cosponsor of S. 1814, a bill to establish a system of registries of temporary agricultural workers to provide for a sufficient supply of such workers and to amend the Immigration and Nationality Act to streamline procedures for the admission and extension of stay of nonimmigrant agricultural workers, and for other purposes.

S. 1823

At the request of Mr. DEWINE, the name of the Senator from Mississippi

(Mr. COCHRAN) was added as a cosponsor of S. 1823, a bill to revise and extend the Safe and Drug-Free Schools and Communities Act of 1994.

S. 1825

At the request of Mr. ROCKEFELLER, the names of the Senator from Vermont (Mr. JEFFORDS) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of S. 1825, a bill to empower telephone consumers, and for other purposes.

S. 1900

At the request of Mr. LAUTENBERG, the names of the Senator from California (Mrs. FEINSTEIN), the Senator from Rhode Island (Mr. REED), and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of S. 1900, a bill to amend the Internal Revenue Code of 1986 to allow a credit to holders of qualified bonds issued by Amtrak, and for other purposes.

S. 1911

At the request of Mrs. HUTCHISON, her name was added as a cosponsor of S. 1911, a bill to conserve Atlantic highly migratory species of fish, and for other purposes.

SENATE RESOLUTION 106

At the request of Mr. DOMENICI, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of Senate Resolution 106, a resolution to express the sense of the Senate regarding English plus other languages.

SENATE RESOLUTION 128

At the request of Mr. COCHRAN, the names of the Senator from New Mexico (Mr. BINGAMAN), the Senator from Indiana (Mr. BAYH), and the Senator from Oregon (Mr. SMITH) were added as cosponsors of Senate Resolution 128, a resolution designating March 2000, as ''Arts Education Month.''

SENATE RESOLUTION 217

At the request of Mr. HUTCHINSON, the names of the Senator from Maine (Ms. SNOWE), the Senator from Washington (Mr. GORTON), the Senator from Georgia (Mr. COVERDELL), and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of Senate Resolution 217, a resolution relating to the freedom of belief, expression, and association in the People's Republic of China.

SENATE RESOLUTION 227

At the request of Mr. BRYAN, the names of the Senator from Nebraska (Mr. KERREY) and the Senator from Wisconsin (Mr. FEINGOLD) were added as cosponsors of Senate Resolution 227, a resolution expressing the sense of the Senate in appreciation of the National Committee for Employer Support of the Guard and Reserve.

At the request of Mr. SANTORUM, his name was added as a cosponsor of Senate Resolution 227, supra.

AMENDMENT NO. 2667

At the request of Mr. FEINGOLD the names of the Senator from Minnesota (Mr. WELLSTONE), the Senator from Wisconsin (Mr. KOHL), and the Senator from North Carolina (Mr. EDWARDS) were added as cosponsors of Amendment No. 2667 intended to be proposed to S. 625, a bill to amend title 11, United States Code, and for other purposes.

SENATE CONCURRENT RESOLUTION 74—RECOGNIZING THE UNITED STATES BORDER PATROL'S 75 YEARS OF SERVICE SINCE ITS FOUNDING

Mrs. HUTCHISON (for herself, Mr. ABRAHAM, Mr. KYL, and Mr. GRAMM) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 74

Whereas the Mounted Guard was assigned to the Immigration Service under the Department of Commerce and Labor from 1904 to 1924;

Whereas the founding members of this Mounted Guard included Texas Rangers, sheriffs, and deputized cowboys who patrolled the Texas frontier looking for smugglers, rustlers, and people illegally entering the United States;

Whereas following the Department of Labor Appropriation Act of May 28, 1924, the Border Patrol was established within the Bureau of Immigration, with an initial force of 450 Patrol Inspectors, a yearly budget of $1 million, and $1,300 yearly pay for each Patrol Inspector, with each patrolman furnishing his own horse;

Whereas changes regarding illegal immigration and increases of contraband alcohol traffic brought about the need for this young patrol force to have formal training in border enforcement;

Whereas during the Border Patrol's 75-year history, Border Patrol Agents have been deputized as United States Marshals on numerous occasions;

Whereas the Border Patrol's highly trained and motivated personnel have also assisted in controlling civil disturbances, performing National security details, aided in foreign training and assessments, and responded with security and humanitarian assistance in the aftermath of numerous natural disasters;

Whereas the present force of over 8,000 agents, located in 146 stations under 21 sectors, is responsible for protecting more than 8,000 miles of international land and water boundaries;

Whereas, with the increase in drug-smuggling operations, the Border Patrol has also been assigned additional interdiction duties, and is the primary agency responsible for drug interdiction between ports-of-entry;

Whereas Border Patrol agents have a dual role of protecting the borders and enforcing immigration laws in a fair and humane manner; and

Whereas the Border Patrol has a historic mission of firm commitment to the enforcement of immigration laws, but also one fraught with danger, as illustrated by the fact that 86 agents and pilots have lost their lives in the line of duty—6 in 1998 alone: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress recognizes the historical significance of the United States Border Patrol's founding and its 75 years of service to our great Nation.

SENATE CONCURRENT RESOLUTION 75—EXPRESSING THE STRONG OPPOSITION OF CONGRESS TO THE CONTINUED EGREGIOUS VIOLATIONS OF HUMAN RIGHTS AND THE LACK OF PROGRESS TOWARD THE ESTABLISHENT OF DEMOCRACY AND THE RULE OF LAW IN BELARUS AND CALLING ON PRESIDENT ALEXANDER LUKASHENKA TO ENGAGE IN NEGOTIATONS WITH THE REPRESENTATIVES OF THE OPPOSITION AND TO RESTORE THE CONSTITUTIONAL RIGHTS OF THE BELARUSIAN PEOPLE

Mr. DURBIN (for himself and Mr. CAMPBELL) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 75

Whereas the United States has a vital interest in the promotion of democracy abroad and supports democracy and economic development in Belarus;

Whereas in the Fall of 1996, President Lukashenka devised a controversial referendum to impose a new constitution on Belarus and abolish the Parliament, replacing it with a rubber-stamp legislature;

Whereas Lukashenka illegally extended his own term of office to 2001 by an illegitimate referendum;

Whereas Belarus has effectively become an authoritarian police state, where human rights are routinely violated;

Whereas Belarusian economic development is stagnant and living conditions are deplorable;

Whereas in May 1999, the Belarusian opposition challenged Lukashenka's unconstitutional lengthening of his term by staging alternative presidential elections, unleashing the government crackdown;

Whereas the leader of the opposition, Simyon Sharetsky, was forced to flee Belarus to the neighboring Baltic state of Lithuania in fear for his life;

Whereas several leaders of the opposition—Viktor Gonchar, Yuri Krasovsky, Yuri Zakharenka, Tamara Vinnikova, and other members of the opposition, have disappeared;

Whereas the Belarusian authorities harass and persecute the independent media and work to actively suppress the freedom of speech;

Whereas the former Prime Minister Mikhail Chygir, who was a candidate in the opposition's alternative presidential elections in May 1999, has been held in the pretrial detention on trumped up charges since April 1999;

Whereas President Lukashenka's government provoked the clashes between riot police and the demonstrators at the October 17, 1999, ''Freedom March'', which resulted in injuries to demonstrators and scores of illegal arrests;

Whereas President Lukashenka addressed a session of the Russian State Duma on October 26, 1999, advocating a merger between Russia and Belarus; and

Whereas Anatoly Lebedko, Chairman of the Committee for International Affairs of the Supreme Soviet of the Republic of Belarus, Nikolay Statkevich, leader of the Social Democratic Party, and Valery Shchukin, Deputy of the Supreme Council,

were arrested and imprisoned for taking part in the Freedom March: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) condemns the current Belarusian regime;

(2) further condemns the arrests of Anatoly Lebedko, Nikolay Statkevich, and Valery Shchukin;

(3) is gravely concerned about the disappearances of Viktor Gonchar, Yuri Krasovsky, Yuri Zakharenka, Tamara Vinnikova, and other members of the opposition;

(4) calls for immediate dialogue between President Lukashenka and the Consultative Council of Belarusian opposition and the restoration of a civilian, democratically elected government in Belarus;

(5) calls for a duly constituted national legislature, the rule of law, and an independent judiciary;

(6) urges President Lukashenka to respect the human rights of all Belarusian citizens, including those members of the opposition who are currently being illegally detained in violation of their constitutional rights;

(7) further urges President Lukashenka to make good on his promise to hold free parliamentary elections in 2000;

(8) supports the appeal by the Consultative Council of Belarusian opposition parties to the Government of Russia, the State Duma, and the Federation Council for a cessation of support for Lukashenka's regime;

(9) calls on the international community to support the opposition by continuing to meet with the legitimately elected parliament; and

(10) calls on the President of the United States to continue to—

(A) fund travel to the United States by the Belarusian opposition figures;

(B) provide funding for the nongovernmental organizations in Belarus; and

(C) support information flows into Belarus.

• Mr. DURBIN. Mr. President, in 1996, President Alexander Lukashenka imposed a new constitution on Belarus that effectively destroyed its nascent democracy and returned that country to a Soviet-style police state. Human rights violations are routine and living conditions are deplorable because of the stagnant economy. Opposition leader Simyon Sharetsky fled to Vilnius, Lithuania.

The situation in Belarus has worsened dramatically in recent months for remaining members of the opposition. Some have disappeared, including Viktor Gonchar, Yuri Krasovsky, Yuri Zakharenka, and Tamara Vinnikova. Some have been arrested for taking part in the October 17, 1999 ''Freedom march,'' including Anatoly Lebedko, Chairman of the Committee for International Affairs of the Supreme Soviet of the Republic of Belarus, Nikolay Statkevich, leader of the Social Democratic Party, and Valery Shchukin, Deputy of the Supreme Council.

Poland, Lithuania, and Latvia are very concerned about the direction Belarus has taken under the Lukashenka regime. Belarus' economy is apparently imploding, and neighboring countries are concerned about regional instability. Our recent experience with Slobodan Milosevic's Yugoslavia should make us all concerned about the implications of a ruthless dictator threatening stability in Europe.

Poland, Lithuania, and Latvia have successfully transformed themselves from Soviet-dominated Communist states to fully democratic market democracies integrated with the West and Western institutions. We must be sure that Belarus does not threaten the remarkable progress these stalwart countries have made in only 10 years since the fall of the Soviet empire.

Also troubling is a draft treaty that may be signed before the end of the year between Lukashenka and President Yeltsin to effect a political union between Russia and Belarus. All Western countries should be concerned that such a union would only hurt efforts to shore up Russia's economy and strengthen its fragile democracy.

That is why my colleague, Senator CAMPBELL, and I join together today to a resolution condemning the actions of the Lukashenka regime. This resolution—a companion measure to one introduced by our colleague in the House of Representatives, Representative SAM GEJDENSON—condemns the Lukashenka regime, the arrest of opposition figures and the disappearance of others; calls for a dialog between Lukashenka and the opposition, the restoration of a democratically-elected government and institutions; calls on the U.S. President to fund travel by Belarusian opposition figures and for non-governmental organizations in Belarus and to support information flows into Belarus. I call on my colleagues to join us in cosponsoring this resolution.•

AMENDMENTS SUBMITTED

BANKRUPTCY REFORM ACT OF 1999

FEINGOLD AMENDMENT NO. 2779

Mr. FEINGOLD proposed an amendment to amendment No. 2748 proposed by him to the bill (S. 625) to amend title 11, United States Code, and for other purposes; as follows:

On page 1, line 5, strike all after ''(23) and insert the following:

''under subsection (a)(3) of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor involving residential real property——

''(A) on which the debtor resides as a tenant under a rental agreement; and

''(B) with respect to which——

''(i) the debtor fails to make a rent payment that initially becomes due under the rental agreement or applicable State law after the date of filing of the petition or within the 10 days prior to the filing of the petition, if the lessor files with the court a certification that the debtor has not made a payment for rent and serves a copy of the certification to the debtor; or

''(ii) the debtor's lease has expired according to its terms and (a) or a member of the lessor's immediate family intends to personally occupy that property or (b) the lessor has entered into an enforceable lease agreement with another tenant prior to the filing of the petition, if the lessor files with the court a certification of such facts with the court a certification of such facts and serves a copy of the certification to the debtor:

''(24) under subsection (a)(3) of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor involving residential real property, if during the 1-year period preceding the filing of the petition, the debtor——

''(A) commenced another case under this title; and

''(B) failed to make a rent payment that initially became due under an applicable rental agreement or State law after the date of filing of the petition for that other case; or

''(25) under subsection (a)(3), of an eviction action based on endangerment of property or the use of an illegal drug, if the lessor files with the court a certification that the debtor has endangered property or used an illegal drug and serves a copy of the certification to the debtor''; and

(4) by adding at the end of the flush material at the end of the subsection the following ''With respect to the applicability of paragraph (23) or (25) to a debtor with respect to the commencement or continuation of a proceeding described in that paragraph, the exception to the automatic stay shall become effective on the 15th day after the lessor meets the filing and notification requirements under that paragraph, unless the debtor takes such action as may be necessary to address the subject of the certification or the court orders that the exception to the automatic stay shall not become effective or provides for a later date of applicability.''.

AUTHORITY FOR COMMITTEE TO MEET

COMMITTEE ON THE JUDICIARY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, November 17, 1999, after the 10 a.m. vote, to conduct a markup in Dirksen Room 226.

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

ADDITIONAL STATEMENTS

PANDA TRIBUTE

• Mr. CLELAND. Mr. President, I share with my colleagues some very exciting news coming out of my home state of Georgia. Earlier this month, two giant pandas, Lun Lun and Yang Yang, were delivered safely by UPS from Beijing, China to their new home at Zoo Atlanta after a 17-hour global journey.

Zoo Atlanta Director Dr. Terry Maple ''signed'' for the special delivery during a welcoming ceremony at Atlanta's Hartsfield International Airport with more than 200 dignitaries and

elementary school children looking on. The very special delivery brings to six the total number of rare giant pandas now residing in the United States.

I would like to recognize the special role that UPS has played in this long journey to bring the pandas to their new home. UPS became involved with the panda transport when Zoo Atlanta officials asked for their help in the construction and maintenance of the panda habitat. The UPS Foundation agreed to give $625,000 over five years to fund the habitat project at the zoo, and also agreed to provide all the logistical support necessary to move the pandas from Beijing to Atlanta.

The move involved over 100 UPS employees in six cities from around the world (Atlanta, Louisville, Anchorage, Singapore, Hong Kong and Beijing) covering travels of 7,526 miles. There were backup flight crews and a backup aircraft in place in case of health problems or mechanical failures, customs support people to smooth the process of bringing the animals onto U.S. soil, and even a UPS manager to accompany the two-person flight crew and act as load master.

UPS also flew two Chinese and one American veterinarians from Beijing to Atlanta. The animals were unloaded by UPS air gateway employees and placed in UPS package cars (the familiar brown delivery truck) that were specially marked with panda graphics. The vehicles (four trucks, two as back ups in case of mechanical problems) were driven by specially chosen Circle of Honor members, UPS drivers who have driven for 25 years or more without an accident. The package cars were outfitted with air conditioning and heating units for the animals.

This exciting new addition to the Atlanta landscape would not have been possible without the hard work, dedication and financial support of many people, especially at Zoo Atlanta and UPS. I am thrilled that Atlanta will be a part of such an important exchange and friendship endeavor with the people of China and I am proud of the support and enthusiasm that have showered Lun Lun and Yang Yang throughout their journey and now that they are in their new home.●

WAYNE COUNTY MEDICAL SOCIETY 150TH ANNIVERSARY

● Mr. ABRAHAM. Mr. President, I rise today to honor and congratulate the Wayne County Medical Society as they gather in celebration of their 150th Anniversary.

The Wayne County Medical Society has set a pioneering tradition in health care since it was founded on April 14, 1849. They began with only 50 physicians and have grown to include more than 4,200 physicians. They work together to promote unity and loyalty among physicians in the community and to raise awareness of public health issues concerning the citizens of Wayne County.

What is truly remarkable about this select group is the profound impact they have had on the public health of the people in Detroit and Wayne County. One of its most notable accomplishments was leading a polio immunization drive which vaccinated thousands of Detroiters and all but eliminated the threat of the crippling disease.

The WCMS continues to provide health care that shows no bounds with the free medical and dental clinic they run at the Webber School in Detroit. Every child is offered free services such as physical examinations, dental fluoride sealants and prophylaxis. The WCMS also takes a proactive approach to health care, in 1998 they sponsored a teen pregnancy conference with more than 500 Detroit Public School students in attendance. The children were encouraged to abstain from sex and to understand the consequences of not practicing safe sex. By sponsoring an annual party for foster children in Wayne the WCMS shows their commitment to the community extends beyond healthcare. The WCMS is truly an asset to the Detroit Community.

The accomplishments this elite group has made in the past 150 years are to be commended. Guided by the spirit of charity the WCMS has improved and enriched the lives of countless people. It is my hope that they will continue encouraging unity among physicians and be a crusader for public health in Detroit for many years to come.●

IN RECOGNITION OF THE REV. DR. GEORGE ELIAS MEETZE

● Mr. HOLLINGS. Mr. President, I rise today to recognize my good friend, the Reverend Dr. George Elias Meetze, who was recently named Pastor Emeritus of Incarnation Lutheran Church in Columbia, South Carolina.

Dr. Meetze has been serving the South Carolina community for over sixty years. He led the congregation at St. Barnabas Lutheran Church in Charleston, SC from 1934 to 1937, at Grace Lutheran Church in Prosperity, SC from 1937 to 1942 and at Incarnation Lutheran Church from 1942 to 1974. In addition, Dr. George Meetze has been the chaplain of the South Carolina Senate for fifty years.

His honors and affiliations are too numerous to list, but include leadership positions within the Lutheran Church and involvement with such organizations as the Salvation Army, The American Cancer Society, and The Rotary Club, which named him a Paul Harris Fellow in 1979. He is, as you would imagine, an active supporter of the Lutheran Theological Southern Seminary in Columbia, SC and Newberry College in Newberry, SC. A fixture in the Columbia, SC community and across the state of South Carolina, Dr. George Meetze knows many people, but is known by even more for his friendliness and genuine interest in every individual he meets.

My wife, Peatsy, and I, whom Dr. George Meetze joined in marriage twenty-eight years ago, commend Incarnation Lutheran Church for conferring the title of Pastor Emeritus on Dr. George Meetze and we send our warmest congratulations to George and his family on this happy occasion.●

BRIGADIER GENERAL CLAY'S RETIREMENT

● Mr. HATCH. Mr. President, I want to call the Senate's attention to the recent retirement of Air Force Brigadier General John L. Clay who is retiring after 28 years of dedicated service to our country.

General Clay, a native of Utah, joined the Air Force following his graduation from the United States Air Force Academy. He has served honorably and professionally in a variety of research and development assignments encompassing armaments, missiles and space programs.

He is renowned as a developer and manager of many space systems programs and currently serves as the Director of Space and Nuclear Deterrence in the Office of the Secretary of the Air Force for Acquisition.

His outstanding leadership, management expertise, and foresight have been the foundation for the success of major ICBM and space force improvements and the effective use of $50 billion of the defense budget.

General Clay directed the effort to replace the Minuteman missile guidance system. This vitally important accomplishment now provides the nation with a key element of our strategic deterrence capability. This was the first major modification to the Minuteman system in almost 30 years.

Additionally, he was instrumental in the comprehensive national review of our nation's space launch program, including the innovative Evolved Expendable Launch Vehicle program which has resulted in the establishment of two internationally competitive commercial families of vehicles capable of meeting government and commercial needs.

General Clay also established the Shared Early Warning System program following the September 1998 summit agreement between Presidents Clinton and Yeltsin. This program is a milestone in strategic partnerships as it allows the United States and partner countries to share early warning data. It also establishes a first-ever Center for Strategic Stability in Colorado Springs for the upcoming Y2K changeover. This Center will provide launch information to a jointly manned U.S.-Russian operations team during the Y2K rollover period.

Unquestionably, Brigadier General John L. Clay is a man of unwavering loyalty and dedication. He has earned the respect of his colleagues in the Air Force, defense contractors, and members of Congress.

On behalf of the Senate, I am pleased to convey to General Clay, my fellow Utahns, and his wife, Beverly, our best wishes on the occasion of his retirement and express our appreciation for his service to our country. We wish them well as they embark on this new chapter in their lives.●

MAYOR FRANCIS H. DUEHAY OF CAMBRIDGE

● Mr. KENNEDY. Mr. President, it is an honor to take this opportunity to recognize a leader who has given so much to the people of Cambridge, Massachusetts. Mayor Francis H. Duehay has been an elected official in the City of Cambridge for thirty-six consecutive years. Under his leadership, the city has made great progress in housing, welfare, youth employment, and many other important issues for the people. This year, Frank is retiring, and his loss will be felt deeply by all those whose lives he has touched.

Frank's commitment to public service is extraordinary. Throughout his years as Mayor, City Councilor, and on the School Committee he has taken pride in his commitment to work directly with the people he represents, in order to learn their concerns firsthand. Frank's work with city officials and numerous other organizations to open new lines of communication between the city government and the people of Cambridge has created a local government at its best—responsive to the needs of the people, accountable for its actions, and always open to new ideas.

Frank worked tirelessly to improve the quality of life for Cambridge families. He served as the chairperson for the Cambridge Kids' Council, where he's worked to create greater opportunities in the community, giving hope to children and families and providing a model for cities throughout the state. The Mayor's Summer Youth Employment Program has been extremely successful in giving young men and women the opportunity to serve their city during the summer months, enabling them to explore their interests and enhance their lives. Frank has fought hard for the families of Cambridge, and his legacy will live on through their success.

In all of these and many other ways, Frank Duehay has served the people of Cambridge with great distinction. I am honored to pay tribute to this remarkable leader. His public service and generosity are shining examples to us all. I know that I speak for all of the people of Cambridge when I say thank you, Frank, for your commitment and dedication to public service. You will be deeply missed.●

MICHIGAN TEACHER OF THE YEAR MARGARET HOLTSCHLAG TRIBUTE

● Mr. ABRAHAM. Mr. President, I rise today to recognize and congratulate Margaret Holtschlag on receiving the Michigan Teacher of the Year award given by the Michigan Department of Education.

Mrs. Holtschlag, a fourth grade teacher at Murphy Elementary School in the Haslet School District, was selected from nearly thirty regional finalists as the Michigan Teacher of the Year. Described by colleagues as an innovative, thoughtful and progressive teacher, her dedication is second to none. As the winning teacher, Mrs. Holtschlag will share her expertise as she travels across the state working with teachers to improve programs and teacher quality.

What is truly remarkable about Mrs. Holtschlag is that her classroom extends beyond a room filled with desks and chalkboards. Two years ago she took a group of students on a trip to Korea and set up an Internet pen-pal link between Haslet, China and Korea. In the past, her students have built weather stations and explored nearby wetlands. Additionally, her students have spent time at the Michigan Library and Historical Center, discovering and exploring aspects of Michigan history that can not be learned from a text book.

For twenty-one years Mrs. Holtschlag has devoted her life to teaching and making a positive impact on each and every student she encounters. Her captivating teaching style inspires both students and colleagues alike. This is truly a rare gift.

A quality education is one of the most important tools that a child needs and it gives me great joy to know that such a dynamic and caring teacher is helping to shape the lives of Michigan students.●

NICHOLAS W. ALLARD ON THE COLLEGE APPLICATION PROCESS

● Mr. KENNEDY. Mr. President, families across the country know that a college education is essential for their children. A college graduate earns twice what a high school graduate earns in a year, and close to three times what a high school dropout earns. More and more students are applying for college each year—over 2 million freshmen began college last year. The result is increasingly heavy pressures on schools, families, and colleges.

No one understands these pressures more than prospective college students and their families who are now filling out applications, visiting college campuses, and preparing to make the all-important choices for their futures.

An article by Nicholas W. Allard, in the Washington Post last week, provides excellent common sense advice to prospective students and their families about the college application process. Mr. Allard, whom many of us recall from his years as a staff member of the Senate Judiciary Committee, has had extensive experience in interviewing college applicants. I believe his article will be of interest to all of us in the Senate, and I ask that it be printed in the RECORD.

The article follows.

[From the Washington Post, Nov. 9, 1999]

NAVIGATING THE COLLEGE ADMISSIONS PROCESS

(By Nicholas W. Allard, Associated Press)

A friend who is intelligent, high educated, and a wonderful parent recently called me in a meltdown panic over whether to give white or manila envelopes to their teenager's teachers for college recommendations.

My anxious friend has lots of company. Every year this is the season when tree leaves turn color and drop, while common sense about college admissions heads south. Aside from the uselessness of self-inflicted pressure, important decisions by college prospects are often based on inadequate information and worse advice. So I can't resist offering some food for thought.

APPLY TO THE COLLEGES YOU WANT TO ATTEND

Pretty basic, huh? Yet how many times have you heard advice such as: ''You need some 'reach' schools.'' Or ''Where's your 'safety' school?'' In other words, you're often encouraged to think about schools in a way that ranks their desirability according to the difficulty of being admitted. This approach will make you feel like you are ''settling'' if you decide to attend anywhere but one of the most selective schools.

According to Peterson's Annual Survey of Undergraduate Institutions, in the United States there are almost 2,000 accredited, public and private four-year colleges and universities. They vary tremendously.

Find a handful or so of colleges out of this very large number you would be enthusiastic about attending. Then, once you've got your working list together, turn to the issue of how to be admitted to your favorite schools.

THE EARLY APPLICATION PROGRAM

In you're considering participating in an early application program because you are very, very sure that a college is your top choice, then go ahead. If you're not sure, then don't do it. Think about it. What if you succeed and are admitted to a place that you are not sure is your first choice?

If the early acceptance is nonbinding, you're going to apply elsewhere anyway. If it is binding, then you are stuck. You are not going to find any college that will tell you it's relatively easy to be admitted at the early stage. But you'll tell me you are worried that some colleges admit so many students early that there seem to be very few places left if you wait.

Keep your head. Those people who are so well qualified that colleges are sure they want to offer them a binding offer at the early stage are taken out of the pool of applicants. They are not filing multiple applications to schools that may interest you. You even may appear to be a relatively stronger candidate in the remaining pool come spring, especially after your strong academic performance this fall.

And, remember, many, if not most, college applicants are not accepted at the early stage. Are you sure that you want to go through the angst of applying to college for

the first time, and then suddenly finding, without any counter-balancing good news, that your hopes have been dashed and you must apply in earnest to several other colleges?

YOU AND YOUR GUIDANCE COUNSELOR

Your job is to learn enough about yourself and about colleges to think clearly about where you would want to attend, and then for you (not your parents) to take the lead applying for admission.

Many high school college advisers act as if their job is to make sure that you and all your classmates have been admitted somewhere, anywhere. Also, understandably, they are concerned about managing the bureaucratic demands of processing a large volume of college applications.

It's not necessarily a bad thing if your list of favorite colleges makes counselors nervous. Maybe they'll pay a little more attention to your file. The best high school counselors help you match your preferences with colleges. They also can assist your campaign to be admitted where you want to go. That takes a lot of time and dedication.

MAKE THE PROCESS FUN

Think about what it's going to be like to be on your own and to live, study and goof off in a new place, meeting new people. Take advantage of the need to pause, to make a detailed report about what you've accomplished in this first part of your life. In this way the college application can be more than a chore. It can be a satisfying inventory of positives and promote honest self-evaluation of how you want to grow or change or improve.

The application process doesn't have to be nerve-racking. If you only apply to schools that really turn you on, then you really don't have to worry about being accepted to the wrong place.

In the unlikely event that you do not gain acceptance to any of your favorite schools, maybe you should take another year and do something that interests you or prepare yourself to reapply to colleges after spending some time better equipping yourself for college.

The dirty little secret is that there simply is no single school that will make or break your future.

BE A 'SMART SHOPPER'

You are in the market for one of the most expensive, most valuable things you will ever acquire; a college education.

Have you talked to people who have recently attended the colleges that you are considering? What have you read about the colleges? Have you visited colleges that you are seriously considering, alone, without your family?

The traditional family summer tour of colleges is a nice starting point and often can be very helpful in eliminating college choices. But in terms of getting a good feel for what it's like to be a student on campus during a term, there is only so much you can learn by staring at bricks and mortar from the outside of empty buildings, while trying to act as if you are not actually part of your family encourage—how embarrassing.

Thump the melon, test-drive the car, try to get, on your own, to the few colleges that most interest you. Bring a sleeping bag, arrange to stay, if you can, in the dorm room of a friend or somebody who graduated from your home area high schools. Attend class, find out how bad the food is in the dining hall, attend an athletic event or concert, go read, in the library and work on some homework in the midst of other students doing the same thing.

If you're already in your senior year and haven't done this, it's not too late. And, of course, after you are accepted at a college you certainly have the opportunity to visit before you make your decision.

BE YOURSELF

When you're applying to college you certainly want to put your best foot forward and present an accurate and compelling case for admission. But above all things, remember to be yourself.

Suppose, if by some miracle, you actually were able to gussy up your application and essays to come across as a different person or convincingly act out a role in an interview. Would the college be accepting the wrong person? More practically, it just often doesn't work to try to be someone else. Phoniness is difficult to maintain, and in most cases it's transparent.

This also means that the application form that you complete should be your own work. Relax; take the task seriously; do the best job you can and don't forget: Parents, teachers and consultants who have too large a hand in preparing applications leave very visible fingerprints.

THE INTERVIEW PROCESS

Colleges generally do not require interviews, but, if available, they provide an opportunity to learn more about a school and to supplement your written application.

If you have an interview with an alumni volunteer, remember they are not decision makers. Their task is to collect information and pass it on. They can be very good or very bad. Count on this: Whatever they report to their alma maters will be taken with a full shaker of salt. Their views will not outweigh the record you have built over time, the evaluations of professional teachers who have seen you in a class context or your own words on your application.

Still, alumni interviews can help uncover or reinforce strengths and corroborate the profile that appears on the written application file. Again, be yourself, and be prepared for a variation of the inevitable final interview question: ''Is there anything else you would like to ask me?''

Also, if you're wondering about what to wear to an interview, the acceptable range of attire is very broad. On matters of dress, and all such questions about your application, let your own good judgment be your guide.

DON'T WORRY ABOUT OTHER APPLICANTS

It is simply not true that somebody else in your school or your neighborhood is competing with you for a spot that they might take away your space at a college that you want to attend.

At the very most selective colleges you are not competing against the person sitting next to you in a classroom, you'r competing against the national pool of applicants.

In colleges that are less selective, if you make a compelling case that satisfies its requirements, you have a very good chance of being accepted. Your case for acceptance is not diminished, it is not less compelling if other qualified candidates in your community are accepted.

In any event, know that any information you have about other candidates for acceptance is suspect: What somebody's board scores supposedly are or are not; whether or not a particular college has a quota for your high school; what a college has supposedly communicated to a candidate; what athletes have been told; whether students with learning disabilities get a fair shake—it's all unreliable.

None of it helps you make your case and it will get your stomach juices roiling if you pay attention to such gossip.

Have confidence in yourself. Focus on what you can do something about, which is your own application and at the end of the day things will work out just fine. Be happy if people you know also are accepted to a college of your choice. You'll already know people to embrace or avoid when you get to campus in the fall.

MAKING YOUR DECISION

Don't torture yourself about the choice you make. Remember, you've carefully compiled a list of schools that make sense for you. Be liberated in the idea that you can't make a wrong decision.

Attending college is expensive. Whether or not you receive scholarships, take out loans, or get a part-time job, it's likely your college education is going to cost a lot. Talk this over with your family and determine your realistic options.

In the end, after you carefully weigh the different factors that are important to you, it's probably going to come down to a gut reaction. Trust your own instincts. Make up your mind and then get excited about it. Also make sure to thank your parents, other family members, teachers and advisers.

AND, FINALLY

I'm not a professional admissions officer or an educator. I don't know any particulars about you or your situation. I just suggest you think about the questions raised.

Don't let hopes about college become a black cloud over the best year of high school.

Oh, either white or manila envelopes are fine, but don't forget the postage.●

COMMENDING PAULA DUGGAN

● Mr. JEFFORDS. Mr. President, I would like to commend Paula Duggan who is retiring after 13 years as a senior policy analyst at the Northeast-Midwest Institute. She has been instrumental on a variety of labor market, education, and fiscal federalism issues.

Paula, for instance, was the key force behind labor market information provisions within the Workforce Preparedness Act, and she has worked diligently to ensure that the law is well implemented. She was one of the first analysts to make the connection between worker education and business productivity. And she has written numerous reports explaining how federal allocation formulas are structured and how federal funds are distributed among the states.

I have benefitted from Paula's expertise and experience in my capacities as chairman of the Health, Education, Labor, and Pensions Committee and as co-chair of the Northeast-Midwest Senate Coalition. Paula consistently has provided unbiased and insightful research that has advanced bipartisan efforts on behalf of this region and the nation. As she begins her well-earned retirement, Mr. President, I again want to thank Paula Duggan for her fine work.●

TRIBUTE TO MR. BOBBY BOSS

● Mr. CLELAND. Mr. President, I rise today to recognize a great American institution and its leader. The American Legion Barrett-Davis-Watson Post

#233 is located in a small Georgia town called Loganville and it is commanded by a true patriot in every sense of the word—Mr. Bobby Boss. For over 50 years this man's leadership has allowed the post to continue offering community services that any American would be proud of.

Post #233 held its first meeting on November 19, 1946 with the Legion's standard program of the day: patriotism, rehabilitation, community service, community welfare and membership. Less than ten years after its inception, the Post responded to the town of Loganville's need for a medical doctor by building a clinic. The Post later donated a truck and tractor to the city.

Over the past 40 years, the Post has continued to make numerous donations to the community, including an annual $1,500 donation to the town's elementary school to help purchase shoes and clothes for the needy and a $12,000 donation for dropout prevention programs in all Walton County Schools.

Tragedy struck the Post in 1977 when a fire all but destroyed the Post building, leaving nothing but ashes and concrete. At the first monthly meeting after the fire, a majority of the members present chose not to rebuild, but Commander Boss was not in that majority. Two weeks after that meeting, he took his own bulldozer and cleared the charred remains. His efforts resulted in the fine building the Post uses today.

Once the Post was back on its feet, many of the programs that had fallen by the wayside due to rebuilding costs were reinstated. In the past 10 years alone, Post #233 has supported renovation projects for the city of Loganville and donated $8,000 towards the purchase of computers for the local high school; donated half the costs of building a baseball field complete with lights, restrooms and a concession stand. Post #233 has also contributed funds to help the local Sheriff's department purchase camera equipment for patrol cars. This Christmas season, members of Post #233 will prepare and deliver more than one thousand baskets for widows, the disabled and needy families.

The good work of Post #233 represents all that is noble in our great nation. I applaud their community service and their patriotism. They are an asset to their community, the great state of Georgia and the United States of America.●

HENRI TERMEER PRESENTED WITH THE INTERNATIONAL INSTITUTE OF BOSTON'S GOLDEN DOOR AWARD

● Mr. KENNEDY. Mr. President, I am honored to have this opportunity to congratulate Henri Termeer on receiving the Golden Door Award from the International Institute of Boston. I also congratulate Henri for recently being sworn in as a United States citizen during a ceremony on October 29.

As chairman, chief executive officer and president of Genzyme Corporation, one of the largest biotechnology companies in the world, Henri is renowned as a pioneer in the industry. He serves on the board of directors of both the Biotechnology Industry Organization, the industry's national trade association, and the Pharmaceutical Research and Manufacturers of America, a national pharmaceutical trade organization.

It is very fitting, indeed, that Henri was honored with the Golden Door Award, which is presented to US citizens of foreign birth who have made outstanding contributions to American society. Henri is a native of the Netherlands, and in recent years he has received numerous honors such as the Anti-Defamation League's Torch of Liberty Award and the Governor's New American Appreciation Award. He was also recently inducted as a fellow of the American Academy of Arts and Sciences.

Throughout his career in biotechnology, Henri has been a strong advocate for the responsibility of industry and government to make life-saving drug treatments available to all people in need, regardless of their economic status or geographic location. Under Henri's leadership, Genzyme has worked diligently over the years to make this vision a reality.

In addition to his commitment to patients, Henri is also a leader in promoting educational opportunities for minorities. Since 1995, he has been a director of the Biomedical Science Careers Project, which provides corporate scholarships to academically outstanding minority high school students. In May 1999, the group presented Henri with highest honor, the Hope Award.

Henri's extensive record of public service includes his role as a director of the Massachusetts Cystic Fibrosis Foundation, as a trustee and vice-chairman of the Boston Museum of Science, and as a member of the Massachusetts Council on Economic Growth and Technology.

In receiving the Golden Door award, Henri joins a distinguished list of previous recipients including Arthur Fiedler, the famed former conductor of the Boston Pops; Jean Mayer, the eminent nutritionist, educator, and former president of Tufts University; and An Wang, the founder of Wang Labs.

I commend Henri Termeer for this well-deserved award, and for his new American citizenship. Massachusetts is proud of him, and I congratulate him for his many impressive contributions to our Nation.●

DEATH ON THE HIGH SEAS ACT

● Mr. MCCAIN. Mr. President, most unfortunately it appears unlikely that House and Senate conferees will be able to reach agreement this year on a multi-year bill to reauthorize the Federal Aviation Administration. I am bitterly disappointed at Congress' inability to act on this legislation because of a number of parliamentary budget fights that ignore the dire need to pass this bill. Yet one of my most prominent disappointments is the likelihood that Congress' efforts to amend the Death on the High Seas Act will fall by the wayside in the short term. We will be forced to postpone out efforts to make damage recovery fair for all family members of aviation accident victims who have died.

The Death on the High Seas Act is a 1920's-era law that was put in place to help compensate the wives of sailors who died at sea. The law allows survivors to recover pecuniary damages, or the lost wages of their relatives on whom they depended upon financially. Unlike modern tort law, the Death on the High Seas Act does not allow family members to recover for non-monetary damages, such as for pain and suffering, or to seek punitive damages.

Despite its benevolent inception, the Death on the High Seas Act has been used to limit the recovery of damages among the families of airline passengers whose lives have been lost over international waters. The family members of those who died on TWA Flight 800 and EgyptAir Flight 990, for instance, will not be able to seek the same compensation that they would be entitled to if these accidents had occurred over land. The parents of children killed in these accidents cannot sustain a legal claim for damages, since they did not depend upon their children as the family breadwinners. That is an inequity and an unintended consequence that we need to fix.

As I said earlier, Congress intended to fix these problems in the context of the FAA reauthorization bill, yet negotiations have stalled for unrelated reasons. Consequently, I want to pledge every effort to move Death on the High Seas Act legislation independently, as soon as possible next year.

The Commerce Committee will hold additional hearings on this issue as soon as Congress reconvenes in 2000. I will take the lead in working with my colleagues to ensure that legislation to limit the application of the Death on the High Seas Act to aviation accidents moves as quickly as possible through Congress. I believe it enjoys enormous support within Congress. At the very least, it should not be bogged down in unrelated controversies.

The families of aviation accident victims over international waters have waited far too long for Congress to

make sure that their losses are accorded the same respect as those associated with accidents over land. Family members should know that their children have value in the eyes of the law. The recent aviation tragedies only highlight the need for prompt action.●

IMMIGRATION ESSAY CONTEST

● Mr. KENNEDY. Mr. President, each year, the American Immigration Law Foundation and the American Immigration Lawyers Association sponsor a national writing contest on immigration. Thousands of fifth grade students across the country participate in the competition, answering the question, ''Why I'm Glad America is a Nation of Immigrants.''

In fact, ''A Nation of Immigrants'' was the title of a book that my brother President Kennedy wrote in 1958 at a time when he was a Senator. All his life, he took pride in America's great heritage and history of immigration.

As one of the judges of this year's contest, I was immensely impressed with the quality of the students' writing and the pride of the students in America's immigrant heritage. Many of the students told the story of their own family's immigration to the United States.

The winner of this year's contest is Crystal Uvalle, a fifth grader from Pennsylvania. She wrote about her father's immigrant background and how he came to America 20 years ago. Other students honored for the high quality of their essays were Leif Holmstrand and Eugene Yakubov of Chicago, Samantha Huber of Fredonia, Wisconsin, Alexa Lash of Miami, and Daniel Rocha of Media, Pennsylvania.

Mr. President, I believe these award winning essays from the ''Celebrate America'' essay contest will be of interest to all of us in the Senate, and I ask that they be printed in the RECORD.

The essays follow:

WHY I AM GLAD AMERICA IS A NATION OF IMMIGRANTS

(By Crystal Uvalle, Grand Prize Winner)

It was about 20 years ago,
A man come here from Mexico.
He sought a better way to live,
And found he had a lot to give.
He didn't speak a word of English,
So he took a job busing dishes.
To learn his new country's ways,
He worked and studied everyday.
He made Dallas his new home,
And before he knew it he was in the know.
He worked his way up in that restaurant,
And a lady there, his eye she caught.
She was a native of another state,
And he asked her out on a date.
She liked pierogies and roast beef,
He liked tamales and spicy meat.
It didn't take long, they were in love,
Then God sent them a baby from heaven above.
I'm so happy for them you see,
That man and woman and I make three.
I'm so happy America let him in,
He's my father and my friend.
I love you Daddy!

AMERICA, AMERICA—THEY CAME TO BE FREE

(By Leif Holmstrand, Chicago, Illinois)

I dedicate this song to my Farfar (father's father), who came to America from Sweden In 1920. His boat arrived in New York, at Ellis Island, where he spent some time. He told my father stories about his trip: friends dying of tuberculosis, lice, over crowding. He went to Nebraska to try farming, but finally settled in Chicago, where he was a fine painter and woodworker.

America, the land of the free;
The immigrants made it strong with their diversity
First, from England, came the Pilgrims, to worship as they pleased,
Next came the Germans, Irish, the French, the Swedes.
The Finns, the Danes, the Polish and Portuguese,
The Welsh, the Dutch, the Scots and the Chinese
America, America, they came to be free,
The immigrants made it strong with their diversity
As indentured servants looking for opportunity,
Stolen from West Africa as slaves without liberty,
They came for land, they came for gold. From tyranny,
War and famine, they fled to this country.
America, America, they came to be free;
The immigrants made it strong with their diversity.
A dangerous, relentless journey across the sea,
The immigrants landed at Ellis Island wanting to be free.
They worked in mines and factories, on farm and railroad,
Men, women, children, they carried a heavy
America, America the land of the free,
The immigrants made it strong with diversity.
The IMMIGRANTS made it what it's come to be:
The U.S.A.—proud and free
America, America, the land of the free,
The immigrants made it strong with their diversity.
Mexico, Korea, Bosnia, the Sudan
From Haiti, the Honduras, Afghanistan.
They're still coming from many other lands,
They come to America, they want this country:
America, America, from sea to shining sea,
America, America, the immigrants' country.
America, America, the land of the free.

WHY I AM GLAD AMERICA IS A NATION OF IMMIGRANTS

(By Samantha Huber, Fredonia, Wisconsin)

Africans, coming to America on slave ships
Whipped and beaten
No choice
French, looking for gold and other treasures
Claiming land that was not up for sale
Indentured servants, looking for a new life
Finding it
America
A nation of immigrants
Spain, France, Mexico, England, Africa condensed into one
Freedom, education, equality, and justice for all
Diversity, teaching us tolerance
Variety
Differences in customs, holidays, foods, games, language, and clothing
Even ideas and thoughts differ
Everyone with a different life story
Giving us a taste of the rest of the world
I'm proud of my country
Glad to live in a nation of immigrants
Accepting and welcoming people of the world.

WHY I'M GLAD AMERICA IS A NATION OF IMMIGRANTS

(By Alexa Lash, Miami, Florida)

I am alone
Unprotected by the evil that stands before me
I am alone
Without home or a road to freedom

I am afraid
Walking through the blackened street of fear
I am afraid
Going to a new world where my language is not spoken

I am transparent
I am seeking a place with no one to be my guide
I am transparent
People see an ugly girl

I am new
Seeing new people who can help
I am new
Going to be free

I am loved
By my friends who I will trust
I am loved
By the family I will miss

I am leaving
I am going on the ship to freedom
I am leaving
Going to a street of gold

I am crying
Saying my good byes
I am crying
From tear to dangling tear

I am forming
I am becoming a woman on my own
I am forming
I am looking to see who I really am

I am reaching
Hearing the call of an eagle
I am reaching
Getting closer to the destination I have longed for

I am observing
Seeing the ocean bloom into waves along the shore
I am observing
Seeing the sun rise and the birds chirp

I have arrived
Feeling the warmth of the sand
I have arrived
In America.

AMERICA

(By Daniel Rocha, Media, Pennsylvania)

America a land of differences
different races;
different faces,
America a land of differences.

America a land of freedom,
Immigrants come from far and near,
To taste the freedom we have here.
They come for freedom of religion,
freedom of speech,
freedom of press,
they come for freedom from dictators and laws
America a land of freedom

America a land of family,
people come from different lands,
to see their family that lives here,
America a land of family.

America a land of hope,

Immigrants who come here,
hope for freedom from unfair rules,
hope to escape their fears,
hope to stop their endless tears,
America a land of hope

America a land of people,
many people,
some have similarities,
some have differences
some have both
America a land of people.

America a land of different languages
Spanish, English,
Portuguese, Scottish
Chinese, Japanese,
many languages,
America a land of different languages

America a land of all,
America a land of difference,
America a land of freedom,
America a land of family,
America a land of hope,
America a land of people,
America a land of different languages,
America a land for all.

WHY I AM GLAD AMERICA IS A NATION OF IMMIGRANTS

(By Eugene Yakubov, Chicago, Illinois)

My family came to the United States in 1996 because life in Ukraine was getting worse and was getting worse. There were no jobs, no food, and no money.

My friends' parents didn't have jobs for two years. In America his father got a job right away. Many people left their countries even though they had to change their professions.

In Ukraine my father was a tinsmith. Now he repairs air conditioners. My mom went to ''Beauty School.''

It is great that America is a nation of immigrants because when new immigrants arrive they meet people just like them. No one laughs at their English or their misery.

On my first day of school I was afraid I didn't know English. In class I saw children from all around the world. A Russian boy helped me a lot.

In America people have to work hard because life is not easy. This is the country that is built with hard labor.

New immigrants are like new-borns in the family. They bring happiness and joy.

I am grateful to America because my parents could find a job, and I may go to school where teachers don't faint because they are hungry.

Once President Kennedy addressed his fellow Americans. I address my fellow immigrants. Don't ask what America can do for you ask what you can do for America, a Promised Land for many of us.

EXECUTIVE CALENDAR

EXECUTIVE SESSION

Mr. SESSIONS. Mr. President, on behalf of the majority leader, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar: No. 271 and No. 274. Further, I ask unanimous consent that the nominations be confirmed, the motions to reconsider be laid upon the table, that any statements relating to the nominations be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

The nominations were considered and confirmed as follows:

THE JUDICIARY

Ronald M. Gould, of Washington, to be United States Circuit Judge for the Ninth Circuit.

THE JUDICIARY

Barbara M. Lynn, of Texas, to be United States District Judge for the Northern District of Texas.

Mr. GORTON. Mr. President, I am pleased to support the confirmation of Ronald Gould to the Ninth Circuit Court of Appeals.

Since 1975, Ron has practiced law at the Seattle law firm of Perkins Coie, specializing in commercial litigation, and the numerous letters of support and recommendation that I have received throughout this long process attest to the high regard in which he is held by the legal community in Washington state.

Ron's admirable professional and academic record, however, while alone enough to qualify him for the federal bench, is only a small part of what will make him an asset to the Ninth Circuit. While distinguishing himself professionally, Ron has actively participated in volunteer legal, civic, and community organizations and projects too numerous to recite in full.

In addition to being a former President of the Washington State Bar Association, Ron Gould has served on the historical societies for the Supreme Court and the Ninth Circuit Court of Appeals, has co-chaired, with Washington state Attorney General Christine Gregoire, a project to develop mediation in high schools, and has been a member of Washington Women Lawyers, and the Washington Association of Lawyers with Disabilities.

Among the many non-legal, civic organizations in which Ron has been involved is the Boyscouts of America, for which Ron has served on the Executive Board of the Chief Seattle Council since 1984.

Ron's legal and life experience has been extraordinary. So extraordinary that I am pleased to vote to confirm him to one of the positions of highest honor and responsibility in this country.

Mrs. MURRAY. Mr. President, I rise this evening in very strong support of my friend Ronald Gould's confirmation to the U.S. Court of Appeals for the Ninth Circuit. This has been a long hard-fought battle and I commend him for his patience, perseverance, and persistence. We made it, Ron. Congratulations!

Let me share with my colleagues some of the special things about Ronald Gould that make him a person I was proud to recommend to the President for a seat on the Federal bench. He has personally supported me in my political career and helped others to believe in me. Ron is an excellent lawyer, a strong advocate for the legal profession, a community booster, a dedicated family man, a Distinguished Eagle Scout, and a man who has overcome much in his personal life to continue to be all of these things. I am honored to have been a part of his journey to the Federal bench.

I would like to highlight some of Mr. Gould's personal history. He married his wife Suzanne more than 30 years ago, and they have two children. their 23-year-old son Daniel, who is also an Eagle Scout, is a jazz saxophone performer and technology student who recently graduated from Stanford University and founded his own Internet startup business. Their 20-year-old daughter Rebecca is a sophomore at Hampshire College in Amherst, MA. Rebecca was selected for the Seattle ''High School Hall of Fame'' for her courage in conquering challenges following an auto accident in which she was seriously injured.

Mr. Gould also has been supported in this and all other endeavors of his life by his mother, Sylvia Gould. She is an active 81-year old walker and swimmer who justifiably takes some credit for her son's accomplishments since she encouraged him to do well in school and succeed as a Boy Scout.

Mr. Gould graduated the Wharton School of Business and Commerce at the University of Pennsylvania with a B.S. in economics. He received his J.D. degree in May 1973, graduating magna cum laude from the University of Michigan Law School where he won academic awards and served as editor-in-chief of the Michigan Law Review. During law school he received the Abram Sempliner Memorial Award for legal excellence, the Henry Bates Memorial Scholarship, and the Order of the Coif.

After law school, Mr. Gould served as a law clerk for Judge Wade McCree on the U.S. Court of Appeals for the Sixth Circuit. He next served as a law clerk for Justice Potter Stewart at the U.S. Supreme Court during the 1974 term.

Since December 1975, Mr. Gould has practiced law as an associate and then as a partner with Seattle's largest firm, Perkins Coie. He has had a varied civil litigation practice, including litigation in antitrust, banking, director and officer liability, and trade secrets. Mr. Gould is highly respected in his field and has worked for many of our region's most influential companies and constituencies.

Mr. Gould's fellow lawyers in the King County Bar Association honored him with the 1987 Award for Distinguished Service to the Legal Profession and Public. He was elected to the Board of Governors of the Washington State Bar Association for 1988–91 and

served as President of the Washington State Bar Association for its 1994–95 term. Also, as President-Elect and as President of the Washington State Bar Association, Ron co-founded with Washington State Attorney General Christine Gregoire a project to implement mediation in Washington State high schools to prevent youth violence. This program teaches young people how to avoid the kind of tragedies our nation has seen too much of in recent years.

Mr. Gould shares my commitment to public education. He has served Bellevue Community College as a trustee from 1993 to the present and was elected chair of the Board of Trustees in 1996.

In addition, Mr. Gould has served as a member of several legal delegations under the People to People Citizen Ambassador Program, founded by President Eisenhower and supported by Presidents since as a means of enhancing international personal diplomacy and goodwill. He has participated in legal delegations to eastern Asia, Tokyo, and Eastern Europe.

Mr. Gould's long and consistent leadership service to the Boy Scouts has been well-recognized. He became an Eagle Scout in 1962. He serves on the executive board of the Chief Seattle Council of Boy Scouts of America, which serves over 40,000 youth and participating adult leaders. Mr. Gould has served as vice president for Programs, vice president for Exploring, vice president for Special Events and chair of the Jamboree Committee. In 1995, he received the Silver Beaver Award for Chief Seattle Council, the highest award given to volunteer leaders. In 1998, he received from Boy Scouts of America the Distinguished Eagle Scout Award, reflecting decades of service to scouting and his profession.

Mr. President, I commend my colleagues for their decision to support Mr. Gould's confirmation unanimously. Again, I am proud of Ron and look forward to seeing him serve justice as a circuit court judge. I have no doubt he will carry his commitment to the profession and to the larger community to the federal bench and be one of our outstanding Ninth Circuit judges.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

Mr. SESSIONS. Mr. President, the two nominees who have been confirmed, Ronald Gould for the Ninth Circuit Court of Appeals, and Barbara Lynn, U.S. district judge for the Northern District of Texas, have indeed received august, important lifetime appointments. Federal judgeships are great offices. The persons who receive them are committed to a lifetime of dedication to law. They must conduct themselves with the highest degree of professionalism and integrity. We believe both of those nominees will meet that standard. I am pleased this could be concluded tonight.

With regard to Mr. Gould, I want to share these thoughts. He is a most capable man who has overcome personal adversity to reach the position to which he has been confirmed this evening. He has achieved a reputation as an excellent lawyer and as a person who is respected throughout his area of the country, for both his legal skills, and for his commitment to voluntarism within his community, as evidenced by his continuing service with the Boy Scouts of America. I am proud for him tonight. However, I have supported his nomination with some concern, not because of anything he has done, but because of my concern about the Ninth Circuit Court of Appeals.

Over the past 20 years, the Ninth Circuit has established a reputation as an extremely activist circuit. It is a large and important circuit, covering over 20 percent of the American population, and I believe that it is a circuit that we have a responsibility in this body to do something about. A couple of years ago, 28 cases from this Circuit were reviewed by the Supreme Court; 27 were reversed. Over the last several years, the Ninth Circuit has had by far the highest reversal rate of any circuit in the country. They have been an extremely liberal, activist circuit that has consistently gone too far in protecting the rights of criminals, and is far too quick to find that legislative acts or referendums have violated the Constitution. That is a fact without dispute by many legal scholars in this country. Indeed, the New York Times recently wrote that a majority of the U.S. Supreme Court considers the Ninth Circuit to be a rogue circuit.

My sole concern about Mr. Gould's nomination is that I don't believe his appointment and confirmation, by itself, will cause any significant movement of that circuit back to the mainstream of American law. We want to confirm the nominees the President gives the Senate when they are men and women of demonstrated integrity and ability, and when their records and backgrounds indicate that they have the ability to adhere to the law, to follow Supreme Court rulings, to follow the Constitution, to follow laws passed by the people through their elected representatives, and to recognize that it is not their function as judges to make law.

I have concluded that Mr. Gould's confirmation should go forward today because I think he has demonstrated that he recognizes his proper role as a federal judge, and I have not held up his nomination, as any Senator would have a right to do. However, there are other nominees pending for this circuit who I believe have a record of activism that, in my view, does not warrant their confirmation, particularly to a circuit that is already known to be an activist circuit.

I wanted to share those remarks because I wanted to state for the record that this Senate has been very cooperative with the President's desire to get his nominations confirmed, as evidenced by the fact that there have been over 325 Federal judges nominated to this body and confirmed. Only one judge has been rejected, and very few have been held up for any length of time. Those that have been held up are the judges with whom many Senators have some serious concerns. Most judges, however, are moving along in a prompt and efficient manner.

Comments and complaints to the contrary notwithstanding, this Senate has a constitutional duty to advise and consent with the President on any nomination to the Federal courts, and we have a duty and a responsibility to make sure that each and every circuit judge in this country understands what the supreme law of the land is, and that circuit judges should respect the prerogatives of the people through their elected representatives to pass laws which the judges are required to enforce, whether the judges personally like them or not. We need to make sure our circuits, and every Federal judge we see, are consistent with that view and follow that script.

Mr. Gould is a capable attorney, an Eagle Scout, and a man of great personal integrity, it appears. He will soon assume a position on the U.S. Circuit Court for the Ninth Circuit. It is a great honor, and I congratulate him for it.

ORDERS FOR THURSDAY, NOVEMBER 18, 1999

Mr. SESSIONS. On behalf of the majority leader, I ask unanimous consent when the Senate completes its business today, it adjourn until the hour of 11 a.m. on Thursday, November 18. I further ask consent that on Thursday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business for 1 hour, with Senators speaking for up to 5 minutes each, with the following exceptions: Senator VOINOVICH or his designee, 11 to 11:30; Senator DURBIN or his designee, 11:30 to 12 noon.

The PRESIDING OFFICER (Mr. BROWNBACK). Without objection, it is so ordered.

PROGRAM

Mr. SESSIONS. For the information of all Senators, at 11 a.m. on Thursday, the Senate will begin a period of morning business until 12 noon. Following

morning business, it is expected that the Senate will begin work on measures regarding the appropriations process. Final agreements are being made, and it is hoped final action on the appropriations measures can begin as soon as possible.

I thank my colleagues for their patience and cooperation during these final days prior to adjournment.

RECORD TO REMAIN OPEN

Mr. SESSIONS. I ask unanimous consent that the RECORD remain open until 9 p.m. in order for the majority leader to introduce a Senate bill.

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

ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. SESSIONS. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:09 p.m., adjourned until Thursday, November 18, 1999, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate November 17, 1999:

THE JUDICIARY

RHONDA C. FIELDS, OF THE DISTRICT OF COLUMBIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF COLUMBIA, VICE STANLEY SPORKIN, RETIRED.

EXECUTIVE OFFICE OF THE PRESIDENT

KATHRYN SHAW, OF PENNSYLVANIA, TO BE A MEMBER OF THE COUNCIL OF ECONOMIC ADVISERS, VICE REBECCA M. BLANK, RESIGNED.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 17, 1999:

THE JUDICIARY

RONALD M. GOULD, OF WASHINGTON, TO BE UNITED STATES CIRCUIT JUDGE FOR THE NINTH CIRCUIT.

BARBARA M. LYNN, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF TEXAS.

HOUSE OF REPRESENTATIVES—*Wednesday, November 17, 1999*

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

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, DC,
November 17, 1999.

I hereby appoint the Honorable EDWARD A. PEASE to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Reverend Duane Carlson, Pastor Emeritus, St. Mark's Lutheran Church, Springfield, Virginia, offered the following prayer:

O God, we are bold to ask that You deliver us.

Deliver us from failure of moral fiber in our citizenship, from the counting of things material above virtues spiritual; deliver us from vulgarity of life, loss of social conscience and collapse of character.

Deliver us by the deep faiths on which the foundations of our land were laid and the sacrifices of the countless who have gone before us; by the memories of leaders of this Nation whose wisdom saved us, whose devotion chastens us, whose character inspires us.

Keep us from pride of mind and boasting, but deliver us by our devotion to You and the principles You have revealed for our edification and the strength of our society. Deliver us by our insistent prayer for a world of peace and prosperity for all people. Lord God, hear our prayer and mercifully bless not only us who have been chosen to guide, but bless all our people by Your grace and power. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

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

Mr. WELDON of Florida led the Pledge of Allegiance as follows:

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

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

MORE TIME THAN MONEY

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

Mr. WELDON of Florida. Mr. Speaker, a few months ago we made a commitment to the American people to lock away every penny of the Social Security surplus so that Washington big-spenders could not keep raiding the funds to spend on government programs. Now, we have the opportunity to meet this commitment if only President Clinton will stop playing partisan games with the retirement dollars of hard-working Americans.

When the President says, we cannot trim waste 1 percent from the massive Federal budget in order to protect Social Security, I cannot help but question his priorities. Paying for more wasteful spending of taxpayer dollars, or protecting Social Security. The choice is simple.

As we close in on a final budget, let us be very clear on one thing: we will not go home until every penny of the Social Security Trust Fund is protected and we are not going to raise taxes on working Americans, and we are going to keep the budget balanced.

We have more time than money, and we will use whatever time is necessary to get the job done.

EXPEDITED RESCISSION LEGISLATION

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

Mr. STENHOLM. Mr. Speaker, we have heard a lot of rhetoric, but no legislation from the other side of the aisle about protecting the Social Security surplus and eliminating wasteful spending, even though the appropriation bills passed by the majority would have spent $17 billion of the Social Security Trust Fund before the final budget negotiations even began.

I am introducing legislation today that will give the President the ability to help the majority put some reality behind their rhetoric. This legislation known as ''modified line-item veto,'' or expedited rescission, would strengthen the ability of Presidents to identify and eliminate low priority spending with the support of the majority in Congress.

Under this bill, the President would be able to single out individual items in tax or spending legislation and send a rescission package to Congress which would then be required to vote up or down on the package.

Senator JOHN MCCAIN and others have identified $13 billion of low-priority or special-interest spending. Instead of subjecting these spending items to scrutiny, the majority has proposed an across-the-board cut that treats good programs the same as low priority and wasteful spending.

I urge my colleagues to join me by cosponsoring this legislation.

BUILDING UPON OUR SUCCESSES

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

Mr. GIBBONS. Mr. Speaker, after the rhetoric of the last speaker, let us come back to reality for just a moment. This Congress has succeeded in passing many pieces of meaningful legislation this session.

We have passed bills which have granted more local control over our education and funding decisions and we have sent that control and those decisions to our States and local school districts. We passed legislation which provided a much-needed pay raise for our military personnel, and we funded the replacement of old equipment, strengthening our armed forces. We made it a national policy to fund and deploy a national missile defense system.

This Congress has succeeded in addressing these and other important issues to strengthen our country, including saving Social Security. Now, Mr. Speaker, we are faced with one final task, legislative task, that is, eliminating wasteful government spending.

Let us build upon our success and pass bills which fund the necessary programs, but do not waste the hard-earned tax dollars of Americans.

Mr. Speaker, this Republican-led Congress has successfully passed important and responsible legislation, and we can do it again.

TAKE PORK OUT OF SPENDING BILL

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

Mr. MINGE. Mr. Speaker, we have essentially a colloquy here this morning, and I would like to join with my colleague from Texas (Mr. STENHOLM) in pointing out the irony of what is happening.

We are dipping into the Social Security Trust Fund, according to the leadership's plan, by at least $17 billion. We are cutting across the board, or proposed to have cut, 1 percent. But at the same time, as Senator MCCAIN, a Republican, has pointed out, we have billions and billions earmarked for pork barrel projects.

As the cochair of the House bipartisan Pork Barrel Coalition, I am strongly opposed to this type of pork barrel spending, and I call on our leadership here in the House of Representatives and in the Senate to excise all of these earmarked projects from this massive bill that is to be presented to us this week. If we would take that one simple step, we would be able to avoid going into the Social Security Trust Fund.

We owe it to our Nation's seniors, and we owe it to the next generation to take this modest step.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded that they are to refrain from urging action by the other body.

PARENTS AND TEACHERS, NOT WASHINGTON BUREAUCRATS, KNOW WHAT IS BEST FOR OUR CHILDREN

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

Mr. CHABOT. Mr. Speaker, in 1992, then Governor Bill Clinton, in his campaign treatise, putting people first, said that we need to, and I quote, ''grant expanded decision-making powers at the school level, empowering principals, teachers and parents with increased flexibility in educating our children.'' That was back in 1992.

In 1999, President Clinton has drastically changed his tune. When asked just last week about State governors wanting more freedom from Washington education bureaucrats, he expressed irritation. I will again quote: ''because it is not their money,'' he said. If they don't want the money, they don't have to take it.

With that response, President Clinton summed up the utter arrogance of Washington's liberal elite who really do believe that big government knows what is best for the hard-working Americans who earn those tax dollars.

Mr. Speaker, it is their money. Let us send it back to those who earned it and know best how to spend it.

WASTING AMERICA'S TAX DOLLARS IN RUSSIA

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

Mr. TRAFICANT. Mr. Speaker, since 1992, Uncle Sam has given Russia billions of dollars to dismantle their weapons of mass destruction. Now, who is kidding whom? Instead of dismantling, reports say Russia has built missiles, submarines, and more nuclear warheads. If that is not enough to gargle with vodka, the report said that Russia just bought 11 strategic bombers and 500 additional cruise missiles. To boot, they say what they did not spend, those Communist stole and pocketed for themselves.

Unbelievable. Whatever happened to President Reagan's policy: Trust, but verify. It has turned into turn the other cheeks.

Beam me up, Mr. Speaker. Boris might have fallen, but he keeps getting up with our cash.

I yield back the nuclear waste of our tax dollars spent in Russia.

STOP BALANCING THE BUDGET ON THE BACKS OF OUR SENIOR CITIZENS

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

Mr. PITTS. Mr. Speaker, although the Democrats claim they are the stand-alone founders and saviors of Social Security and Medicare, their actions of late have proven just the opposite.

Our Vice President, Mr. GORE, and the gentleman from Missouri (Mr. GEPHARDT), our minority leader, have both claimed that no Republicans voted for the establishment of Social Security. False.

Here are the facts. When the House passed the 1935 Social Security Act on April 19, 1935, 79 percent of the 97 Republicans voted for it: ''Aye.'' When the Senate acted on June 19, 1935, 75 percent of the 20 Republicans voted ''aye.''

Now, claims like those we are hearing suggesting that Democrats have created everything from Social Security to the Internet are quite amusing. Yet, the debate over the future of our most important social program is no laughing matter. Today's debate should really be about whether or not we are now keeping the Social Security Trust Fund safe from a Democratic raid to pay for new programs, something they have done for over 30 years.

We must stop balancing the budgets on the back of our senior citizens.

DO-LITTLE CONGRESS

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

Mr. STUPAK. Mr. Speaker, here we are in mid-November and quite frankly, the Republican-led Congress has done very little. The appropriation bills languish and the needs of the American people are not being met. Now we seem to be arguing over four-tenths of 1 percent of a cut.

Instead, the American people asked for things that cost very little and would improve their lives, like a Patients' Bill of Rights so patients and doctors can make their medical decisions; like an increase in minimum wage so everyone can enjoy the strong economy; like 100,000 more teachers so that we can have smaller classes. And, Mr. Speaker, why can we not provide prescription drug coverage for all of our seniors.

Mr. Speaker, let us work for the American people. Unfortunately, under the Republican-led Congress, it is always the same old song. Tax breaks for the rich and a tax on government.

America wants a Congress that works for them like Democrats are fighting for, for 100,000 teachers, 50,000 new police officers, a real Patients' Bill of Rights, protecting our environment and providing prescription drug coverage for all seniors, all paid for, all paid for without busting the budget or raiding Social Security.

RHETORIC AND WASTE IN WASHINGTON

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

Mr. STEARNS. Mr. President, come home and solve this final budget problem that we have here. We may again have an across-the-board reduction in spending to finally find the offsets to cover the additional spending the President wants to put forth. We need him to return from all of these foreign affairs trips he is taking.

It is too bad I only have 1 minute here, because I could go on for hours about the waste, fraud, and abuse in the Federal Government. He claims we cannot reduce by one penny out of $1 waste, fraud and abuse.

Here is an example. Mr. Speaker, $14.2 billion that was for low-income

tenants for privately owned apartments at the Department of Housing and Urban Development was kept in check and used in other Federal programs. In fact, $11 billion was used for additional spending in other programs that we did not even know where it went. This kind of management is simply outrageous.

Mr. President, we need you to come home. We can find one penny's worth much waste fraud and abuse in every dollar we spend around here in Washington.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded that they are to address their remarks to the Chair.

WALKING PAST THE GRAVEYARD OF GOOD LEGISLATION

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

Mr. WYNN. Mr. Speaker, today the Republicans and the Republican leadership are moving toward the last days of the session. They are on their way out of town. Unfortunately, on their way out of town they are going to have to walk past the graveyard of good legislation. Therein lies prescription drug coverage for seniors, much-needed, much-worked on, but killed by the Republicans. In the graveyard of good legislation also lies HMO reform. Our desire on the Democratic side to pass a real Patients' Bill of Rights which would give citizens the right to sue, killed by the Republicans.

They have to walk past the graveyard that contains common sense gun legislation which they failed to pass so that we could control the gun show loophole and bring sanity to the mass hysteria that is going on in terms of gun violence. Finally, they have to walk past the graveyard of good legislation wherein lies the minimum wage bill.

Mr. Speaker, we simply wanted to give working Americans another dollar in earnings over 2 years, a dollar over 2 years, killed by the Republicans.

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So on their way out of town as they walk past the graveyard, they might remember that the ghosts may rise up to haunt them.

REPUBLICANS STAY ON THE JOB, WHILE DEMOCRATS RAISE FUNDS

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

Mr. KINGSTON. Mr. Speaker, let me yield the floor to the gentleman from Maryland (Mr. Wynn) who spoke before me and ask if he can tell me where his Majority Leader was yesterday when we were trying to save Social Security and put local flexibility in education and try to pass a pay raise for our soldiers.

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

Mr. KINGSTON. I yield to the gentleman from Maryland.

Mr. WYNN. Mr. Speaker, I am sure he was hard at work, our leader.

Mr. KINGSTON. Mr. Speaker, reclaiming my time, the gentleman's leader was actually fund raising. He was not on the floor of the House. His leader was fund raising. There we have it.

Mr. Speaker, we have got a situation where the Democrats are claiming we are doing nothing, but their leader was fund raising yesterday while we were trying to save Social Security, while we were trying to put educational flexibility in, while we were trying to raise the pay raise for our soldiers, and while we were trying to find one small, actually now it is a half-cent in the dollar to cut the bureaucracy to preserve and protect Social Security. The Democrat leader was home fund raising.

Well, I hope he made a lot of money, and I hope it was successful. But the Republicans were here. We showed up for work. We are paid $134,000 a year. We should be here working. We should not be out fund raising on taxpayers' time and money. Come help and protect Social Security.

HURRICANE LENNY

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

Mrs. CHRISTENSEN. Mr. Speaker, as we meet this morning, my district, the U.S. Virgin Islands, is awaiting a direct hit in the unexpected and unpredictable Hurricane Lenny, now a category 4 storm with 135 mile per hour winds.

The major storm winds will first hit St. Croix at around 12 p.m. Atlantic Standard Time, and is expected to have a direct impact on the Hess Oil refinery, the largest in this hemisphere which is based on St. Croix. It has closed and is taking the necessary precautions to prevent major damages, as is the nearby alumina plant.

While the Virgin Islands has been declared one of the most prepared districts under FEMA's project Impact preparedness program, we are still asking for our colleagues' prayers at this time, especially the neighborhood surrounding these two plants.

Mr. Speaker, too often, the fate of the U.S. Virgin Islands are overshadowed during hurricane coverage, but we have been affected to some measure by most major storms in recent years. We ask everyone to keep us in their thoughts and prayers during this time, and we ask in advance for support for our recovery and for our ongoing efforts to address the ongoing financial crisis which makes this hurricane an even more serious threat to us.

THE KIND OF RELIEF AMERICA NEEDS

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

Mr. BARTLETT of Maryland. Mr. Speaker, call me a skinflint, but I think a million dollars is a little too much to spend on building an outhouse. But, apparently, the National Park Service disagrees, because that is just how much it spent to build an outhouse at Glacier National Park in Montana.

That is $1 million of the taxpayers' hard-earned dollars.

To get to this outhouse, should one need such relief, one need only hike 6½ miles from the nearest road and climb 7,000 feet. It took more than 800 helicopter drops and hundreds of horse trips to get the construction materials to the site. That is a lot of hassle; but, hey, it does have a complete septic system.

Mr. Speaker, this is exactly the kind of waste that needs to be trimmed out of the Federal budget and is an example of how easy it will be for agencies to cut a penny from every dollar. That is all it will take to stop the 30-year raid on Social Security.

Mr. Speaker, now that is the kind of relief America needs.

CONGRESS STILL HAS UNADDRESSED ISSUES TO CONFRONT

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

Ms. DELAURO. Mr. Speaker, the Republican leadership is packing its bags. It is heading for the exits without addressing the most critical needs of American families. This summer, they tried to spend a historic surplus on an irresponsible tax plan that would have benefited only the wealthy. Now they are planning to leave town without taking meaningful steps to make our communities safer and our families stronger.

The list of items killed by the Republican leadership is long. The Patients' Bill of Rights, campaign finance reform, and Medicare prescription drug benefits, extending the life of Medicare and Social Security, sensible gun safety, minimum wage.

Time and again, the Republican leadership has joined with special interests to bury important legislation that, in fact, would have improved the lot of

American families. One of the most critical items to fall by the wayside has been sensible gun safety legislation. Common sense should be applied when it comes to the safety of our schools, our neighborhoods, office buildings, and places of worship.

Mr. Speaker, this Congress should not adjourn without closing the loopholes that lets guns fall into the wrong hands. It is time for responsible action.

ACROSS-THE-BOARD CUT IS A REASONABLE APPROACH TO FEDERAL BUDGET

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include therein extraneous material.)

Mr. SMITH of Michigan. Mr. Speaker, just as a follow-up to the previous speaker, I wish everybody, Mr. Speaker, could read the editorial in the Wall Street Journal today. It conveyed the message that part of the reason this economy is doing so well is Congress is staying out of its way. And yet some people say, let us pass more legislation. Let us do more things, increase taxes, make it tougher for business to succeed and end up increasing the tax revenues that come to this government.

We have been working at this budget for the last 9 months. Now we are saying after all of the gives and takes, the compromising here is our best effort level of spending prorated among different programs. Now we have calculated that in order to save the Social Security surplus, we need to cut about 1 cent out of every dollar that is now proposed to be spent across the board for discretionary programs. Not leaving it up to the President to cut Republican programs, not leaving it up to the Republicans to cut Democrat programs.

Mr. Speaker, an across-the-board cut is reasonable. Let us do it and get on with this budget and let us have a new beginning to save Social Security.

CONGRESS' UNFINISHED BUSINESS SHOULD BE ATTENDED TO

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

Mr. TIERNEY. Mr. Speaker, it is interesting to hear our colleagues on the other side of the aisle tell us that they want to keep government quiet and not do any business. One Member, in fact, was quoted as saying that this last session was a ''legislative respite.''

In fact, there is unfinished business; and the American people do want Congress to attend to that business, not the least of which would be prescription drug relief. Anybody that goes back to their district and talks to anyone, particularly seniors, understands that this Congress has been derelict in its duty to not address the high cost and lack of accessibility and affordability for prescription drugs, particularly to seniors.

Mr. Speaker, we have the Prescription Drug Fairness for Seniors Act that has not seen any action by this House, which some estimate would save 40 percent on the cost of prescription drugs. We have a health care delivery system that is in need of attention. The American people would be the first to step forward and say this is a role for government to come in and provide some focus and some attention and some direction. HMOs are in trouble. Hospitals are having difficulty making ends meet. They are closing down, leaving some patients in the position of having to drive miles and miles just to get emergency care and other relief.

We have the Patients' Bill of Rights that passed this House and now is languishing somewhere in the netherland.

Mr. Speaker, we need some unfinished business to be attended to.

OMNIBUS APPROPRIATION BILL MAY CONTAIN TAX RELIEF FOR ONE ALREADY WEALTHY MAN

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

Mr. DUNCAN. Mr. Speaker, every time we have one of these year-end omnibus appropriations bills, it always becomes sweetheart deal time.

The Washington Times reports on its front page today that the White House and some Members of Congress are attempting to give a $238 million tax break to just one man, Abe Pollin, owner of the Washington Wizards basketball team.

Mr. Speaker, this tax break would help defray costs Mr. Pollin incurred in building the MCI Center, which he owns and from which he will make millions.

The Times story says, ''The House and Senate are considering whether to include in an omnibus spending bill a retroactive, 5-year tax credit so narrowly tailored that it would benefit only Mr. Pollin . . . .''

The Times quotes one Senate tax aide as saying, ''My jaw dropped. It's so bad, it's not even funny. This is just gross.''

Mr. Speaker, if Mr. Pollin pulls off this sweetheart $238 million tax break, he is more of a wizard than his players. Mr. Speaker, no one should vote for a bill that contains an insider multimillion dollar tax break like this that benefits just one already very rich man.

DEMOCRATS CREATED SOCIAL SECURITY

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

Mr. CROWLEY. Mr. Speaker, I was listening very closely to the comments of my colleagues on the other side of the aisle this morning. I felt compelled to come down here again to once again, unfortunately, to those who watch C–SPAN on a regular basis, to give another history quiz, another history lesson.

Mr. Speaker, who was it back in 1935 that created Social Security? The answer is a Democratic President and a Democratic Congress. Only one Republican stood up and voted with the majority at that time to not recommit Social Security. A motion that would have destroyed and killed Social Security as we know it today. A gentleman by the name of Frank Crowther from my home State of New York stood up against the tide of his own party and said, ''No, I will not destroy Social Security.''

Mr. Speaker, Social Security was created because over 40 percent of the population at that time in our country were dying in poverty. They had nowhere else to go. They were dying in poverty.

Social Security has enabled young families to save, send their kids to school, to college. It has meant the wealth to this country, and now we expect the Republican side of the aisle to save it? Give me a break.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded that their remarks are to be addressed to the Chair, and not to the viewing audience.

FAT SHOULD BE CUT FROM THE BLOATED WASHINGTON BUREAUCRACY

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

Mr. TIAHRT. Mr. Speaker, I want to take a minute to set the record straight. While the Democrat leadership was out of town yesterday raising money, we were fighting for American families by strengthening education, our defense system, and protecting Social Security surplus.

We have heard a lot of wild accusations being thrown around, and I guess the liberals think that if they throw enough mud, maybe some of it will stick. But we are protecting the Social Security surplus, and we voted to ensure that by taking a 1 percent across-the-board savings.

Now, the liberals claim that our effort to trim waste and fraud and abuse in the Washington bureaucracy, and not threaten important programs, will somehow be overwhelming. But this

plan will protect Social Security and restore fiscal responsibility in Washington. This is just a common-sense proposal that gives the Department and agency heads leeway to trim the waste, fraud, and abuse they find in their budgets. We are not mandating specific cuts, so if important programs get slashed and the administration suggests that it is the right thing to do, then because they have decided to do it, let it be.

Mr. Speaker, we all know that fat should be cut from the bloated Washington bureaucracy, and we can protect Social Security and Medicare by making sure the savings do happen.

DEPARTMENT OF EDUCATION CANNOT COUNT

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

Mr. SCHAFFER. Mr. Speaker, tomorrow the Department of Education will make an announcement that should concern every one of us. The Department will announce that since 1998, its books are unauditable.

This is an agency that receives an annual appropriation of $35 billion and manages another $85 billion in a loan portfolio. A $120 billion agency that cannot account for its spending.

Now, I suggest that the President, when he comes back, he is in Turkey this week, and the minority leader when he comes back from the West Coast from his fund-raising expedition, when these folks come back to work, that they join the Republicans here to correct the mismanagement of the Department of Education. Because, Mr. Speaker, the children of America do count. Unfortunately, the Department of Education cannot count.

MINORITY LEADER SHOULD COME HOME AND JOIN THE FIGHT TO SAVE SOCIAL SECURITY

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

Mr. HAYWORTH. Mr. Speaker, I am so sorry the gentleman from New York left the Chamber, because I would be happy to offer a current events quiz. Here is the question: Where was the gentleman from Missouri (Mr. GEPHARDT), minority leader of the United States House, yesterday?

Answer: Raising campaign funds on the West Coast.

But I thought he wanted to reform campaigns. Oh, but not necessarily so. And besides, we all know, Mr. Speaker, that for that crowd to talk about campaign finance reform is a bit akin to having Bonnie and Clyde come out for tougher penalties against bank robbery.

But at any rate, the gentleman from Missouri (Mr. GEPHARDT) was away.

How can we get our work done? He should have a seat at the table, and he should join with us to save one penny on the dollar for every dollar of discretionary spending, so that the government can live within its means and quit the raid and continue to cease the raid on the Social Security Trust Fund.

Mr. Speaker, I would invite the minority leader to come back to town and go to work and join with us and realize that a penny saved is retirement security.

PARTIES TO THE BUDGET NEGOTIATIONS ARE AWOL

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

Mr. PETERSON of Pennsylvania. Mr. Speaker, I find it disappointing. As we try to bring this budget to conclusion, as we try to finalize the negotiations, we have major people that are a part of this process that are AWOL. They are absent.

□ 1030

How does the Speaker of the House who has to negotiate with the President stay up late at night every night so he can call the President in Turkey? Is that the way to negotiate?

In Pennsylvania where I come from, if the governor or if his cabinet left town during those final negotiations, the press would have been all over them. Why is it possible for the President, the minority leader, who was away yesterday who is the one who is opposing any kind of trimming of waste or fraud, he is the one who is holding out, but he is not available to negotiate yesterday? That is why this process has run on. The President is just finishing his second trip abroad since October 1, and this is when we have been trying to finalize the budget.

I believe, Mr. Speaker, it is important for those who are a part of this negotiating process to stay in town, get the work of the American people done, so we can pass the budget that does not rob Social Security.

CONGRESS HAS MORE TIME THAN TAXPAYERS HAVE MONEY

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

Mr. THUNE. Mr. Speaker, it is November 17, and we are still here for one reason, and that is that we have got more time than the American taxpayers have money.

This Congress has passed all 13 appropriation bills. The President has chosen to veto 5 of those bills. Why did he veto them? Because they did not spend enough money. So we are still here negotiating with all the President's men since he is traveling abroad.

The minority leader is traveling in California raising campaign cash. We are still here until the President agrees with us on a budget that does not raid Social Security, does not raise taxes, and rids the budget of waste, fraud, and abuse.

We will stay here as long as it takes until the President gets back and the gentleman from Missouri (Mr. GEPHARDT) gets back from his California dreaming.

FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 2000

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 381, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 381

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the joint resolution (H.J. Res. 80) making further continuing appropriations for the fiscal year 2000, and for other purposes. The joint resolution shall be considered as read for amendment. The previous question shall be considered as ordered on the joint resolution to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations; and (2) one motion to recommit.

The SPEAKER pro tempore (Mr. PEASE). The gentleman from Florida (Mr. GOSS) is recognized for 1 hour.

Mr. GOSS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts (Mr. MOAKLEY), my friend, the distinguished ranking member; pending which I yield myself such time as I may consume. During consideration for this resolution, all time yielded is for the purpose of debate on this subject only.

Mr. Speaker, H.Res. 381 is a closed rule waiving all points of order against consideration of H.J.Res. 80, the continuing resolution that we have before us later today. The rule provides for 1 hour of debate, equally divided between the chairman and ranking member of the Committee on Appropriations. Finally, the rule provides for one motion to recommit.

Mr. Speaker, Members will know that this is an appropriate and traditional rule for a consideration of a clean continuing resolution. Members who have any kind of memory at all will remember that we have done these kinds of things recently in the past.

Given the complex negotiations that have been under way about the budget, and they have, indeed, been complicated by the fact that some of the principals are out of town for whatever

reason, it is regrettable that, at a time that we are struggling so hard, that the President finds it necessary to be out of the country, and the minority leader finds it necessary to be out of the capital.

But, nevertheless, Americans come to understand that continuing resolutions, which keep the government functioning at last year's levels, are a necessary tool to facilitate bringing closure to the budget debate which we normally have this time of year.

In order to avoid a partial government shutdown, which we certainly want to do, we have proposed another straightforward extension in the deadline, and that is until tomorrow. We have made significant progress toward final agreement, but we must be certain that we do the right thing, not simply the most expedient to get out of town because the folks would like to go home.

In this case, the right thing is very clearly to provide for important government programs without touching the reserves in the Social Security Trust Fund, not one dime. That has been the goal of our majority from the outset of this year's budget process; and while it has taken some time to convince some of our friends on the other side of the aisle and downtown that this fiscal discipline is, indeed, necessary, we now have everyone working from the same set of guidelines. We just have to keep reminding them of the guidelines.

It has also taken some time to convince the White House that increasing taxes and using part of the surplus, as has been suggested by the White House, are not acceptable approaches to the majority on the Hill.

I am hopeful that this brief extension will provide both ends of Pennsylvania with the requisite time to hammer out our final spending bills in a responsible way. In fact, I understand that the bills individually, the five that have been vetoed by the President, are virtually resolved.

It is a no-nonsense CR that we are proposing here. I think it should be unanimously adopted. I am certainly urging a yes vote on the rule. I am not sure why we are having a rule instead of a unanimous consent; but for whatever reason, we are having a rule vote. I can think of no reason to vote against it. I urge a yes vote.

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

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume, and I thank the slender gentleman from Florida (Mr. GOSS), my good friend, for yielding me the customary half hour.

Mr. Speaker, the end is finally in sight. Forty-eight hours after the start of the fiscal year, it looks as if the appropriation process is just about over. This continuing resolution will extend our Federal funding until tomorrow, which should be all the time that we need.

My Republican colleagues sent President Clinton eight appropriation bills that he signed into law. The other five bills have been rolled into one omnibus bill, which should be finished sometime today. Once that bill is signed, Mr. Speaker, we no longer have to worry about the possibility of the Federal Government closing down, and Congress can get started on the next appropriation cycle.

Mr. Speaker, the appropriators and the administrators have been working very hard to resolve a lot of outstanding issues, and I wish them well in their final negotiations. I urge my colleagues to support this continuing resolution.

Mr. Speaker, I yield back the balance of my time.

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

Mr. Speaker, we on the Committee on Rules are on virtually perpetual standby these days, and I would like to point out that there is a little confusion among Members this morning about whether it is a 1-day CR or a 2-day CR. Apparently there were some documents put out through the various organizations on either side that indicated that one of the options was a 2-day CR. This is not that CR. This is a 1-day CR. I want Members to be aware of that.

Of course Members of the Committee on Rules, as I say, are definitely aware of it and prepared for yet another evening of comrade fellowship and good times in the Committee on Rules, doing valuable things, waiting for some inspiration to come forward to us.

There is very definitely some feeling about trying to wrap this up, but I want to assure Members that the Committee on Rules is working toward that end. We well recognize the longer we stay here, the more opportunity there is for new initiatives to come forward at the last minute and divert us from our main task, which is to resolve the budget crunch.

We are also aware that the longer we are here, the more good ideas people have for spending money at a time when we have already reached agreement on what those levels should be.

So it is our very firm hope that this 24-hour CR will be enough. But if not, I think I am authorized to say by the gentleman from California (Mr. DREIER), chairman of the Committee on Rules, that the Committee on Rules will be prepared to meet, if necessary, again.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. YOUNG of Florida. Mr. Speaker, pursuant to House Resolution 381, I call up the joint resolution (H.J. Res. 80) making further continuing appropriations for the fiscal year 2000, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The text of House Joint Resolution 80 is as follows:

H.J. RES. 80

Resolved by the Senate and House Representatives of the United States of America in Congress assembled, That Public Law 106–62 is further amended by striking ''November 17, 1999'' in section 106(c) and inserting in lieu thereof ''November 18, 1999''. Public Law 106–46 is amended by striking ''November 17, 1999'' and inserting in lieu thereof ''November 18, 1999''.

The SPEAKER pro tempore. Pursuant to House Resolution 381, the gentleman from Florida (Mr. YOUNG) and the gentleman from Pennsylvania (Mr. MURTHA) each will control 30 minutes.

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

GENERAL LEAVE

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.J. Res. 80, and that I may include tabular and extraneous material.

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

There was no objection.

Mr. YOUNG of Florida. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, this a 1-day continuing resolution, which I do not think is going to be adequate because the negotiations on wrapping up our appropriations work are still somewhat delayed, although the Speaker of the House and the President did speak with each other late last night, and we are hopeful that we can come to a conclusion.

The appropriations part of this negotiation has been completed for some time. The offsets, the pay-fors, are what are holding up the negotiations. We expect to have that completed today. We expect to file the bill in the House today, and we expect to consider the bill in the House today; and, hopefully, the other body will be able to expedite it as well.

So maybe the 1-day extension may be enough, but probably not. But nevertheless, this is what we have before us today.

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

Mr. MURTHA. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, I notice we have flights going overseas all the time, and I know this will have to be flown to the President. I cannot imagine, from what the

gentleman said, and what I have heard, that this negotiation is going to finish today.

It is hard to argue with a 1-day extension. We have had a couple other extensions. But I keep worrying that, as we mislead Members to think we are going to be finished, why we just would not pass a little longer CR. We complain about people not being around, and we seem to be able to get along without them, whoever it is that is not available to us. Of course, I know the gentleman from Florida (Mr. YOUNG) does not do that. I know that he understands how the system works and as I do, too.

As a matter of fact, they suggested to me that we should ask for a vote. I am not sure I even know the procedure of how to ask for a vote because it has been so long since I have asked for a vote.

But having said that, I know that we have to get our business done. I am hopeful negotiations will end today. I am not as optimistic as the chairman is. But I know that sometime this week or next week or Thanksgiving or Christmas time we will be done.

As past history shows, sometimes we have delicate negotiations. I hope it is not an across-the-board cut. I worry so much. Because even the four-tenths of 1 percent cut would mean we would cut $500 million out of O&M. With the two units that are C4, I realize there is not a big threat out there to the Army right now, but it worries me that we are doing this kind of work when, as the chairman suggested in the first place, if we had passed an adequate budget resolution, we would have been all through with this thing early in the year. We would not have had to resort to the kind of gimmicks that have been so distasteful to those of us on the Committee on Appropriations.

Mr. Speaker, I yield back the balance of my time.

Mr. YOUNG of Florida. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, I want to say to the gentleman from Pennsylvania (Mr. MURTHA) that, if he and I had been able to resolve this issue as we have been able to deal with the defense issues for many years, we would have concluded our business a long time ago.

I would like to say this, that the Committee on Appropriations in the House has done a good job. We basically completed our part of the business in July. Then we had the negotiations with our counterparts in the Senate. I would like to compliment our counterparts in the Senate. Senator STEVENS is a dynamic leader, a tough negotiator, and very knowledgeable. He does a really good job. And of course his partner there, Senator BYRD, is also very determined in what it is that he seeks to do.

But the gentleman from Pennsylvania (Mr. MURTHA) and I have always been able to get things resolved early on. We have not been able to do that on the wrap up appropriations work. But we are close to that conclusion now. I will say again the appropriators have done a good job. The appropriations part of this package is complete. The agreement will have some extraneous material, some riders, and the offsets that are holding us up. But, we do plan to file that bill today.

I thank the gentleman from Pennsylvania (Mr. MURTHA) for his comments.

Mr. Speaker, I yield back the balance of my time.

□ 1045

The SPEAKER pro tempore (Mr. PEASE). All time for debate has expired.

The joint resolution is considered as having been read for amendment.

Pursuant to House Resolution 381, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

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

Mr. MURTHA. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 403, nays 8, not voting 23, as follows:

[Roll No. 596]

YEAS—403

Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Edwards
Ehlers
Ehrlich
Emerson
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lantos
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watt (NC)
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker

Wilson	Woolsey	Wynn
Wolf	Wu	Young (FL)

NAYS—8

Chenoweth-Hage	Paul	Shaw
Deal	Salmon	Watkins
Forbes	Shadegg	

NOT VOTING—23

Abercrombie	Jefferson	Rothman
Ackerman	Johnson, Sam	Scarborough
Clay	Lampson	Spence
Conyers	Largent	Towns
Diaz-Balart	McKinney	Waxman
Dixon	Meehan	Wise
Dunn	Norwood	Young (AK)
Engel	Pickett	

□ 1108

Mr. LUTHER changed his voted from ''nay'' to ''yea.''

So the joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. SHAW. Mr. Speaker, on rollcall vote number 596, that was the temporary continuing resolution, my vote was recorded incorrectly. I was present on the floor and I did vote ''yes,'' and as a matter of fact I checked the board to double-check to see that I was recorded and saw the green light next to my name. It has been brought to my attention that my vote was incorrectly recorded as voting ''no.''

Mr. ABERCROMBIE. Mr. Speaker, earlier today when the House voted on House Joint Resolution 80, to extend the continuing resolution for 24 hours, I was unavoidably detained. Had I been present, I would have voted ''yes''.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. PEASE). Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken later today.

HOLDING COURT IN NATCHEZ, MISSISSIPPI

Mr. HYDE. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1418) to provide for the holding of court at Natchez, Mississippi, in the same manner as court is held at Vicksburg, Mississippi, and for other purposes, as amended.

The Clerk read as follows:

S. 1418

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

SECTION 1. HOLDING OF COURT AT NATCHEZ, MISSISSIPPI.

Section 104(b)(3) of title 28, United States Code, is amended in the second sentence by striking all beginning with the colon through ''United States''.

SEC. 2. HOLDING OF COURT AT WHEATON, ILLINOIS.

Section 93(a)(1) of title 28, United States Code, is amended by adding after Chicago ''and Wheaton''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. HYDE) and the gentleman from New York (Mr. WEINER) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. HYDE).

GENERAL LEAVE

Mr. HYDE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on S. 1418.

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

There was no objection.

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

Mr. Speaker, I rise in support of S. 1418, as amended. It contains two small but important provisions that will improve the efficiency of the administration of justice in our Federal court system.

Section 1 was approved in the House by unanimous consent. This section proposes to allow for the holding of court in Natchez, Mississippi, in the same manner as court is held in Vicksburg. It would eliminate a provision in current law that limits the authority of the Federal courts to lease space in order to convene proceedings in Natchez, Mississippi.

While only a small number of Federal court cases are now tried at Natchez County Court facilities, it is important that the Federal Government be able to continue using the facility.

I have a manager's amendment that adds Section 2 to the bill. Section 2 designates Wheaton, Illinois, as a place of holding court for the Eastern Division of the Northern District of Illinois.

Wheaton is the seat of DuPage County, Illinois. Because of the large population growth in DuPage County and the area surrounding Chicago, it would be beneficial to designate Wheaton as an additional place of holding court.

Mr. Speaker, these are simple yet significant improvements to the Federal judicial system. I urge my colleagues to support S. 1418.

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

The SPEAKER pro tempore. Without objection, the gentleman from Mississippi (Mr. SHOWS) will claim the time of the gentleman from New York (Mr. WEINER).

There was no objection.

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

Mr. Speaker, today I urge the House to pass S. 1418, which would provide for the holding of Federal court in the City of Natchez, Mississippi.

□ 1115

Federal judges need the flexibility to hold court in different places within their judicial districts. However, the hands of Federal judges in the southern district of Mississippi are tied because of arcane language in Federal law. Language was written into law sometime ago that said the court could meet in Natchez ''provided, that court shall be held at Natchez if suitable quarters and accommodations are furnished at no cost to the United States.'' To my knowledge no other city presents this kind of obstacle to the Federal courts. S. 1418 strikes this unfair and restrictive language and gives the court flexibility to meet in Natchez. And who would not want to meet in Natchez, a beautiful city in Mississippi? I appreciate the efforts of Senator THAD COCHRAN and the gentleman from Illinois (Mr. HYDE) to expedite the passage of this important legislation. I urge my colleagues to pass this fair and noncontroversial bill.

Mr. Speaker, I yield back the balance of my time.

Mr. HYDE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PEASE). The question is on the motion offered by the gentleman from Illinois (Mr. HYDE) that the House suspend the rules and pass the Senate bill, S. 1418, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

RAILROAD POLICE TRAINING AT FBI NATIONAL ACADEMY

Mr. HUTCHINSON. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1235) to amend part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 to allow railroad police officers to attend the Federal Bureau of Investigation National Academy for law enforcement training.

The Clerk read as follows:

S. 1235

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

SECTION 1. INCLUSION OF RAILROAD POLICE OFFICERS IN FBI LAW ENFORCEMENT TRAINING.

(a) IN GENERAL.—Section 701(a) of part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3771(a)) is amended—

(1) in paragraph (1)—

(A) by striking ''State or unit of local government'' and inserting ''State, unit of local government, or rail carrier''; and

(B) by inserting '', including railroad police officers'' before the semicolon; and

(2) in paragraph (3)—

(A) by striking ''State or unit of local government'' and inserting ''State, unit of local government, or rail carrier'';

(B) by inserting ''railroad police officer,'' after ''deputies,'';

(C) by striking ''State or such unit'' and inserting ''State, unit of local government, or rail carrier''; and

(D) by striking ''State or unit.'' and inserting ''State, unit of local government, or rail carrier.''.

(b) RAIL CARRIER COSTS.—Section 701 of part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3771) is amended by adding at the end the following:

''(d) RAIL CARRIER COSTS.—No Federal funds may be used for any travel, transportation, or subsistence expenses incurred in connection with the participation of a railroad police officer in a training program conducted under subsection (a).''.

(c) DEFINITIONS.—Section 701 of part G of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3771) is amended by adding at the end the following:

''(e) DEFINITIONS.—In this section—

''(1) the terms 'rail carrier' and 'railroad' have the meanings given such terms in section 20102 of title 49, United States Code; and

''(2) the term 'railroad police officer' means a peace officer who is commissioned in his or her State of legal residence or State of primary employment and employed by a rail carrier to enforce State laws for the protection of railroad property, personnel, passengers, or cargo.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arkansas (Mr. HUTCHINSON) and the gentleman from New York (Mr. WEINER) each will control 20 minutes.

The Chair recognizes the gentleman from Arkansas (Mr. HUTCHINSON).

GENERAL LEAVE

Mr. HUTCHINSON. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and include extraneous material on the Senate bill under consideration.

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

There was no objection.

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

Mr. Speaker, I am pleased to rise in support of this important legislation which was unanimously approved by the other body last week. The bill amends 42 USC 3771(a) to authorize railroad police to attend the FBI's training academy in Quantico, Virginia. Current law permits State and local law enforcement agents to take advantage of the unique and high quality training available at the FBI academy, and this legislation merely adds railroad police officers to the list of approved personnel. Why do we need this?

Railroad police increasingly are being called upon to assist Federal, State and local law enforcement agencies. Investigation and interdiction of illegal drugs crossing the southwest border by rail car, apprehension of illegal aliens using the railways to gain entry into the United States and investigating alleged acts of railroad sabotage are just some of the law enforcement functions being performed by the railroad police.

As just an aside, Mr. Speaker, I would like to note that according to recent congressional testimony, in 1998 alone, over 33,000 illegal aliens were found hiding on board Union Pacific railroad cars. As sworn officers charged with enforcing State and local laws in any jurisdiction in which the rail carrier owns property, railroad police officers are actively involved in numerous investigations and cases with the FBI and other law enforcement agencies.

For example, Amtrak has a police officer assigned to the FBI's New York City Joint Task Force on Terrorism and another assigned to the D.C./Baltimore High Intensity Drug Trafficking Area to investigate illegal drug and weapons trafficking. Union Pacific railroad police receive 4,000 trespassing calls a month, arrest almost 3,000 undocumented aliens per month and arrest an average of 773 people a month for burglaries, thefts, drug charges, and vandalism.

This past summer, the FBI, local police and railroad police launched a 6-week manhunt in and around the Nation's rail system to apprehend a suspected serial killer. The suspect, a rail-riding drifter, has been linked to nine slayings and is responsible for spreading terror from Texas to Illinois. The railroad police were asked to play an important role in this search and would have been much more prepared to face the situation had they received equivalent training.

Improving the law enforcement skills of railroad police will improve this interagency cooperation, ultimately making the rail system safer for America's travelers. Some Members have asked about the cost of this. I want to assure this body that all costs associated with the training of railroad police, their travel, tuition, and room and board will be covered by their employer. The rail lines acknowledge this responsibility and are committed to financing the costs of the training. This bipartisan legislation introduced by Senators LEAHY and HATCH is supported by the FBI, the International Association of Chiefs of Police, and the Association of American Railroads, a trade association which represents North America's major freight railroads, including Union Pacific, Norfolk Southern, Kansas City Southern, Illinois Central, CSX, Conrail, and Amtrak. Mr. Speaker, I am unaware of any opposition to this legislation and urge my colleagues to support it.

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

Mr. WEINER. Mr. Speaker, I yield myself such time as I may consume. The FBI is currently authorized to offer the superior training available at the FBI's National Academy only to law enforcement personnel employed by State or local units of government. However, police officers employed by railroads are not allowed to attend this Academy despite the fact that they work closely in numerous cases with Federal law enforcement agencies as well as State and local law enforcement.

A recent example of this cooperative effort is the Texas railway killer case. Providing railroad police with the opportunity to obtain the training offered at Quantico would improve interagency cooperation and prepare them to deal with the ever-increasing sophistication of criminals who conduct their illegal acts either using the railroad or directed at the railroad or its passengers.

Railroad police officers, unlike any other private police department, are commissioned under State law to enforce the laws of that State and any other State in which the railroad owns property. As a result of this broad law enforcement authority, railroad police officers are actively involved in numerous investigations and cases with the FBI and other law enforcement agencies.

For example, Amtrak has a police officer assigned to the New York Joint Task Force on Terrorism which is made up of 140 members from such disparate agencies as the FBI, the U.S. Marshals Service, the U.S. Secret Service and the ATF. This task force investigates domestic and foreign terrorist groups in response to actual terrorist incidents in my home area, Metropolitan New York.

With thousands of passengers traveling on our railways each year, making sure that railroad police officers have available to them the highest level of training is in the national interest. The officers that protect railroad passengers deserve the same opportunity to receive training at Quantico that their counterparts employed by State and local governments enjoy. Railroad police officers who attend the FBI National Academy in Quantico for training would be required to pay their own room, board, and transportation. This legislation, as my colleague pointed out, is supported by the FBI, the International Association of Chiefs of Police, the Union Pacific Company, and the National Railroad Passenger Corporation. I thank Senator LEAHY for his work on this issue. I urge its passage.

Mr. Speaker, I yield back the balance of my time.

Mr. HUTCHINSON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arkansas (Mr. HUTCHINSON) that the House suspend the rules and pass the Senate bill, S. 1235.

The question was taken; and (two-thirds having voted in favor thereof)

the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

PROVIDING SUPPORT FOR CERTAIN INSTITUTES AND SCHOOLS

Mr. HILLEARY. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 440) to provide support for certain institutes and schools.

The Clerk read as follows:

S. 440

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

TITLE I—HOWARD BAKER SCHOOL OF GOVERNMENT

SEC. 101. DEFINITIONS.

In this title:

(1) BOARD.—The term ''Board'' means the Board of Advisors established under section 104.

(2) ENDOWMENT FUND.—The term ''endowment fund'' means a fund established by the University of Tennessee in Knoxville, Tennessee, for the purpose of generating income for the support of the School.

(3) SCHOOL.—The term ''School'' means the Howard Baker School of Government established under this title.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Education.

(5) UNIVERSITY.—The term ''University'' means the University of Tennessee in Knoxville, Tennessee.

SEC. 102. HOWARD BAKER SCHOOL OF GOVERNMENT.

From the funds authorized to be appropriated under section 106, the Secretary is authorized to award a grant to the University for the establishment of an endowment fund to support the Howard Baker School of Government at the University of Tennessee in Knoxville, Tennessee.

SEC. 103. DUTIES.

In order to receive a grant under this title, the University shall establish the School. The School shall have the following duties:

(1) To establish a professorship to improve teaching and research related to, enhance the curriculum of, and further the knowledge and understanding of, the study of democratic institutions, including aspects of regional planning, public administration, and public policy.

(2) To establish a lecture series to increase the knowledge and awareness of the major public issues of the day in order to enhance informed citizen participation in public affairs.

(3) To establish a fellowship program for students of government, planning, public administration, or public policy who have demonstrated a commitment and an interest in pursuing a career in public affairs.

(4) To provide appropriate library materials and appropriate research and instructional equipment for use in carrying out academic and public service programs, and to enhance the existing United States Presidential and public official manuscript collections.

(5) To support the professional development of elected officials at all levels of government.

SEC. 104. ADMINISTRATION.

(a) BOARD OF ADVISORS.—

(1) IN GENERAL.—The School shall operate with the advice and guidance of a Board of Advisors consisting of 13 individuals appointed by the Vice Chancellor for Academic Affairs of the University.

(2) APPOINTMENTS.—Of the individuals appointed under paragraph (1)—

(A) 5 shall represent the University;

(B) 2 shall represent Howard Baker, his family, or a designee thereof;

(C) 5 shall be representative of business or government; and

(D) 1 shall be the Governor of Tennessee, or the Governor's designee.

(3) EX OFFICIO MEMBERS.—The Vice Chancellor for Academic Affairs and the Dean of the College of Arts and Sciences at the University shall serve as an ex officio member of the Board.

(b) CHAIRPERSON.—

(1) IN GENERAL.—The Chancellor, with the concurrence of the Vice Chancellor for Academic Affairs, of the University shall designate 1 of the individuals first appointed to the Board under subsection (a) as the Chairperson of the Board. The individual so designated shall serve as Chairperson for 1 year.

(2) REQUIREMENTS.—Upon the expiration of the term of the Chairperson of the individual designated as Chairperson under paragraph (1) or the term of the Chairperson elected under this paragraph, the members of the Board shall elect a Chairperson of the Board from among the members of the Board.

SEC. 105. ENDOWMENT FUND.

(a) MANAGEMENT.—The endowment fund shall be managed in accordance with the standard endowment policies established by the University of Tennessee System.

(b) USE OF INTEREST AND INVESTMENT INCOME.—Interest and other investment income earned (on or after the date of enactment of this subsection) from the endowment fund may be used to carry out the duties of the School under section 103.

(c) DISTRIBUTION OF INTEREST AND INVESTMENT INCOME.—Funds realized from interest and other investment income earned (on or after the date of enactment of this subsection) shall be available for expenditure by the University for purposes consistent with section 103, as recommended by the Board. The Board shall encourage programs to establish partnerships, to leverage private funds, and to match expenditures from the endowment fund.

SEC. 106. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title $10,000,000. Funds appropriated under this section shall remain available until expended.

TITLE II—JOHN GLENN INSTITUTE FOR PUBLIC SERVICE AND PUBLIC POLICY

SEC. 201. DEFINITIONS.

In this title:

(1) ENDOWMENT FUND.—The term ''endowment fund'' means a fund established by the University for the purpose of generating income for the support of the Institute.

(2) ENDOWMENT FUND CORPUS.—The term ''endowment fund corpus'' means an amount equal to the grant or grants awarded under this title plus an amount equal to the matching funds required under section 202(d).

(3) ENDOWMENT FUND INCOME.—The term ''endowment fund income'' means an amount equal to the total value of the endowment fund minus the endowment fund corpus.

(4) INSTITUTE.—The term ''Institute'' means the John Glenn Institute for Public Service and Public Policy described in section 202.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of Education.

(6) UNIVERSITY.—The term ''University'' means the Ohio State University at Columbus, Ohio.

SEC. 202. PROGRAM AUTHORIZED.

(a) GRANTS.—From the funds appropriated under section 206, the Secretary is authorized to award a grant to the Ohio State University for the establishment of an endowment fund to support the John Glenn Institute for Public Service and Public Policy. The Secretary may enter into agreements with the University and include in any agreement made pursuant to this title such provisions as are determined necessary by the Secretary to carry out this title.

(b) PURPOSES.—The Institute shall have the following purposes:

(1) To sponsor classes, internships, community service activities, and research projects to stimulate student participation in public service, in order to foster America's next generation of leaders.

(2) To conduct scholarly research in conjunction with public officials on significant issues facing society and to share the results of such research with decisionmakers and legislators as the decisionmakers and legislators address such issues.

(3) To offer opportunities to attend seminars on such topics as budgeting and finance, ethics, personnel management, policy evaluations, and regulatory issues that are designed to assist public officials in learning more about the political process and to expand the organizational skills and policymaking abilities of such officials.

(4) To educate the general public by sponsoring national conferences, seminars, publications, and forums on important public issues.

(5) To provide access to Senator John Glenn's extensive collection of papers, policy decisions, and memorabilia, enabling scholars at all levels to study the Senator's work.

(c) DEPOSIT INTO ENDOWMENT FUND.—The University shall deposit the proceeds of any grant received under this section into the endowment fund.

(d) MATCHING FUNDS REQUIREMENT.—The University may receive a grant under this section only if the University has deposited in the endowment fund established under this title an amount equal to one-third of such grant and has provided adequate assurances to the Secretary that the University will administer the endowment fund in accordance with the requirements of this title. The source of the funds for the University match shall be derived from State, private foundation, corporate, or individual gifts or bequests, but may not include Federal funds or funds derived from any other federally supported fund.

(e) DURATION; CORPUS RULE.—The period of any grant awarded under this section shall not exceed 20 years, and during such period the University shall not withdraw or expend any of the endowment fund corpus. Upon expiration of the grant period, the University may use the endowment fund corpus, plus any endowment fund income for any educational purpose of the University.

SEC. 203. INVESTMENTS.

(a) IN GENERAL.—The University shall invest the endowment fund corpus and endowment fund income in accordance with the University's investment policy approved by the Ohio State University Board of Trustees.

(b) JUDGMENT AND CARE.—The University, in investing the endowment fund corpus and endowment fund income, shall exercise the judgment and care, under circumstances then prevailing, which a person of prudence, discretion, and intelligence would exercise in the management of the person's own business affairs.

SEC. 204. WITHDRAWALS AND EXPENDITURES.

(a) IN GENERAL.—The University may withdraw and expend the endowment fund income

to defray any expenses necessary to the operation of the Institute, including expenses of operations and maintenance, administration, academic and support personnel, construction and renovation, community and student services programs, technical assistance, and research. No endowment fund income or endowment fund corpus may be used for any type of support of the executive officers of the University or for any commercial enterprise or endeavor. Except as provided in subsection (b), the University shall not, in the aggregate, withdraw or expend more than 50 percent of the total aggregate endowment fund income earned prior to the time of withdrawal or expenditure.

(b) SPECIAL RULE.—The Secretary is authorized to permit the University to withdraw or expend more than 50 percent of the total aggregate endowment fund income whenever the University demonstrates such withdrawal or expenditure is necessary because of—

(1) a financial emergency, such as a pending insolvency or temporary liquidity problem;

(2) a life-threatening situation occasioned by a natural disaster or arson; or

(3) another unusual occurrence or exigent circumstance.

(c) REPAYMENT.—

(1) INCOME.—If the University withdraws or expends more than the endowment fund income authorized by this section, the University shall repay the Secretary an amount equal to one-third of the amount improperly expended (representing the Federal share thereof).

(2) CORPUS.—Except as provided in section 202(e)—

(A) the University shall not withdraw or expend any endowment fund corpus; and

(B) if the University withdraws or expends any endowment fund corpus, the University shall repay the Secretary an amount equal to one-third of the amount withdrawn or expended (representing the Federal share thereof) plus any endowment fund income earned thereon.

SEC. 205. ENFORCEMENT.

(a) IN GENERAL.—After notice and an opportunity for a hearing, the Secretary is authorized to terminate a grant and recover any grant funds awarded under this section if the University—

(1) withdraws or expends any endowment fund corpus, or any endowment fund income in excess of the amount authorized by section 204, except as provided in section 202(e);

(2) fails to invest the endowment fund corpus or endowment fund income in accordance with the investment requirements described in section 203; or

(3) fails to account properly to the Secretary, or the General Accounting Office if properly designated by the Secretary to conduct an audit of funds made available under this title, pursuant to such rules and regulations as may be prescribed by the Comptroller General of the United States, concerning investments and expenditures of the endowment fund corpus or endowment fund income.

(b) TERMINATION.—If the Secretary terminates a grant under subsection (a), the University shall return to the Treasury of the United States an amount equal to the sum of the original grant or grants under this title, plus any endowment fund income earned thereon. The Secretary may direct the University to take such other appropriate measures to remedy any violation of this title and to protect the financial interest of the United States.

SEC. 206. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title $10,000,000. Funds appropriated under this section shall remain available until expended.

TITLE III—OREGON INSTITUTE OF PUBLIC SERVICE AND CONSTITUTIONAL STUDIES

SEC. 301. DEFINITIONS.

In this title:

(1) ENDOWMENT FUND.—The term ''endowment fund'' means a fund established by Portland State University for the purpose of generating income for the support of the Institute.

(2) INSTITUTE.—The term ''Institute'' means the Oregon Institute of Public Service and Constitutional Studies established under this title.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of Education.

SEC. 302. OREGON INSTITUTE OF PUBLIC SERVICE AND CONSTITUTIONAL STUDIES.

From the funds appropriated under section 306, the Secretary is authorized to award a grant to Portland State University at Portland, Oregon, for the establishment of an endowment fund to support the Oregon Institute of Public Service and Constitutional Studies at the Mark O. Hatfield School of Government at Portland State University.

SEC. 303. DUTIES.

In order to receive a grant under this title the Portland State University shall establish the Institute. The Institute shall have the following duties:

(1) To generate resources, improve teaching, enhance curriculum development, and further the knowledge and understanding of students of all ages about public service, the United States Government, and the Constitution of the United States of America.

(2) To increase the awareness of the importance of public service, to foster among the youth of the United States greater recognition of the role of public service in the development of the United States, and to promote public service as a career choice.

(3) To establish a Mark O. Hatfield Fellows program for students of government, public policy, public health, education, or law who have demonstrated a commitment to public service through volunteer activities, research projects, or employment.

(4) To create library and research facilities for the collection and compilation of research materials for use in carrying out programs of the Institute.

(5) To support the professional development of elected officials at all levels of government.

SEC. 304. ADMINISTRATION.

(a) LEADERSHIP COUNCIL.—

(1) IN GENERAL.—In order to receive a grant under this title Portland State University shall ensure that the Institute operates under the direction of a Leadership Council (in this title referred to as the ''Leadership Council'') that—

''(A) consists of 15 individuals appointed by the President of Portland State University; and

''(B) is established in accordance with this section.

(2) APPOINTMENTS.—Of the individuals appointed under paragraph (1)(A)—

(A) Portland State University, Willamette University, the Constitution Project, George Fox University, Warner Pacific University, and Oregon Health Sciences University shall each have a representative;

(B) at least 1 shall represent Mark O. Hatfield, his family, or a designee thereof;

(C) at least 1 shall have expertise in elementary and secondary school social sciences or governmental studies;

(D) at least 2 shall be representative of business or government and reside outside of Oregon;

(E) at least 1 shall be an elected official; and

(F) at least 3 shall be leaders in the private sector.

(3) EX-OFFICIO MEMBER.—The Director of the Mark O. Hatfield School of Government at Portland State University shall serve as an ex-officio member of the Leadership Council.

(b) CHAIRPERSON.—

(1) IN GENERAL.—The President of Portland State University shall designate 1 of the individuals first appointed to the Leadership Council under subsection (a) as the Chairperson of the Leadership Council. The individual so designated shall serve as Chairperson for 1 year.

(2) REQUIREMENT.—Upon the expiration of the term of the Chairperson of the individual designated as Chairperson under paragraph (1), or the term of the Chairperson elected under this paragraph, the members of the Leadership Council shall elect a Chairperson of the Leadership Council from among the members of the Leadership Council.

SEC. 305. ENDOWMENT FUND.

(a) MANAGEMENT.—The endowment fund shall be managed in accordance with the standard endowment policies established by the Oregon University System.

(b) USE OF INTEREST AND INVESTMENT INCOME.—Interest and other investment income earned (on or after the date of enactment of this subsection) from the endowment fund may be used to carry out the duties of the Institute under section 303.

(c) DISTRIBUTION OF INTEREST AND INVESTMENT INCOME.—Funds realized from interest and other investment income earned (on or after the date of enactment of this subsection) shall be spent by Portland State University in collaboration with Willamette University, George Fox University, the Constitution Project, Warner Pacific University, Oregon Health Sciences University, and other appropriate educational institutions or community-based organizations. In expending such funds, the Leadership Council shall encourage programs to establish partnerships, to leverage private funds, and to match expenditures from the endowment fund.

SEC. 306. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title $3,000,000.

TITLE IV—PAUL SIMON PUBLIC POLICY INSTITUTE

SEC. 401. DEFINITIONS.

In this title:

(1) ENDOWMENT FUND.—The term ''endowment fund'' means a fund established by the University for the purpose of generating income for the support of the Institute.

(2) ENDOWMENT FUND CORPUS.—The term ''endowment fund corpus'' means an amount equal to the grant or grants awarded under this title plus an amount equal to the matching funds required under section 402(d).

(3) ENDOWMENT FUND INCOME.—The term ''endowment fund income'' means an amount equal to the total value of the endowment fund minus the endowment fund corpus.

(4) INSTITUTE.—The term ''Institute'' means the Paul Simon Public Policy Institute described in section 402.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of Education.

(6) UNIVERSITY.—The term ''University'' means Southern Illinois University at Carbondale, Illinois.

SEC. 402. PROGRAM AUTHORIZED.

(a) GRANTS.—From the funds appropriated under section 406, the Secretary is authorized to award a grant to Southern Illinois University for the establishment of an endowment fund to support the Paul Simon Public Policy Institute. The Secretary may enter into agreements with the University and include in any agreement made pursuant to this title such provisions as are determined necessary by the Secretary to carry out this title.

(b) DUTIES.—In order to receive a grant under this title, the University shall establish the Institute. The Institute, in addition to recognizing more than 40 years of public service to Illinois, to the Nation, and to the world, shall engage in research, analysis, debate, and policy recommendations affecting world hunger, mass media, foreign policy, education, and employment.

(c) DEPOSIT INTO ENDOWMENT FUND.—The University shall deposit the proceeds of any grant received under this section into the endowment fund.

(d) MATCHING FUNDS REQUIREMENT.—The University may receive a grant under this section only if the University has deposited in the endowment fund established under this title an amount equal to one-third of such grant and has provided adequate assurances to the Secretary that the University will administer the endowment fund in accordance with the requirements of this title. The source of the funds for the University match shall be derived from State, private foundation, corporate, or individual gifts or bequests, but may not include Federal funds or funds derived from any other federally supported fund.

(e) DURATION; CORPUS RULE.—The period of any grant awarded under this section shall not exceed 20 years, and during such period the University shall not withdraw or expend any of the endowment fund corpus. Upon expiration of the grant period, the University may use the endowment fund corpus, plus any endowment fund income for any educational purpose of the University.

SEC. 403. INVESTMENTS.

(a) IN GENERAL.—The University shall invest the endowment fund corpus and endowment fund income in those low-risk instruments and securities in which a regulated insurance company may invest under the laws of the State of Illinois, such as federally insured bank savings accounts or comparable interest bearing accounts, certificates of deposit, money market funds, or obligations of the United States.

(b) JUDGMENT AND CARE.—The University, in investing the endowment fund corpus and endowment fund income, shall exercise the judgment and care, under circumstances then prevailing, which a person of prudence, discretion, and intelligence would exercise in the management of the person's own business affairs.

SEC. 404. WITHDRAWALS AND EXPENDITURES.

(a) IN GENERAL.—The University may withdraw and expend the endowment fund income to defray any expenses necessary to the operation of the Institute, including expenses of operations and maintenance, administration, academic and support personnel, construction and renovation, community and student services programs, technical assistance, and research. No endowment fund income or endowment fund corpus may be used for any type of support of the executive officers of the University or for any commercial enterprise or endeavor. Except as provided in subsection (b), the University shall not, in the aggregate, withdraw or expend more than 50 percent of the total aggregate endowment fund income earned prior to the time of withdrawal or expenditure.

(b) SPECIAL RULE.—The Secretary is authorized to permit the University to withdraw or expend more than 50 percent of the total aggregate endowment fund income whenever the University demonstrates such withdrawal or expenditure is necessary because of—

(1) a financial emergency, such as a pending insolvency or temporary liquidity problem;

(2) a life-threatening situation occasioned by a natural disaster or arson; or

(3) another unusual occurrence or exigent circumstance.

(c) REPAYMENT.—

(1) INCOME.—If the University withdraws or expends more than the endowment fund income authorized by this section, the University shall repay the Secretary an amount equal to one-third of the amount improperly expended (representing the Federal share thereof).

(2) CORPUS.—Except as provided in section 402(e)—

(A) the University shall not withdraw or expend any endowment fund corpus; and

(B) if the University withdraws or expends any endowment fund corpus, the University shall repay the Secretary an amount equal to one-third of the amount withdrawn or expended (representing the Federal share thereof) plus any endowment fund income earned thereon.

SEC. 405. ENFORCEMENT.

(a) IN GENERAL.—After notice and an opportunity for a hearing, the Secretary is authorized to terminate a grant and recover any grant funds awarded under this section if the University—

(1) withdraws or expends any endowment fund corpus, or any endowment fund income in excess of the amount authorized by section 404, except as provided in section 402(e);

(2) fails to invest the endowment fund corpus or endowment fund income in accordance with the investment requirements described in section 403; or

(3) fails to account properly to the Secretary, or the General Accounting Office if properly designated by the Secretary to conduct an audit of funds made available under this title, pursuant to such rules and regulations as may be proscribed by the Comptroller General of the United States, concerning investments and expenditures of the endowment fund corpus or endowment fund income.

(b) TERMINATION.—If the Secretary terminates a grant under subsection (a), the University shall return to the Treasury of the United States an amount equal to the sum of the original grant or grants under this title, plus any endowment fund income earned thereon. The Secretary may direct the University to take such other appropriate measures to remedy any violation of this title and to protect the financial interest of the United States.

SEC. 406. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title $3,000,000. Funds appropriated under this section shall remain available until expended.

TITLE V—ROBERT T. STAFFORD PUBLIC POLICY INSTITUTE

SEC. 501. DEFINITIONS.

In this title:

(1) ENDOWMENT FUND.—The term ''endowment fund'' means a fund established by the Robert T. Stafford Public Policy Institute for the purpose of generating income for the support of authorized activities.

(2) ENDOWMENT FUND CORPUS.—The term ''endowment fund corpus'' means an amount equal to the grant or grants awarded under this title.

(3) ENDOWMENT FUND INCOME.—The term ''endowment fund income'' means an amount equal to the total value of the endowment fund minus the endowment fund corpus.

(4) INSTITUTE.—The term ''institute'' means the Robert T. Stafford Public Policy Institute.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of Education.

SEC. 502. PROGRAM AUTHORIZED.

(a) GRANTS.—From the funds appropriated under section 505, the Secretary is authorized to award a grant in an amount of $5,000,000 to the Robert T. Stafford Public Policy Institute.

(b) APPLICATION.—No grant payment may be made under this section except upon an application at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

SEC. 503. AUTHORIZED ACTIVITIES.

Funds appropriated under this title may be used—

(1) to further the knowledge and understanding of students of all ages about education, the environment, and public service;

(2) to increase the awareness of the importance of public service, to foster among the youth of the United States greater recognition of the role of public service in the development of the United States, and to promote public service as a career choice;

(3) to provide or support scholarships;

(4) to conduct educational, archival, or preservation activities;

(5) to construct or renovate library and research facilities for the collection and compilation of research materials for use in carrying out programs of the Institute;

(6) to establish or increase an endowment fund for use in carrying out the programs of the Institute.

SEC. 504. ENDOWMENT FUND.

(a) MANAGEMENT.—An endowment fund created with funds authorized under this title shall be managed in accordance with the standard endowment policies established by the Institute.

(b) USE OF ENDOWMENT FUND INCOME.—Endowment fund income earned (on or after the date of enactment of this title) may be used to support the activities authorized under section 503.

SEC. 505. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $5,000,000. Funds appropriated under this section shall remain available until expended.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Tennessee (Mr. HILLEARY) and the gentleman from California (Mr. MARTINEZ) each will control 20 minutes.

The Chair recognizes the gentleman from Tennessee (Mr. HILLEARY).

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

Mr. Speaker, recently the Senate passed S. 440 which authorizes funding for the building of several schools of government at higher education institutions around the country. The

schools of government include the Howard Baker School of Government at the University of Tennessee in Knoxville, the John Glenn Institute for Public Service at Ohio State University, the Mark Hatfield School of Government at Portland State University, the Paul Simon Public Policy Institute at Southern Illinois University, and the Robert T. Stafford Institute in Vermont. These schools of government would comprise the existing political science research programs at these universities. In each institution, the goal would be to improve the teaching, research and understanding of democratic institutions.

Not solely a Federal project, additional funds will be provided for these institutions by State and private sources to supplement the Federal contribution. In addition, this legislation gives us a great opportunity to praise the work of former Senator Howard Baker from Tennessee. Senator Baker was the first Republican popularly elected to the United States Senate in Tennessee's history. He served in the Senate from 1967 to 1985. In addition, he served as the minority leader from 1977 to 1981 and majority leader from 1981 until his retirement.

He then later served as President Reagan's chief of staff. Senator Baker still is quite active as a valued adviser and government expert. The creation of the Howard Baker School of Government would be a fitting tribute to his stellar career in public service. I urge the House to pass this legislation to establish these valuable schools of government and in doing so honor Senator Baker and his colleagues for their service to our country.

Finally I would like to thank the gentleman from Tennessee (Mr. DUNCAN). I am an original cosponsor of his bill, H.R. 788, which is almost identical to this legislation and at present has 23 cosponsors. Without his leadership on this issue, we would not even have this legislation before us today. I thank the gentleman from Tennessee (Mr. DUNCAN) for his hard work on this issue.

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

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

I rise in support of S. 440, a bill that authorizes financial assistance to a number of public policy institutes for the purpose of enhancing teaching and research in government and public service. The academic institutions included in the bill are named, and have been named by the gentleman from Tennessee, after a group of distinguished colleagues including the Howard Baker School of Government which is in the gentleman's district, the John Glenn Institute for Public Service and Public Policy, the oregon institute of public service and Constitutional Studies at the Mark O. Hatfield School of Government, the Paul Simon Public Policy Institute, and the Robert T. Stafford Public Policy Institute. I think the most valuable contribution of these institutions is their mission to sponsor classes, research, and internships in community service activities that stimulate student participation in public service which is crucial to fostering America's next generation of leaders. I urge support for the bill.

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

Mr. HILLEARY. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee (Mr. DUNCAN).

Mr. DUNCAN. Mr. Speaker, I thank the gentleman from Tennessee for yielding me this time and thank him in his work in support of this legislation. I rise in strong support of this very modest, bipartisan legislation.

I am pleased to be the original sponsor of the House companion to this Senate bill. The other body passed this legislation by unanimous consent last week. Both the House and Senate bills have a number of cosponsors from both sides of the aisle. I want to thank the gentleman from Pennsylvania (Mr. GOODLING) for allowing this bill to be brought to the floor today.

S. 440 would establish five new schools of government across the country. These schools would be dedicated to the study of public policy and government. Each of these schools would be named after great Americans, Members from both sides of the aisle, who have served the public in the United States Senate.

While I admire and respect all of these men, I would like to primarily speak about one of them, Senator Howard Baker. I understand that we may have other Members who will want to discuss the others honored by this legislation. Specifically, this bill would create the Howard Baker School of Government at the University of Tennessee in Knoxville. I believe this legislation is a fitting tribute to Senator Baker's extraordinary career and exemplary public service which continues to this day. Senator Baker was a member of the United States Senate for 18 years, where he served as minority leader as well as majority leader. He also served as President Reagan's chief of staff. I have said before, Mr. Speaker, that the White House chief of staff is the person who has to say no for the President. As a result, some people have left this job with very unpopular reputations. However, Senator Baker left this job as chief of staff more popular than when he began.

□ 1130

I believe this is a real testament to the type of person he is. In fact, I have said before that I believe Senator Baker is the greatest living Tennessean. He is, without question, one of the greatest statesmen in the history of the State of Tennessee.

In addition, he has been recognized in a very special way here in Washington. The rooms of the Senate majority leader in the U.S. Capitol building are named the Howard H. Baker, Jr., rooms. These are the rooms of the former Library of Congress. This is a very fitting tribute to one of our Nation's greatest public servants.

Mr. Speaker, I am honored to have earlier introduced legislation, which passed, to name a Federal courthouse in Knoxville, Tennessee after Senator Baker. This courthouse serves as a reminder to Tennesseans of the great work done for them by Senator Baker.

Senator Baker has a wonderful supportive wife, former Senator Nancy Kassebaum. I think they make a great team, and they both continue to work to ensure that this country is a better place in which to live.

In spite of all of the success Senator Baker achieved in the White House, the Senate and now his private law practice, he has not lost his humility or forgotten where he came from. He now lives in Tennessee where he can be close to the people he represented so well for so many years. He continues to work to help others. Despite his national recognition, he speaks even at very small events and helps many community organizations.

As I stated earlier, I have great admiration for all of the gentlemen honored in this bill. However, I think this is an especially fitting tribute to the greatest living Tennessean, Senator Howard H. Baker.

I urge my colleagues to support this legislation which will honor four great Americans and at the same time provide additional learning opportunities for our young people. Again, I would like to thank the gentleman from Pennsylvania (Mr. GOODLING) and the gentleman from Tennessee (Mr. HILLEARY), Congressman Hilleary, for their work on this legislation and bringing it to the floor for consideration.

Mr. HILLEARY. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. WAMP).

Mr. WAMP. Mr. Speaker, it is absolutely a thrill for me to be here as a Member of the House to recognize one of these great Americans. I think it is entirely appropriate for our country to name these schools of government after great American leaders in government.

One of these, clearly, is Howard H. Baker. He was a great United States Senator, White House chief of staff. Few people have done more for the University of Tennessee over the course of its history than Senator Baker. In fact, few people have done more for the United States of America in this century than Senator Howard Baker.

Mr. Speaker, when I think of Senator Baker, the first word that comes to mind is civility, and the second word is

trust. Members of the United States Senate from both parties truly respected and trusted Howard Baker. He had a reputation and continues to have a reputation that few people in the history of the United States Congress enjoyed.

I think of justice under the law. Even to this very day, the rooms that the Senate majority leader resides in on the Senate side, the offices are named the Howard H. Baker, Jr., rooms in recognition of his reputation. I think of intellect and hard work and the combination of the two. I think of knowledge of the law. Frankly, from the Watergate hearings to the years of Senate majority leader and White House chief of staff, I think of good old, down-home southern charm, laced with humor and respect for others and a reputation that few have ever had.

This is a proper tribute. The University of Tennessee will be better off. Students will learn from that school of government, and the name on that school of government, Howard H. Baker, will actually represent dignity, grace and justice, all three of which his life represents.

The SPEAKER pro tempore (Mr. PEASE). Does the gentleman from California (Mr. MARTINEZ) wish to reclaim his time?

Mr. MARTINEZ. Mr. Speaker, I ask unanimous consent to reclaim the time.

The SPEAKER pro tempore. Without objection, the gentleman from California (Mr. MARTINEZ) is recognized.

Mr. MARTINEZ. Mr. Speaker, I yield such time as he may consume to the gentleman from South Carolina (Mr. SANFORD).

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

I have many peers in this case saying a lot of great things about a lot of great men, and I agree with all that they have said. Howard Baker was indeed a great man, John Glenn is a great man, Paul Simon is a great man. But I struggle with this particular bill for a couple of simple reasons, but one primary one.

That is, as Republicans, what we have talked about is Washington not knowing best, and yet at the core of what this does, which is basically a sole-source grant that points to a couple of different institutions across this country and says, they are the most able beneficiaries of government largesse, and that we ought to send the money to them as opposed to a lot of other universities or colleges across this country. I struggle with that theme as a Republican because what we have talked about is the issue of Federalism, the issue of Washington not knowing best, and local communities knowing what makes sense in their neighborhood. That is why we have tried the idea of block grants, and this gets away from the idea of block grants.

So I would first of all agree with what they have been saying about any of these gentlemen, because they are indeed great gentlemen; but do we want to in fact point to sole-source grants as a way of recognizing them.

Two, we do not have a problem in this country with secondary education. We have a problem with grade school and with high school, but on any international standard, we are doing quite well on the issue of secondary education. So this points money to colleges and universities as opposed to high schools where I think our core problem is.

Three, is public policy the best place to spend this money? In other words, these are institutes of public policy, of government. Is that where the highest and best use of educational dollars can go these days, as opposed to the basics of reading and writing and arithmetic wherein we have sustained deficiencies in high schools and grade schools across this country.

Lastly, I would say, look at the different ways that we might spend this money. This money, if we are talking about $31 million here, $31 million could go based on the average teacher salaries, go to pay for 777 teachers across this country. It could go to pay for about 4,000 kids attending a year of college next year, or for that matter, it could go to my favorite subject, which is back to the debt, to pay down this debt that we have stacked up.

So I agree with what these gentlemen from Tennessee and other places have said about a lot of great men that have served in this institution, but I question whether or not this is the way to recognize their talents.

Mr. HILLEARY. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon (Mr. WALDEN).

Mr. WALDEN of Oregon. Mr. Speaker, I thank the gentleman for the opportunity to speak to Senate bill 440. In particular I would like to rise in support of title 3 of the act which authorizes the Oregon Institute of Public Service and Constitutional Studies in the Mark O. Hatfield School of Government at PSU.

Under this legislation, the institute will be required to further the knowledge and understanding of students about public service, the U.S. Government, and the Constitution, and increase the awareness among youth of the importance of public service. I think these are laudable goals and important teachings that are so underrepresented right now in our country. Learning about public service, understanding the Constitution. These are at the heart of our democracy and why this legislation is important.

This legislation also establishes the Mark O. Hatfield Fellows Program at PSU. This course of study and the fellowship in the name of Senator Hatfield is very appropriate, for the Senator has truly defined public service in my great State of Oregon.

We still have a lot to learn from Senator Hatfield. The authorization of the Institute for Public Service and Constitutional Studies and the Mark O. Hatfield Fellowship Program will ensure that future generations of Oregonians will continue the spirit of public service that Senator Hatfield has taught us.

Mr. Speaker, I urge passage of Senate bill 440.

Thank you, Mr. Speaker, for the opportunity to speak today on S. 440. In particular I would like to rise in support of Title 3 of the act which authorizes the Oregon Institute of Public Service and Constitutional Studies in the Mark O. Hatfield School of Government at Portland State University.

Under this legislation, the Institute will be required to further the knowledge and understanding of students about public service, the U.S. Government, and the Constitution, and increase the awareness among youth of the importance of public service. This legislation also establishes the Mark O. Hatfield Fellow's program at Portland State University. This course of study, and the fellowship in the name of Senator Hatfield, is very appropriate for the Senator has truly defined public service in the state of Oregon.

Senator Hatfield began his political career in the Oregon Legislature in 1950 and moved on to become the youngest Secretary of State in Oregon history at the age of 34. Elected Governor of Oregon in 1958, Senator Hatfield became the state's first two-term governor in the 20th Century when he was re-elected in 1962. The Senator's federal career began in 1966 when he was elected to the U.S. Senate. He served as Chairman of the Senate Appropriations Committee and was a member of the Energy and Natural Resources Committee, the Rules Committee, the Joint Committee on the Library, and the Joint Committee on Printing.

Senator Hatfield is now a member of the faculty at the Hatfield School of Government at Portland State University and George Fox University where he is continuing to lead the next generation of Oregonians. This legislation recognizes Senator Hatfield's legacy by supporting public service through the Hatfield School of Government. The Institute for Public Service and Constitutional Studies will provide support to partnerships that promote public service through teaching, research, and student support.

I think Senator Hatfield summed up his theory on public service best when he spoke at the dedication of the Hatfield School of Government in 1997. He said, "Throughout my career in public service I have stressed the importance of education and my deep personal respect for the teaching profession. I believe that some of my most important life's work has been my time in the classrooms, helping others learn about the great issues and the history of this country. The Hatfield School of Government brings both streams of my career—public service and education—together in a legacy that I hope will inspire many future generations, whose responsibility it will be to

continue this great country's advancement into the next century and beyond.''

We still have a lot to learn from Senator Hatfield. The authorization of the Institute for Public Service and Constitutional Studies and the Mark O. Hatfield fellowship program will ensure that the future generations of Oregonians will continue the spirit of public service that Senator Hatfield has taught us.

Mr. Speaker, I urge passage of S. 440.

Mr. HILLEARY. Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio (Ms. PRYCE).

Ms. PRYCE of Ohio. Mr. Speaker, I thank the gentleman from Tennessee for yielding me this time.

Mr. Speaker, I rise today to express my support for Senate bill 440, a bill honoring many great Americans, two of my favorite American Senators, Howard Baker, a Republican, and our own Ohio Senator, John Glenn, a Democrat.

The bill would also create, among other things, a new academic program at the Ohio State University and authorize appropriations to establish the John Glenn Institute for Public Service and Public Policy and its endowment fund to provide long-term funding for personnel and operations.

Located at the Ohio State University, the John Glenn Institute will collaborate with the university's extensive public service and public policy resources to sponsor classes, facilitate research on issues facing this country, provide internships for students, and encourage community service activities.

In addition, the institute will sponsor forums to improve public awareness and foster discussion and debate on critical issues of national and international significance.

The institute also will offer training seminars to elected and appointed public officials to enhance their governing skills. Lastly, the institute will become the rightful, permanent, and proud home to Senator Glenn's papers, speeches, and historic memorabilia.

As one of our Nation's largest public institutions, Ohio State University has a long and proud tradition of providing the highest quality education to students from all over Ohio and around the world. I believe that this legislation will enable Ohio State to integrate public service into their curriculum, thus formulating creative educational initiatives that will combine hands-on experience with research and teaching activities. This experience will prepare our Nation's future leaders for service in government and other public affairs organizations that will ultimately lead to thoughtful solutions to important public policy problems facing our society in the 21st century.

The Ohio State University is committed to enhancing public service and public policy at all levels of government. I hope my colleagues will join me in honoring this great American by supporting this legislation.

Mr. HILLEARY. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee (Mr. BRYANT).

Mr. BRYANT. Mr. Speaker, I thank my friend for yielding me this time.

Mr. Speaker, I rise today in support of this legislation which would authorize the Secretary of Education to award a grant to the University of Tennessee in Knoxville to establish the Howard Baker School of Government and its endowment fund.

Mr. Speaker, this is an important piece of legislation because it honors a man who has dedicated his life to public service while providing a forum to help advance the principles of democratic citizenship, civic duty and public responsibility, which he embodies.

After serving in the United States Senate from 1967 until 1985 and as President Reagan's chief of staff from February 1987 until July of 1988, Howard Baker returned to his private life and the practice of law in Huntsville, Tennessee. Following undergraduate studies at the University of the South and at Tulane University, Senator Baker received his law degree from the University of Tennessee. He served 3 years in the United States Navy during World War II.

Senator Baker first won national recognition in 1973 as the vice chairman of the Senate Watergate Committee. He was a keynote speaker at the Republican National Convention in 1976 and was a candidate for the Republican Presidential nomination in 1980. He concluded his Senate career by serving two terms as minority leader and two terms as majority leader. Senator Baker has received many awards, including the presidential medal of freedom, our Nation's highest civilian award and the Jefferson Award for the greatest public service performed by an elected or appointed official.

I am proud to be a cosponsor of this bill, and I urge its adoption by this body.

Mr. MARTINEZ. Mr. Speaker, I yield such time as he may consume to the gentleman from Oklahoma (Mr. COBURN).

Mr. COBURN. Mr. Speaker, I was not going to speak on this bill, but after hearing what I have heard and thinking about $31 million to honor politicians that were intimately involved in giving us a $6 trillion debt, there is something not quite right with that as I sit and think about it. There is no question that these were great public servants, but the fact is that on their watch, our children's future was mortgaged, and not mortgaged just to a small extent, to a very great extent.

We talk about this being an authorization bill. Well, why is it an authorization bill with the very anticipation that the next appropriations cycle, the money is going to be spent. So we are going to take $31 million of the taxpayers' money and create new university setting programs in honor of these five former Senators. We are fighting with the President right now, and we are playing all sorts of games with the budget so we will not touch Social Security, and we are here adding $31 million back.

This may be a very worthwhile project, but the timing on it stinks. This is not the time to do this; this is not the year to do this. When we truly are in a surplus, and that means no Social Security money spent, no Federal employees' money spent, no inland waterway trust fund spent, no highway transportation money spent out of the trust fund, no airway trust fund money spent, that is the time for us to do this.

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The American taxpayers today pay a higher percentage of their income in taxes than they have ever paid in their lives, with the exception of World War II.

Why is it that we cannot pass a tax cut, but we can spend $31 million to build new glory centers for former Senators of the United States Senate? I object, not on the grounds for me personally, but I object for my grandchildren and the children that are going to follow them, and every grandchild in this country, that we should not be spending and authorizing $31 million to be spent for any purpose that is other than absolutely necessary at this time.

Mr. HILLEARY. Mr. Speaker, I yield 3 minutes to the gentleman from Rogersville, Tennessee (Mr. JENKINS).

Mr. JENKINS. Mr. Speaker, I thank the gentleman from Tennessee for yielding time to me.

Mr. Speaker, in the closing hours of this session, which is, like all sessions, somewhat hectic, it is a pleasure to have an opportunity to ask my colleagues to vote for Senate Bill 440.

In part, it has been pointed out, it establishes the Howard H. Baker School of Government at the University of Tennessee. Unlike the last speaker who spoke on this subject, I think nothing could be more fitting and nothing could be more appropriate. Those of us who have served the State of Tennessee and who have served our Nation as Tennesseans have long sought Senator Howard Baker's counsel. That advice that we sought has always been forthcoming, it has always been wholesome, and it has always been filled with wisdom.

The gentleman from Tennessee (Mr. BRYANT) pointed out the capacities in which Senator Baker has served. I would point out that he has brought great credit to the State of Tennessee and to this entire Nation in every capacity in which he has served.

Mr. Speaker, I would urge every Member to vote for Senate 440.

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

Mr. Speaker, I would like to finish up by, one, thanking the gentleman from

Pennsylvania (Chairman GOODLING) for allowing us to actually bring this bill to the floor today. If he had not waived jurisdiction on the committee, we would have not gotten it in this session of Congress, so I appreciate his support for these schools of government.

Finally, I would like to just talk a moment about Senator Baker. Senator Baker is without question my most famous constituent. He is, as has been said earlier, and I would agree with this, that he is the most famous living Tennessean in the country that we have, and his contribution to this country, we could spend hours talking about that.

My personal relationship with him is what I would like to close with. He has been my mentor from the get-go, when I first decided to run for public office. I made the trip up to Huntsville, Tennessee, to his law office, and just discussed what I thought about what my issues were, what my beliefs were. He said, son, I think you ought to run for public office. I think you have what it takes.

I will never forget that conversation, here a great man like Howard Baker having this one-on-one conversation with little VAN HILLEARY from Spring City, Tennessee. I cannot think of a more fitting tribute to this man, who graduated from the University of Tennessee the same year my father did.

I am a graduate of the University of Tennessee. I actually took many classes in the Department of Political Science there. I just cannot think of a more fitting tribute to the University or to the Senator than to have this school of government named after him.

Mr. Speaker, I would urge all my colleagues to vote for this bill, not only to honor Senator Baker, but the other Senators involved in the bill.

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

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

The SPEAKER pro tempore (Mr. PEASE). The question is on the motion offered by the gentleman from Tennessee (Mr. HILLEARY) that the House suspend the rules and pass the Senate bill, S. 440.

The question was taken.

Mr. SANFORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

DIRECTING THE SECRETARY OF THE INTERIOR TO CONVEY CERTAIN LANDS TO THE COUNTY OF RIO ARRIBA, NEW MEXICO

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 278) to direct the Secretary of the Interior to convey certain lands to the county of Rio Arriba, New Mexico.

The Clerk read as follows:

S. 278

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

SECTION 1. OLD COYOTE ADMINISTRATIVE SITE.

(a) CONVEYANCE OF PROPERTY.—Not later than one year after the date of enactment of this Act, the Secretary of the Interior (herein ''the Secretary'') shall convey to the County of Rio Arriba, New Mexico (herein ''the County''), subject to the terms and conditions stated in subsection (b), all right, title, and interest of the United States in and to the land (including all improvements on the land) known as the ''Old Coyote Administrative Site'' located approximately ½ mile east of the Village of Coyote, New Mexico, on State Road 96, comprising one tract of 130.27 acres (as described in Public Land Order 3730), and one tract of 276.76 acres (as described in Executive Order 4599).

(b) TERMS AND CONDITIONS.—

(1) Consideration for the conveyance described in subsection (a) shall be—

(A) an amount that is consistent with the special pricing program for Governmental entities under the Recreation and Public Purposes Act; and

(B) an agreement between the Secretary and the County indemnifying the Government of the United States from all liability of the Government that arises from the property.

(2) The lands conveyed by this Act shall be used for public purposes. If such lands cease to be used for public purposes, at the option of the United States, such lands will revert to the United States.

(c) LAND WITHDRAWALS.—Land withdrawals under Public Land Order 3730 and Executive Order 4599 as extended in the Federal Register on May 25, 1989 (54 F.R. 22629) shall be revoked simultaneous with the conveyance of the property under subsection (a).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from California (Mr. GEORGE MILLER) each will control 20 minutes.

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

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

Mr. Speaker, S. 278, introduced by Senator DOMENICI of New Mexico, directs the Secretary of the Interior and the Secretary of Agriculture to convey land known as the Old Coyote Administrative Site to the county of Rio Arriba, New Mexico.

This site includes a Forest Service tract of 130 acres and a BLM tract of 276 acres. The site was vacated by the Forest Service in 1993. This legislation is patterned after a similar transfer that the 103rd Congress directed the Secretary of Agriculture to complete in 1993 on the Old Taos Ranger District Station.

As with Taos Station, the Coyote Station will continue to be used for public purposes, including a community center and a fire substation. Some buildings will also be available for the county to use for storage of road maintenance equipment and other county vehicles.

The conveyance will be consistent with the Recreation and Public Purposes Act pricing program. The lands must be used for public purposes, and revert back to the U.S. Government if not used for these purposes.

Mr. Speaker, this is a good bill, and I ask my colleagues to support it.

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

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

Mr. Speaker, S. 278 is a companion measure to a bill introduced by my colleague on the Committee on Resources, the gentleman from New Mexico (Mr. UDALL). The bill directs the Secretary of the Interior to convey land known as the Old Coyote Administrative Site to the county of Rio Arriba in New Mexico.

The site, which is approximately 307 acres, was formerly used by the Forest Service, but was vacated in 1993 when the Forest Service moved to a new location. The legislation provides for the transfer of the property to the county at a reduced price. The land must be used for a public purpose, and will revert back to the Federal government if not used for these purposes.

It is our understanding the county will continue to use the site for public purposes, including a community center and a fire substation. Mr. Speaker, S. 278 is a noncontroversial item which I support. I want to congratulate my colleagues who have offered this legislation.

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

Mr. HANSEN. Mr. Speaker, I am happy to yield such time as she may consume to the gentlewoman from New Mexico (Mrs. WILSON).

Mrs. WILSON. Mr. Speaker, I want to thank the chairman for yielding time to me, and thank the Committee on Resources, and particularly the chairman, for bringing this bill up. As we approach the end of this session of the Congress, there are a lot of things we are trying to wrap up. This is one that has been pending for some time.

This Rio Arriba legislation authorizes the transfer of a little more than 400 acres of Federal land in the Old Coyote Ranger District Station near Coyote, New Mexico, and it would give it to Rio Arriba County so they can have that land and those buildings for county purposes and public purposes. They are going to use those buildings for a community center, for a fire station, for their storage and road maintenance equipment, and I think it is a win-win situation.

The Federal government no longer wants to maintain those buildings and has moved to a new ranger station about 6 miles away, so this is a good land transfer bill. This bill passed the

Senate in the last session of the Congress, did not pass the House in the waning days. When we finish this here today, it will go to the President for his signature. He has already indicated that he is supportive of this legislation.

This is often the case in the West, we need to do these little Federal land transfer bills because so much of the West is owned by the Federal government.

I thank the gentleman for his attention to this matter, and I commend particularly Senator DOMENICI for stewarding this through.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from New Mexico (Mr. UDALL).

Mr. UDALL of New Mexico. Mr. Speaker, this legislation provides for a transfer by the Secretary of the Interior of real property and improvements at an abandoned and surplus ranger station in the Carson National Forest to Rio Arriba County.

This site is known locally as the Old Coyote Administration Site, and it is located near the town of Coyote, New Mexico. This site will continue to be used for public purposes, and may be used as a community center, fire station, fire substation, storage facilities, or space to repair road maintenance equipment or other county vehicles.

Mr. Speaker, the Forest Service has moved its operations to a new facility and has determined that this site is of no further use. Furthermore, the Forest Service has notified the General Services Administration that improvements to the site are considered surplus and the sites are available for disposal.

In addition, the lands on which the facility is built is withdrawn public domain land, and falls under the jurisdiction of the Bureau of Land Management. Since neither the Bureau of Land Management nor the Forest Service has future plans to utilize this site, the transfer of the land and the facilities to Rio Arriba County would create a benefit to a community that would make productive use of it.

This county is one that has a heavy Federal land presence. This will enable them to utilize the land that they have not been able to have and be able to do some very productive things.

In summary, this legislation creates a situation in which the Federal government, the State of New Mexico, and the people of Rio Arriba County all benefit. I urge my colleagues to support this bill. It is a good bill. I also want to thank our senior Senator from New Mexico, Senator DOMENICI, for all his hard work on this bill over the years.

Mr. GEORGE MILLER of California. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the Senate bill, S. 278.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HANSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. 440 and S. 278.

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

There was no objection.

ANNOUNCEMENT OF MEASURES TO BE CONSIDERED UNDER SUSPENSION OF THE RULES

Mr. HANSEN. Mr. Speaker, pursuant to House resolution 374, I announce the following measures be taken up under suspension of the rules:

S. 1398, Regarding Coastal Barriers;

H.R. 3381, OPIC reauthorization;

H. Con. Res. 128, Treatment of Religious Minorities in Iran.

MINUTEMAN MISSILE NATIONAL HISTORIC SITE ESTABLISHMENT ACT OF 1999

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 382) to establish the Minuteman Missile National Historic Site in the State of South Dakota, and for other purposes.

The Clerk read as follows:

S. 382

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 ''Minuteman Missile National Historic Site Establishment Act of 1999''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the Minuteman II intercontinental ballistic missile (referred to in this Act as ''ICBM'') launch control facility and launch facility known as ''Delta 1'' and ''Delta 9'', respectively, have national significance as the best preserved examples of the operational character of American history during the Cold War;

(2) the facilities are symbolic of the dedication and preparedness exhibited by the missileers of the Air Force stationed throughout the upper Great Plains in remote and forbidding locations during the Cold War;

(3) the facilities provide a unique opportunity to illustrate the history and significance of the Cold War, the arms race, and ICBM development; and

(4) the National Park System does not contain a unit that specifically commemorates or interprets the Cold War.

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

(1) to preserve, protect, and interpret for the benefit and enjoyment of present and future generations the structures associated with the Minuteman II missile defense system;

(2) to interpret the historical role of the Minuteman II missile defense system—

(A) as a key component of America's strategic commitment to preserve world peace; and

(B) in the broader context of the Cold War; and

(3) to complement the interpretive programs relating to the Minuteman II missile defense system offered by the South Dakota Air and Space Museum at Ellsworth Air Force Base.

SEC. 3. MINUTEMAN MISSILE NATIONAL HISTORIC SITE.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Minuteman Missile National Historic Site in the State of South Dakota (referred to in this Act as the ''historic site'') is established as a unit of the National Park System.

(2) COMPONENTS OF SITE.—The historic site shall consist of the land and interests in land comprising the Minuteman II ICBM launch control facilities, as generally depicted on the map referred to as ''Minuteman Missile National Historic Site'', numbered 406/80,008 and dated September, 1998, including—

(A) the area surrounding the Minuteman II ICBM launch control facility depicted as ''Delta 1 Launch Control Facility''; and

(B) the area surrounding the Minuteman II ICBM launch control facility depicted as ''Delta 9 Launch Facility''.

(3) AVAILABILITY OF MAP.—The map described in paragraph (2) shall be on file and available for public inspection in the appropriate offices of the National Park Service.

(4) ADJUSTMENTS TO BOUNDARY.—The Secretary of the Interior (referred to in this Act as the ''Secretary'') is authorized to make minor adjustments to the boundary of the historic site.

(b) ADMINISTRATION OF HISTORIC SITE.—The Secretary shall administer the historic site in accordance with this Act and laws generally applicable to units of the National Park System, including—

(1) the Act entitled ''An Act to establish a National Park Service, and for other purposes'', approved August 25, 1916 (16 U.S.C. 1 et seq.); and

(2) the Act entitled ''An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes'', approved August 21, 1935 (16 U.S.C. 461 et seq.).

(c) COORDINATION WITH HEADS OF OTHER AGENCIES.—The Secretary shall consult with the Secretary of Defense and the Secretary of State, as appropriate, to ensure that the administration of the historic site is in compliance with applicable treaties.

(d) COOPERATIVE AGREEMENTS.—The Secretary may enter into cooperative agreements with appropriate public and private entities and individuals to carry out this Act.

(e) LAND ACQUISITION.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary may acquire land and interests in land within the boundaries of the historic site by—

(A) donation;

(B) purchase with donated or appropriated funds; or

(C) exchange or transfer from another Federal agency.

(2) PROHIBITED ACQUISITIONS.—

(A) CONTAMINATED LAND.—The Secretary shall not acquire any land under this Act if the Secretary determines that the land to be acquired, or any portion of the land, is contaminated with hazardous substances (as defined in section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601)), unless, with respect to the land, all remedial action necessary to protect human health and the environment has been taken under that Act.

(B) SOUTH DAKOTA LAND.—The Secretary may acquire land or an interest in land owned by the State of South Dakota only by donation or exchange.

(f) GENERAL MANAGEMENT PLAN.—

(1) IN GENERAL.—Not later than 3 years after the date funds are made available to carry out this Act, the Secretary shall prepare a general management plan for the historic site.

(2) CONTENTS OF PLAN.—

(A) NEW SITE LOCATION.—The plan shall include an evaluation of appropriate locations for a visitor facility and administrative site within the areas depicted on the map described in subsection (a)(2) as—

(i) ''Support Facility Study Area—Alternative A''; or

(ii) ''Support Facility Study Area—Alternative B''.

(B) NEW SITE BOUNDARY MODIFICATION.—On a determination by the Secretary of the appropriate location for a visitor facility and administrative site, the boundary of the historic site shall be modified to include the selected site.

(3) COORDINATION WITH BADLANDS NATIONAL PARK.—In developing the plan, the Secretary shall consider coordinating or consolidating appropriate administrative, management, and personnel functions of the historic site and the Badlands National Park.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated such sums as are necessary to carry out this Act.

(b) AIR FORCE FUNDS.—

(1) TRANSFER.—The Secretary of the Air Force shall transfer to the Secretary any funds specifically appropriated to the Air Force in fiscal year 1999 for the maintenance, protection, or preservation of the land or interests in land described in section 3.

(2) USE OF AIR FORCE FUNDS.—Funds transferred under paragraph (1) shall be used by the Secretary for establishing, operating, and maintaining the historic site.

(c) LEGACY RESOURCE MANAGEMENT PROGRAM.—Nothing in this Act affects the use of any funds available for the Legacy Resource Management Program being carried out by the Air Force that, before the date of enactment of this Act, were directed to be used for resource preservation and treaty compliance.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from California (Mr. GEORGE MILLER) each will control 20 minutes.

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

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

Mr. Speaker, S. 382, introduced by Senator TIM JOHNSON from South Dakota, authorizes the establishment of the Minuteman Missile National Historic Site in the State of South Dakota as a unit of the National Park System. Recognition should also go to the gentleman from South Dakota (Mr. THUNE), who has worked very hard to move this bill forward through the House.

Mr. Speaker, in 1961, at the height of the Cold War, the United States deployed the Minuteman Intercontinental Ballistic Missile. By 1963, Ellsworth Air Force Base in South Dakota had a large combat-ready missile wing with 165 sites. With the collapse of the Soviet Union, the Cold War effectively ended, and in 1991 the United States signed the Strategic Arms Reduction Treaty with the Soviet Union.

START I required that all Minuteman II missiles be deactivated, and in fact, the Delta Nine launch silo is the only IBM launch tube remaining. A special resource study which was completed in 1995 by the Departments of the Interior and Defense determined that establishing the Minuteman Missile National Historic Site was suitable and feasible.

This site will be comprised of separate and discrete areas consisting of the Delta One launch control facility, the Delta Nine launch facility, along with a proposed visitor center administrative facility. The Secretary of the Interior is also directed to prepare a management plan for the site, in coordination with the Badlands National Park.

This bill is supported by the administration and the minority, and I urge my colleagues to support S. 382.

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

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

Mr. Speaker, S. 382, as just explained by the subcommittee chair, establishes the Minuteman National Historic Site in South Dakota to encompass both the Delta One and Delta Nine missile site at Ellsworth Air Force Base.

We have no problem with this legislation, and recommend its passage.

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

Mr. HANSEN. Mr. Speaker, I yield such time as he may consume to the gentleman from South Dakota (Mr. THUNE).

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

Mr. Speaker, first let me thank the distinguished gentleman from Utah (Mr. HANSEN), the chairman, for all his help in moving this legislation.

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The other body has passed Senate bill 382, the Minuteman Missile National Historic Site Establishment Act of 1999, by unanimous consent back on March 25, 1999, and I urge the House to pass the bill today.

I, like many other Americans, grew up during the Cold War when tensions between America and the Soviet Union were at their highest point. My memories of this time are vivid. I remember Vietnam, the renewed arms race, and the immense pride and patriotism that I felt when the Berlin Wall came down. During this period, 150 Minuteman II missiles remained on nuclear alert at Ellsworth Air Force Base.

In western South Dakota, the 44th Missile Wing blended with the scenery with the Black Hills as a backdrop. Spread out over 13,500 square miles, the soldiers grew to know the locals and the locals the soldiers. On the Fourth of July, 1994, when the wing was deactivated, something was missing on the high plains of western South Dakota. On occasion, I still meet soldiers who manned the silo stationed at Ellsworth, and they tell me how wonderful the people of South Dakota are.

Mr. Speaker, I grew up in Murdo, South Dakota, just 60 miles east on Interstate 90 from the Delta-1 Command Center. Surrounding that center were 10 nuclear missiles. In South Dakota, an important reality of the Cold War existed. For current generations and generations to come, the creation of the Minuteman Missile National Historic Site would provide an opportunity to see what happened behind the scenes. We can learn more about the story of the lives of the officers and men who lived and worked in the missile silos and command centers.

Our opportunity to preserve this piece of history is limited because all Minuteman II silo launchers have been eliminated except for the site designated Delta-9. Delta-1 and Delta-9 provide a unique opportunity to preserve that history. Under an interagency agreement between the Air Force and the National Park Service, this site has been temporarily preserved. However, this agreement has expired, prompting the need for immediate legislative action.

Congressional action on Senate bill 382 also bears important national security implications. The Ballistic Missile Development Organization's National Missile Defense program uses the boosters from Minuteman missiles in testing. However, the Strategic Arms Reduction Treaty, or START, precludes the use of encryption technology during flight tests until all missiles of a type have been retired or turned into a museum. Preservation of this site would eliminate the security concern.

From a purely practical standpoint, the site is conveniently located along the major access highway to the Black Hills National Forest, Mount Rushmore National Monument and the Badlands National Park. The Minuteman Missile site would form a mutually

beneficial relationship with the existing attractions.

Mr. Speaker, we now face a crucial point that demands action. In addition to the encryption issue, an important landmark would be lost forever should the site be destroyed. These sites serve as an important reminder of our Cold War strategy and should be preserved for today and future generations.

Mr. Speaker, there is a sign painted on the door leading into the Delta-1 control room. Below a pizza box someone wrote, and I quote, ''Worldwide delivery in 30 minutes or less, or your next one is free.'' Dark humor, I know, but it was a reality. Civilization as we all know it could have been destroyed in 30 minutes. The character and personalities of our soldiers who served a critical role in the defense of our Nation should be preserved.

Mr. Speaker, I therefore ask the House to join me in supporting this important legislation and to move closer to the establishment of what would prove to be an invaluable asset to this Nation.

Mr. Speaker, I thank the gentleman from Utah (Mr. HANSEN) for his work in helping us move this legislation forward.

First, let me thank Chairman YOUNG and Chairman HANSEN for all their help moving this legislation. The other body passed S. 382, the Minuteman Missile National Historic Site Establishment Act of 1999, by unanimous consent on March 25, 1999, and I urge the House to pass the bill today.

I, like many Americans, grew up during the Cold War when tensions between America and the Soviet Union were at their highest point. My memories of this time are vivid. I remember Vietnam, the renewed arms race, and the immense pride and patriotism I felt when the Berlin Wall came down. During this period, 150 Minuteman II missiles remained on nuclear alert at Ellsworth AFB.

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I grew up in Murdo, South Dakota, just 60 miles east on I–90 from the Delta One command center. Surrounding that center were 10 nuclear missiles. In South Dakota, an important reality of the Cold War existed. For current generations and generations to come, the creation of the Minuteman Missile National Historic Site would provide an opportunity to see what happened behind the scenes. We can learn more about the story of the lives of the officers who lived and worked in the missile silos and command centers.

Our opportunities to preserve this piece of history are limited because all Minuteman II silo launchers have been eliminated except for the site designated Delta-9. Delta-1 and Delta-9 would provide a unique opportunity to preserve that history. Under an interagency agreement between the Air Force and the National Park Service, this site has been temporarily preserved. However, this agreement has expired, prompting the need for immediate legislative action.

Congressional action on S. 382 also bears important national security implications. The Ballistic Missile Development Organization's National Missile Defense program uses the boosters from Minuteman Missiles in testing. However, the Strategic Arms Reduction Treaty (START) precludes the use of encryption technology during flight tests until all missiles of a type have been retired or turned into a museum. Preservation of this site would eliminate this security concern.

From a purely practical standpoint, the site is conveniently located along the major access highway to the Black Hills National Forest, Mount Rushmore National Monument, and the Badlands National Park. The Minuteman Missile site would form a mutually beneficial relationship with the existing attractions.

We now face a crucial point that demands action. In addition to the encryption issue, an important landmark would be lost forever should the site be destroyed. These sites serve as an important reminder of our Cold War strategy and should be preserved for today and future generations.

There is a sign painted on the door leading into the Delta One control room. Below a pizza box, someone wrote, ''World-wide delivery in 30 minutes or less or your next one is free.'' Dark humor, I know, but it was a reality. Civilization as we all know it could have been destroyed in 30 minutes. The character and personalities of our soldiers who served a critical role in the defense of our nation should be preserved.

I, therefore, ask the House to join me in supporting this important legislation and move closer to the establishment of what would prove to be an invaluable asset to this nation.

Mr. HEFLEY. Mr. Speaker, I rise in support of S. 382 with one reservation. I do not oppose the establishment of the Minuteman Missile National Historic Site in the State of South Dakota. I do, however, have significant concerns with directing the Secretary of the Air Force to transfer funds to the Secretary of the Interior for the purpose of establishing, operating, and maintaining the site.

In my judgment, the financial responsibility for maintaining the National Park System does not rest with the Department of the Air Force. Section 4(b) of the bill provides for such a transfer of funds. However, I would note that the funds specified for transfer in section 4(b)(1) have expired. In the interest of facilitating the establishment of the Minuteman Missile National Historic Site, I saw no need, as a member of the Committee on Resources, to strike the moot provision concerning the transfer of funds and thereby send the bill back to the Senate at this late date in the session.

As a member of the Committee on Armed Services and Chairman of the Subcommittee on Military Installations and Facilities, I want to note further that an authorization to transfer such funds is properly within the jurisdiction of the Committee on Armed Services. I think it is fair to say that the Committee, and certainly this member, would oppose any effort to compel the Secretary of the Air Force to utilize military construction, operations and maintenance, or other funds authorized and appropriated for fiscal year 2000 to support the establishment, operations, and maintenance of this site.

Mr. HANSEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the Senate bill, S. 382.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HANSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and add extraneous material on S. 382, the Senate bill just passed.

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

There was no objection.

PERSONAL EXPLANATION

Mr. HILL of Montana. Mr. Speaker, I was unavoidably detained on Tuesday, November 16, for personal medical leave. Should I have been present for rollcall votes 587 through 595, I would have voted the following way:

On rollcall vote 587, I would have voted yes; on rollcall vote 588, I would have voted yes; on rollcall vote 589, I would have voted yes; on rollcall vote 590, I would have voted yes; on rollcall vote 591, I would have voted yes; on rollcall vote 592, I would have voted yes; rollcall vote 593, I would have voted yes; on rollcall vote 594, I would have voted yes; on rollcall vote 595, I would have voted no.

CITY OF SISTERS, OREGON, LAND CONVEYANCE

Mrs. CHENOWETH-HAGE. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 416) to direct the Secretary of Agriculture to convey to the city of Sisters, Oregon, a certain parcel of land for use in connection with a sewage treatment facility, as amended.

The Clerk read as follows:

S. 416

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

SECTION 1. FINDINGS.

Congress finds that—

(1) the city of Sisters, Oregon, faces a public health threat from a major outbreak of infectious diseases due to the lack of a sewer system;

(2) the lack of a sewer system also threatens groundwater and surface water resources in the area;

(3) the city is surrounded by Forest Service land and has no reasonable access to non-Federal parcels of land large enough, and with the proper soil conditions, for the development of a sewage treatment facility;

(4) the Forest Service currently must operate, maintain, and replace 11 separate septic systems to serve existing Forest Service facilities in the city of Sisters; and

(5) the Forest Service currently administers 77 acres of land within the city limits that would increase in value as a result of construction of a sewer system.

SEC. 2. CONVEYANCE.

(a) IN GENERAL.—As soon as practicable and upon completion of any documents or analysis required by any environmental law, but not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall convey to the city of Sisters, Oregon, (hereinafter referred to as the ''city'') an amount of land that is not more than is reasonably necessary for a sewage treatment facility and for the disposal of treated effluent consistent with subsection (c).

(b) LAND DESCRIPTION.—The amount of land conveyed under subsection (a) shall be 160 acres or 240 acres from within—

(1) the SE quarter of section 09, township 15 south, range 10 west, W.M., Deschutes, Oregon, and the portion of the SW quarter of section 09, township 15 south, range 10 west, W.M., Deschutes, Oregon, that lies east of Three Creeks Lake Road, but not including the westernmost 500 feet of that portion; and

(2) the portion of the SW quarter of section 09, township 15 south, range 10 west, W.M., Deschutes County, Oregon, lying easterly of Three Creeks Lake Road.

(c) CONDITION.—

(1) IN GENERAL.—The conveyance under subsection (a) shall be made on the condition that the city—

(A) shall conduct a public process before the final determination is made regarding land use for the disposition of treated effluent,

(B) except as provided by paragraph (2), shall be responsible for system development charges, mainline construction costs, and equivalent dwelling unit monthly service fees as set forth in the agreement between the city and the Forest Service in the letter of understanding dated October 14, 1999; and

(C) shall pay the cost of preparation of any documents required by any environmental law in connection with the conveyance.

(2) ADJUSTMENT IN FEES.—

(A) VALUE HIGHER THAN ESTIMATED.—If the land to be conveyed pursuant to subsection (a) is appraised for a value that is 10 percent or more higher than the value estimated for such land in the agreement between the city and the Forest Service in the letter of understanding dated October 14, 1999, the city shall be responsible for additional charges, costs, fees, or other compensation so that the total amount of charges, costs, and fees for which the city is responsible under paragraph (1)(B) plus the value of the amount of charges, costs, fees, or other compensation due under this subparagraph is equal to such appraised value. The Secretary and the city shall agree upon the form of additional charges, costs, fees, or other compensation due under this subparagraph.

(B) VALUE LOWER THAN ESTIMATED.—If the land to be conveyed pursuant to subsection (a) is appraised for a value that is 10 percent or more lower than the value estimated for such land in the agreement between the city and the Forest Service in the letter of understanding dated October 14, 1999, the amount of equivalent dwelling unit monthly service fees for which the city shall be responsible under paragraph (1)(B) shall be reduced so that the total amount of charges, costs, and fees for which the city is responsible under that paragraph is equal to such appraised value.

(d) USE OF LAND.—

(1) IN GENERAL.—The land conveyed under subsection (a) shall be used by the city for a sewage treatment facility and for the disposal of treated effluent.

(2) OPTIONAL REVERTER.—If at any time the land conveyed under subsection (a) ceases to be used for a purpose described in paragraph (1), at the option of the United States, title to the land shall revert to the United States.

(e) AUTHORITY TO ACQUIRE LAND IN SUBSTITUTION.—Subject to the availability of appropriations, the Secretary shall acquire land within Oregon, and within or in the vicinity of the Deschutes National Forest, of an acreage equivalent to that of the land conveyed under subsection (a). Any lands acquired shall be added to and administered as part of the Deschutes National Forest.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Idaho (Mrs. CHENOWETH-HAGE) and the gentleman from California (Mr. GEORGE MILLER) each will control 20 minutes.

The Chair recognizes the gentlewoman from Idaho (Mrs. CHENOWETH-HAGE).

GENERAL LEAVE

Mrs. CHENOWETH-HAGE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on S. 416.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Idaho?

There was no objection.

Mrs. CHENOWETH-HAGE. Mr. Speaker, I yield myself such time as I may cosume.

Mr. Speaker, Senate bill 416 was introduced by Senator GORDON SMITH of Oregon. This legislation would direct the Secretary of Agriculture to convey to the City of Sisters, Oregon, a certain parcel of land for use in connection with a sewage treatment facility.

Now, the gentleman from Oregon (Mr. WALDEN), our colleague, should be commended for his dedication to this issue. He has worked tirelessly with the Forest Service and with the mayor of Sisters, Oregon, to shape Senate bill 416 so it could be passed today.

Senate 416 was favorably reported, as amended, from the full committee by voice vote on October 20, 1999.

Mr. Speaker, I urge my colleagues to support passage of Senate bill 416 under suspension of the rules.

Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon (Mr. WALDEN) for further explanation of the bill.

Mr. WALDEN of Oregon. Mr. Speaker, I thank the gentlewoman from Idaho (Mrs. CHENOWETH-HAGE) for her work on this legislation, and I would like to thank the gentleman from California (Mr. MILLER) from the committee as well for his help in crafting the agreement that we approved.

Mr. Speaker, Senate bill 416 is of the utmost importance to the health and welfare of the constituents of my district. This legislation will convey a parcel of land for the use by the City of Sisters, Oregon, for the development of a sewage treatment facility. It has strong bipartisan support from its cosponsors, Senator WYDEN and Senator SMITH, and it passed unanimously in the other body.

The bill also has the support of the gentleman from Oregon (Mr. DEFAZIO), my fellow Oregonian across the aisle who serves on the Committee on Resources as well.

Mr. Speaker, Sisters, Oregon is a popular tourist town surrounded by the Deschutes National Forest. Unfortunately, it lacks a wastewater treatment facility to support its residents who must use septic systems. There is a critical need for a treatment facility due to the failure of many of the aging septic tanks in this community.

There is a current and immediate health threat from surfacing effluent, to put it delicately. During the summer months, in order to accommodate tourists who often visit the surrounding lands, the city must place approximately 60 portable toilets around the town.

Even though the city is economically distressed, it has put together a financing package of approximately $7 million for a wastewater treatment facility. Unfortunately, additional funds to acquire land for the treatment facility and the disposition of treated wastewater are currently beyond the residents' ability to pay, which is why we are here today.

Mr. Speaker, this bill, as amended, represents a bipartisan agreement for exchange of land for the City of Sisters in exchange for a waiver of hook-up fees and future services between its surrounding neighbor, the U.S. Forest Service. This agreement will allow a much-needed wastewater treatment facility to be built for the benefit of the residents of Sisters, the Forest Service and its employees, and the visitors who stop by this busy wayside as they travel through Oregon and vacation in nearby Forest Service lands.

The Federal Government will save tens of thousands of dollars in hook-up fees and future treatment expenses. The residents of Sisters will get the land they need to construct a treatment facility that will eliminate the health hazards they face.

Mr. Speaker, I want to thank Mayor Steve Wilson of Sisters, the Deschutes Forest Supervisor Sally Collins, and the Subcommittee on Forests and Forest Health staff, and the minority staff as well, for all the hard work they put

into this well-conceived legislation. I strongly support passage of Senate bill 416.

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

Mr. Speaker, I want to commend the gentleman from Oregon (Mr. WALDEN) who just spoke in the well for all the work that he did on this legislation, along with the gentleman from Oregon (Mr. DEFAZIO). The gentleman has quite properly explained the impact of the legislation and we are in agreement with him and urge its passage.

Mr. Speaker, S. 416 directs the Secretary of Agriculture to convey, after a public process, either 160 or 240 acres to the City of Sisters, Oregon for use as a sewage treatment facility. The City of Sisters is surrounded by federal land and is in dire need of a wastewater treatment plant. While I recognize that this is a worthy cause, I do not support the practice of giving away federal land. Nor do I support legislating land conveyances that circumvent the administrative process and fair market value requirements.

Nevertheless, I no longer object to this bill because under my amendment which the Committee adopted, the Forest Service will be adequately compensated for the land it conveys to the city. The city has agreed to waive sewage treatment-related costs for the Forest Service in the facility's service area in an amount equal to the value of the federal land. The bill also provides that if the final federal appraisal deviates by ten percent or more from the city's preliminary appraisal, then the city and the Secretary would have to mutually agree on compensation to attain the higher appraised value. This provision ensures that the federal government gets a close approximation of fair market value for its land.

I commend Mr. Walden for his hard work on this bill and his willingness to work with me to address my concerns, as well as those of the Forest Service. I urge my colleagues to support S. 416, as amended.

Mr. Speaker, I yield back the balance of my time.

Mrs. CHENOWETH-HAGE. Mr. Speaker, I have no more requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Idaho (Mrs. CHENOWETH-HAGE) that the House suspend the rules and pass the Senate bill, S. 416, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

TORRES MARTINEZ DESERT CAHUILLA INDIANS AND GUIDIVILLE BAND OF POMO INDIANS OF GUIDIVILLE INDIAN RANCHERIA LAND LEASES

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1953) to authorize leases for terms not to exceed 99 years on land held in trust for the Torres Martinez Desert Cahuilla Indians and the Guidiville Band of Pomo Indians of the Guidiville Indian Rancheria, as amended.

The Clerk read as follows:

H.R. 1953

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

SECTION 1. AUTHORIZATION OF 99-YEAR LEASES.

(a) IN GENERAL.—The first section of the Act entitled ''An Act to authorize the leasing of restricted Indian lands for public, religious, educational, residential, business, and other purposes requiring the grant of long-term leases'', approved August 9, 1955 (25 U.S.C. 415(a)), is amended by inserting ''lands held in trust for the Torres Martinez Desert Cahuilla Indians, lands held in trust for the Guidiville Band of Pomo Indians of the Guidiville Indian Rancheria, lands held in trust for the Confederated Tribes of the Umatilla Indian Reservation'' after ''Sparks Indian Colony,''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to any lease entered into or renewed after the date of the enactment of this Act.

SEC. 2. REVOCATION OF CHARTER OF INCORPORATION.

The request of the Stockbridge-Munsee Community of Wisconsin to surrender the charter of incorporation issued to the Community on May 21, 1938, pursuant to section 17 of the Act of June 18, 1934, (commonly known as the ''Indian Reorganization Act'') is hereby accepted and that charter of incorporation is hereby revoked.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from California (Mr. GEORGE MILLER) each will control 20 minutes.

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

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

Mr. Speaker, H.R. 1953 is a technical amendments bill which will authorize leases for terms not to exceed 99 years on lands held in trust for the Torres Martinez Desert Cahuilla Indians, the Confederated Tribes of the Umatilla Indian Reservation, and the Guidiville Band of Pomo Indians of the Guidiville Indian Rancheria.

Mr. Speaker, this bill will also revoke a Federal corporate charter granted to the Stockbridge-Munsee Community Band of Mohican Indians in 1938. The band has asked us to revoke the charter because it is outdated, because it has never been used, and because it has been suspended by another charter. Only the Congress can revoke this charter.

Existing Federal law, which limits the leasing of land held in trust for Indian tribes to a period of not more than 25 years, has proven to be unrealistic in today's world of large investment requirements. Tribes need expanded leasing authority to increase on-reservation housing and to facilitate economic development.

Mr. Speaker, I support this technical amendment and urge my colleagues to pass same.

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

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

Mr. Speaker, I would say that the gentleman from Utah (Mr. HANSEN) has quite properly explained the legislation. The tribe has requested this matter, and it is similar to legislation that we have passed in previous years. I recommend that we support this legislation.

Mrs. BONO. Mr. Speaker, I rise in support of the motion to suspend the rules and pass H.R. 1953. This is legislation that I introduced earlier this term in an effort to assist two tribes and some of the finest people in my community. The ability for these sovereign governments to execute 99-year leases is critical for their self-sufficiency and the diversity necessary for further economic viability. In addition, I support the new provisions added via the manager's amendment and am pleased that all of these contained provisions have been approved by the proper representatives of both parties.

Briefly, I would like to explain to my colleagues what Congress is accomplishing with this bill. Currently, federal law limits these tribes to executing a 25-year lease that may be renewed once for a second 25-year term. The bill's stated worthy purposes for public, religious, educational, residential, and business development reflect the future goals of the tribes and require this federal action permitting these entities the ability to grant long-term leases of 99 years.

One key principle that must remain fixed within the foundation of federal Native American policy is preserving the sovereignty of Indian tribes. This stated policy is unfortunately meaningless if Congress fails in its duty to exercise its legislative authority and empower tribes. Tribes must have the appropriate legal authority through the necessary tools for true self-sufficiency, governance, and development. They must be free to undertake the type of modern development that this bill contemplates. This is a fair and equitable result for the meaningful self-determination worthy of a sovereign nation and its people going into the 21st century.

In conclusion, I wish to express my sincere gratitude to the gentleman from Alaska (Chairman DON YOUNG), the gentleman from Utah (Mr. HANSEN), the distinguished ranking member (Mr. MILLER), the gentleman from California (Mr. THOMPSON), and the other Members who were instrumental in the passage of this overdue and worthwhile bill. In addition, I am grateful that my colleagues and I were able to secure its passage this year, because there is no need to delay the implementation of any bill designed with the sole focus of helping Native Americans and Indian tribes.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 1953, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

WATER FEASIBILITY STUDY ON JICARILLA APACHE RESERVATION IN NEW MEXICO

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3051) to direct the Secretary of the Interior, the Bureau of Reclamation, to conduct a feasibility study on the Jicarilla Apache Reservation in the State of New Mexico, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3051

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

SECTION 1. FINDINGS.

Congress finds that—

(1) there are major deficiencies with regard to adequate and sufficient water supplies available to residents of the Jicarilla Apache Reservation in the State of New Mexico;

(2) the existing municipal water system that serves the Jicarilla Apache Reservation is under the ownership and control of the Bureau of Indian Affairs and is outdated, dilapidated, and cannot adequately and safely serve the existing and future growth needs of the Jicarilla Apache Tribe;

(3) the federally owned municipal water system on the Jicarilla Apache Reservation has been unable to meet the minimum Federal water requirements necessary for discharging wastewater into a public watercourse and has been operating without a Federal discharge permit;

(4) the federally owned municipal water system that serves the Jicarilla Apache Reservation has been cited by the United States Environmental Protection Agency for violations of Federal safe drinking water standards and poses a threat to public health and safety both on and off the Jicarilla Apache Reservation;

(5) the lack of reliable supplies of potable water impedes economic development and has detrimental effects on the quality of life and economic self-sufficiency of the Jicarilla Apache Tribe;

(6) due to the severe health threats and impediments to economic development, the Jicarilla Apache Tribe has authorized and expended $4,500,000 of tribal funds for the repair and replacement of the municipal water system on the Jicarilla Apache Reservation; and

(7) the United States has a trust responsibility to ensure that adequate and safe water supplies are available to meet the economic, environmental, water supply, and public health needs of the Jicarilla Apache Indian Reservation.

SEC. 2. AUTHORIZATION.

(a) AUTHORIZATION.—Pursuant to reclamation laws, the Secretary of the Interior, through the Bureau of Reclamation and in consultation and cooperation with the Jicarilla Apache Tribe, shall conduct a feasibility study to determine the most feasible method of developing a safe and adequate municipal, rural, and industrial water supply for the residents of the Jicarilla Apache Indian Reservation in the State of New Mexico.

(b) REPORT.—Not later than 1 year after funds are appropriated to carry out this Act, the Secretary of the Interior shall transmit to Congress a report containing the results of the feasibility study required by subsection (a).

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $200,000 to carry out this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from New Mexico (Mr. UDALL) each will control 20 minutes.

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

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

Mr. Speaker, the existing water system that is being used to meet the municipal water needs on the Jicarilla Apache Reservation in Northern New Mexico was built in the 1920s by the Bureau of Indian Affairs. The system was originally built solely for the use of the BIA, who continues to own the system. Over the years, the tribe has made random connections to the system. It has deteriorated and become overutilized. However, it is now regarded as the tribe's municipal water source, even though it does not adequately and safely serve the existing and future growth needs of the Jicarilla Apache Tribe.

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In addition, the BIA has been unable to meet the Federal Clean Water Act requirements necessary for discharging wastewater into a public watercourse and has been operating without a Federal discharge permit.

The Bureau of Indian Affairs has seen a growing number of requests to develop, operate, and maintain water systems on Indian reservations throughout the United States. Unfortunately, the BIA has chosen other priorities, with the result that many tribes' needs for safe drinking water have not been addressed. In the last several years, the Jicarilla tribe has spent more than $4.5 million of tribal funds for the repair and replacement of portions of the systems on the reservation.

The purpose of this legislation is to provide some funding to conduct a feasibility study which will evaluate what steps the BIA should take to rehabilitate the system. Since the BIA has failed to fund such an evaluation up to this point, the Bureau of Reclamation, through its Indian Affairs technical assistance office, is being asked to conduct this study.

Based on discussions with the various groups involved with the legislation, no more than $200,000 would need to be authorized to determine the most feasible method of developing a safe and adequate municipal, rural, and industrial water system for the reservation. The ultimate authorization and cost of construction will remain the responsibility of the BIA.

I urge passage of this bill.

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

Mr. UDALL of New Mexico. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill will authorize and direct the Bureau of Reclamation to conduct a feasibility study with regards to the rehabilitation of the municipal water system of the Jicarilla Apache Reservation, located in the State of New Mexico.

I am very pleased to be joined by several of my colleagues in sponsorship of this important bill. They include the gentleman from New Mexico (Mr. SKEEN) and the gentlewoman from New Mexico (Mrs. WILSON), as well as the gentleman from Alaska (Chairman YOUNG) and the gentleman from California (Mr. GEORGE MILLER), ranking member, the gentleman from Michigan (Mr. KILDEE), the gentleman from Arizona (Mr. HAYWORTH), the gentleman from Rhode Island (Mr. KENNEDY), and the gentleman from California (Mr. BECERRA).

Mr. Speaker, the Jicarilla Apache Reservation relies on one of the most unsafe municipal water systems in the country. While the system is a federally owned entity, the Environmental Protection Agency has, nevertheless, found the system to be in violation of the national safe drinking water standards for the last several years. Since 1995, the water system has continually failed to earn renewal of its National Pollutant Discharge Elimination permit.

The sewage lagoons of the Jicarilla water system are now operating well over 100 percent capacity, spilling wastewater into the nearby arroyo that feeds directly spoke the Navajo River.

Since this river serves as a primary source of groundwater for the region, the resulting pollution of the stream not only affects the reservation, but also travels downstream, creating public health hazards for families and communities both within and well beyond the reservation's borders.

Alarmingly, Jicarilla Apache youth are now experiencing higher than normal incidences of internal organ diseases affecting the liver, kidneys, and stomach, ailments suspected to be related to the contaminated water.

Because of the lack of sufficient water resources, the Jicarilla Tribe is not only facing considerable public health concerns, but it has also had to put a break on other important community improvement efforts, including the construction of much-needed housing and the replacement of deteriorating public schools.

For all of these reasons, the Tribal Council has been forced to declare a state of emergency for the reservation and has appropriated over $4.5 million of its own funds to begin the process of rehabilitating the water system.

Following a disastrous 6-day water outage last October, the Jicarilla investigated and discovered the full extent of the deplorable condition of the water system. Acting immediately to address the problem, the tribe promptly contacted the Bureau of Indian Affairs, the Indian Health Service, the Environmental Protection Agency, and other entities for help in relieving their situation. Yet, due to the budget constraints and other impediments, these agencies were unable to provide financial assistance or take any other substantial action to address the problem.

In particular, the Bureau of Indian Affairs, having found itself to be poorly suited for the operation and maintenance of a tribal water system, has discontinued its policy of operating its own tribal water systems in favor of transferring ownership directly to the tribes. Unfortunately, however, the dangerous condition of the Jicarilla water system precludes its transfer to the tribe until it has been rehabilitated.

Fortunately, the Bureau of Reclamation is appropriately suited to assist the Jicarilla Apache and the BIA in assessing the feasibility of the rehabilitation of the tribe's water system.

In consultation with the Jicarilla Apache Tribe, the Bureau of Reclamation has indicated both its willingness and ability to complete the feasibility study should it be authorized to do so as required by law.

Recognizing this as the most promising solution for addressing the serious water safety problems plaguing the Jicarilla, I and my fellow cosponsors introduced this bill to allow this important process to move forward. I hope the rest of our colleagues will join us in passing this bill to remedy this distressing situation.

Mr. GEORGE MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. UDALL of New Mexico. I yield to the gentleman from California.

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentleman for yielding to me. I simply rise in support of the legislation that he and other Members of the delegation have supported and brought to the floor and commend them for their efforts on behalf of the Apache Reservation, due to the fact that the Environmental Protection Agency has found these very serious violations.

I think in fact that this legislation does do what is necessary, and that is, to redeem the trust responsibility of the Federal Government to ensure that this Federal water system supplies the tribe with water that is safe and adequate to meet the health, economic, and environmental needs of the Jicarilla Apaches. I want to thank the gentleman for bringing this matter to the floor and urge support of this legislation.

Mr. Speaker, H.R. 3051 directs the Secretary of Interior to conduct a feasibility study to determine the most feasible method of developing a safe and adequate municipal, rural, and industrial water supply for the residents of the Jicarilla Apache Reservation in New Mexico. The study is to be conducted by the Bureau of Reclamation and in consultation and cooperation with the tribe. Further, the bill provides a report be submitted to Congress 1 year after funds are appropriated to carry out the study and authorizes $200,000 to implement the provisions of the legislation.

The Jicarilla Apache Reservation was established in 1887 by executive order and is located at the foot of the San Juan Mountains in north-central New Mexico. The reservation consists of 742,315 acres and ranges in elevation from 6,500 to 9,000 feet.

The existing municipal water system was built by the Bureau of Indian Affairs (BIA) which continues to own the system. It is dilapidated and cannot safely and adequately address the current or future needs of the tribe. The system has been cited by the Environmental Protection Agency (EPA) for violations of Safe Drinking Water Act standards. It poses a severe health threat to the community and impedes economic development by the tribe. In addition, the system has been unable to meet the minimum Federal water requirements necessary for discharging wastewater into a public watercourse and has been operating without a Federal discharge permit.

Over the last several years the tribe has spent over $4.5 million in tribal funds for repair and replacement of portions of the system. This patchwork process will not address the overall problems with the system as it need to be overhauled or replaced. The Federal Government has a trust responsibility to ensure that the Federal water system it supplies to the tribe is safe and adequate to meet the health, economic and environmental needs of tribal members.

I want to commend our colleague, Mr. TOM UDALL from New Mexico, for his hard work in getting this bill before us today. It is an important first step toward ensuring future health and economic progress for the Jicarilla Apache Tribe. I urge my colleagues to support the bill.

Mr. UDALL of New Mexico. Mr. Speaker, I also, just to finally summarize here, want to thank very much the gentleman from Utah (Mr. HANSEN), chairman of the Subcommittee on National Parks and Public Lands, for his hard work on this and for his being able to address this very quickly.

Mr. Speaker, I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the motion offered by the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 3051, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

TRIBAL SELF-GOVERNANCE AMENDMENTS OF 1999

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1167) to amend the Indian Self-Determination and Education Assistance Act to provide for further self-governance by Indian tribes, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1167

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 ''Tribal Self-Governance Amendments of 1999''.

SEC. 2. FINDINGS.

Congress finds that—

(1) the tribal right of self-government flows from the inherent sovereignty of Indian tribes and nations;

(2) the United States recognizes a special government-to-government relationship with Indian tribes, including the right of the Indian tribes to self-governance, as reflected in the Constitution, treaties, Federal statutes, and the course of dealings of the United States with Indian tribes;

(3) although progress has been made, the Federal bureaucracy, with its centralized rules and regulations, has eroded tribal self-governance and dominates tribal affairs;

(4) the Tribal Self-Governance Demonstration Project, established under title III of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f note) was designed to improve and perpetuate the government-to-government relationship between Indian tribes and the United States and to strengthen tribal control over Federal funding and program management;

(5) although the Federal Government has made considerable strides in improving Indian health care, it has failed to fully meet its trust responsibilities and to satisfy its obligations to the Indian tribes under treaties and other laws; and

(6) Congress has reviewed the results of the Tribal Self-Governance Demonstration Project and finds that transferring full control and funding to tribal governments, upon tribal request, over decision making for Federal programs, services, functions, and activities (or portions thereof)—

(A) is an appropriate and effective means of implementing the Federal policy of government-to-government relations with Indian tribes; and

(B) strengthens the Federal policy of Indian self-determination.

SEC. 3. DECLARATION OF POLICY.

It is the policy of Congress to—

(1) permanently establish and implement tribal self-governance within the Department of Health and Human Services;

(2) call for full cooperation from the Department of Health and Human Services and its constituent agencies in the implementation of tribal self-governance—

(A) to enable the United States to maintain and improve its unique and continuing relationship with, and responsibility to, Indian tribes;

(B) to permit each Indian tribe to choose the extent of its participation in self-governance in accordance with the provisions of the Indian Self-Determination and Education Assistance Act relating to the provision of Federal services to Indian tribes;

(C) to ensure the continuation of the trust responsibility of the United States to Indian tribes and Indian individuals;

(D) to affirm and enable the United States to fulfill its obligations to the Indian tribes under treaties and other laws;

(E) to strengthen the government-to-government relationship between the United States and Indian tribes through direct and meaningful consultation with all tribes;

(F) to permit an orderly transition from Federal domination of programs and services to provide Indian tribes with meaningful authority, control, funding, and discretion to plan, conduct, redesign, and administer programs, services, functions, and activities (or portions thereof) that meet the needs of the individual tribal communities;

(G) to provide for a measurable parallel reduction in the Federal bureaucracy as programs, services, functions, and activities (or portions thereof) are assumed by Indian tribes;

(H) to encourage the Secretary to identify all programs, services, functions, and activities (or portions thereof) of the Department of Health and Human Services that may be managed by an Indian tribe under this Act and to assist Indian tribes in assuming responsibility for such programs, services, functions, and activities (or portions thereof); and

(I) to provide Indian tribes with the earliest opportunity to administer programs, services, functions, and activities (or portions thereof) from throughout the Department of Health and Human Services.

SEC. 4. TRIBAL SELF-GOVERNANCE.

The Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) is amended by adding at the end the following new titles:

"TITLE V—TRIBAL SELF-GOVERNANCE

"SEC. 501. ESTABLISHMENT.

''The Secretary of Health and Human Services shall establish and carry out a program within the Indian Health Service of the Department of Health and Human Services to be known as the 'Tribal Self-Governance Program' in accordance with this title.

"SEC. 502. DEFINITIONS.

''(a) IN GENERAL.—For purposes of this title—

''(1) the term 'construction project' means an organized noncontinuous undertaking to complete a specific set of predetermined objectives for the planning, environmental determination, design, construction, repair, improvement, or expansion of buildings or facilities, as described in a construction project agreement. The term 'construction project' does not mean construction program administration and activities described in paragraphs (1) through (3) of section 4(m), which may otherwise be included in a funding agreement under this title;

''(2) the term 'construction project agreement' means a negotiated agreement between the Secretary and an Indian tribe which at a minimum—

''(A) establishes project phase start and completion dates;

''(B) defines a specific scope of work and standards by which it will be accomplished;

''(C) identifies the responsibilities of the Indian tribe and the Secretary;

''(D) addresses environmental considerations;

''(E) identifies the owner and operations/maintenance entity of the proposed work;

''(F) provides a budget;

''(G) provides a payment process; and

''(H) establishes the duration of the agreement based on the time necessary to complete the specified scope of work, which may be 1 or more years;

''(3) the term 'inherent Federal functions' means those Federal functions which cannot legally be delegated to Indian tribes;

''(4) the term 'inter-tribal consortium' means a coalition of two or more separate Indian tribes that join together for the purpose of participating in self-governance, including, but not limited to, a tribal organization;

''(5) the term 'gross mismanagement' means a significant, clear, and convincing violation of compact, funding agreement, or regulatory, or statutory requirements applicable to Federal funds transferred to a tribe by a compact or funding agreement that results in a significant reduction of funds available for the programs, services, functions, or activities (or portions thereof) assumed by an Indian tribe;

''(6) the term 'tribal shares' means an Indian tribe's portion of all funds and resources that support secretarial programs, services, functions, and activities (or portions thereof) that are not required by the Secretary for performance of inherent Federal functions;

''(7) the term 'Secretary' means the Secretary of Health and Human Services; and

''(8) the term 'self-governance' means the program established pursuant to section 501.

''(b) INDIAN TRIBE.—Where an Indian tribe has authorized another Indian tribe, an inter-tribal consortium, or a tribal organization to plan for or carry out programs, services, functions, or activities (or portions thereof) on its behalf under this title, the authorized Indian tribe, inter-tribal consortium, or tribal organization shall have the rights and responsibilities of the authorizing Indian tribe (except as otherwise provided in the authorizing resolution or in this title). In such event, the term 'Indian tribe' as used in this title shall include such other authorized Indian tribe, inter-tribal consortium, or tribal organization.

"SEC. 503. SELECTION OF PARTICIPATING INDIAN TRIBES.

''(a) CONTINUING PARTICIPATION.—Each Indian tribe that is participating in the Tribal Self-Governance Demonstration Project under title III on the date of enactment of this title may elect to participate in self-governance under this title under existing authority as reflected in tribal resolutions.

''(b) ADDITIONAL PARTICIPANTS.—

''(1) In addition to those Indian tribes participating in self-governance under subsection (a), each year an additional 50 Indian tribes that meet the eligibility criteria specified in subsection (c) shall be entitled to participate in self-governance.

''(2)(A) An Indian tribe that has withdrawn from participation in an inter-tribal consortium or tribal organization, in whole or in part, shall be entitled to participate in self-governance provided the Indian tribe meets the eligibility criteria specified in subsection (c).

''(B) If an Indian tribe has withdrawn from participation in an inter-tribal consortium or tribal organization, it shall be entitled to its tribal share of funds supporting those programs, services, functions, and activities (or portions thereof) that it will be carrying out under its compact and funding agreement.

''(C) In no event shall the withdrawal of an Indian tribe from an inter-tribal consortium or tribal organization affect the eligibility of the inter-tribal consortium or tribal organization to participate in self-governance.

''(c) APPLICANT POOL.—The qualified applicant pool for self-governance shall consist of each Indian tribe that—

''(1) successfully completes the planning phase described in subsection (d);

''(2) has requested participation in self-governance by resolution or other official action by the governing body (or bodies) of the Indian tribe or tribes to be served; and

''(3) has demonstrated, for the previous 3 fiscal years, financial stability and financial management capability.

Evidence that during such years the Indian tribe had no uncorrected significant and material audit exceptions in the required annual audit of the Indian tribe's self-determination contracts or self-governance funding agreements shall be conclusive evidence of the required stability and capability for the purposes of this subsection.

''(d) PLANNING PHASE.—Each Indian tribe seeking participation in self-governance shall complete a planning phase. The planning phase shall be conducted to the satisfaction of the Indian tribe and shall include—

''(1) legal and budgetary research; and

''(2) internal tribal government planning and organizational preparation relating to the administration of health care programs.

''(e) GRANTS.—Subject to the availability of appropriations, any Indian tribe meeting the requirements of paragraphs (2) and (3) of subsection (c) shall be eligible for grants—

''(1) to plan for participation in self-governance; and

''(2) to negotiate the terms of participation by the Indian tribe or tribal organization in self-governance, as set forth in a compact and a funding agreement.

''(f) RECEIPT OF GRANT NOT REQUIRED.—Receipt of a grant under subsection (e) shall not be a requirement of participation in self-governance.

"SEC. 504. COMPACTS.

''(a) COMPACT REQUIRED.—The Secretary shall negotiate and enter into a written compact with each Indian tribe participating in self-governance in a manner consistent with the Federal Government's trust responsibility, treaty obligations, and the government-to-government relationship between Indian tribes and the United States.

''(b) CONTENTS.—Each compact required under subsection (a) shall set forth the general terms of the government-to-government relationship between the Indian tribe and the Secretary, including such terms as the parties intend shall control year after year. Such compacts may only be amended by mutual agreement of the parties.

''(c) EXISTING COMPACTS.—An Indian tribe participating in the Tribal Self-Governance Demonstration Project under title III on the date of enactment of this title shall have the option at any time thereafter to—

''(1) retain its Tribal Self-Governance Demonstration Project compact (in whole or in part) to the extent the provisions of such compact are not directly contrary to any express provision of this title, or

''(2) negotiate in lieu thereof (in whole or in part) a new compact in conformity with this title.

''(d) TERM AND EFFECTIVE DATE.—The effective date of a compact shall be the date of the approval and execution by the Indian tribe or another date agreed upon by the parties, and shall remain in effect for so long as permitted by Federal law or until terminated by mutual written agreement, retrocession, or reassumption.

"SEC. 505. FUNDING AGREEMENTS.

''(a) FUNDING AGREEMENT REQUIRED.—The Secretary shall negotiate and enter into a written funding agreement with each Indian tribe participating in self-governance in a manner consistent with the Federal Government's trust responsibility, treaty obligations, and the government-to-government relationship between Indian tribes and the United States.

''(b) CONTENTS.—Each funding agreement required under subsection (a) shall, as determined by the Indian tribe, authorize the Indian tribe to plan, conduct, consolidate, administer, and receive full tribal share funding, including tribal shares of Indian Health Service competitive grants (excluding congressionally earmarked competitive grants), for all programs, services, functions, and activities (or portions thereof), that are carried out for the benefit of Indians because of their status as Indians without regard to the agency or office of the Indian Health Service within which the program, service, function, or activity (or portion thereof) is performed. Such programs, services, functions, or activities (or portions thereof) include all programs, services, functions, activities (or portions

thereof) where Indian tribes or Indians are primary or significant beneficiaries, administered by the Department of Health and Human Services through the Indian Health Service and grants (which may be added to a funding agreement after award of such grants) and all local, field, service unit, area, regional, and central headquarters or national office functions administered under the authority of—

''(1) the Act of November 2, 1921 (25 U.S.C. 13);

''(2) the Act of April 16, 1934 (25 U.S.C. 452 et seq.);

''(3) the Act of August 5, 1954 (68 Stat. 674);

''(4) the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.);

''(5) the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986 (25 U.S.C. 2401 et seq.);

''(6) any other Act of Congress authorizing agencies of the Department of Health and Human Services to administer, carry out, or provide financial assistance to such programs, functions, or activities (or portions thereof) described in this section; or

''(7) any other Act of Congress authorizing such programs, functions, or activities (or portions thereof) under which appropriations are made to agencies other than agencies within the Department of Health and Human services when the Secretary administers such programs, functions, or activities (or portions thereof).

''(c) INCLUSION IN COMPACT OR FUNDING AGREEMENT.—Indian tribes or Indians need not be identified in the authorizing statute for a program or element of a program to be eligible for inclusion in a compact or funding agreement under this title.

''(d) FUNDING AGREEMENT TERMS.—Each funding agreement shall set forth terms that generally identify the programs, services, functions, and activities (or portions thereof) to be performed or administered, the general budget category assigned, the funds to be provided, including those to be provided on a recurring basis, the time and method of transfer of the funds, the responsibilities of the Secretary, and any other provisions to which the Indian tribe and the Secretary agree.

''(e) SUBSEQUENT FUNDING AGREEMENTS.—Absent notification from an Indian tribe that is withdrawing or retroceding the operation of one or more programs, services, functions, or activities (or portions thereof) identified in a funding agreement, or unless otherwise agreed to by the parties, each funding agreement shall remain in full force and effect until a subsequent funding agreement is executed, and the terms of the subsequent funding agreement shall be retroactive to the end of the term of the preceding funding agreement.

''(f) EXISTING FUNDING AGREEMENTS.—Each Indian tribe participating in the Tribal Self-Governance Demonstration Project established under title III on the date of enactment of this title shall have the option at any time thereafter to—

''(1) retain its Tribal Self-Governance Demonstration Project funding agreement (in whole or in part) to the extent the provisions of such funding agreement are not directly contrary to any express provision of this title; or

''(2) adopt in lieu thereof (in whole or in part) a new funding agreement in conformity with this title.

''(g) STABLE BASE FUNDING.—At the option of an Indian tribe, a funding agreement may provide for a stable base budget specifying the recurring funds (including, for purposes of this provision, funds available under section 106(a) of the Act) to be transferred to such Indian tribe, for such period as may be specified in the funding agreement, subject to annual adjustment only to reflect changes in congressional appropriations by sub-sub activity excluding earmarks.

"SEC. 506. GENERAL PROVISIONS.

''(a) APPLICABILITY.—The provisions of this section shall apply to compacts and funding agreements negotiated under this title and an Indian tribe may, at its option, include provisions that reflect such requirements in a compact or funding agreement.

''(b) CONFLICTS OF INTEREST.—Indian tribes participating in self-governance under this title shall ensure that internal measures are in place to address conflicts of interest in the administration of self-governance programs, services, functions, or activities (or portions thereof).

''(c) AUDITS.—

''(1) SINGLE AGENCY AUDIT ACT.—The provisions of chapter 75 of title 31, United States Code, requiring a single agency audit report shall apply to funding agreements under this title.

''(2) COST PRINCIPLES.—An Indian tribe shall apply cost principles under the applicable Office of Management and Budget Circular, except as modified by section 106 or other provisions of law, or by any exemptions to applicable Office of Management and Budget Circulars subsequently granted by Office of Management and Budget. No other audit or accounting standards shall be required by the Secretary. Any claim by the Federal Government against the Indian tribe relating to funds received under a funding agreement based on any audit under this subsection shall be subject to the provisions of section 106(f).

''(d) RECORDS.—

''(1) IN GENERAL.—Unless an Indian tribe specifies otherwise in the compact or funding agreement, records of the Indian tribe shall not be considered Federal records for purposes of chapter 5 of title 5, United States Code.

''(2) RECORDKEEPING SYSTEM.—The Indian tribe shall maintain a recordkeeping system, and, after 30 days advance notice, provide the Secretary with reasonable access to such records to enable the Department of Health and Human Services to meet its minimum legal recordkeeping system requirements under sections 3101 through 3106 of title 44, United States Code.

''(e) REDESIGN AND CONSOLIDATION.—An Indian tribe may redesign or consolidate programs, services, functions, and activities (or portions thereof) included in a funding agreement under section 505 and reallocate or redirect funds for such programs, services, functions, and activities (or portions thereof) in any manner which the Indian tribe deems to be in the best interest of the health and welfare of the Indian community being served, only if the redesign or consolidation does not have the effect of denying eligibility for services to population groups otherwise eligible to be served under Federal law.

''(f) RETROCESSION.—An Indian tribe may retrocede, fully or partially, to the Secretary programs, services, functions, or activities (or portions thereof) included in the compact or funding agreement. Unless the Indian tribe rescinds the request for retrocession, such retrocession will become effective within the time frame specified by the parties in the compact or funding agreement. In the absence of such a specification, such retrocession shall become effective on—

''(1) the earlier of—

''(A) one year from the date of submission of such request; or

''(B) the date on which the funding agreement expires; or

''(2) such date as may be mutually agreed by the Secretary and the Indian tribe.

''(g) WITHDRAWAL.—

''(1) PROCESS.—An Indian tribe may fully or partially withdraw from a participating inter-tribal consortium or tribal organization its share of any program, function, service, or activity (or portions thereof) included in a compact or funding agreement. Such withdrawal shall become effective within the time frame specified in the resolution which authorizes transfer to the participating tribal organization or inter-tribal consortium. In the absence of a specific time frame set forth in the resolution, such withdrawal shall become effective on—

''(A) the earlier of—

''(i) one year from the date of submission of such request; or

''(ii) the date on which the funding agreement expires; or

''(B) such date as may be mutually agreed upon by the Secretary, the withdrawing Indian tribe, and the participating tribal organization or inter-tribal consortium that has signed the compact or funding agreement on behalf of the withdrawing Indian tribe, inter-tribal consortium, or tribal organization.

''(2) DISTRIBUTION OF FUNDS.—When an Indian tribe or tribal organization eligible to enter into a self-determination contract under title I or a compact or funding agreement under this title fully or partially withdraws from a participating inter-tribal consortium or tribal organization, the withdrawing Indian tribe or tribal organization shall be entitled to its tribal share of funds supporting those programs, services, functions, or activities (or portions thereof) which it will be carrying out under its own self-determination contract or compact and funding agreement (calculated on the same basis as the funds were initially allocated in the funding agreement of the inter-tribal consortium or tribal organization), and such funds shall be transferred from the funding agreement of the inter-tribal consortium or tribal organization, provided that the provisions of sections 102 and 105(i), as appropriate, shall apply to such withdrawing Indian tribe.

''(3) REGAINING MATURE CONTRACT STATUS.—If an Indian tribe elects to operate all or some programs, services, functions, or activities (or portions thereof) carried out under a compact or funding agreement under this title through a self-determination contract under title I, at the option of the Indian tribe, the resulting self-determination contract shall be a mature self-determination contract.

''(h) NONDUPLICATION.—For the period for which, and to the extent to which, funding is provided under this title or under the compact or funding agreement, the Indian tribe shall not be entitled to contract with the Secretary for such funds under section 102, except that such Indian tribe shall be eligible for new programs on the same basis as other Indian tribes.

"SEC. 507. PROVISIONS RELATING TO THE SECRETARY.

''(a) MANDATORY PROVISIONS.—

''(1) HEALTH STATUS REPORTS.—Compacts or funding agreements negotiated between the Secretary and an Indian tribe shall include a provision that requires the Indian tribe to report on health status and service delivery—

''(A) to the extent such data is not otherwise available to the Secretary and specific funds for this purpose are provided by the Secretary under the funding agreement; and

''(B) if such reporting shall impose minimal burdens on the participating Indian tribe and such requirements are promulgated under section 517.

''(2) REASSUMPTION—(A) Compacts and funding agreements negotiated between the Secretary and an Indian tribe shall include a provision authorizing the Secretary to reassume operation of a program, service, function, or activity (or portions thereof) and associated funding if there is a specific finding relative to that program, service, function, or activity (or portion thereof) of—

''(i) imminent endangerment of the public health caused by an act or omission of the Indian tribe, and the imminent endangerment

arises out of a failure to carry out the compact or funding agreement; or

''(ii) gross mismanagement with respect to funds transferred to a tribe by a compact or funding agreement, as determined by the Secretary in consultation with the Inspector General, as appropriate.

''(B) The Secretary shall not reassume operation of a program, service, function, or activity (or portions thereof) unless (i) the Secretary has first provided written notice and a hearing on the record to the Indian tribe; and (ii) the Indian tribe has not taken corrective action to remedy the imminent endangerment to public health or gross mismanagement.

''(C) Notwithstanding subparagraph (B), the Secretary may, upon written notification to the tribe, immediately reassume operation of a program, service, function, or activity (or portion thereof) and associated funding if (i) the Secretary makes a finding of imminent substantial and irreparable endangerment of the public health caused by an act or omission of the Indian tribe; and (ii) the endangerment arises out of a failure to carry out the compact or funding agreement. If the Secretary reassumes operation of a program, service, function, or activity (or portion thereof) under this subparagraph, the Secretary shall provide the tribe with a hearing on the record not later than 10 days after such reassumption.

''(D) In any hearing or appeal involving a decision to reassume operation of a program, service, function, or activity (or portion thereof), the Secretary shall have the burden of proof of demonstrating by clear and convincing evidence the validity of the grounds for the reassumption.

''(b) FINAL OFFER.—In the event the Secretary and a participating Indian tribe are unable to agree, in whole or in part, on the terms of a compact or funding agreement (including funding levels), the Indian tribe may submit a final offer to the Secretary. Not more than 45 days after such submission, or within a longer time agreed upon by the Indian tribe, the Secretary shall review and make a determination with respect to such offer. In the absence of a timely rejection of the offer, in whole or in part, made in compliance with subsection (c), the offer shall be deemed agreed to by the Secretary.

''(c) REJECTION OF FINAL OFFERS.—If the Secretary rejects an offer made under subsection (b) (or one or more provisions or funding levels in such offer), the Secretary shall provide—

''(1) a timely written notification to the Indian tribe that contains a specific finding that clearly demonstrates, or that is supported by a controlling legal authority, that—

''(A) the amount of funds proposed in the final offer exceeds the applicable funding level to which the Indian tribe is entitled under this title;

''(B) the program, function, service, or activity (or portion thereof) that is the subject of the final offer is an inherent Federal function that cannot legally be delegated to an Indian tribe;

''(C) the Indian tribe cannot carry out the program, function, service, or activity (or portion thereof) in a manner that would not result in significant danger or risk to the public health; or

''(D) the tribe is not eligible to participate in self-governance under section 503;

''(2) technical assistance to overcome the objections stated in the notification required by paragraph (1);

''(3) the Indian tribe with a hearing on the record with the right to engage in full discovery relevant to any issue raised in the matter and the opportunity for appeal on the objections raised, provided that the Indian tribe may, in lieu of filing such appeal, directly proceed to initiate an action in a Federal district court pursuant to section 110(a); and

''(4) the Indian tribe with the option of entering into the severable portions of a final proposed compact or funding agreement, or provision thereof, (including lesser funding amount, if any), that the Secretary did not reject, subject to any additional alterations necessary to conform the compact or funding agreement to the severed provisions. If an Indian tribe exercises the option specified herein, it shall retain the right to appeal the Secretary's rejection under this section, and paragraphs (1), (2), and (3) shall only apply to that portion of the proposed final compact, funding agreement or provision thereof that was rejected by the Secretary.

''(d) BURDEN OF PROOF.—With respect to any hearing or appeal or civil action conducted pursuant to this section, the Secretary shall have the burden of demonstrating by clear and convincing evidence the validity of the grounds for rejecting the offer (or a provision thereof) made under subsection (b).

''(e) GOOD FAITH.—In the negotiation of compacts and funding agreements the Secretary shall at all times negotiate in good faith to maximize implementation of the self-governance policy. The Secretary shall carry out this title in a manner that maximizes the policy of tribal self-governance, consistent with section 3.

''(f) SAVINGS.—To the extent that programs, functions, services, or activities (or portions thereof) carried out by Indian tribes under this title reduce the administrative or other responsibilities of the Secretary with respect to the operation of Indian programs and result in savings that have not otherwise been included in the amount of tribal shares and other funds determined under section 508(c), the Secretary shall make such savings available to the Indian tribes, inter-tribal consortia, or tribal organizations for the provision of additional services to program beneficiaries in a manner equitable to directly served, contracted, and compacted programs.

''(g) TRUST RESPONSIBILITY.—The Secretary is prohibited from waiving, modifying, or diminishing in any way the trust responsibility of the United States with respect to Indian tribes and individual Indians that exists under treaties, Executive orders, other laws, or court decisions.

''(h) DECISIONMAKER.—A decision that constitutes final agency action and relates to an appeal within the Department of Health and Human Services conducted under subsection (c) shall be made either—

''(1) by an official of the Department who holds a position at a higher organizational level within the Department than the level of the departmental agency in which the decision that is the subject of the appeal was made; or

''(2) by an administrative judge.

"SEC. 508. TRANSFER OF FUNDS.

''(a) IN GENERAL.—Pursuant to the terms of any compact or funding agreement entered into under this title, the Secretary shall transfer to the Indian tribe all funds provided for in the funding agreement, pursuant to subsection (c), and provide funding for periods covered by joint resolution adopted by Congress making continuing appropriations, to the extent permitted by such resolutions. In any instance where a funding agreement requires an annual transfer of funding to be made at the beginning of a fiscal year, or requires semiannual or other periodic transfers of funding to be made commencing at the beginning of a fiscal year, the first such transfer shall be made not later than 10 days after the apportionment of such funds by the Office of Management and Budget to the Department, unless the funding agreement provides otherwise.

''(b) MULTIYEAR FUNDING.—The Secretary is hereby authorized to employ, upon tribal request, multiyear funding agreements, and references in this title to funding agreements shall include such multiyear agreements.

''(c) AMOUNT OF FUNDING.—The Secretary shall provide funds under a funding agreement under this title in an amount equal to the amount that the Indian tribe would have been entitled to receive under self-determination contracts under this Act, including amounts for direct program costs specified under section 106(a)(1) and amounts for contract support costs specified under sections 106(a)(2), (a)(3), (a)(5), and (a)(6), including any funds that are specifically or functionally related to the provision by the Secretary of services and benefits to the Indian tribe or its members, all without regard to the organizational level within the Department where such functions are carried out.

''(d) PROHIBITIONS.—The Secretary is expressly prohibited from—

''(1) failing or refusing to transfer to an Indian tribe its full share of any central, headquarters, regional, area, or service unit office or other funds due under this Act, except as required by Federal law;

''(2) withholding portions of such funds for transfer over a period of years; and

''(3) reducing the amount of funds required herein—

''(A) to make funding available for self-governance monitoring or administration by the Secretary;

''(B) in subsequent years, except pursuant to—

''(i) a reduction in appropriations from the previous fiscal year for the program or function to be included in a compact or funding agreement;

''(ii) a congressional directive in legislation or accompanying report;

''(iii) a tribal authorization;

''(iv) a change in the amount of pass-through funds subject to the terms of the funding agreement; or

''(v) completion of a project, activity, or program for which such funds were provided;

''(C) to pay for Federal functions, including Federal pay costs, Federal employee retirement benefits, automated data processing, technical assistance, and monitoring of activities under this Act; or

''(D) to pay for costs of Federal personnel displaced by self-determination contracts under this Act or self-governance;

except that such funds may be increased by the Secretary if necessary to carry out this Act or as provided in section 105(c)(2).

''(e) OTHER RESOURCES.—In the event an Indian tribe elects to carry out a compact or funding agreement with the use of Federal personnel, Federal supplies (including supplies available from Federal warehouse facilities), Federal supply sources (including lodging, airline transportation, and other means of transportation including the use of interagency motor pool vehicles) or other Federal resources (including supplies, services, and resources available to the Secretary under any procurement contracts in which the Department is eligible to participate), the Secretary is authorized to transfer such personnel, supplies, or resources to the Indian tribe.

''(f) REIMBURSEMENT TO INDIAN HEALTH SERVICE.—With respect to functions transferred by the Indian Health Service to an Indian tribe, the Indian Health Service is authorized to provide goods and services to the Indian tribe, on a reimbursable basis, including payment in advance with subsequent adjustment, and the reimbursements received therefrom, along with the funds received from the Indian tribe pursuant to this title, may be credited to the same or subsequent appropriation account which provided the funding, such amounts to remain available until expended.

''(g) PROMPT PAYMENT ACT.—Chapter 39 of title 31, United States Code, shall apply to the

transfer of funds due under a compact or funding agreement authorized under this title.

''(h) INTEREST OR OTHER INCOME ON TRANSFERS.—An Indian tribe is entitled to retain interest earned on any funds paid under a compact or funding agreement to carry out governmental or health purposes and such interest shall not diminish the amount of funds the Indian tribe is authorized to receive under its funding agreement in the year the interest is earned or in any subsequent fiscal year. Funds transferred under this Act shall be managed using the prudent investment standard.

''(i) CARRYOVER OF FUNDS.—All funds paid to an Indian tribe in accordance with a compact or funding agreement shall remain available until expended. In the event that an Indian tribe elects to carry over funding from one year to the next, such carryover shall not diminish the amount of funds the Indian tribe is authorized to receive under its funding agreement in that or any subsequent fiscal year.

''(j) PROGRAM INCOME.—All medicare, medicaid, or other program income earned by an Indian tribe shall be treated as supplemental funding to that negotiated in the funding agreement and the Indian tribe may retain all such income and expend such funds in the current year or in future years except to the extent that the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.) provides otherwise for medicare and medicaid receipts, and such funds shall not result in any offset or reduction in the amount of funds the Indian tribe is authorized to receive under its funding agreement in the year the program income is received or for any subsequent fiscal year.

''(k) LIMITATION OF COSTS.—An Indian tribe shall not be obligated to continue performance that requires an expenditure of funds in excess of the amount of funds transferred under a compact or funding agreement. If at any time the Indian tribe has reason to believe that the total amount provided for a specific activity in the compact or funding agreement is insufficient the Indian tribe shall provide reasonable notice of such insufficiency to the Secretary. If the Secretary does not increase the amount of funds transferred under the funding agreement, the Indian tribe may suspend performance of the activity until such time as additional funds are transferred.

"SEC. 509. CONSTRUCTION PROJECTS.

''(a) IN GENERAL.—Indian tribes participating in tribal self-governance may carry out construction projects under this title if they elect to assume all Federal responsibilities under the National Environmental Policy Act of 1969, the Historic Preservation Act, and related provisions of law that would apply if the Secretary were to undertake a construction project, by adopting a resolution (1) designating a certifying officer to represent the Indian tribe and to assume the status of a responsible Federal official under such laws, and (2) accepting the jurisdiction of the Federal court for the purpose of enforcement of the responsibilities of the responsible Federal official under such environmental laws.

''(b) NEGOTIATIONS.—Construction project proposals shall be negotiated pursuant to the statutory process in section 105(m) and resulting construction project agreements shall be incorporated into funding agreements as addenda.

''(c) CODES AND STANDARDS.—The Indian tribe and the Secretary shall agree upon and specify appropriate buildings codes and architectural/engineering standards (including health and safety) which shall be in conformity with nationally recognized standards for comparable projects.

''(d) RESPONSIBILITY FOR COMPLETION.—The Indian tribe shall assume responsibility for the successful completion of the construction project in accordance with the negotiated construction project agreement.

''(e) FUNDING.—Funding for construction projects carried out under this title shall be included in funding agreements as annual advance payments, with semiannual payments at the option of the Indian tribe. Annual advance and semiannual payment amounts shall be determined based on mutually agreeable project schedules reflecting work to be accomplished within the advance payment period, work accomplished and funds expended in previous payment periods, and the total prior payments. The Secretary shall include associated project contingency funds with each advance payment installment. The Indian tribe shall be responsible for the management of the contingency funds included in funding agreements.

''(f) APPROVAL.—The Secretary shall have at least one opportunity to approve project planning and design documents prepared by the Indian tribe in advance of construction of the facilities specified in the scope of work for each negotiated construction project agreement or amendment thereof which results in a significant change in the original scope of work. The Indian tribe shall provide the Secretary with project progress and financial reports not less than semiannually. The Secretary may conduct on-site project oversight visits semiannually or on an alternate schedule agreed to by the Secretary and the Indian tribe.

''(g) WAGES.—All laborers and mechanics employed by contractors and subcontractors in the construction, alteration, or repair, including painting or decorating of building or other facilities in connection with construction projects undertaken by self-governance Indian tribes under this Act, shall be paid wages at not less than those prevailing wages on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act of March 3, 1931 (46 Stat. 1494). With respect to construction, alteration, or repair work to which the Act of March 3, 1921, is applicable under the terms of this section, the Secretary of Labor shall have the authority and functions set forth in Reorganization Plan Numbered 14, of 1950, and section 2 of the Act of June 13, 1934 (48 Stat. 948).

''(h) APPLICATION OF OTHER LAWS.—Unless otherwise agreed to by the Indian tribe, no provision of the Office of Federal Procurement Policy Act, the Federal Acquisition Regulations issued pursuant thereto, or any other law or regulation pertaining to Federal procurement (including Executive orders) shall apply to any construction project conducted under this title.

"SEC. 510. FEDERAL PROCUREMENT LAWS AND REGULATIONS.

''Notwithstanding any other provision of law, unless expressly agreed to by the participating Indian tribe, the compacts and funding agreements entered into under this title shall not be subject to Federal contracting or cooperative agreement laws and regulations (including Executive orders and the regulations relating to procurement issued by the Secretary), except to the extent that such laws expressly apply to Indian tribes.

"SEC. 511. CIVIL ACTIONS.

''(a) CONTRACT DEFINED.—For the purposes of section 110, the term 'contract' shall include compacts and funding agreements entered into under this title.

''(b) APPLICABILITY OF CERTAIN LAWS.—Section 2103 of the Revised Statutes of the United States Code (25 U.S.C. 81) and section 16 of the Act of June 18, 1934 (25 U.S.C. 476), shall not apply to attorney and other professional contracts entered into by Indian tribes participating in self-governance under this title.

''(c) REFERENCES.—All references in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) to section 1 of the Act of June 26, 1936 (25 U.S.C. 81) are hereby deemed to include section 1 of the Act of July 3, 1952 (25 U.S.C. 82a).

"SEC. 512. FACILITATION.

''(a) SECRETARIAL INTERPRETATION.—Except as otherwise provided by law, the Secretary shall interpret all Federal laws, Executive orders and regulations in a manner that will facilitate—

''(1) the inclusion of programs, services, functions, and activities (or portions thereof) and funds associated therewith, in the agreements entered into under this section;

''(2) the implementation of compacts and funding agreements entered into under this title; and

''(3) the achievement of tribal health goals and objectives.

''(b) REGULATION WAIVER.—

''(1) An Indian tribe may submit a written request to waive application of a regulation promulgated under this Act for a compact or funding agreement entered into with the Indian Health Service under this title, to the Secretary identifying the applicable Federal regulation under this Act sought to be waived and the basis for the request.

''(2) Not later than 90 days after receipt by the Secretary of a written request by an Indian tribe to waive application of a regulation under this Act for a compact or funding agreement entered into under this title, the Secretary shall either approve or deny the requested waiver in writing. A denial may be made only upon a specific finding by the Secretary that identified language in the regulation may not be waived because such waiver is prohibited by Federal law. A failure to approve or deny a waiver request not later than 90 days after receipt shall be deemed an approval of such request. The Secretary's decision shall be final for the Department.

''(c) ACCESS TO FEDERAL PROPERTY.—In connection with any compact or funding agreement executed pursuant to this title or an agreement negotiated under the Tribal Self-Governance Demonstration Project established under title III, as in effect before the enactment of the Tribal Self-Governance Amendments of 1999, upon the request of an Indian tribe, the Secretary—

''(1) shall permit an Indian tribe to use existing school buildings, hospitals, and other facilities and all equipment therein or appertaining thereto and other personal property owned by the Government within the Secretary's jurisdiction under such terms and conditions as may be agreed upon by the Secretary and the tribe for their use and maintenance;

''(2) may donate to an Indian tribe title to any personal or real property found to be excess to the needs of any agency of the Department, or the General Services Administration, except that—

''(A) subject to the provisions of subparagraph (B), title to property and equipment furnished by the Federal Government for use in the performance of the compact or funding agreement or purchased with funds under any compact or funding agreement shall, unless otherwise requested by the Indian tribe, vest in the appropriate Indian tribe;

''(B) if property described in subparagraph (A) has a value in excess of $5,000 at the time of retrocession, withdrawal, or reassumption, at the option of the Secretary upon the retrocession, withdrawal, or reassumption, title to such property and equipment shall revert to the Department of Health and Human Services; and

''(C) all property referred to in subparagraph (A) shall remain eligible for replacement, maintenance, and improvement on the same basis as if title to such property were vested in the United States; and

''(3) shall acquire excess or surplus Government personal or real property for donation to

an Indian tribe if the Secretary determines the property is appropriate for use by the Indian tribe for any purpose for which a compact or funding agreement is authorized under this title.

''(d) MATCHING OR COST-PARTICIPATION REQUIREMENT.—All funds provided under compacts, funding agreements, or grants made pursuant to this Act, shall be treated as non-Federal funds for purposes of meeting matching or cost participation requirements under any other Federal or non-Federal program.

''(e) STATE FACILITATION.—States are hereby authorized and encouraged to enact legislation, and to enter into agreements with Indian tribes to facilitate and supplement the initiatives, programs, and policies authorized by this title and other Federal laws benefiting Indians and Indian tribes.

''(f) RULES OF CONSTRUCTION.—Each provision of this title and each provision of a compact or funding agreement shall be liberally construed for the benefit of the Indian tribe participating in self-governance and any ambiguity shall be resolved in favor of the Indian tribe.

''SEC. 513. BUDGET REQUEST.

''(a) IN GENERAL.—The President shall identify in the annual budget request submitted to the Congress under section 1105 of title 31, United States Code, all funds necessary to fully fund all funding agreements authorized under this title, including funds specifically identified to fund tribal base budgets. All funds so appropriated shall be apportioned to the Indian Health Service. Such funds shall be provided to the Office of Tribal Self-Governance which shall be responsible for distribution of all funds provided under section 505. Nothing in this provision shall be construed to authorize the Indian Health Service to reduce the amount of funds that a self-governance tribe is otherwise entitled to receive under its funding agreement or other applicable law, whether or not such funds are made available to the Office of Tribal Self-Governance under this section.

''(b) PRESENT FUNDING; SHORTFALLS.—In such budget request, the President shall identify the level of need presently funded and any shortfall in funding (including direct program and contract support costs) for each Indian tribe, either directly by the Secretary, under self-determination contracts, or under compacts and funding agreements authorized under this title.

''SEC. 514. REPORTS.

''(a) ANNUAL REPORT.—Not later than January 1 of each year after the date of the enactment of this title, the Secretary shall submit to the Committee on Resources of the House of Representatives and the Committee on Indian Affairs of the Senate a written report regarding the administration of this title. Such report shall include a detailed analysis of the level of need being presently funded or unfunded for each Indian tribe, either directly by the Secretary, under self-determination contracts under title I, or under compacts and funding agreements authorized under this Act. In compiling reports pursuant to this section, the Secretary may not impose any reporting requirements on participating Indian tribes or tribal organizations, not otherwise provided in this Act.

''(b) CONTENTS.—The report shall be compiled from information contained in funding agreements, annual audit reports, and Secretarial data regarding the disposition of Federal funds and shall—

''(1) identify the relative costs and benefits of self-governance;

''(2) identify, with particularity, all funds that are specifically or functionally related to the provision by the Secretary of services and benefits to self-governance Indian tribes and their members;

''(3) identify the funds transferred to each self-governance Indian tribe and the corresponding reduction in the Federal bureaucracy;

''(4) identify the funding formula for individual tribal shares of all headquarters funds, together with the comments of affected Indian tribes or tribal organizations, developed under subsection (c);

''(5) identify amounts expended in the preceding fiscal year to carry out inherent Federal functions, including an identification of those functions by type and location;

''(6) contain a description of the method or methods (or any revisions thereof) used to determine the individual tribal share of funds controlled by all components of the Indian Health Service (including funds assessed by any other Federal agency) for inclusion in self-governance compacts or funding agreements;

''(7) prior to being submitted to Congress, be distributed to the Indian tribes for comment, such comment period to be for no less than 30 days; and

''(8) include the separate views and comments of the Indian tribes or tribal organizations.

''(c) REPORT ON FUND DISTRIBUTION METHOD.—Not later than 180 days after the date of enactment of this title, the Secretary shall, after consultation with Indian tribes, submit a written report to the Committee on Resources of the House of Representatives and the Committee on Indian Affairs of the Senate which describes the method or methods used to determine the individual tribal share of funds controlled by all components of the Indian Health Service (including funds assessed by any other Federal agency) for inclusion in self-governance compacts or funding agreements.

''SEC. 515. DISCLAIMERS.

''(a) NO FUNDING REDUCTION.—Nothing in this title shall be construed to limit or reduce in any way the funding for any program, project, or activity serving an Indian tribe under this or other applicable Federal law. Any Indian tribe that alleges that a compact or funding agreement is in violation of this section may apply the provisions of section 110.

''(b) FEDERAL TRUST AND TREATY RESPONSIBILITIES.—Nothing in this Act shall be construed to diminish in any way the trust responsibility of the United States to Indian tribes and individual Indians that exists under treaties, Executive orders, or other laws and court decisions.

''(c) TRIBAL EMPLOYMENT.—For purposes of section 2(2) of the Act of July 5, 1935 (49 Stat. 450, chapter 372) (commonly known as the National Labor Relations Act), an Indian tribe carrying out a self-determination contract, compact, annual funding agreement, grant, or cooperative agreement under this Act shall not be considered an employer.

''(d) OBLIGATIONS OF THE UNITED STATES.—The Indian Health Service under this Act shall neither bill nor charge those Indians who may have the economic means to pay for services, nor require any Indian tribe to do so.

''SEC. 516. APPLICATION OF OTHER SECTIONS OF THE ACT.

''(a) MANDATORY APPLICATION.—All provisions of sections 5(b), 6, 7, 102(c) and (d), 104, 105(k) and (l), 106(a) through (k), and 111 of this Act and section 314 of Public Law 101–512 (coverage under the Federal Tort Claims Act), to the extent not in conflict with this title, shall apply to compacts and funding agreements authorized by this title.

''(b) DISCRETIONARY APPLICATION.—At the request of a participating Indian tribe, any other provision of title I, to the extent such provision is not in conflict with this title, shall be made a part of a funding agreement or compact entered into under this title. The Secretary is obligated to include such provision at the option of the participating Indian tribe or tribes. If such provision is incorporated it shall have the same force and effect as if it were set out in full in this title. In the event an Indian tribe requests such incorporation at the negotiation stage of a compact or funding agreement, such incorporation shall be deemed effective immediately and shall control the negotiation and resulting compact and funding agreement.

''SEC. 517. REGULATIONS.

''(a) IN GENERAL.—

''(1) Not later than 90 days after the date of enactment of this title, the Secretary shall initiate procedures under subchapter III of chapter 5 of title 5, United States Code, to negotiate and promulgate such regulations as are necessary to carry out this title.

''(2) Proposed regulations to implement this title shall be published in the Federal Register by the Secretary no later than 1 year after the date of enactment of this title.

''(3) The authority to promulgate regulations under this title shall expire 21 months after the date of enactment of this title.

''(b) COMMITTEE.—A negotiated rulemaking committee established pursuant to section 565 of title 5, United States Code, to carry out this section shall have as its members only Federal and tribal government representatives, a majority of whom shall be nominated by and be representatives of Indian tribes with funding agreements under this Act, and the Committee shall confer with, and accommodate participation by, representatives of Indian tribes, inter-tribal consortia, tribal organizations, and individual tribal members.

''(c) ADAPTATION OF PROCEDURES.—The Secretary shall adapt the negotiated rulemaking procedures to the unique context of self-governance and the government-to-government relationship between the United States and Indian tribes.

''(d) EFFECT.—The lack of promulgated regulations shall not limit the effect of this title.

''(e) EFFECT OF CIRCULARS, POLICIES, MANUALS, GUIDANCES, AND RULES.—Unless expressly agreed to by the participating Indian tribe in the compact or funding agreement, the participating Indian tribe shall not be subject to any agency circular, policy, manual, guidance, or rule adopted by the Indian Health Service, except for the eligibility provisions of section 105(g).

''SEC. 518. APPEALS.

''In any appeal (including civil actions) involving decisions made by the Secretary under this title, the Secretary shall have the burden of proof of demonstrating by clear and convincing evidence—

''(1) the validity of the grounds for the decision made; and

''(2) the decision is fully consistent with provisions and policies of this title.

''SEC. 519. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated such sums as may be necessary to carry out this title.

''TITLE VI—TRIBAL SELF-GOVERNANCE—DEPARTMENT OF HEALTH AND HUMAN SERVICES

''SEC. 601. DEMONSTRATION PROJECT FEASIBILITY.

''(a) STUDY.—The Secretary shall conduct a study to determine the feasibility a Tribal Self-Governance Demonstration Project for appropriate programs, services, functions, and activities (or portions thereof) of the agency.

''(b) CONSIDERATIONS.—When conducting the study, the Secretary shall consider—

''(1) the probable effects on specific programs and program beneficiaries of such a demonstration project;

''(2) statutory, regulatory, or other impediments to implementation of such a demonstration project;

''(3) strategies for implementing such a demonstration project;

''(4) probable costs or savings associated with such a demonstration project;

''(5) methods to assure quality and accountability in such a demonstration project; and

''(6) such other issues that may be determined by the Secretary or developed through consultation pursuant to section 602.

''(c) REPORT.—Not later than 18 months after the enactment of this title, the Secretary shall submit a report to the Committee on Resources of the House of Representatives and the Committee on Indian Affairs of the Senate. The report shall contain—

''(1) the results of the study;

''(2) a list of programs, services, functions, and activities (or portions thereof) within the agency which it would be feasible to include in a Tribal Self-Governance Demonstration Project;

''(3) a list of programs, services, functions, and activities (or portions thereof) included in the list provided pursuant to paragraph (2) which could be included in a Tribal Self-Governance Demonstration Project without amending statutes, or waiving regulations that the Secretary may not waive;

''(4) a list of legislative actions required in order to include those programs, services, functions, and activities (or portions thereof) included in the list provided pursuant to paragraph (2) but not included in the list provided pursuant to paragraph (3) in a Tribal Self-Governance Demonstration Project; and

''(5) any separate views of tribes and other entities consulted pursuant to section 602 related to the information provided pursuant to paragraph (1) through (4).

''SEC. 602. CONSULTATION.

''(a) STUDY PROTOCOL.—

''(1) CONSULTATION WITH INDIAN TRIBES.—The Secretary shall consult with Indian tribes to determine a protocol for consultation under subsection (b) prior to consultation under such subsection with the other entities described in such subsection. The protocol shall require, at a minimum, that—

''(A) the government-to-government relationship with Indian tribes forms the basis for the consultation process;

''(B) the Indian tribes and the Secretary jointly conduct the consultations required by this section; and

''(C) the consultation process allow for separate and direct recommendations from the Indian tribes and other entities described in subsection (b).

''(2) OPPORTUNITY FOR PUBLIC COMMENT.—In determining the protocol described in paragraph (1), the Secretary shall publish the proposed protocol and allow a period of not less than 30 days for comment by entities described in subsection (b) and other interested individuals, and shall take comments received into account in determining the final protocol.

''(b) CONDUCTING STUDY.—In conducting the study under this title, the Secretary shall consult with Indian tribes, States, counties, municipalities, program beneficiaries, and interested public interest groups, and may consult with other entities as appropriate.

''SEC. 603. DEFINITIONS.

''(a) IN GENERAL.—For purposes of this title, the Secretary may use definitions provided in title V.

''(b) AGENCY.—For purposes of this title, the term 'agency' shall mean any agency or other organizational unit of the Department of Health and Human Services, other than the Indian Health Service.

''SEC. 604. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated for fiscal years 2000 and 2001 such sums as may be necessary to carry out this title. Such sums shall remain available until expended.''.

SEC. 5. AMENDMENTS CLARIFYING CIVIL PROCEEDINGS.

(a) BURDEN OF PROOF IN DISTRICT COURT ACTIONS.—Section 102(e)(1) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f(e)(1)) is amended by inserting after ''subsection (b)(3)'' the following: ''or any civil action conducted pursuant to section 110(a)''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to any proceedings commenced after October 25, 1994.

SEC. 6. SPEEDY ACQUISITION OF GOODS, SERVICES, OR SUPPLIES.

Section 105(k) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450j(k)) is amended—

(1) by striking ''carrying out a contract'' and all that follows through ''shall be eligible'' and inserting the following: ''or Indian tribe shall be deemed an executive agency and a part of the Indian Health Service, and the employees of the tribal organization or the Indian tribe, as the case may be, shall be eligible''; and

(2) by adding at the end thereof the following: ''At the request of an Indian tribe, the Secretary shall enter into an agreement for the acquisition, on behalf of the Indian tribe, of any goods, services, or supplies available to the Secretary from the General Services Administration or other Federal agencies that are not directly available to the Indian tribe under this section or any other Federal law, including acquisitions from prime vendors. All such acquisitions shall be undertaken through the most efficient and speedy means practicable, including electronic ordering arrangements.

SEC. 7. PATIENT RECORDS.

Section 105 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450j) is amended by adding at the end the following new subsection:

''(o) At the option of a tribe or tribal organization, patient records may be deemed to be Federal records under the Federal Records Act of 1950 for the limited purposes of making such records eligible for storage by Federal Records Centers to the same extent and in the same manner as other Department of Health and Human Services patient records. Patient records that are deemed to be Federal records under the Federal Records Act of 1950 pursuant to this subsection shall not be considered Federal records for the purposes of chapter 5 of title 5, United States Code.''.

SEC. 8. REPEAL.

Title III of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f note) is hereby repealed.

SEC. 9. SAVINGS PROVISION.

Funds appropriated for title III of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f note) shall be available for use under title V of such Act.

SEC. 10. EFFECTIVE DATE.

Except as otherwise provided, the provisions of this Act shall take effect on the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah (Mr. HANSEN) and the gentleman from California (Mr. GEORGE MILLER) each will control 20 minutes.

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

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

Mr. Speaker, H.R. 1167, the proposed Tribal Self-Governance Amendments Act of 1999, would create a new title in the 1975 Indian Self-Determination Act. The 1975 act allows Indian tribes to contract for or take over the administration and operation of certain Federal programs which provide services to Indian tribes. Subsequent amendments to the 1975 act created in Title III of the act, which provided for a Self-Governance Demonstration Project that allows for a large-scale tribal self-governance compacts and funding agreements on a demonstration basis.

The new title created by H.R. 1167 would make this contracting by tribes permanent for programs contracted for within the Indian Health Service. Thereby, Indian and Alaskan Native tribes would be able to contract for the operation, control, and redesign of various IHS services on a permanent basis. In short, what was a demonstration project would become a permanent IHS self-governance program.

Pursuant to H.R. 1167, tribes which have already contracted for IHS services would continue under the provisions of their contracts while an additional 50 new tribes would be selected each year to enter into contracts.

H.R. 1167 also allows for a feasibility study regarding the execution of tribal self-governance compacts and funding agreements of Indian-related programs outside the IHS but within the Department of Health and Human Services on a demonstration project basis.

H.R. 1167 is an important piece of legislation which is the result of years of negotiation between the Congress, the administration, and many Indian tribes around the Nation.

We passed this same legislation last year, but it was not acted upon before a judgment.

I support this legislation and urge my colleagues to pass it today so that the other body will again have the opportunity to pass it and send it to the President.

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

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

Mr. Speaker, the nature of self-governance is rooted in the inherent sovereignty of the American Indian and Alaska Native tribes. From the founding of this Nation, Indian tribes and Alaskan Native villages have been recognized as distinct, independent, political communities exercising powers of self-government, not by virtue of any delegation of powers from the Federal Government, but rather by virtue of their own innate sovereignty. The tribes' sovereignty predates the founding of the United States in its Constitution and forms the backdrop against which the United States has continually entered into relations with Indian tribes and native villages.

H.R. 1167 is modeled on the existing permanent self-governance legislation for the Interior Department programs contained in Title IV of the Indian

Self-Determination and Education Assistance Act and reflects years of planning and negotiating among Indian tribes, the Alaska Native villages, and the Department of Health and Human Services.

This legislation continues the principle focus on self-governance programs to remove needless and sometimes harmful layers of Federal bureaucracy that dictate Indian affairs.

By giving tribes direct control over Federal programs run for their benefit and making them directly accountable to their members, Congress has enabled Indian tribes to run programs more efficiently and more innovatively than the Federal officials have in the past.

Allowing the tribes to run these programs furthers the congressional policy of strengthening and promoting tribal governments which began with passage of the First Self-Determination Act of 1975.

The Indian tribes and the administration agree that it is now time to take the next logical step toward the self-governance process and make self-governance programs permanent within the Department of Health and Human Services.

H.R. 1167 establishes a permanent self-government program within the Department of Health and Human Services under which the American Indian and Alaska Native tribes may enter into compacts with the Secretary for direct operation control and redesign of Indian health service activities.

Tribes entering into self-governance programs have to meet four eligibility requirements. First, the tribe must, in the case of the consortium, be federally recognized. Second, the tribe must document with official action of the tribal governing body a formal request to enter into negotiations with the Department of Interior. Third, the tribe must demonstrate financial stability and financial management capabilities as evidenced through the administration of the prior 638 contracts. Fourth, the tribe must successfully have completed a planning phase requiring the submission of final planning report that demonstrates that the tribe has conducted legal and budgetary research in internal government and organizational planning.

If we are to adhere and remain faithful to the principles that our founders set forth, the principles of good faith, consent, justice, humanity, we must continue to promote tribal self-governance as done in this legislation that I bring before the House today.

I want to thank the gentleman from Alaska (Mr. YOUNG), the chairman of the Committee on Resources, for his assistance and support of this bill and urge all of my colleagues to support the passage of this legislation.

Mr. Speaker, the nature of Self-Governance is rooted in the inherent sovereignty of American Indian and Alaska Native tribes. From the founding of this nation, Indian tribes and Alaska Native villages have been recognized as ''distinct, independent, political communities'' exercising powers of self-government, not by virtue of any delegation of powers from the federal government, but rather by virtue of their own innate sovereignty. The tribes' sovereignty predates the founding of the United States and its Constitution and forms the backdrop against which the United States has continually entered into relations with Indian tribes and Native villages.

The present model of tribal Self-Governance arose out of the federal policy of Indian Self-Determination. The modern Self-Determination era began as Congress and contemporary Administrations ended the dubious experiment of Termination which was intended to end the federal trust responsibility to Native Americans during the 1950s.

The centerpiece of the Termination policy, House Concurrent Resolution 108 in 1953, stated that ''Indian tribes and individual members thereof, should be freed from Federal supervision and control and from all disabilities and limitations specially applicable to Indians.'' While the intent of this legislation was to free the Indians from federal rule, it also destroyed all protection and benefits received from the government. The same year, Congress enacted Public Law 28 which further eroded tribal sovereignty by transferring criminal jurisdiction from the federal government and the tribes to the various state governments.

As a policy, Termination was a disaster. Recognizing that Termination as a policy was a disaster, President Kennedy campaigned in 1960 promising the Indian tribes no changes in treaty or contractual relationships without tribal consent, protection of Indian lands base, and assistance with credit and tribal economic development.

Indeed, Indian reservations were included in many of the ''Great Society'' programs of the late 1960s, bringing a much-needed infusion of federal dollars onto many reservations. In 1968, President Lyndon B. Johnson delivered a message to Congress which stated support for:

> [A] policy of maximum choice for the American Indian: a policy expressed in programs of self-help, self-development, self-determination. . . . The greatest hope for Indian progress lies in the emergence of Indian leadership and initiative in solving Indian problems. Indians must have a voice in making the plans and decisions in programs which are important to their daily life.

In 1970, President Richard Nixon's ''Special Message on Indian Affairs'' also called for increased tribal self-determination as he stated:

> This, then, must be goal of any new national policy toward the Indian people: to strengthen the Indian's sense of autonomy without threatening his sense of community. We must assure the Indian that he can assume control of his own life without being separated involuntarily from the tribal group. And we must make it clear that Indians can become independent of Federal control without being cut off from Federal concern and Federal support. . .

Together, these messages sparked Congress to work on legislation that laid the foundation of modern federal Indian policy for the remainder of this century. And so, five years later, Congress enacted one of the most profound and powerful pieces of Indian legislation in this Nation's history.

In 1975, Congress passed the Indian Self-Determination and Education Assistance Act, Pub. L. 93–638. This legislation gave Indian tribes and Alaska Native villages the right to assume responsibility for the administration of federal programs which benefited Indians. In addition to assuming the authority to make operating and administrative decisions regarding the way these federal programs would be run, tribes that chose to enter into Indian Self-Determination Act contracts, which came to be known as ''638 contracts'' were given the right to receive the federal funds that the agencies—generally the Bureau of Indian Affairs (BIA) and the Indian Health Service (IHS)—would have ordinarily received for those programs. The Act did not, however, relieve the federal government of its trust responsibility to the tribes.

Congress enacted the Indian Self-Determination Act with the expectation that the direct responsibility for running these programs would enhance and strengthen tribal governments. As a means of supervise the tribes' activities, ''638'' contracts required volumes of paperwork to be filed. If a tribe wanted to operate more than one program, it would have to exercise an additional 638 contract which required a separate approval process. Though the Act was intended to decrease Federal involvement in the daily lives of reservation Indians, its specific performance and reporting requirements kept BIA as a pervasive force in Indian affairs.

At the time of its enactment, the 638 contract program did not allow tribes to move funds between programs to adapt to changing and unforeseen circumstances during a funding period. Thus, the tribes' powers to design or adapt programs according to tribal needs remained restricted.

The inflexibility of 638 contracts also created problems with cash flow. Payments were made to tribes on a cost-reimbursement basis, often many months after the tribe might have incurred major expenses. The tribes' main complaint, however, was that the 638 contract process made tribal staff primarily accountable to and measured by, not their own tribal councils but BIA employees at the Agency, Area and Central Officers. They had to follow strict federal laws, rules and regulations that were often of little relevance to day-to-day existence on an Indian reservation. Furthermore, if trust assets were involved, the BIA had to concur in all decisions made.

Thus, while the Indian Self-Determination Act was and is still acknowledged as a watershed moment in the history of tribal self-governance, by the mid-1980s many tribal leaders agreed that it was time for even greater change. They felt that the federal bureaucracy devoted to 638 program oversight had simply grown out of control and the percentage of federal dollars allocated for Indian programs actually spent on the reservations was still far too small.

To address these concerns, the Indian tribes asked Congress to consider amendments to the Self-Determination Act. At the same time, a group of tribal representatives

began meeting to discuss proposals for trimming the BIA bureaucracy and amending the Act as well.

But during the fall of 1987, a series of articles appeared in the Arizona Republic entitled Fraud in Indian Country, that detailed an egregious history of waste and mismanagement within the BIA. These articles spurred House Appropriations Subcommittee on Interior and Related Agencies Chairman Sidney Yates (D–IL) to conduct an oversight hearing on these alleged abuses.

At the hearing, Department of Interior officials proposed that funds appropriated to the Bureau of Indian Affairs be turned over to the tribes to let them manage their own affairs in an attempt to address these charges. But, the officials testified, by accepting the federal funds, the tribes would release the federal government from its trust responsibility. Tribal leaders disagreed with this quid pro quo, but supported the concept of removing BIA middlemen from the funding process. With Chairman Yates' encouragement, tribal representatives met with the Secretary of the Interior and other Department officials the very next day to further hash out this concept. By mid-December of 1987, ten tribes had agreed to test the Department's proposal.

Out of this proposal the Tribal Self-Governance Demonstration Project was born.

In 1988 Congress enacted Pub. L. No. 100–472 and established Title III of the Indian Self-Determination Act which authorized the Secretary of Interior to negotiate Self-Governance compacts with up to twenty tribes. These tribes, for the first time, would be able to "Plan, conduct, consolidate, and administer programs, services, and functions" heretofore performed by Interior officials. The Act required that these programs be "otherwise available to Indian tribes or Indians," but within these parameters the tribes were authorized to redesign programs and reallocated funding according to terms negotiated in the compacts. Tribes would be able to prioritize spending on a systemic level, dramatically reducing the Federal role in the tribal decision-making process. But perhaps the biggest difference between "638" contract process and the Self-Governance program is that instead of funds coming from multiple contracts there would be one compact with a single Annual Funding Agreement.

The original ten tribes that agreed to participate in the demonstration project were the Confederated Salish and Kootenai Tribes, Hoopa Tribe, Jamestown S'Klallam Tribe, Lummi Nation, Mescalero Apache Tribe, Mille Lacs Band of Ojibwe, Quinault Indian Nation, Red Lake Chippewa Tribe, Rosebud Sioux Tribe, and Tlingit and Haida Central Council.

In 1991 President Bush signed Pub. L. 102–184, which extended the Demonstration Project for three more years and increased the number of Tribes participating to thirty. The bill required the new tribes participating to complete a one-year planning period before they could negotiate a Compact and Annual Funding Agreement. The 1991 law also directed the Indian Health Service to conduct a feasibility study to examine the expansion of the Self-Governance project to IHS programs and services.

In 1992, Congress amended section 314 of the Indian Health Care Improvement Act to allow the Secretary of Health and Human Services to negotiate Self-Governance compacts and annual funding agreements under Title III of the Indian Self-Determination Act with Indian tribes. The Self-Governance Demonstration Project proved to be a success both in the Interior Department and the Department of Health and Human Services. Thus, in 1994, Congress responded by passing the "Tribal Self-Governance Act of 1994" and permanently established the Self-Governance program within the Department of Interior.

This action solidified the Federal government's policy of negotiating with Indian Tribes and Alaska Native villages on a government-to-government basis while retaining the federal trust relationship. The Tribal Self-Governance Act allowed so called "Self-Governance tribes" to compact all programs and services that tribes could contract under Title I of the Indian Self-Determination Act. The Act required an "orderly transition from Federal domination of programs and services to provide Indian tribes with meaningful authority to plan, conduct, redesign, and administer programs, services, functions, and activities that meet the needs of the individual tribal communities."

Tribes entering the Self-Governance program had to meet four eligibility requirements. First, the tribe (or tribes in the case of a consortium) must be federally recognized. Second, the tribe must document, with an official action of the tribal governing body, a formal request to enter negotiations with the Department of Interior. Third, the tribe must demonstrate financial stability and financial management capability as evidenced through the administration of prior 638 contracts. Fourth, the tribe must have successfully completed a planning phase, requiring the submission of a final planning report which demonstrates that the tribe has conducted legal and budgetary research and internal tribal government and organizational planning.

The 1994 Act, however, did not make changes to the demonstration project status of the Self-Governance program within the Indian Health Service. The IHS authority remained on a demonstration project basis within Title III of the Indian Self-Determination Act.

The Indian tribes and the Administration agree that it is now time to take the next logical step forward in the Self-Governance process and make the Self-Governance program permanent within the Department of Health and Human Service. H.R. 1167 establishes a permanent Self-Governance Program within the Department of Health and Human Services under which American Indian and Alaska Native tribes may enter into compacts with the Secretary for the direct operation, control, and redesign of Indian Health Service (IHS) activities. A limited number of Indian tribes have had a similar right on a demonstration project basis since 1992 under Title III of the Indian Self-Determination and Education Assistance Act. All Indian tribes have enjoyed a similar but lesser right to contract and operate individual IHS programs and functions under Title I of the Indian Self-Determination Act since 1975 (so-called "638 contracting").

In brief, the legislation would expand the number of tribes eligible to participate in Self-Governance, make it a permanent authority within the IHS and authorize the Secretary of Health and Human Services to conduct a feasibility study for the execution of Self-Governance compacts with Indian tribes for programs outside of the IHS but still within HHS.

This legislation is modeled on the existing permanent Self-Governance legislation for Interior Department programs contained in Title IV of the Indian Self-Determination Act and reflects years of planning and negotiation among Indian tribes, Alaska Native villages, the Department of Health and Human Services.

H.R. 1167 continues the principle focus of the Self-Governance program: to remove needless and sometimes harmful layers of federal bureaucracy that dictate Indian affairs. By giving tribes direct control over federal programs run for their benefit and making them directly accountable to their members, Congress had enabled Indian tribes to run programs more efficiently and more innovatively than federal officials have in the past. Allowing tribes to run these programs furthers the Congressional policy of strengthening and promoting tribal governments which began with passage of the first Self-Determination Act in 1975.

Often we need to look to the past in order to understand our proper relationship with Indian tribes. More than two centuries ago, Congress set forth what should be our guiding principles. In 1789, Congress passed the Northwest Ordinance, a set of seven articles intended to govern the addition of new states to the Union. These articles served as a compact between the people and the States, and were "to forever remain unalterable, unless by common consent." Article Three set forth the Nation's policy towards Indian tribes:

> The utmost good faith shall always be observed towards the Indians; their land and property shall never be taken away from them without their consent . . . but laws founded in justice and humanity shall from time to time be made, for preventing wrongs being done to them. . . .

The Founders of this Nation carefully and wisely chose these principles to govern the conduct of our government in its dealings with American Indian tribes. Over the years, these principles have at times been forgotten.

Two hundred years later, Justice Thurgood Marshall delivered a unanimous Supreme Court in 1983 stating that,

> "Moreover, both the tribes and the Federal Government are firmly committed to the goal of promoting tribal self-government, a goal embodied in numerous federal statutes. We have stressed that Congress' objective of furthering tribal self-government encompasses far more than encouraging tribal management of disputes between members, but includes Congress' overriding goal of encouraging 'tribal self-sufficiency and economic development."

If we are to adhere and remain faithful to the principles that our Founders set forth—the principles of good faith, consent, justice and humanity—then we must continue to promote tribal self-government as is done in the legislation I bring before the House today.

Mr. Speaker, I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by

the gentleman from Utah (Mr. HANSEN) that the House suspend the rules and pass the bill, H.R. 1167, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HANSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and add extraneous material on H.R. 1167, the bill just passed.

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

There was no objection.

CLARIFYING COASTAL BARRIER RESOURCES SYSTEM BOUNDARIES

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent to move to suspend the rules and pass the Senate bill (S. 1398) to clarify certain boundaries on maps relating to the Coastal Barrier Resources System.

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

There was no objection.

The Clerk read as follows:

S. 1398

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

SECTION 1. REPLACEMENT OF COASTAL BARRIER RESOURCES SYSTEM MAPS.

(a) IN GENERAL.—The 7 maps described in subsection (b) are replaced by 14 maps entitled ''Dare County, North Carolina, Coastal Barrier Resources System, Cape Hatteras Unit NC–03P'' or ''Dare County, North Carolina, Coastal Barrier Resources System, Cape Hatteras Unit NC–03P, Hatteras Island Unit L03'' and dated October 18, 1999.

(b) DESCRIPTION OF MAPS.—The maps described in this subsection are the 7 maps that—

(1) relate to the portions of Cape Hatteras Unit NC–03P and Hatteras Island Unit L03 that are located in Dare County, North Carolina; and

(2) are included in a set of maps entitled ''Coastal Barrier Resources System'', dated October 24, 1990, and referred to in section 4(a) of the Coastal Barrier Resources Act (16 U.S.C. 3503(a)).

(c) AVAILABILITY.—The Secretary of the Interior shall keep the maps referred to in subsection (a) on file and available for inspection in accordance with section 4(b) of the Coastal Barrier Resources Act (16 U.S.C. 3503(b)).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. JONES) and the gentleman from California (Mr. GEORGE MILLER) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this legislation is identical to legislation that I introduced earlier this year, which the House passed last month.

This legislation simply corrects a mapping error that currently excludes Dare County residents from qualifying for Federal flood insurance under the Coastal Barrier Research Act.

Congress adopted the Coastal Barrier Research System in the 1980s to protect the coast from future development. When the North Carolina areas were added to the system, it was Congress' intent for the line to be adjacent to the Cape Hatteras National Seashore boundary, thus allowing certain privately owned structures to remain eligible for flood insurance.

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Unfortunately, the National Park Service incorrectly identified the boundary, which resulted in inaccurate maps. This error incorrectly puts approximately 200 landowners in harm's way, especially during hurricane season.

With Hurricanes Dennis and Floyd recently wreaking havoc on the Outer Banks of Eastern North Carolina, this legislation is a justified step forward in providing the necessary assistance to the landowners in Dare County. Currently, these residents have been left unprotected by the inability of the Federal Government to appropriately manage the Coastal Barrier Resource System.

With the assistance of Senator HELMS, the Committee on Resources, and the Fish and Wildlife Service, we have been able to work towards a solution that all sides can agree to. With the help of the gentleman from Alaska (Mr. YOUNG) and the gentleman from New Jersey (Mr. SAXTON), we were able to pass this legislation through the House earlier this year. Passing Senate 1398 today will complete the work we all started a year ago.

The importance of passing this legislation could not be more timely after one of the worst hurricane seasons in recent history. I would hope and encourage my colleagues to support this legislation.

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

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

Mr. Speaker, let me say at the outset that I very much appreciate the cooperation of the gentleman from New Jersey (Mr. SAXTON) and the gentleman from North Carolina (Mr. JONES) and their staffs for working with us to shape this legislation.

I am satisfied that the boundary changes authorized in this bill are legitimate technical corrections which will resolve the past mapping errors and boundary discrepancies, and I urge the passage of this legislation.

The Coastal Barrier Resources System is critical to the long-term protection of the Nation's coastal resources, and we must remain vigilant to protect it from unwarranted encroachment.

All this bill would do is substitute a final series of revised maps to replace an earlier series already approved by the House when it passed H.R. 1431 on September 21. This bill would authorize the final agreed upon maps.

Let me say from the start, I very much appreciate the cooperation of Mr. SAXTON and his staff in working with the minority in shaping this legislation. I am satisfied that the boundary changes authorized in this bill are legitimate technical corrections which would resolve past mapping errors and boundary discrepancies.

Moreover, we have been assured by both the Fish and Wildlife Service and the National Park Service that these new boundaries accurately depict the boundaries of the Cape Hatteras National Seashore. Hopefully this will eliminate any future confusion regarding this matter.

We also have made sure that none of the coastal barrier units labeled as LO3 have been changed in any way to reduce their spatial areas. And importantly, we have also added approximately 2,300 acres of additional coastal barrier lands to the ''otherwise protected area'' labeled as NC03–P. I want to thank Mr. SAXTON and the gentleman from North Carolina, Mr. JONES, for agreeing to this addition.

Experience has made me necessarily cautious when it comes to modifying any coastal barrier boundary. But in this case, I believe we have gotten it right. I urge my colleagues to support this legislation.

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

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the motion offered by the gentleman from North Carolina (Mr. JONES) that the House suspend the rules and pass the Senate bill, S. 1398.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on S. 1398, the Senate bill just passed.

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

There was no objection.

GOVERNMENT WASTE CORRECTIONS ACT OF 1999

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1827) to improve the economy and efficiency of Government operations by requiring the use of recovery audits by Federal agencies, as amended.

The Clerk read as follows:

H.R. 1827

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 ''Government Waste Corrections Act of 1999''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds the following:

(1) Overpayments are a serious problem for Federal agencies, given the magnitude and complexity of Federal operations and documented and widespread financial management weaknesses. Federal agency overpayments waste tax dollars and detract from the efficiency and effectiveness of Federal operations by diverting resources from their intended uses.

(2) In private industry, overpayments to providers of goods and services occur for a variety of reasons, including duplicate payments, pricing errors, and missed cash discounts, rebates, or other allowances. The identification and recovery of such overpayments. commonly referred to as ''recovery auditing and activity'', is an established private sector business practice with demonstrated large financial returns. On average, recovery auditing and activity in the private sector identify overpayment rates of 0.1 percent of purchases audited and result in the recovery of $1,000,000 for each $1,000,000,000 of purchases.

(3) Recovery auditing and recovery activity already have been employed successfully in limited areas of Federal activity. They have great potential for expansion to many other Federal agencies and activities, thereby resulting in the recovery of substantial amounts of overpayments annually. Limited recovery audits conducted by private contractors to date within the Department of Defense have identified errors averaging 0.4 percent of Federal payments audited, or $4,000,000 for every $1,000,000,000 of payments. If fully implemented within the Federal Government, recovery auditing and recovery activity have the potential to recover billions of dollars in Federal overpayments annually.

(b) PURPOSES.—The purposes of this Act are the following:

(1) To ensure that overpayments made by the Federal Government that would otherwise remain undetected are identified and recovered.

(2) To require the use of recovery audit and recovery activity by Federal agencies.

(3) To provide incentives and resources to improves Federal management practices with the goal of significantly reducing Federal overpayment rates and other waste and error in Federal programs.

SEC. 3. ESTABLISHMENT OF RECOVERY AUDIT REQUIREMENT.

(a) ESTABLISHMENT OF REQUIREMENT.—Chapter 35 of title 31, United States Code, is amended by adding at the end the following:

''SUBCHAPTER VI—RECOVERY AUDITS

''§ 3561. Definitions

''In this subchapter, the following definitions apply:

''(1) DIRECTOR.—The term 'Director' means the Director of the Office of Management and Budget.

''(2) DISCLOSE.—The term 'disclose' means to release, publish, transfer, provide access to, or otherwise divulge individually identifiable information to any person other than the individual who is the subject of the information.

''(3) INDIVIDUALLY IDENTIFIABLE INFORMATION.—The term 'individually identifiable information' means any information, whether oral or recorded in any form or medium, that identifies the individual, or with respect to which there is a reasonable basis to believe that the information can be used to identify the individual.

''(4) OVERSIGHT.—The term 'oversight' means activities by a Federal, State, or local governmental entity, or by another entity acting on behalf of such a governmental entity, to enforce laws relating to, investigate, or regulate payment activities, recovery activities, and recovery audit activities.

''(5) PAYMENT ACTIVITY.—The term 'payment activity' means an executive agency activity that entails making payments to vendors or other nongovernmental entities that provide property or services for the direct benefit and use of an executive agency.

''(6) RECOVERY AUDIT.—The term 'recovery audit' means a financial management technique used to identify overpayments made by executive agencies with respect to vendors and other entities in connection with a payment activity, including overpayments that result from any of the following:

''(A) Duplicate payments.

''(B) Pricing errors.

''(C) Failure to provide applicable discounts, rebates, or other allowances.

''(D) Inadvertent errors.

''(7) RECOVERY ACTIVITY.—The term 'recovery activity' means activity otherwise authorized by law, including chapter 37 of this title, to attempt to collect an identified overpayment—

''(A) within 180 days after the date the overpayment is identified; and

''(B) through established professional practices.

''§ 3562. Recovery audit requirement

''(a) IN GENERAL.—Except as exempted by the Director under section 3565(d) of this title, the head of each executive agency—

''(1) shall conduct for each fiscal year recovery audits and recovery activity with respect to payment activities of the agency if such payment activities for the fiscal year total $500,000,000 or more (adjusted by the Director annually for inflation); and

''(2) may conduct for any fiscal year recovery audits and recovery activity with respect to payment activities of the agency if such payment activities for the fiscal year total less than $500,000,000 adjusted by the Director annually for inflation).

''(5) PROCEDURES.—In conducting recovery audits and recovery activity under this section, the head of an executive agency—

''(1) shall consult and coordinate with the Chief Financial Officer and the Inspector General of the agency;

''(2) shall implement this section in a manner designed to ensure the greatest financial benefit to the Government;

''(3) may conduct recovery audits and recovery activity internally in accordance with the standards issued by the Director under section 3565(b)(2) of this title, or by procuring performance of recovery audits, or by any combination there of; and

''(4) shall ensure that such recovery audits and recovery activity are carried out consistent with the standards issued by the Director and section 3565(b)(2) of this subchapter.

''(c) SCOPE OF AUDITS.—(1) Each recovery audit of a payment activity under this section shall cover payments made by the payment activity in a fiscal year, except that the first recovery audit of a payment activity shall cover payments made during the 2 consecutive fiscal years preceding the date of the enactment of the Government Waste Corrections Act of 1999.

''(2) The head of an executive agency may conduct recovery audits of payment activities for additional preceding fiscal years if determined by the agency head to be practical and cost-effective.

''(d) RECOVERY AUDIT CONTRACTS.—

''(1) AUTHORITY TO USE CONTINGENCY CONTRACTS.—Notwithstanding section 3302(b) of this title, as consideration for performance of any recovery audit procured by an executive agency, the executive agency, the executive agency may pay the contractor an amount equal to a percentage of the total amount collected by the United States as a result of overpayments identified by the contractor in the audit.

''(2) ADDITIONAL FUNCTIONS OF CONTRACTOR.—(A) In addition to performance of a recovery audit, a contract for such performance may authorize the contractor (subject to subparagraph (B)) to—

''(i) notify any person of possible overpayments made to the person and identified in the recovery audit under the contract; and

''(ii) respond to questions concerning such overpayments.

''(B) A contract for performance of a recovery audit shall not affect—

''(i) the authority of the head of an executive agency under the Contract Disputes Act of 1978 and other applicable laws including the authority to initiate litigation or referrals for litigation or:

''(ii) the requirements of sections 3711, 3716, 3718, and 3720 of this title that the head of an agency resolve disputes, compromise or terminate overpayment claims, collect by setoff, and otherwise engage recovery activity with respect to overpayments identified by the recovery audit.

''(3) LIMITATION ON AUTHORITY.—Nothing in this subchapter shall be construed to authorize a contractor with an executive agency to require the production of any record or information by any person other than an officer, employee, or agent of the executive agency.

''(4) REQUIRED CONTRACT TERMS AND CONDITIONS.—The head of an executive agency shall include in each contract for procurement of performance of a recovery audit requirements that the contractor shall—

''(A) protect from disclosure otherwise confidential business information and financial information;

''(B) provide to the head of the executive agency and the Inspector General of the executive agency periodic reports on conditions giving rise to overpayments identified by the contractor and any recommendations on how to mitigate such conditions.

''(C) notify the head of the executive agency and the agency of any overpayments identified by the contractor pertaining to the executive agency or to another executive agency that are beyond the scope of the contract; and

''(D) promptly notify the head of the executive agency and the Inspector General of the executive agency of any indication of fraud or other criminal activity discovered in the course of the audit.

''(5) EXECUTIVE AGENCY ACTION FOLLOWING NOTIFICATION.—The head of an executive

agency shall take prompt and appropriate action in response to a notification by a contractor pursuant to the requirements under paragraph (4) including forwarding to other executive agencies any information that applies to them.

''(6) CONTRACTING REQUIREMENTS.—Prior to contracting for any recovery audit, head of an executive agency shall conduct a public-private cost comparison process. The outcome of the cost comparison process shall determine whether the recovery audit is performed in-house or by a contractor.

''(e) INSPECTORS GENERAL.—Nothing in this subchapter shall be construed as diminishing the authority of any Inspector General, including such authority under the Inspector General Act of 1978.

''(f) PRIVACY PROTECTIONS.—

''(1) LIMITATION ON DISCLOSURE OF INDIVIDUALLY IDENTIFIABLE INFORMATION.—(A) Any non-governmental entity that obtains individually identifiable information through performance of recovery auditing or recovery activity under this chapter may disclose that information only for the purpose of such auditing or activity, respectively, and oversight of such auditing or activity, unless otherwise authorized by the individual that is the subject of the information.

''(B) Any person that violates subparagraph (A) shall be liable for any damages (including non-pecuniary damages, costs, and attorneys fees) caused by the violation.

''(2) DESTRUCTION OR RETURN OF INFORMATION.—Upon the conclusion of the matter or need for which individually identifiable information was disclosed in the course of recovery auditing or recovery activity under this chapter performed by a non-governmental entity, the non-governmental entity shall either destroy the individually identifiable information or return it to the person from whom it was obtained, unless another applicable law requires retention of the information.

''§ 3563. Disposition of amounts collected

''(a) IN GENERAL.—Notwithstanding section 3302(b) of this title, the amounts collected annually by the United States as a result or recovery audits by an executive agency under this subchapter shall be treated in accordance with this section.

''(b) USE FOR RECOVERY AUDIT COSTS.—Amounts referred to in subsection (a) shall be available to the executive agency—

''(1) to pay amounts owed to any contractor for performance of the audit; and

''(2) to reimburse any applicable appropriation for other recovery audit costs incurred by the executive agency with respect to the audit.

''(c) USE FOR MANAGEMENT IMPROVEMENT PROGRAM.—Of the amount referred to in subsection (a), a sum not to exceed 25 percent of such amount—

''(1) shall be available to the executive agency to carry out the management improvement program of the agency under section 3564 of this title;

''(2) may be credited for that purpose by the agency head to any agency appropriations that are available for obligation at the time of collection; and

''(3) shall remain available for the same period as the appropriations to which credited.

''(d) REMAINDER TO TREASURY.—Of the amount referred to in subsection (a), there shall be deposited into the Treasury as miscellaneous receipts a sum equal to—

''(1) 50 percent of such amount; plus

''(2) such other amounts as remain after the application of subsections (b) and (c).

''(e) LIMITATION ON APPLICATION.—

''(1) IN GENERAL.—This section shall not apply to amounts collected through recovery audits and recovery activity to the extent that such application would be inconsistent with another provision of law that authorizes crediting of the amounts to a non-appropriated fund instrumentality, revolving fund, working capital fund, trust fund, or other fund or account.

''(2) SUBSECTIONS (c) AND (d).—Subsections (c) and (d) shall not apply to amounts collected through recovery audits and recovery activity, to the extent that such amounts are derived from an appropriation or fund that remains available for obligation at the time the amounts are collected.

''§ 3564. Management improvement program

''(a) CONDUCT OF PROGRAM.—

''(1) REQUIRED PROGRAMS.—The head of each executive agency that is required to conduct recovery audits under section 3562 of this title shall conduct a management improvement program under this section, consistent with guidelines prescribed by the Director.

''(2) DISCRETIONARY PROGRAMS.—The head of any other executive agency that conducts recovery audits under section 3562 that meet the standards issued by the Director under section 3565(b)(2) may conduct a management improvement program under this section.

''(b) PROGRAM FEATURES.—In conducting the program, the head of the executive agency—

''(1) shall, as the first priority of the program, address problems that contribute directly to agency overpayments; and

''(2) may seek to reduce errors and waste in other executive agency programs and operations by improving the executive agency's staff capacity, information technology, and financial management.

''(c) INTEGRATION WITH OTHER ACTIVITIES.—The head of an executive agency—

''(1) subject to paragraph (2), may integrate the program under this section, in whole or in part, with other management improvement programs and activities of that agency or other executive agencies; and

''(2) must retain the ability to account specifically for the use of amounts made available under section 3563 of this title.

''§ 3565. Responsibilities of the Office of Management and Budget

''(a) IN GENERAL.—The Director shall coordinate and oversee the implementation of this subchapter.

''(b) GUIDANCE.—

''(1) IN GENERAL.—The Director, in consultation with the Chief Financial Officers Council and the President's Council on Integrity and Efficiency, shall issue guidance and provide support to agencies in implementing the subchapter. The Director shall issue initial guidance not later than 180 days after the date of enactment of the Government Waste Corrections Act of 1999.

''(2) RECOVERY AUDIT STANDARDS.—The Director shall include in the initial guidance under this subsection standards for the performance of recovery audits under this subchapter, that are developed in consultation with the Comptroller General of the United States and private sector experts on recovery audits.

''(c) FEE LIMITATIONS.—The Director may limit the percentage amounts that may be paid to contractors under section 3562(d)(1) of this title.

''(d) EXEMPTIONS.—

''(1) IN GENERAL.—The Director may exempt an executive agency, in whole or in part, from the requirement to conduct recovery audits under section 3562(a)(1) of this title if the Director determines that compliance with such requirement—

''(A) would impede the agency's mission; or

''(B) would not be cost-effective.

''(2) REPORT TO CONGRESS.—The Director shall promptly report the basis of any determination and exemption under paragraph (1) to the Committee on Government Reform of the House of Representatives and the Committee on Governmental Affairs of the Senate.

''(e) REPORTS.—

''(1) IN GENERAL.—Not later than 1 year after the date of the enactment of the Government Waste Corrections Act of 1999, and annually for each of the 2 years thereafter, the Director shall submit a report on implementation of the subchapter to the President, the Committee on Government Reform of the House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Appropriations of the House of Representatives and of the Senate.

''(2) CONTENTS.—Each report shall include—

''(A) a general description and evaluation of the steps taken by executive agencies to conduct recovery audits, including an inventory of the programs and activities of each executive agency that are subject to recovery audits.

''(B) an assessment of the benefits of recovery auditing and recovery activity, including amounts identified and recovered (including by administrative setoffs).

''(C) an identification of best practices that could be applied to future recovery audits and recovery activity.

''(D) an identification of any significant problems or barriers to more effective recovery audits and recovery activity;

''(E) a description of executive agency expenditures in the recovery audit process.

''(F) a description of executive agency management improvement programs under section 3564 of this title; and

''(G) any recommendations for changes in executive agency practices or law or other improvements that the Director believes would enhance the effectiveness of executive agency recovery auditing.

''§ 3566. General Accounting Office reports

''Not later than 60 days after issuance of each report under section 3565(e) of this title, the Comptroller General of the United States shall submit a report on the implementation of this subchapter to the Committee on Government Reform of the House of Representatives, the Committee on Governmental Affairs of the Senate, the Committee on Appropriations of the House of Representatives and of the Senate, and the Director.''

(b) APPLICATION TO ALL EXECUTIVE AGENCIES.—Section 3501 of title 31, United States code, is amended by inserting ''and subchapter VI of this chapter'' after ''section 3513''.

(c) DEADLINE FOR INITIATION OF RECOVERY AUDITS.—The need of each executive agency shall begin the first recovery audit under section 3562(a)(1) title 31, United States Code, as amended by this section, for each payment activity referred to in those sections by not later than 18 months after the date of the enactment of this Act.

(d) CLERICAL AMENDMENT.—The analysis at the beginning of chapter 35 of title 31, United States Code, is amended by adding at the end the following:

''SUBCHAPTER VI—RECOVERY AUDITS

''3561. Definitions.

''3562. Recovery audit requirement.
''3563. Disposition of amounts collected.
''3564. Management improvement program.
''3565. Responsibilities of the Office of Management and Budget.
''3566. General Accounting Office reports.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HORN) and the gentleman from Texas (Mr. TURNER) each will control 20 minutes.

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

GENERAL LEAVE

Mr. HORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1827, the bill under consideration.

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

There was no objection.

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

Mr. Speaker, H.R. 1827 would require executive branch departments and agencies to use a process called recovery auditing to review Federal payment transactions in order to identify erroneous overpayments.

H.R. 1827, the Government Waste Corrections Act, which was authored by the gentleman from Indiana (Mr. BURTON), the chairman of the full Committee on Government Reform; and he was joined in that by the majority leader, the gentleman from Texas (Mr. ARMEY) and the gentleman from California (Mr. OSE), who is an active member of the Subcommittee on Government Management, Information and Technology, which I chair.

This act represents a milestone in the effort to reduce widespread fraud, waste and error in Federal programs that cost taxpayers billions of dollars every year. At a Committee on Government Reform hearing on government waste and mismanagement last February, Inspectors General from the Departments of Health and Human Services, Housing and Urban Development, and Agriculture testified about their major program and management problems. One of the more serious problems they identified was that of erroneous payments.

It is estimated that a total of about $15 billion was erroneously paid out of Medicare, food stamps and housing programs in 1 year alone. Close to $13 billion of that was in the Medicare program. How much of this is due to fraud versus human or technical error is unknown at this point.

In addition, on March 31, 1999, the subcommittee I chair examined the government-wide consolidated financial statement for fiscal year 1998. The General Accounting Office, which is part of the legislative branch and does both programmatic and fiscal auditing, found that among the most serious errors of waste were the billions of dollars in improper payments the government makes to its contractors, vendors and suppliers.

Most Federal overpayments go undetected because agencies do not track and report their improper payments, and there is currently no law requiring them to do so. Every year, however, this problem wastes huge amounts of taxpayers' dollars, and that is what we are committed to end. Such waste detracts from the efficiency and effectiveness of Federal operations by diverting resources from their intended uses.

H.R. 1827 addresses the problem of inadvertent overpayments using a proven private-sector business practice known as recovery auditing to identify and recover the overpayments made to private vendors. A typical recovery audit works like this: An agency's purchases and payments are reviewed, usually by customized software, which is used across the country in private business such as those auditing private health plans. Firms similar to Blue Shield/Blue Cross, would utilize software designated to scan a hospital bill for a particular disease. If that disease required certain processes, they ought to be in that billing. If other processes not relevant would cause a close examination of the bill. So the same with other agencies to identify where overpayments may have occurred.

Typical errors include such things as vendor pricing mistakes, missed discounts, duplicate payments and so on down the line. Once an error is identified and verified by the agency, a notification letter is sent to the vendor for review and response. Recoveries are usually made through administrative offsets or direct payments.

Under H.R. 1827, agencies would be required to use recovery auditing if they spend $500 million or more annually for the purchase of goods and services for the agency's direct benefit. The bill encourages agencies to use recovery auditing for all procurements, regardless of the amount of the transaction.

The bill only applies recovery auditing to an agency's spending for direct contracting; in other words, when an agency purchases goods and services that directly benefit the agency or will be used by that agency. Examples of direct contracting include payments made to a contractor to build a new Veterans Hospital or payments made by the Defense Department for the purchase of a new weapon system.

H.R. 1827 would not require recovery auditing for programs that involve payments to third parties for the delivery of indirect services, such as education or drug treatment grants or payments to intermediaries who administer the Medicaid program. In these programs, Federal payments must make their way through any number of entities—including States, localities, and other entities—before the service is actually delivered to the general population. These payment systems are often so complex that it is uncertain at this time where and how the recovery audit procedure would best be applied.

Mr. Speaker, it is important to note that this legislation addresses the problems that cause the overpayments. The bill requires agencies to use part of the money they recover to work on improvements to their management and financial systems. We had a similar incentive in the Debt Collection Act of 1996, which I authored, and it has worked very well. The more they do and collect, and they do it efficiently, they can use some of the funds to improve their collection services.

As a priority, departments and agencies would have to work to improve overpayment error rates, but the money could also be used to make improvements to the agency's staff capacity, information technology and financial management functions. The bill would also send at least 50 percent of recovered overpayments back to The Treasury, making this bill a win-win for the government and, even more important, the American people the taxpayers.

Mr. Speaker, H.R. 1827 is a very important step in our efforts to increase the accountability of the Federal Government, and I am pleased to be here to support this legislation and urge my colleagues to support it as well.

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

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

Mr. Speaker, I rise today in strong support of H.R. 1827, the Government Waste Corrections Act of 1999. I want to first commend the chairman of the full committee, the gentleman from Indiana (Mr. BURTON), and the ranking member, the gentleman from California (Mr. WAXMAN), as well as the chairman of the subcommittee, the gentleman from California (Mr. HORN), for their work and leadership in bringing this proposal to the floor.

Mr. Speaker, it was shocking for our committee to learn that every year Federal agencies pay out millions of dollars to vendors and to government contractors that the agencies do not even owe. For example, between 1994 and 1998, private-sector defense contractors voluntarily returned to the government almost a billion dollars. Even more alarming is the fact that the government, the Department of Defense, did not even know that these overpayments had been made.

No matter how efficient a financial management system is, overpayments do occur. And, in fact, the larger the volume of purchases, which in the case of the Department of Defense is in the

billions of dollars, the greater the likelihood of overpayments. This legislation addresses this problem by requiring Federal agencies to use a financial management tool that is called recovery auditing.

Recovery auditing is used to identify overpayments due to financial system weaknesses, problems with fundamental recordkeeping and financial reporting, incomplete documentation, and other weaknesses in a financial accounting system. It has been used very successfully by the automobile, retail, and food services industries in our country for more than 30 years. It is currently employed by the majority of the Fortune 500 companies. However, only a very few Federal agencies have utilized the process.

One agency that has used recovery auditing is the Army and Air Force Exchange Service, which recovered $25 million in overpayments through recovery auditing in 1998.

H.R. 1827 would require Federal agencies to conduct recovery auditing on all payment activities over $500 million annually on goods and services for the use or direct benefit of the agency. Recovery audits would be optional for other payment activities.

This bill provides that the contractors simply identify potential overpayments. They have no authority to make determinations or to take collective action. These functions remain at all times with the agency itself. Audits are to be structured to produce the greatest financial gain to the government and must comply with a recovery audit standard to be set forth by the director of the Office of Management and Budget.

Agencies would be authorized to conduct recovery audits in house, contract with private recovery specialists, or use any combination of the two. The agency head would have the authority to use contingency contracts, whereby a contractor would be allowed to retain a percentage of collections from the overpayments they identify during the audit. The agency head would also be free to adopt compensation arrangements other than contingency fees. The bill provides the amounts recovered will be available to pay for a recovery audit contractor or to reimburse appropriations for recovery audit costs incurred by the agency.

At least 50 percent of the overpayments recouped will go back to the general treasury of the government. Up to 25 percent of the overpayments recouped may be used for a management improvement program designed to prevent future overpayments and waste at the agency.

During the subcommittee markup on this bill, a number of concerns were discussed regarding reservations that the health care industry had about this bill. At that time, we, as a committee, pledged to work out a solution to those concerns before full markup. In keeping with that commitment, on November 10 the gentleman from Indiana (Mr. BURTON) offered an amendment in the nature of a substitute which limited this bill to direct services to the government.

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It is my understanding that this substitute alleviated the concerns that were expressed by the health care industry.

Also, at the full committee I offered an amendment which the committee adopted relating to privacy protections for individually identifiable information. This amendment will provide safeguards and remedies to people who might have had their records misused by private recovery auditing firms.

Additionally, the gentleman from California (Mr. WAXMAN), the ranking member, offered an amendment which was also adopted by the committee which ensures that the agency head will conduct a public-private cost comparison before deciding to contract for recovery auditing services on the outside.

I appreciate the bipartisan manner that both of these amendments were negotiated under and which H.R. 1827 passed out of the committee on a voice vote.

Mr. Speaker, H.R. 1827 represents a significant step toward dealing with the billions of dollars in Federal overpayments that our committee discovered were made every year. I am pleased to be a cosponsor. Recovery auditing is simply good government.

I again commend the gentleman from Indiana (Chairman BURTON), the gentleman from California (Mr. WAXMAN), and the gentleman from California (Chairman HORN) for their leadership on the bill.

I urge the House to adopt H.R. 1827.

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

Mr. HORN. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. BURTON).

Mr. BURTON of Indiana. Mr. Speaker, as the author of the bill, I have just been informed that one of our colleagues has some minor problems with the bill. In order to accommodate him, what I would like to do, with unanimous consent of the House, is to withdraw the bill at this time, try to correct any differences that we have, and then bring the bill up later today. I think we can do that in a relatively short period of time.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from California (Mr. HORN) needs to withdraw the motion.

Mr. HORN. Mr. Speaker, I ask unanimous consent to withdraw the motion to suspend the rules.

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

There was no objection.

The SPEAKER pro tempore. The motion is withdrawn.

EXPORT ENHANCEMENT ACT OF 1999

Mr. GILMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3381) to reauthorize the Overseas Private Investment Corporation and the Trade and Development Agency, and for other purposes.

The SPEAKER pro tempore. Is there objection to consideration of the motion at this time?

There was no objection.

The Clerk read as follows:

H.R. 3381

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 ''Export Enhancement Act of 1999''.

SEC. 2. OPIC ISSUING AUTHORITY.

Section 235(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2195(a)(3)) is amended by striking ''1999'' and inserting ''2003''.

SEC. 3. IMPACT OF OPIC PROGRAMS.

(a) ADDITIONAL REQUIREMENTS.—Section 231A of the Foreign Assistance Act of 1961 (22 U.S.C. 2191a) is amended—

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

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

''(b) ENVIRONMENTAL IMPACT.—The Board of Directors of the Corporation shall not vote in favor of any action proposed to be taken by the Corporation that is likely to have significant adverse environmental impacts that are sensitive, diverse, or unprecedented, unless for at least 60 days before the date of the vote—

''(1) an environmental impact assessment or initial environmental audit, analyzing the environmental impacts of the proposed action and of alternatives to the proposed action has been completed by the project applicant and made available to the Board of Directors; and

''(2) such assessment or audit has been made available to the public of the United States, locally affected groups in the host country, and host country nongovernmental organizations.''; and

(3) in subsection (c), as so redesignated—

(A) by inserting ''(1)'' before ''The Board'; and

(B) by adding at the end the following:

''(2) In conjunction with each meeting of its Board of Directors, the Corporation shall hold a public hearing in order to afford an opportunity for any person to present views regarding the activities of the Corporation. Such views shall be made part of the record.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect 90 days after the date of the enactment of this Act.

SEC. 4. BOARD OF DIRECTORS OF OPIC.

Section 233(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2193(b)) is amended—

(1) by striking the second and third sentences;

(2) in the fourth sentence by striking ''(other than the President of the Corporation, appointed pursuant to subsection (c) who shall serve as a Director, ex officio)'';

(3) in the second undesignated paragraph—

(A) by inserting ''the President of the Corporation, the Administrator of the Agency for International Development, the United States Trade Representative, and'' after ''including''; and

(B) by adding at the end the following: ''The United States Trade Representative may designate a Deputy United States Trade Representative to serve on the Board in place of the United States Trade Representative.''; and

(4) by inserting after the second undesignated paragraph the following:

''There shall be a Chairman and a Vice Chairman of the Board, both of whom shall be designated by the President of the United States from among the Directors of the Board other than those appointed under the second sentence of the first paragraph of this subsection.''.

SEC. 5. TRADE AND DEVELOPMENT AGENCY.

(a) PURPOSE.—Section 661(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2421(a)) is amended by inserting before the period at the end of the second sentence the following: '', with special emphasis on economic sectors with significant United States export potential, such as energy, transportation, telecommunications, and environment''.

(b) CONTRIBUTIONS OF COSTS.—Section 661(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2421(b)) is amended by adding at the end the following:

''(5) CONTRIBUTIONS TO COSTS.—The Trade and Development Agency shall, to the maximum extent practicable, require corporations and other entities to—

''(A) share the costs of feasibility studies and other project planning services funded under this section; and

''(B) reimburse the Trade and Development Agency those funds provided under this section, if the corporation or entity concerned succeeds in project implementation.''.

(c) FUNDING.—Section 661(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2421(f)) is amended—

(1) in paragraph (1)(A) by striking ''$77,000,000'' and all that follows through ''1996'' and inserting ''$48,000,000 for fiscal year 2000 and such sums as may be necessary for each fiscal year thereafter''; and

(2) in paragraph (2)(A), by striking ''in fiscal years'' and all that follows through ''provides'' and inserting ''in carrying out its program, provide, as appropriate, funds''.

SEC. 6. IMPLEMENTATION OF PRIMARY OBJECTIVES OF TPCC.

The Trade Promotion Coordinating Committee shall—

(1) report on the actions taken or efforts currently underway to eliminate the areas of overlap and duplication identified among Federal export promotion activities;

(2) coordinate efforts to sponsor or promote any trade show or trade fair;

(3) work with all relevant State and national organizations, including the National Governors' Association, that have established trade promotion offices;

(4) report on actions taken or efforts currently underway to promote better coordination between State, Federal, and private sector export promotion activities, including co-location, cost sharing between Federal, State, and private sector export promotion programs, and sharing of market research data; and

(5) by not later than March 30, 2000, and annually thereafter, include the matters addressed in paragraphs (1), (2), (3), and (4) in the annual report required to be submitted under section 2312(f) of the Export Enhancement Act of 1988 (15 U.S.C. 4727(f)).

SEC. 7. TIMING OF TPCC REPORTS.

Section 2312(f) of the Export Enhancement Act of 1988 (15 U.S.C. 4727(f)) is amended by striking ''September 30, 1995, and annually thereafter,'' and inserting ''March 30 of each year,''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. GILMAN) and the gentleman from New Jersey (Mr. MENENDEZ) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. GILMAN).

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3381.

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

There was no objection.

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

Mr. Speaker, I am pleased to rise in strong support of the Export Enhancement Act of 1999. This measure before us today provides a 4-year authorization of OPIC, an authorization of the Trade and Development Agency and several provisions enhancing the effectiveness of the Trade Promotion Coordinating Committee.

Mr. Speaker, this measure is a stripped-down version of H.R. 1993, which passed the House on October 13 by an overwhelming margin of 357 to 71. This bill enjoys full bipartisan support. It is identical to the text of a measure the Senate is ready to consider in the very near future.

Passing this measure today will ensure that the Overseas Private Investment Corporation will get the authorities it needs to play a key role in boosting our Nation's competitiveness and export potential.

I urge its prompt adoption.

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

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

Mr. Speaker, I rise in strong support of this measure to reauthorize the OPIC and the U.S. Trade Development Agency.

Basically, there is a version that has already passed the House 357–71, but to expedite it in the Senate, we are pursuing it in this fashion.

Export promotion programs, like OPIC and TDA, provide crucial support for American businesses in the global marketplace. U.S. exports of goods and services are estimated to support more than 12 million domestic jobs. Each $1 billion in U.S. goods and services supports approximately 13,000 jobs. This is a reality in my home State of New Jersey, as well as throughout the country.

OPIC has had a positive net income for every year of operation, which reserves now total more than $3 billion. Last year it earned a profit of $139 million and contributes over $204 million in net negative budget authority.

So at a time when Congress is striving to adhere to the constraints of a balanced budget, OPIC stands a part of a revenue earning program. It also complements our efforts across the globe to open up markets.

I want to thank the gentleman from Connecticut (Mr. GEJDENSON) and the gentleman from Illinois (Mr. MANZULLO), my colleague, for his efforts to work with our office to achieve an agreement that ensures OPIC will continue to provide services to American investors overseas.

I also want to thank the gentleman from New York (Chairman GILMAN), the distinguished chairman of the committee, for his commitment to work with myself and the gentleman from Connecticut (Mr. GEJDENSON) on an International Trade Administration reauthorization bill at the beginning of the next session of the 106th Congress. I hope that we can build on the bill that we develop in this session and pass an ITA reauthorization bill as early as possible next year.

I urge Members to support passage of the legislation.

Mr. MANZULLO. Mr. Speaker, I rise in support of the Export Enhancement Act. For the benefit of my colleagues, let me provide some background to where we are today.

H.R. 3381 is a bipartisan and bicameral work-product. Both Members and staff from both sides of the aisle and both sides of Capitol Hill worked on this together in order to get this bill to the President as quickly as possible. The temporary reauthorization extension for the Overseas Private Investment Corporation expires today. It's time to finally get this legislation to the President.

The House version of H.R. 1993 is subject to a hold in the other body for reasons that have nothing to do with the substance of the legislation. Passage of H.R. 3381 now by the House is one way to seek quick action on a four year authorization for OPIC in case the House adjourns for the year prior to the Senate.

There are some changes. The most important are provisions dealing with the International Trade Administration were removed because of jurisdictional concerns with the Senate Banking Committee.

But it is important to remember what the new bill retains—four year OPIC reauthorization; success fee language on the Trade and Development Agency; and streamlining the efforts of the 19 federal agencies involved in export promotion. All of these provisions will help America increase U.S. exports and eliminate government waste. I urge my colleagues to support H.R. 3381.

Mr. MENENDEZ. Mr. Speaker, I yield back the balance of my time.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. GILMAN) that the House suspend the rules and pass the bill, H.R. 3381.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

PROVIDING SUPPORT FOR CERTAIN INSTITUTES AND SCHOOLS

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the Senate bill, S. 440.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Tennessee (Mr. HILLEARY) that the House suspend the rules and pass the Senate bill, S. 440, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 128, nays 291, not voting 14, as follows:

[Roll No. 597]

YEAS—128

Abercrombie
Allen
Baird
Bateman
Berman
Biggert
Blagojevich
Bliley
Blumenauer
Boehner
Bonior
Bono
Borski
Boucher
Brady (PA)
Brady (TX)
Brown (OH)
Bryant
Camp
Capuano
Castle
Clay
Clement
Clyburn
Costello
Coyne
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dickey
Dicks
Dixon
Dooley
Duncan
Dunn
English
Eshoo
Evans
Filner
Ford
Frelinghuysen
Gejdenson
Gephardt
Gillmor
Gilman
Gordon
Goss
Hall (OH)
Hall (TX)
Hastings (FL)
Hilleary
Hobson
Hoekstra
Holt
Hooley
Horn
Houghton
Hoyer
Hyde
Jackson (IL)
Jenkins
Johnson (CT)
Kaptur
Kasich
King (NY)
Kucinich
Lantos
Larson
LaTourette
Lazio
Leach
Lewis (CA)
Maloney (CT)
Markey
Martinez
Matsui
McCarthy (NY)
McDermott
McGovern
McHugh
McNulty
Meehan
Metcalf
Millender-McDonald
Moakley
Moran (VA)
Murtha
Neal
Ney
Oberstar
Olver
Ortiz
Oxley
Packard
Phelps
Pickering
Pryce (OH)
Quinn
Radanovich
Rahall
Rangel
Regula
Rush
Sabo
Sanders
Sawyer
Schakowsky
Scott
Shimkus
Skelton
Strickland
Stupak
Tanner
Tauscher
Taylor (NC)
Tiahrt
Traficant
Walden
Walsh
Wamp
Waxman
Weller
Wicker
Wu
Wynn

NAYS—291

Aderholt
Andrews
Archer
Armey
Bachus
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berry
Bilbray
Bilirakis
Bishop
Blunt
Boehlert
Bonilla
Boswell
Boyd
Brown (FL)
Burr
Burton
Buyer
Callahan
Calvert
Campbell
Canady
Cannon
Capps
Cardin
Carson
Chabot
Chambliss
Chenoweth-Hage
Clayton
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Cox
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Deal
DeMint
Deutsch
Diaz-Balart
Dingell
Doggett
Doolittle
Doyle
Dreier
Edwards
Ehlers
Ehrlich
Emerson
Engel
Etheridge
Everett
Ewing
Fattah
Fletcher
Foley
Forbes
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gonzalez
Goode
Goodlatte
Goodling
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Hostettler
Hulshof
Hunter
Hutchinson
Inslee
Isakson
Istook
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Latham
Lee
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (NY)
Manzullo
Mascara
McCarthy (MO)
McCollum
McCrery
McInnis
McIntyre
McKeon
McKinney
Meek (FL)
Meeks (NY)
Menendez
Mica
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Mollohan
Moore
Moran (KS)
Myrick
Nadler
Napolitano
Nethercutt
Northup
Norwood
Nussle
Ose
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickett
Pitts
Pombo
Pomeroy
Portman
Price (NC)
Ramstad
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sandlin
Sanford
Saxton
Schaffer
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shows
Shuster
Simpson
Sisisky
Skeen
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stabenow
Stark
Stearns
Stenholm
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vento
Visclosky
Vitter
Waters
Watkins
Watt (NC)
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weygand
Whitfield
Wilson
Wolf
Woolsey
Young (AK)
Young (FL)

NOT VOTING—14

Ackerman
Davis (FL)
Davis (VA)
Farr
Lampson
Largent
McIntosh
Morella
Obey
Porter
Scarborough
Spence
Wexler
Wise

□ 1313

Messrs. BASS, CRANE, SHOWS, INSLEE, CRAMER, SMITH of Texas, McINTYRE, TERRY, DOOLITTLE, POMEROY, BALDACCI, and PETRI, and Mrs. NORTHUP, Mrs. MALONEY of New York, Mrs. KELLY, Ms. SANCHEZ, Ms. DANNER, Ms. WOOLSEY, and Ms. McKINNEY changed their vote from ''yea'' to ''nay.''

Messrs. McDERMOTT, HOYER, WICKER, and TIAHRT changed their vote from ''nay'' to ''yea.''

So (two-thirds not having voted in favor thereof), the motion was rejected.

The result of the vote was announced as above recorded.

LEGISLATIVE PROGRAM

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

Mr. BONIOR. Mr. Speaker, I would like to inquire from the majority leader the schedule for the day and perhaps the remainder of the week.

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

Mr. BONIOR. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, let me advise Members that they may have received an errant, incorrect message over the House beeper system. This vote is not necessarily the last vote of the day.

The House and Senate leadership are working together to try to find ways to work around a couple of particular parliamentary problems that the Senate has. At this time of the year, as Members know, in order to do the final work of the year, the two bodies must coordinate and must be able to move together. They have some difficulties over on the other side of the building that we are trying to work around.

So that I would say to the Members, if, in fact, we are able to work through some agreements, we might be able to have one additional vote of big consequence to all of our membership later in the day, and we should also be prepared to vote again tomorrow. All of this is contingent upon how well we can negotiate agreements between leadership on both sides of the aisle in both bodies, and then get sort of key, what should I say, agreements by individual Members here and there regarding possible UCs that might be necessary to implement what it is we can agree to.

So we have 435 House Members, 100 Members of the other body that must be copasetic with whatever we can work out. We are working hard on this. We would not want any Member to feel like they lost their opportunity to be here at that magic moment when we could come to the floor with all of these people in agreement with one another.

So I would ask Members to stay close to their best information source, their

beepers or whatever, and prepare yourself for the possibility of additional votes today and additional votes tomorrow.

Mr. BONIOR. Mr. Speaker, I thank my colleague for his information, although it is a little cryptic.

Mr. ARMEY. It is.

Mr. BONIOR. To say the least.

Mr. ARMEY. Mr. Speaker, I would give my colleagues the details if I understood them.

Mr. BONIOR. Mr. Speaker, let me try to guess then, okay?

Mr. ARMEY. Mr. Speaker, if the gentleman will yield, I could name names too, but it would be of no avail. I think the body pretty well knows the circumstances.

Mr. BONIOR. Mr. Leader, are we talking about today doing the extender bill, the tax extender bill?

Mr. ARMEY. I am sorry?

Mr. BONIOR. Is the gentleman alluding to the tax extender bill in his comments?

Mr. ARMEY. Mr. Speaker, it is possible that the tax extender bill and attendant items could be brought to the floor later today.

Mr. BONIOR. Mr. Speaker, when the gentleman says attendant items, is he talking about perhaps not having it clean and having it come back with some other issues?

Mr. ARMEY. If the gentleman from Michigan will yield, he will have to pull every inch of this out of me.

Mr. BONIOR. That is what I am trying to do, Mr. Speaker.

Mr. ARMEY. I know that.

Mr. BONIOR. Mr. Speaker, let me ask, is it possible that we could see the dairy piece on the extender bill?

Mr. ARMEY. We do not know.

Mr. BONIOR. Well, obviously, Mr. Speaker, it would be helpful if we had some anticipation of what we are going to be seeing so Members can be prepared; and to the extent you can provide that to us, it would be generally I think helpful to Members on both sides of the aisle. I assume that what we are talking about is a tax extender bill, and the question of whether it is going to be clean or not, and we would like to know that, because obviously those who come from dairy States have a great interest in this, and dairy districts; and those who care about the extender bill have an interest in it.

Mr. ARMEY. Mr. Speaker, again, if the gentleman will yield, I do appreciate your concern, but I think the gentleman from Michigan would understand that what we have is problems, problems where we try to devise a plan with respect to which we can get agreements and work out an opportunity to move the legislation. We are all interested, whether it be the work incentives bill or the tax extenders, any number of things.

In the process of working out these possible agreements, it has been proven in the past to be generally prudent to not make any public revelations about what our expectations, hopes and dreams might be while these Members, who have such heart-felt feelings, have a chance to look at the proposals, consider them, and decide whether or not they can come to agreement.

I can only tell the Members at large, we are making every effort to get by some of the difficult, what should I say, delays that are pending out there and get back to this floor with the legislation the Members are all interested in as quickly as possible; and we will do everything we can to give Members timely notification so that they will have a clear understanding of what it is they are being asked to come back for.

In the meantime, if I may, Mr. Speaker, we will have the floor available to take up special orders; and pursuant to that, we may even, in fact, recess subject to the call of the Chair. I again would encourage all of the Members to understand that they will be noticed later.

Mr. BONIOR. Mr. Speaker, can the gentleman from Texas give us a sense of timing? Are we looking at late afternoon, early evening, midnight? Where are we in terms of people planning for the rest of the day?

Mr. ARMEY. Mr. Speaker, if the gentleman will yield further, I do understand that, and I understand the frustration. The ability of working out agreements, as the gentleman knows, sometimes can be done fairly quickly, sometimes it takes more time. As soon as we know that we have a course of action that can command the attention of the body at large, we will make that information available.

But it is possible, as long as Members want to continue working, that on into the evening we may find ourselves holding the opportunity available to continue the work this evening. As it proceeds, if it ever comes to a point where we can give Members sort of a definitive notion that the votes will be at this time or another, we will make every effort to quickly get the information to the Members.

Mr. BONIOR. Mr. Speaker, reclaiming my time, I would just say in conclusion to my friend from Texas, we obviously would like to cooperate. As well, I think it is in everyone's interest to finish the business of this session of this Congress. To the extent that we can be included in understanding what we will be doing and when we will be doing it, it will expedite that process. The majority will need unanimous consent from this side of the aisle to bring the extender bill up; and I am not going to speak for everybody on our side of the aisle, but we would be inclined to do that if we are part of the process. If we are not, if it is sprung on us without any notice and with provisions that we are not comfortable with, then we are going to run into difficulty later on.

That is why I am trying to, as the gentleman from Texas aptly described it, pull from him as much information as I can this afternoon.

Mr. ARMEY. Mr. Speaker, if the gentleman will yield, throughout this day, last evening, this morning, yesterday, and as we continue to work on this, we will continue to contact the minority leadership as we have been doing, including as many long-distance phone calls as are necessary to California and other places and as many fund-raising events that we may have to interrupt, we will keep our colleagues informed.

Mr. BONIOR. Mr. Speaker, I do not think that was necessarily necessary. That is the kind of thing that is going to keep us here longer than any of us would want.

So I would hope that we could refrain from those types of references. I did not get up here this afternoon and make reference to the comments of the gentleman before we left here for Veterans' Day that we would be here that weekend and Members had to change their schedule on both sides of the aisle. I refrained from doing that, and I would hope in the future that the gentleman from Texas would refrain from comments that he just made.

Mr. ARMEY. Mr. Speaker, I appreciate the gentleman.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). The Chair will recognize Members for Special Order speeches at this time without prejudice to the Speaker's right to return to legislative business later today.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

POINT OF ORDER

Mr. SMITH of Michigan. Mr. Speaker, point of order.

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

Mr. SMITH of Michigan. Mr. Speaker, do I not have the right to ask unanimous consent for 1 minute prior to proceeding with the 5 minutes speeches?

The SPEAKER pro tempore. The Chair has already begun recognition from the 5 minute list, and would advise the Member from Michigan at this point to seek unanimous consent to be recognized from the 5-minute Members list and the Chair will be happy to recognize the gentleman. This is purely a

matter of recognition, not a point of order.

Mr. SMITH of Michigan. But, Mr. Speaker, I only want 1 minute.

U.S. FOREIGN POLICY OF MILITARY INTERVENTIONISM BRINGS DEATH, DESTRUCTION, AND LOSS OF LIFE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, demonstrators are once again condemning America in a foreign city. This time, it is in Kabul, Afghanistan. Shouting ''Death to America,'' burning our flag, and setting off bombings, the demonstrators express their hatred toward America.

The United States has just placed sanctions on yet another country to discipline those who do not obey our commands. The nerve of them. Do they not know we are the most powerful Nation in the world and we have to meet our responsibilities? They should do as we say and obey our CIA directives.

This process is not new. It has been going on for 50 years, and it has brought us grief and multiplied our enemies. Can one only imagine what the expression of hatred might be if we were not the most powerful Nation in the world?

Our foreign policy of military interventionism has brought us death and destruction to many foreign lands and loss of life for many Americans. From Korea and Vietnam to Serbia, Iran, Iraq and now Afghanistan, we have ventured far from our shores in search of wars to fight. Instead of more free trade with our potential adversaries, we are quick to slap on sanctions that hurt American exports and help to solidify the power of the tyrants, while seriously penalizing innocent civilians in fomenting anti-America hatred.

□ 1330

The most current anti-American demonstrations in Kabul were understandable and predictable. Our one-time ally, Osama bin Laden, when he served as a freedom fighter against the Soviets in Afghanistan and when we bombed his Serbian enemies while siding with his friends in Kosovo, has not been fooled and knows that his cause cannot be promoted by our fickle policy.

Sanctions are one thing, but seizures of bank assets of any related business to the Taliban government infuriates and incites the radicals to violence. There is no evidence that this policy serves the interests of world peace. It certainly increases the danger to all Americans as we become the number one target of terrorists. Conventional war against the United States is out of the question, but acts of terrorism, whether it is the shooting down of a civilian airliner or bombing a New York City building, are almost impossible to prevent in a reasonably open society.

Likewise, the bombings in Islamabad and possibly the U.N. plane crash in Kosovo are directly related to our meddling in the internal affairs of these nations.

General Musharraf's successful coup against Prime Minister Sharif of Pakistan was in retaliation for America's interference with Sharif's handling of the Pakistan-India border war. The recent bombings in Pakistan are a clear warning to Musharraf that he, too, must not submit to U.S.-CIA directives.

I see this as a particularly dangerous time for a U.S. president to be traveling to this troubled region, since so many blame us for the suffering, whether it is the innocent victims in Kosovo, Serbia, Iraq, or Afghanistan. It is hard for the average citizen of these countries to understand why we must be so involved in their affairs, and resort so readily to bombing and boycotts in countries thousands of miles away from our own.

Our foreign policy is deeply flawed and does not serve our national security interest. In the Middle East, it has endangered some of the moderate Arab governments and galvanized Muslim militants.

The recent military takeover of Pakistan and the subsequent anti-American demonstration in Islamabad should not be ignored. It is time we in Congress seriously rethink our role in the region and in the world. We ought to do more to promote peace and trade with our potential enemies, rather than resorting to bombing and sanctions.

SAVING 1 PERCENT OF THE FEDERAL BUDGET TO SECURE SOCIAL SECURITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. SCHAFFER) is recognized for 60 minutes as the designee of the majority leader.

Mr. SCHAFFER. Mr. Speaker, I want to take this opportunity in this 1 hour special order to invite my colleagues in the majority conference to come join in our discussion of our accomplishments, and to also define somewhat the negotiating that is going on right now between the Congress and the President with respect to getting our budget resolution passed and getting the final agreement nailed down.

Before I do that, I want to talk about one of the announcements that is coming out tomorrow from the Department of Education. Over at the Department, a number of us paid a visit to them just a couple of weeks ago when the Secretary of Education had assured the country, certainly the Congress and the White House, as well, that it was impossible to find this one penny on the dollar savings that we hoped to secure in order to save social security and prevent the President's raid on the social security program.

The Secretary of Education said there is no savings to be found in the administration at the Department of Education, that the agency is run efficiently and is run in the most lean manner possible.

So the three of us Members of Congress who walked down there had a difference of opinion. We physically showed up on the premises and started going office to office to find out if we could not help the Secretary find that penny on the dollar, and lo and behold, we found a number of places where it would be wise to look.

We found an account called a grant back fund, for example, that has about $725 million in there that is not spent in the way that the statutes have defined. We also found some duplicate payments to the tune of about $40 million. We have found several other things since then.

The most remarkable thing we found is that going back to 1998, the Department of Education's books are not auditable. In fact, tomorrow the Department of Education will be receiving notification from the auditors, who are charged with auditing the Department of Education, to finding out where this money goes, they will be receiving this notice claiming, showing, certifying that the Department of Education's books are not auditable.

This is a remarkable revelation coming out of the Department, especially at a time when the Secretary ran over here immediately after we started talking about saving money and telling us with certainty that there is no savings to be found in the Department of Education. He has no basis to make such a claim. His books over at the Department of Education are not auditable.

Mr. Speaker, I just had an opportunity to visit some schoolkids in my district on Monday. I visited three schools. Children in America's schools throughout the country are much like those children in my district in Colorado. They understand accountability. They understand completing assignments on time. They understand completing the work according to their requirements and being held accountable.

When a teacher says a report is due on a certain day, the kids understand that if they do not turn it in on that day, they will get an F. The Department, when they are supposed to audit their books and certify to the Congress that their books are clean, that they have balanced, that they are auditable, we should expect them to follow through. The Department of Education has failed to accomplish that objective. They will tell us tomorrow, we cannot

find where the $120 billion in taxpayer money has been spent and how it has been spent.

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

Mr. SCHAFFER. I yield to the gentleman from Arizona.

Mr. HAYWORTH. I thank my colleague for yielding, Mr. Speaker. I just would ask my colleague, when were the reports or when was the audit or financial statement from the Department of Education due? Was it not March, or sometime earlier this year?

Mr. SCHAFFER. That is right.

Mr. HAYWORTH. So now it is November. They received an incomplete grade, basically, for lo these 9 months, and tomorrow, I guess sotto voce, in low, spoken terms, the Department of Education is going to admit that it has made an F in terms of fiscal responsibility, and even more than fiscal responsibility, fiscal accountability. Mr. Speaker, there is no greater evidence that we take the right approach to get dollars to the classroom, rather than deal with the care and feeding of a Washington bureaucracy.

I would just ask my friend, the gentleman from Colorado, and first of all, let me commend him, sir, and let me also commend my colleague, the gentleman from Michigan (Mr. HOEKSTRA) and my colleague, the gentleman from Arizona (Mr. SALMON) for making that trip 2½ weeks ago to the Department of Education.

I understand, and now help me on this, there is, in essence, a fund of cash, some have described it as a slush fund, to the tune of how many millions, $725 million?

Mr. SCHAFFER. One of the reports on that fund suggested that there has been in the past, recently, about $725 million. The Secretary says it is a little bit less than that, but still there are hundreds of millions of dollars, even about by the Secretary's account. The bottom line is they are not real sure.

Mr. HAYWORTH. Again, so we can try to get a handle on the sums we are talking about, money that could be well spent in America's classrooms helping teachers teach and helping children learn, annually we are looking at an appropriation for that cabinet level agency of $35 billion?

Mr. SCHAFFER. A $35 billion annual appropriation, which is this year's appropriation, but on top of that there is another $85 billion in loans that that department manages, so a grand total of $120 billion is managed by the Department of Education. It effectively makes it one of the largest financial institutions in the world.

Mr. HAYWORTH. So forget, if my friend would yield further, forget the colloquialism about an 800-pound gorilla. We have a $120 billion sum of money that in essence is unaccounted for from the department in Washington, D.C. charged with teaching responsibility and the three Rs.

Maybe that is the fact, Mr. Speaker. We talk about reading, writing, arithmetic. With all due respect, Mr. Speaker, to our friends in the Department of Education, we need to teach a fourth R, responsibility, and accountability, and counting, with a C, to be able to actually handle their books.

I think it is important to inform the body, Mr. Speaker, based on current events, that we do welcome back to the Chamber the House minority leader, the gentleman from Missouri (Mr. GEPHARDT). I had a chance to welcome him. I am sorry he was not here yesterday to be involved in the budget negotiations. I understand he was fundraising on the West Coast.

We certainly find it interesting, those denizens of campaign finance reform, busily raising campaign cash. But we welcome him back.

Mr. Speaker, if I could inform my colleagues, I understand that substantial progress has been made toward a budget agreement. Indeed, the President of the United States and the Speaker of the House have agreed to across-the-board savings. Sadly, the problem comes in this Chamber, because of an inability of the minority to join with us to find those across-the-board savings.

We have advocated simply finding savings in one penny of every discretionary dollar spent. We think that is a way to come together, and we understand there are priorities on the left, there are priorities on our side, the other body has priorities, and the administration has priorities.

Once we come to a basic agreement, which apparently has been done, the best way to fit in the amount of overspending or what would be overspending and a raid of the social security trust fund, the best way to accommodate that spending without raiding the social security trust fund is to simply call for across-the-board savings of one penny on every dollar.

Mr. Speaker, we understand the President of the United States has given his word to the House Speaker, and I would hope that our friends on the other side of the aisle could reach an accommodation with the administration for a simple, across-the-board savings.

I yield to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I appreciate my friend for yielding to me.

Mr. Speaker, I want to bring this back to the perspective of American families. The gentleman has a family, and he and his wife have to do what Libby and I do, sit down at the kitchen table quite frequently and decide what they are going to cut out. Do we really need the new curtains this month? Maybe we can postpone buying the new mattress for the bed, and things like this; that if we can postpone a spending decision, we will.

All we have asked the Washington bureaucrats to do is think like the American family. Here is $5, hard-earned money. The gentleman's money is as good as mine. He works hard to pay it, the American people work hard to pay it. All we are asking the bureaucrats is, take this $5 that you have gotten from hard-working Americans and find this, one nickel. Just get one nickel out of it. That is not hard to do.

When we sit around at our kitchen table, it is not a nickel we are looking for. We have to cut out $2 or $3 from this $5, and it is not that hard to do.

The administration this year proposed buying an island off of Hawaii for $30 million. What was the purpose? For duck breeding. The only problem was, only 10 ducks took them up on this honeymoon package offer, so there are 10 ducks who would use this facility for $30 million. Fortunately, Congress persuaded the administration to back off this, but this is an example of something that is absurd.

What about the Pentagon? The Pentagon lost one $1 million rocket launcher. Now, talk about gun control, does it not bother this administration that we have lost a rocket launcher? I am not sure what can be done with a rocket launcher, but I do not know why you would lose one, and who would want to take it?

What about an $850,000 tugboat that disappears? Where do you hide a tugboat? How do you lose a tugboat? Where can you put one? It is just ridiculous, the examples go on and on and on. All we are asking this administration to do is go back and cut out the waste, fraud, and abuse in the budget.

Mr. SCHAFFER. I would say to the gentleman, it is my understanding that the President has agreed as of today that there is enough savings for this across-the-board savings. He has realized that there is a substantial amount of waste, fraud, and abuse in government that we can reduce, that we can effectively save; find less than a penny on the dollar, is what we are down to now, but that we can save this money. We can save the penny on the dollar without affecting the important services of government.

The President agrees now, but for some reason the deal is not going forward. If anyone has any insight on this, I understand that it is the minority leader on the Democrat side who just arrived back from his fundraising mission in California who has come and disagrees now with the President and the Republicans that this money can be saved in government. That is why we are at an impasse.

Mr. KINGSTON. One of the reasons why we said to the bureaucracies, look, you spend, say in the case of the Pentagon, $240 to $260 billion a Year.

□ 1345

I think USDA, the agriculture folks, get about $64 billion a year. What we are saying to them is they have capable administrators, they can figure out where the waste is. We are not going to dictate it top down from our body saying these are the ones to cut. We expect they know where their waste is and they can ferret it out, and we get criticized for not being more specific where the money should come from. We are being flexible, because we believe that those who are closest to it know where the waste is.

Mr. HAYWORTH. The gentleman from Georgia raises an important point. When we are talking about finding savings of one penny on every dollar of discretionary spending, we are not, I repeat, we are not talking about cutting Medicare, Social Security, Medicaid, any of those vital programs that help the truly needy and those who have earned that type of success and that type of largesse. What we are talking about is saving the Social Security funds for Social Security and Medicare exclusively.

The best way we can do that is for every discretionary dollar spent, and goodness knows there are billions of them, invoking the memory of the late Carl Sagan, ''billions and billions'' of dollars. Let us find a penny on every dollar.

The gentleman from Colorado (Mr. SCHAFFER) asked the question, why is it apparently that the Minority Leader is reluctant to accept an agreement reached by the President and by the Speaker of the House? Well, let us give the Minority Leader the benefit of the doubt. I understand what it is like. I caught what is called in common parlance the red-eye flight back Monday from the West Coast to be here for votes. I understand jet lag and the taxing time on one's body. And perhaps it is a situation where the administration is briefing the Minority Leader.

Mr. KINGSTON. Mr. Speaker, I ask the gentleman to wait. I know that the gentleman from Illinois (Mr. HASTERT), Speaker of the House, was here all weekend. Is the gentleman saying that the Republicans were the only people who stayed in town to protect Social Security?

Mr. HAYWORTH. I would not suggest that for everyone on the other side of the aisle, and certainly administration representatives, and I know representatives from the Committee on Appropriations, were here. But, apparently, the House Minority Leader, the man in whom Members of the opposition party place their trust and the responsibility of leadership, saw fit to leave town instead of being involved in the budget negotiations. It brings all of this talk about a do-nothing Congress, it rings kind of hollow for those who, I suppose in good faith, want to see a solid record, to leave town on a fund-raising trip for campaign cash.

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

Mr. SCHAFFER. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I thank the gentleman for yielding to me. I have been in every single one of those negotiation meetings. And last night, the night in question, I talked to the gentleman from Missouri (Mr. GEPHARDT) twice on questions involving negotiations. I want to tell what is dividing us at this moment. What is dividing us at this moment is one remaining question.

The Republican side, after having spent $17 billion of Social Security money, the Republican side is now asking for a ''let's pretend'' fig leaf so that they can point to a tiny, minuscule across-the-board cut as their ''let's pretend'' indicator that they did not touch Social Security.

Mr. Speaker, we, in return, are asking if they want that, we are asking them to do something real. We are asking to take whatever money the government might earn in any suit against the tobacco companies, which could be up to $20 billion a year, and we are asking the Republican side to deposit that money into the Social Security Trust Fund and the Medicare trust fund. That would extend the life of those funds on average by 3 years. And what we have gotten from the Republican side is a flat ''no,'' which means apparently that the Republican leadership would rather protect their friends in the tobacco industry than protect Social Security and Medicare. That is the truth.

Mr. KINGSTON. Mr. Speaker, reclaiming the time from the gentleman from Wisconsin, let me first of all thank the distinguished gentleman for being here——

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD) The gentleman from Georgia (Mr. KINGSTON) will suspend. The gentleman from Colorado (Mr. SCHAFFER) controls the hour, so the gentleman from Colorado is recognized to control the hour.

Mr. SCHAFFER. Mr. Speaker, I yield to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, let me first of all thank the distinguished gentleman from Wisconsin (Mr. OBEY), the ranking member, for being here this weekend. I think that is very important. I wish he was the decisionmaker on their side. Unfortunately, the decisionmaker, the Minority Leader, was not here over the weekend.

The proposal for the tobacco, I do not know where that has been all year long. We have been in session since January. This is the first I have heard of it. I am not saying I am the most informed Member of Congress. Maybe my colleagues have heard of it. In fact, I would like to see the hand of anybody in here who has heard of it, and pretty much no hands go up.

It is a new proposal. I am glad to know it is out there. But the reality is we are going to leave town maybe not tomorrow, maybe not the next day, and maybe not the next week, but when we leave town, there will be $160 billion untouched in the Social Security Trust Fund, and that never happened under the Democrat majority.

Mr. HAYWORTH. Mr. Speaker, would the gentleman yield time to me? I thank the gentleman from Colorado and the gentleman from Georgia. I am sorry that the gentleman from Wisconsin (Mr. OBEY), the ranking minority member of the Committee on Appropriations is no longer here with us, because I think we have an honest disagreement in terms of the way he portrayed what we have done to save the Social Security fund, which we pledged to save, in stark contrast to the President who came in January and said let us save 62 percent of the Social Security surplus and then spend close to 40 percent on new government programs.

I did not hear from the gentleman from Wisconsin, was he proposing new taxes on the working poor to go to this? I did not hear that side of what he was talking about in terms of the tobacco settlement, so I am uncertain. If he was proposing new taxation on the working poor and on working Americans, I think there is justifiably a problem.

Mr. OBEY. Mr. Speaker, would the gentleman yield for an answer to that question?

Mr. SCHAFFER. Sure, we will yield for an answer.

Mr. OBEY. Mr. Speaker, the gentleman well knows this has nothing whatsoever to do with taxes. What we are suggesting is if there is a suit by the Justice Department successfully concluded, which requires the tobacco companies to pay back into the Federal Treasury money which we would not have paid for illnesses caused by tobacco if they had not lied to the country for 20 years, that if there is a recovery of that kind of suit, that that money would go into Social Security and Medicare.

Mr. Speaker, the gentleman should not pretend this has anything to do with taxes. He knows well it does not.

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman. I think he is setting up the parameters of something that is very interesting. If every bit of that money would go to the Social Security and Medicare trust fund instead of to the trial lawyers, if the money would truly go for public health, then I think there may be an area of agreement. I welcome that type of light and I welcome the passion that the gentleman from Wisconsin brings.

But the fact remains, the situation that exists today is one in which we are trying to find a way to deal with

priorities and to find savings. Again, we are talking about simple savings of 1 cent on every dollar of discretionary spending, and to defend both the priorities of the left and our own priorities, as well as the priorities of the administration, that would be the simplest way to solve the problem.

Mr. KINGSTON. Mr. Speaker, let me say this about the proposal of the gentleman from Wisconsin. As it was explained and presented right now, I think it makes sense. I think that as I understand it, we are talking about if there is a settlement, put excess money into Social Security. I think that is a step in the right direction. I have no problems with that.

I hope also on that side we can get them to join us in finding that measly little penny for each dollar. If we can do that, I think we can leave town, again, with the $160 billion in Social Security, the surplus left intact, unraided. I certainly welcome the opportunity to work together.

Mr. SCHAFFER. Mr. Speaker, I yield to the gentleman from New York.

Mr. FOSSELLA. Mr. Speaker, I have been listening to this interesting dialogue. And let me just add, not to get off the path, but clearly I think Americans recognize inherent waste in government. We should challenge the bureaucracies, we should continually challenge the Federal agencies to reduce and eliminate waste, just as any private business does, just as any family does.

But we are getting off the page to the degree that the clear philosophical difference between the groups here in Washington, between the parties, between this Republican Congress and the White House, comes down to faith and power and freedom. And by that I mean we believe and have faith in the American people who work hard every day, sometimes two and three jobs, to keep more of their hard-earned money to invest back in themselves, in their families, in their small businesses, in the economy so that we can have a growing and prosperous economy. Something that was laid back in the 1980s when Ronald Reagan promised a tax cut. Practically every person who believed in big government said no. Guess what? Tax cuts worked.

Secondly, control. Here there are a number of individuals who believe that control by Washington is better than family control or business control. By that I mean freedom. If we truly believe in the notions of what this country is built on, freedom, individual freedoms, political and economic freedoms, then we shall continue to fight for those Americans who believe in that principle, when the alternative is that the White House wants more taxes or more spending.

Before that, well, the problem really has been, the reason why these appropriations bills have been vetoed is because they wanted more money. Well, where is that money going to come from? That is going to come from hard-working Americans. I encourage the gentlemen to continue in this dialogue and continue to work for the hard-working taxpayers of America.

Mr. HAYWORTH. And I think it is important to make this point, because I think we would be remiss if we did not for purposes of total candor, intellectual integrity and a good sense of history, again, I welcome the gentleman from Wisconsin (Mr. OBEY) the ranking member of the Committee on Appropriations, and obviously he has passionate feelings and they are deeply and honestly held. But for the record we should indicate and point out that when my friend from Wisconsin chaired the Committee on Appropriations, when my friends on the other side of the aisle were in charge of this House, they spent huge sums of Social Security money for bigger and bigger and bigger government programs.

That framed their priorities. And so I welcome any type of alternatives they might offer to truly help us preserve the Social Security fund 100 percent for Social Security. I would make this point because the gentleman from Wisconsin raised this topic. He said $17 billion were being raided out of the program. That begs the question, Mr. Speaker, to help us find the money, why do the minority appropriators not join with the gentleman from Georgia and the others on the Majority side to find the savings? All we are asking is one penny on every dollar of discretionary spending. Because, Mr. Speaker, it is obviously that a penny saved is retirement secured.

Mr. SCHAFFER. Mr. Speaker, reclaiming my time, I too appreciate the gentleman who joined us earlier. But as the Associated Press mentioned, and I want to refer to this Associated Press quote: ''Democrats admit that there is an effort to raid the Social Security Administration over at the White House,'' and here in Congress as well. ''Privately, some Democrats say a final budget deal that uses some of the pension program's surpluses would be a political victory for them because it would fracture the GOP by infuriating conservatives.''

Well, it would infuriate conservatives. The Associated Press quote from one month ago is one that I think accurately states and reflects the differences of opinion that we have going on here in Washington, D.C. There is a side that truly believes it is in the best interests of the country to raid that Social Security program, and we said no. We said enough is enough. After 30 years of raiding Social Security and sinking this country deeper and deeper in debt year after year, there is no excuse. We are spending more money than the country has. And, by golly, if every agency had, if every Secretary would be willing to join us in just going through their administrative budgets and finding that one penny on the dollar to help avoid the White House raid on Social Security, think of how far that would go to deliver education services to children at the school level rather than soak those dollars up here in Washington at the bureaucratic level. Think of how far that would go to shoring up the Medicare program rather than watching those dollars siphoned off and sidetracked on administrative expenses and bloated bureaucracy. Think of how far that would go for programs like transportation, national defense, right on down the line. There are so many priorities that this country has and we can fund them without succumbing to the Democrat motivation to dip into Social Security. We can work hard together as a Congress, both parties.

I think the President finally understood this. When the President today agreed to an across-the-board reduction in administrative costs, waste, fraud and abuse in order to avoid the Social Security raid, I think he finally realized that the majority in Congress, that we are serious. We are not backing down on this particular point. The only reason we do not have a budget agreement as of today is because of certain Members in the minority side cannot see eye to eye with the President right now.

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

Mr. SCHAFFER. I yield to the gentleman from Texas.

□ 1400

Mr. EDWARDS. Mr. Speaker, let me point out that is not the only reason we do not have a budget agreement today. One of the reasons is because the majority party in the House for 8 months proposed a trillion dollar tax cut that did not work, that went to the richest families in America, that assumed we would spend $198 billion less on national defense than President Clinton's budget proposals over the next 10 years. The American people rejected it. The numbers did not work.

I am amazed to sit here and hear my colleagues talk about not raiding Social Security by reducing four-tenths of 1 percent of the discretionary programs when they offered a trillion dollar tax cut that was going to devastate our ability financially to protect Social Security. I welcome the debate.

Mr. SCHAFFER. Mr. Speaker, reclaiming my time, I realize that there is a difference of opinion. The side of the gentleman from Texas (Mr. EDWARDS) does not support tax relief. Our side does.

For an opinion from a gentleman who has led the Committee on Ways and Means in trying to provide this middle-class American family tax cut, Mr. Speaker, I yield to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman from Texas (Mr. EDWARDS) for pointing out this key distinction and difference. Yes, unapologetically, I believe hard-working Americans should hold on to more of the money they earn instead of sending it to Washington. Yes, $1 trillion out after $3 trillion projected surplus over the next decade is reasonable. Because $2 trillion are going to save Social Security and Medicare, and the other trillion dollars, as we can see from the institutional pressure of the other side, they want to spend that money. They would rather have Washington spend that money. Mr. Speaker, I think that is the wrong thing to do. All the American people should hold onto their money.

As to the canard of tax cuts for the wealthy, I would simply point out that all working Americans who pay taxes should have a right to have their money back. Certainly my friends on the left do not impugn initiative and success. They are not coming to the floor to do that. But, again, it begs the question.

Mr. Speaker, our friends on the left should join with us if they bemoan or belittle four-tenths of a cent in terms of reductions. They should join with us. If they do not think it is a big deal, then join with us and let us reach an agreement.

Mr. SCHAFFER. Mr. Speaker, I yield to the gentleman from Connecticut (Mr. GEJDENSON) who is here and would like a chance to defend his party's position.

Mr. GEJDENSON. Mr. Speaker, I appreciate the gentleman turning to the right to talk to his gentleman on the left. But if we want to get this clear, let us remember why we are here. One, the gentleman's party has never really supported Social Security and Medicare. At the beginning of the year, the gentleman recommended that a trillion dollars be cut in taxes, noble a cause as it is. Everyone, including those who are going to get the tax break, recognize that would undermine our ability to deal with Social Security and Medicare.

We have not as a Congress dealt with drug benefits. We have not dealt with fixing Medicare. We have not dealt with Social Security. But what we have here is a last minute attempt by the majority party to blame everybody under the sun for their failure to get a budget together and for their failure to come up with solutions for these problems.

So my colleagues can have a trillion dollars for tax cuts, and that did not endanger Social Security. But now they are trying to cover themselves with those very Social Security recipients, because their own polls say they dropped 12 points with senior citizens when they tried that game.

Mr. SCHAFFER. Mr. Speaker, I yield to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Speaker, we certainly would invite our friends on the left to apply for their own hour of special order if they would like to continue the dialogue.

But of course one of the oldest political tricks in the book is to try to change the subject. We appreciate that, and we understand their inherent distrust of allowing the American people to hold on to more of their money, not to mention, unfortunately, their mistaken notion that you cannot actually increase government revenues by allowing people to save, spend, and invest more their own money that leads to economic success, that leads to more jobs, that leads to prosperity, and in turn brings in more receipts in taxation to the Federal Government. But that is fine. It is nice to have a catchy slogan.

The fact remains that there is a very simple way to deal with the question we face right now. That is to save one penny on every dollar of discretionary spending. My friends who pledge fealty to Social Security should note this, and let us note this for the RECORD, Mr. Speaker, just for historical accuracy, over three-quarters of the Republicans serving in Congress at the time of the Social Security Act supported Social Security. So all the canards and misinformation and perhaps confusion on the left can be cleared up.

Mr. SCHAFFER. Mr. Speaker, I yield to the gentleman from New York (Mr. FOSSELLA).

Mr. FOSSELLA. Mr. Speaker, I want to allude back to a comment that was made earlier; and that is, when the Republican House passed a tax cut for the American people, one that the American people deserve in times of surplus, in times of plenty, money that they rightfully earn, and when the Republican Senate passed the tax cut for the same reasons, it was not the American people that rejected the tax cut, it was the White House that rejected the tax cut.

We will continue between now and next year or as long as it takes to fight for tax relief for the American people, as the gentleman from Arizona (Mr. HAYWORTH) pointed to, because it means more jobs, because it means economic growth, because it means getting money out of Washington, because when money is left on the table here, it is spent and it is wasted unnecessarily.

So, yes, it is a healthy debate, and the American people deserve the healthy debate to see the differences between those who do not believe in tax relief, between those who believe that taking hard-earned money and keeping it and spending it as they see fit is the right way as opposed to a clear and, I think, strong distinction on the other side, and that is this Republican Congress who believe that the American people work too hard to send too much money to Washington and not sending enough back this return.

So I commend the gentleman for continuing to fight for the American people and engaging in this debate. Perhaps what we need is a change of personnel in the White House so that when a Republican House passes a tax cut, and a Republican Senate passes a tax cut, it will be signed into law, and then, and only then, will the American people get the tax cut that they truly deserve.

Mr. SCHAFFER. Mr. Speaker, I yield to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I want to make sure that we all go over and talk about this tax reduction and the budget. But one has to do it going to the lectern behind the gentleman from Arizona (Mr. HAYWORTH), right in front of our distinguished Speaker pro tempore, the gentleman from Iowa (Mr. NUSSLE). Because at that position in this chamber in January, the President, in his historic State of the Union Address, said let us spend 38 percent of the Social Security surplus. He said let us preserve 62 percent and then outlined spending of 38 percent.

Now, we stopped that debate to say, do you know what, Congress? Republican and Democrats have always raided that cash cow called the Social Security Trust Fund. Let us stop doing that. Let us protect and preserve grandma's pension. Let us do not do that. That was one of the most significant things about this Congress.

But then the second part of our budget, along with preserving 100 percent of Social Security, was to pay down the debt. Our budget had $2.2 trillion in debt reduction.

Then, thirdly, and most importantly, because this is a triangle, this is a sequence, Social Security, debt reduction, and then a trigger. Maybe this is what the Democrats did not like, but the trigger said, after you have taken care of Social Security, after you have taken care of debt reduction, then you have tax relief, because the American people are entitled to their change.

If one goes to Wal-Mart and one buys a $7 hammer, the cashier does not load one's grocery cart up with more goods. She gives one one's $3 back.

That is all we are saying is that, after we have paid Social Security obligations, debt reduction obligations, let the American workers have their overpayment back. It is so simple. It is an equity question for American workers. I am not sure why the liberals on the other side do not understand that.

Mr. SCHAFFER. Mr. Speaker, it is a simple question that I think most Americans would certainly agree with, because most Americans are oriented towards savings. They do not want to waste their hard-earned dollars when it

comes to their own family budgets, and they do not want to send more money to Washington than we need here in Washington in order to effectively run the Government. That is why tax relief is such an important topic and so important to pursue it.

I want to take Members through a brief economic history lesson on the history of this Congress raiding the Social Security fund. This graph goes all the way back to 1983.

Mr. KINGSTON. Mr. Speaker, the gentleman said the history of this Congress, the history of the United States Congress.

Mr. SCHAFFER. The United States Congress, correct, Mr. Speaker.

Mr. KINGSTON. Because this Congress stopped the raid, Mr. Speaker.

Mr. SCHAFFER. Mr. Speaker, I appreciate the gentleman correcting me.

Going back to 1983, one can see the growth in borrowing from the Social Security fund in order to pay for the rest of government.

What this big pink blob represents is Social Security debt. This is $638 billion. This is just principle, by the way. When it comes to actually paying this back, there is a certain amount of interest that we will be responsible for paying as well.

One can see this spike right up here is about as bad as it got, about $80 billion-a-year raid on Social Security. That was the year that Republicans were reelected into the majority here in Congress. One can see that we decided to turn things around. This dramatic drop that one sees going into 1999 is the result of a more fiscally responsible approach to budgeting here in Washington.

We did not cut spending, really, in real dollars in Washington, but we did dramatically slow the rate of growth in Federal spending so that the American economy can catch up. The result is, here in 1999, we are no longer borrowing from the Social Security fund in order to pay for the rest of government.

But this is a point that the President up until today did not want to be. This is a point where many of our colleagues on the other side of the aisle, they do not want to be here either. See, they want to continue borrowing from Social Security so they can pay for a lot of the things that they think are important but that the American people believe we probably do not need.

This is a remarkable graph, because it shows here in the final year, it almost looks like the end of the graph here, but this is a 1-year decline in Social Security borrowing that we see here. This is a picture of what we have accomplished in Congress as Republicans taking the majority in the House and the Senate and standing up to the White House.

Even the President understands that borrowing from Social Security needs to end. It ended this year. We are proud of that. We want to see this line even further drop below the baseline here.

Mr. Speaker, I yield to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Speaker, I want to make a couple of points. First of all, I do not think, Mr. Speaker, we can reiterate this enough. Because last month, the folks who do all the calculations, the budgeters in this town took a look, and the reason that chart exists as it does today is because all the folks who deal with all the economic forecasts and who take a look at the tax receipts coming in and the money being spent going out evaluated what transpired in the last fiscal year. What they said was nothing short of historic and cannot be repeated enough.

They found that, for the first time since 1960 when I was 2 years of age, when that great and good man Dwight David Eisenhower resided at the other end of Pennsylvania Avenue in our executive mansion as President of the United States, for the first time since 1960, Congress balanced the budget, did not use the Social Security Trust Fund, did not raid those funds for more spending, and, moreover, generated a surplus.

My friends who joined us, our friends who were on the political left tend to bemoan any type of spending reduction. The other reason, and I know the gentleman from New York (Mr. FOSSELLA) and the gentleman from Colorado (Mr. SCHAFFER) agree with me, you see the other reason to make sure Americans have more of their hard earned money back in their pockets. It is a simple fact, Mr. Speaker, that if the money is not given back to the people who earned it, there are special interests here in Washington who are more than happy to spend it.

So we should really thank the President for at long last coming to our point of view for saying, in the wake of his State of the Union message, let me reconsider. Instead of 62 percent, I will go along with the majority party, save 100 percent of the Social Security. That is a victory for the American people.

I thank my friends on the left, despite their vociferous opposition here earlier in this special order to tax relief for going on the RECORD with us. Do my colleagues realize, Mr. Speaker, again last month, when we brought the President's plan to raise revenue through an increase in taxation and fees, not a single Member of this institution voted in favor of the tax increase.

So I appreciate the fact that the President was willing to let the will of the people through the House of Representatives speak. I think that is a positive point.

Now, today, we hear that the President of the United States, Mr. Speaker, agrees with the Speaker of the House that there can be an across-the-board spending reduction.

The one part of the puzzle that we hope we can work out, and we are glad the minority leader returned from the west coast and his political fund-raising trip, because now he can join the Speaker of the House at the table and agree to across-the-board savings so we can make sure that hands stay off the Social Security surplus.

Mr. SCHAFFER. Mr. Speaker, the leader of the Democrat party was invited to the meetings with the President and the Speaker and the majority leader in arriving at these decisions. Can the gentleman from Arizona (Mr. HAYWORTH) tell us one more time why was the gentleman from Missouri (Mr. GEPHARDT), the minority leader not here yesterday?

Mr. HAYWORTH. Apparently, Mr. Speaker, it was my understanding that the minority leader was on the West Coast raising campaign cash. It is interesting to hear the rhetoric about campaign finance reform. But I guess he has to do what he felt was important. That is where his priorities were. I am sure he can address the House and our colleagues, Mr. Speaker, about that.

Mr. SCHAFFER. Mr. Speaker, as for me, I am glad the minority leader is back here to join us and help get to work, and maybe we can get this budget passed and move on, and the country can be safer knowing that the Congress has gone back home.

Mr. Speaker, I yield to the gentleman from New York (Mr. FOSSELLA).

Mr. FOSSELLA. Mr. Speaker, earlier the gentleman from Colorado (Mr. SCHAFFER) talked about the Department of Education. I guess the issue there again is what might have been. See, when it comes to education, I do not think there is a Member of this body who truly does not believe that we need to invest in education. But there are clear, again, distinct differences between how the different sides approach the issue.

See, it is a national issue. Education is clearly a national issue. As someone who wants to see the young people succeed and to grow and to prosper, as the gentleman from Arizona and the gentleman from Colorado I am sure agree, the same time one also agrees that what works in Staten Island and Brooklyn, New York, is different than what works in Arizona. It is different from what works in Colorado.

□ 1415

So I think what we have been trying to get across to those who defend the status quo, and those individuals are folks here in Washington who just want all the money and who would place a lot of strings and mandates on the States and localities, what we have been trying to say is let us commit ourselves to adequate funding for education but allow the local school

boards, the parents, the teachers at PS4 in Staten Island, the teachers at PS16 on Staten Island, let them, together with the principals, with the teachers, with the parents who know those kids and who know their needs, let them make those decisions, not someone here in Washington who does not know anybody in those classrooms.

So, again, we must continue to force the issue and to say that we are committed to education, but allow those local parents, the local teachers and principals the flexibility. Because what may work on Staten Island, what the needs are on Staten Island, are clearly, I believe, different from Arizona, Colorado, and the other States.

Mr. SCHAFFER. Mr. Speaker, I understand the gentleman over here wants more time, however, we still have some more points we need to make. If we are able to, I will yield later.

At the moment, I want to first make one point in reference to the gentleman from New York and his observation, and I want to make that point with this apple. Most Americans desperately want to see their schools well funded, and they are willing to invest the money that it takes in order to see that schools have the resources to run effectively. But if we look at this apple in terms of the education dollar that an American taxpayer sends to Washington, they would like to believe that this apple, this dollar, actually makes it back to a child's classroom. In reality, here is what happens.

First, we have to realize that the cost of paying taxes alone, just complying with the IRS and the Federal Tax Code, takes a certain bite out of that apple just to begin with. So if we take that section out, just accounting for the Internal Revenue Service for the cost of compliance with the tax codes, we already have a bite taken out of that education dollar.

Then, when those dollars come here to Washington, the chances are very good, and given the debate that we are having today it is easy to see, that some of those dollars can be misdirected and spent on programs that really have nothing to do with education. They may be housed in the Department of Education, they may be housed in another education-related agency, but those dollars are not really appropriated in Washington in a way that even gets close to children.

Then there is the issue of the expense associated with the United States Department of Education. Again, a $120 billion Federal agency that is reporting as of next Thursday, to go back to this graph here, reporting tomorrow that its books for 1998 are not auditable. They do not know, they cannot tell the Congress exactly how they spent their money in 1998 and in subsequent years. So we have that agency, which consumes three office buildings downtown here, and they are full of good conscientious sorts of folks, but people who consume the education dollar and prevent those dollars from getting to the classroom.

So, now, when we talk about the bite that the Department of Education takes out, my goodness, it is a huge chunk of the education dollar. So here is what we are talking about that is left on the education dollar to get back to children and classrooms.

On top of that, we have States that have to comply with Federal rules and regulations that are attached with a small percentage of these Federal funds remaining, and the States have to hire people just to fill out the Federal paperwork in order to answer the Federal Government's rules and expectations on the money. And by the time the education dollar actually gets back to a child, this is about all that is left. It is a shame.

What we are trying to do here in the Republican Congress, by demanding the accountability, by demanding that the waste, fraud, and abuse be eliminated, by trying to guarantee that that one penny on a dollar is saved and not squandered, we are trying to make this education dollar whole again so that we get dollars back to the classroom, and not just part of an apple, not just part of an education dollar. Our children deserve better than this.

Mr. Speaker, I yield to the gentleman from New York.

Mr. FOSSELLA. Well, Mr. Speaker, as the expression goes, an apple a day keeps the bureaucrat away.

But the gentleman is right. When I go back to Staten Island or Brooklyn, and I was there a couple of days ago in some schools, we hear from these parents and these teachers, who are in a better position to make these decisions for the children, whether the class size is 20 or 30 kids. Wherever they come from, they are there for one reason, to learn and to succeed. We just happen to believe that that money is better spent back in Staten Island and Brooklyn and those decisions are better made in Arizona or in Colorado or in Georgia.

Mr. Speaker, generations of children will go through schools and not know the people in Washington who are determining how their education money is spent, with those mandates and with the strings attached. We are trying to create flexibility. There is nobody in this House, and I would be amazed if somebody were to come to this floor and in good faith argue that there is somebody in this House who is not for education and not for the children of America, for them to prevail and succeed, but there is a definite distinction between those who want control, those who believe that the money is better spent in Washington, those who believe that decisions are better made in Washington as opposed to the folks back home to Staten Island who say give us the tools, give us the resources, give us the money, give us the flexibility to determine what is going to be best for the kids in our classroom. And that is the same in PS18 or PS104 or PS36 back in Staten Island and Brooklyn, and I am sure that is the same in Arizona where the gentleman is from.

Mr. SCHAFFER. Mr. Speaker, I yield to the gentleman from Georgia.

Mr. KINGSTON. Mr. Speaker, I thank the gentleman, and I just want to say, as the son of an educator and the brother of a teacher, I really appreciate what the gentleman is saying about teachers because they really do need more control over the classroom.

I am going to yield the floor after this, in terms of my portion, but I just wanted to say this. In the 106th Congress, the Congress we are going to be adjourning, we always talk about winners and losers. Well, let us talk about who won.

For the American consumer, we revamped a 65-year-old banking law to give American families more choices in borrowing, saving money, and buying insurance.

For the rural TV watcher, we have increased the access to local news programs. And if my colleagues think that that is not important, they should think what happens when the people are trying to get hurricane updates.

For the American taxpayers, we said no to the President's trying to increase taxes. On a bipartisan vote we said no to the President's $42 billion increase in new tax dollars.

For future generations, we have committed to paying $130 billion in debt reduction; and already we have paid down $88 billion.

For all Americans, we have increased military morale by increasing their pay 4.8 percent. We have increased funding for equipment modernization and for readiness. And for all of American security, we passed the missile defense system.

For our children, educational flexibility; to put local school boards, teachers, and parents back in charge of their classrooms, not Washington bureaucrats.

For seniors, we have increased access to health care by protecting Medicare and reforming the Balanced Budget Act. And, finally, for the first time since 1969, we stopped the raid on Social Security. And we will be adjourning with $147 billion in the Social Security surplus untouched.

Now, Mr. Speaker, I know we are not allowed to wear buttons on the floor, but if we were allowed, I would wear this one. Because it says, proudly, we the Members of this Congress have stopped the raid on the Social Security Trust Fund.

Mr. SCHAFFER. Mr. Speaker, I want to graphically point out again what the gentleman just said. If we go back over the last 30 years of overspending in

Washington, D.C., we can see we have to go way back to 1970 to see a time when we generated even a little teeny bit of a surplus. Going forward, over the next 30 years, we can see that this government has consistently, year after year, dipped into Social Security and borrowed from other places in order to create a huge national debt. This is the accumulation of Washington spending more money than the taxpayers have sent to Washington in order to run the government.

Well, we know that that is unnecessary. We do not need to do that. We can see what happened here at its absolute worst. The American people revolted, to some degree. This is the year Republicans were elected to take over the majority of the Congress, the year our party was placed in charge of trying to manage this huge problem.

And we can see the result. By slowing the rate of growth in Federal spending, by being more frugally sensitive as to how to manage the Federal budget, and being more responsible, we managed to shrink this debt. Not only did we see it go away, but it was to the point where, in 1998, we were beginning to mount a surplus that has allowed us to pay down the debt quicker, allowed us to save Social Security, allowed us to rescue the Medicare program, allowed us to provide a strong national defense, and allowed us to spend the time to make government more efficient and effective so that we can get dollars to classrooms, get dollars to the front lines, get dollars to the places that really need it rather than being locked up here in this gigantic bureaucracy here in Washington, D.C.

This is something to be proud of. And this portion of the chart here can grow and grow, if we continue to apply the conservative Republican principles that have gotten us from down here when Democrats were in charge to this line here when Republicans were in charge. A dramatic difference.

Mr. Speaker, I yield to the gentleman from Arizona.

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Colorado, and again we need to reaffirm and amplify not only what the chart indicates but also what our colleague from Georgia mentioned.

We have been able to pay down debt this fiscal year. We are in the process of paying down close to $150 billion in debt. Over the past 2 years, almost $140 billion in debt paid down. We are in the process of doing this. And, Mr. Speaker, I am sure my colleagues hear at town hall meetings two concerns. From day one, when I was elected to the Congress of the United States, my constituents said loudly and clearly, Mr. Congressman, get Uncle Sam's hand out of Social Security money. Wall that off for Social Security. And we have done so. And the President has at long last agreed with us. But they have also said, pay down the debt; and we have been doing that.

Now, Mr. Speaker, we can point out again the atmospherics of this chamber, the histrionics from the other side. The problem is this: The institutional pressure of those who want to grow government, Mr. Speaker, those who sadly could be described as serial spenders, and I am not talking about a breakfast offering of fruits and grains topped off with milk, but the serial spenders, the compulsive spenders, who always heed in their priorities the notion that they know better what to do with the people's money. We are saying we are going to save that money for the Social Security Trust Fund.

And it is akin to our rich spiritual tradition where, as part of the service, we pass the plate. All we are asking the left to do is put a penny on the plate. For every dollar of discretionary spending, Mr. Speaker, can they not spare a penny for grandma? A penny saved is retirement secured. One hundred percent of Social Security money to Social Security. And, accordingly, we have made the difference, and we invite our friends on the left to join us.

Mr. SCHAFFER. I yield to the gentleman from New York once again.

Mr. FOSSELLA. Inasmuch as this debate is coming to a close, Mr. Speaker, allow me just to think, observe what has happened in the last year, and that is that in the beginning of the year we had proposals from the White House for more taxes, more spending, and setting aside only a portion of the Social Security surplus to be walled off. The Republican Congress, fortunately, and rightfully, stepped in and stopped increasing taxes, controlled spending as much as it could, and set aside 100 percent of the Social Security surplus to protect it from unnecessary wasteful government programs.

So as we set our sights on the future, I hope that the American people understand that this Congress is committed to growth, to creating more jobs, to providing more freedom for individuals and small business owners so that they can grow and so that they can prosper, so that we can be better off tomorrow than we are today. Along the way, we know there are going to be people who do not want change, who do not believe in things like free trade, who do not believe in things like lower taxes, who do not believe in things like limited government, but who do believe in the alternative; that decisions are better made here in Washington, and they just want to keep that money coming here so that they can control the taxpaying public's lives a little more.

So as we engage in the debate, and as we go home for the holidays, I hope the American people reflect, as I will do as I head back home to Staten Island, and I hope they understand that there is a party here that sees a brighter and more prosperous future when we place our faith in the American people.

□ 1430

Mr. SCHAFFER. Mr. Speaker, I yield to the gentleman from California (Mr. DREIER).

Mr. DREIER. Mr. Speaker, I would like to begin by saying that I look forward to creating a structure whereby the gentleman from Staten Island, New York (Mr. FOSSELLA), can go back to Staten Island. We are hoping that we will be able to do that.

I would like to praise the gentleman from Arizona (Mr. HAYWORTH) and the gentleman from Colorado (Mr. SCHAFFER) and join the gentleman from Staten Island, New York (Mr. FOSSELLA), for their very eloquent and thoughtful remarks and their leadership.

Mr. Speaker, I would like to thank again my friend, the gentleman from Staten Island, New York (Mr. Fossella), for underscoring this party's commitment to free trade.

Mr. SCHAFFER. Mr. Speaker, we are here in the final few minutes of what may be for me and the gentleman from Arizona (Mr. HAYWORTH) and others our last special order opportunity for the millennium. And so, it is a time that I look on as a pretty solemn occasion because we have worked pretty hard this year and tried to get to this point of getting the White House to realize that raiding Social Security is no longer a good idea and it never was a good idea. It is something we ought to avoid to the greatest extent possible. It is nice to see that the President finally came around to the Republican way of thinking on this point.

The last hurdle remaining is for us to persuade our friends on the other side of the aisle to join the Congress, join the Republican majority, and join the White House now in just securing this final deal, getting this final package agreed upon to save that one penny on the dollar in order to avoid the previous plans to raid Social Security.

Mr. HAYWORTH. Mr. Speaker, if the gentleman will continue to yield, I thank my friends from the left, in the minority, for offering some points of view. And others will come later.

I think it is important to remember this. As the President said when he came to give his State of the Union message, first things first.

Now, we had to get him to agree with us, and he finally did so after initially wanting to spend almost 40 percent of the Social Security fund on new government programs. We finally got him to agree, no, no. Let us save 100 percent of Social Security for Social Security. We welcome that.

The President was also content to let the House work its will when we brought to the floor his package of new taxation, higher taxation, and fees in the billions of dollars. And not a single Member of this body voted for those new taxes, neither Republicans nor Democrats. So we appreciate him acceding to the will of the House in that regard.

Now, we cannot make too much of this, Mr. Speaker, or emphasize it enough. The President and the Speaker of the House had agreed to the notion of across-the-board savings, maybe not even a penny on every dollar, but savings enough to make sure we stay out of the Social Security Trust Funds.

We welcome back the gentleman from Missouri (Mr. GEPHARDT), the minority leader. We are pleased he is back in town, back from his campaign cash swing on the West Coast. We hope now he will sit down and solve the problems. We can get it done.

Mr. SCHAFFER. Mr. Speaker, I thank the gentleman from Arizona (Mr. HAYWORTH) for joining us.

I just want to point out one more time that the Department of Education tomorrow will tell the Congress that it is unable to account for its spending in 1998. Its books are not auditable.

This is a threat to American school children around the country. It is a threat to our efforts to try to get dollars to the classroom. It is a huge problem that the White House needs to come to grips with and deal with. We on the Republican side want to fix this mismanagement problem we have over in the Department of Education.

At this point, I would, before I yield back, just ask subsequent speakers to be sure to address this topic of unauditable books over in the Department of Education, tell us whether they are willing to help work with the Republicans to correct this mismanagement, and direct the White House to get us to a point where the Department of Education, a $120 billion agency, will be able to audit its books.

REPORT ON HOUSE RESOLUTION 382, PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Mr. DREIER (during the Special Order of Mr. SCHAFFER) from the Committee on Rules, submitted a privileged report (Rept. No. 106–475) on the resolution (H. Res. 382) providing for consideration of motions to suspend the rules, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 6(a) OF RULE XIII WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED FROM COMMITTEE ON RULES

Mr. DREIER (during the Special Order of Mr. SCHAFFER) from the Committee on Rules, submitted a privileged report (Rept. No. 106–476) on the resolution (H. Res. 383) waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules, which was referred to the House Calendar and ordered to be printed.

NATIONAL ALZHEIMER'S MONTH

The SPEAKER pro tempore (Mr. NUSSLE). Under a previous order of the House, the gentlewoman from Maryland (Mrs. MORELLA) is recognized for 5 minutes.

Mrs. MORELLA. Mr. Speaker, I want to have a Special Order on National Alzheimer's Month, which is this month of November.

In 1906, a German doctor named Dr. Alois Alzheimer noticed plaques and tangles in the brain tissue of a woman who had died of an unusual mental disease. Today, these plaques and tangles in the parts of the brain controlling thought and memory and language Dr. Alzheimer observed are hallmarks of Alzheimer's disease.

Today, Mr. Speaker, Alzheimer's disease is the most common cause of dementia in older people, affecting an estimated 4 million people in the United States. And while every day scientists learn more about this disease, after almost a century's worth of research, its cause remains unknown and there is no cure.

Unless scientific research finds a way to prevent or cure the disease, 14 million people in the United States will have Alzheimer's disease by the middle of the 21st century.

Despite this, we have learned much about Alzheimer's disease during this century of research. We know that Alzheimer's disease is a slow disease starting with mild memory problems and ending with severe mental damage. At first the only symptom may be mild forgetfulness, where a person with Alzheimer's disease may have trouble remembering recent events, activities, or the names of familiar people or things. Such difficulties may be a bother, but usually they are not serious enough to cause alarm.

However, as the disease progresses, symptoms are more easily noticed and become serious enough to cause people with Alzheimer's disease or their family members to seek medical help. These people can no longer think clearly; and they begin to have problems speaking, understanding, reading or writing.

Later on, people with Alzheimer's disease may become anxious or aggressive or wander away from home. Eventually, patients may need total care. On average, a person will live 8 years after symptoms appear.

Let me pause at this moment, Mr. Speaker, because the fact that so many Alzheimer's patients may need total care in the future is so very important. Congress must take a long hard look at the way we finance the future health care needs of the Nation's elderly.

With the aging of our population, we can expect an increase in the number of people with Alzheimer's and other age-related diseases that will require nursing facility care at some point. Simply put, longer lives increase the likelihood of long-term care.

At least half of all nursing home residents have Alzheimer's disease or another dementia, and the average annual cost of Alzheimer nursing care is $42,000. And that is modest.

Unfortunately, for many people paying for long-term care out of pocket, it would be a financially and emotionally draining situation as assets worked over a lifetime to build could be lost paying for a few months of long-term care.

Congress must take action to encourage private initiatives, such as expanded use of private long-term care insurance to help families plan for the long-term care needs of their elderly relatives, and they need to in a wide variety of settings that are currently available.

That is why I am proud to have this support of 125 of my colleagues for my bill, H.R. 1111, the Federal Civilian and Uniformed Services Long-term Care Insurance Act of 1999.

This legislation, developed in consultation with the Alzheimer's Association, makes long-term care insurance available at group rates to active and retired Federal civilian personnel, active and retired military personnel, and their families. I hope that my Federal and military long-term care bill will serve as an example for other employers that would lead to increased societal use of long-term care insurance. Having coverage eases the pressure on Federal entitlement spending while protecting the hard-earned assets of American families.

In addition to meeting the needs of Alzheimer's patients, H.R. 1111 also seeks to ease the financial burden on spouses or other family members who often provide the day-to-day care for people with Alzheimer's disease.

As the disease gets worse, people often need more and more care. This can be hard for caregivers and can affect their physical and mental health. It can affect their family life, their jobs, their finances.

In fact, 70 percent of people with Alzheimer's live at home and 75 percent of home care is provided by family and friends. What a strain.

Under H.R. 1111, participating carriers would give enrollees the option of receiving their insurance benefits in cash, as opposed to services, to help family members who must rearrange their work schedules, work fewer than normal hours, or who must take unpaid leaves of absence to provide long-term care.

In addition to meeting the financial needs of people with Alzheimer's disease today, we must continue our research into treatments and cures for Alzheimer's. This is something that

the National Institutes of Health is doing as we end this ''decade of the brain'' and the fact that we are working to double the budget of NIH by 2003, and this year we will have made that second installment.

So, Mr. Speaker, to my colleagues, I look forward to working with all of them to ensure that the Federal Government continues to fulfill its investment in medical research well into the next century so that some day Alzheimer's disease will be history.

UNFINISHED BUSINESS OF CONGRESS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, let me say that what I wanted to do during some part of this hour this afternoon was to talk about the unfinished business of this Congress.

Last night, myself and several of my colleagues on the Democratic side took to the floor to basically point out how frustrated we are with the fact that a year has passed, the first year, if you will, of this 2-year congressional session in the House of Representatives, and yet the main issues that the American people seek to have us address, whether it be HMO reform or the need for a prescription drug benefit under Medicare for senior citizens, or campaign finance reform, gun safety, minimum wage, the issues that our constituents talk about on a regular basis when we are back home and when we go back home after the budget is concluded here in the House, we will be hearing about these issues again, and yet every time we try to bring these issues to the floor or pass legislation, we are thwarted by the Republican majority.

Mr. HAYWORTH. Mr. Speaker, would the gentleman from New Jersey (Mr. PALLONE) yield?

Mr. PALLONE. Mr. Speaker, I will not yield at this point.

I just want the gentleman to know I intend to use the hour for the Democratic side.

Mr. GREEN of Texas. Mr. Speaker, will the gentleman yield?

Mr. PALLONE. I yield to the gentleman from Texas.

Mr. GREEN of Texas. Mr. Speaker, I tried to get my colleagues to yield a few minutes ago. And typically on this floor we have that courtesy between one another so we can debate the issues rather than just to hear the rhetoric, which is what we heard for that last hour. They were not willing to do it. And so, as much as I would like to and I know my colleague would yield as a courtesy to our colleague from Arizona (Mr. HAYWORTH), maybe next time they will know that this is a two-way street up here, even if they only have a five-vote majority.

Mr. PALLONE. Mr. Speaker, I appreciate the comments by my colleague from Texas.

Let me just say that before I get to this unfinished agenda, which I have to say is my real concern, because most of the debate that has occurred and most of the arguments that we have heard over the last few weeks about the budget, although, obviously, we need to pass a budget, do not deal with these other issues which are really the most important issues that face this Congress that have not been addressed by the Republican majority.

I did want to say I was somewhat concerned by some of the statements made in the previous hour by Republican colleagues about the budget. Because I think I need to remind my colleagues and my constituents that the Republicans are in the majority in this House and in this Congress, in both the House and the Senate, and the bottom line is that the budget, the appropriation bills, were supposed to have been completed by October 1 of this year, which is the beginning of the fiscal year.

The fact that they are not completed, in my opinion, is totally the fault of the Republican majority. They are going to say, well, they passed bills. But many of the bills they passed and sent to the President they knew would be vetoed. They knew that there was not agreement between the President and the Congress on the legislation.

Rather than spend the time, particularly during the summer, trying to come up with appropriation bills and a budget that could actually get a consensus and could pass, they spent the summer and most of the last 6 months prior to that trying to put in place a trillion dollar tax cut which primarily went to wealthy Americans and also to corporate interests, to special interests, and they spent the time on that.

□ 1445

They put in place and passed this trillion-dollar tax cut, primarily for the wealthy, knowing the President would veto it and the President did veto it, and the reason he did so is because he knew that if it passed and if it was signed into law, there would not be any money left from the surplus to pay for Social Security and Medicare.

Now, after they wasted all their time on that, they put forth these appropriation bills, many of which they knew would never be approved by the President, and they started this charge a few weeks ago or a month ago, suggesting that the Democrats wanted to spend the Social Security trust fund.

I just want to say one thing, if I could, because I know we have said this many times and it really is not the main reason I am here this afternoon, but the Republican leadership has broken so many promises on the budget, not only the promise not to spend the Social Security trust fund but the promise not to exceed the caps. If you remember 2 years ago, we passed the Balanced Budget Act. At that time we said that there were going to be certain caps in place every year on the amount of spending that we would do, and we also made a commitment that we were not going to use the Social Security trust fund because we were going to have a surplus and it would not be necessary to do so. Both of those promises have been broken.

I just wanted to give some information about that. First, the Republican appropriation bills busted the outlay caps for fiscal year 2000 by billions of dollars. I am quoting now from the Senate majority leader, the Republican majority leader LOTT who acknowledged on September 18 when he stated, ''I think you have to be honest and acknowledge that we're not going to meet the caps.'' That was in the Washington Post, September 17, 1999.

Indeed, according to the latest CBO estimates of October 28, the Republican spending bills have busted the fiscal year 2000 outlay caps by $30.7 billion, although they declare about $18 billion of this is emergencies and thereby exempt from the cap.

So when we talk about the Republican leadership, they are the ones that are going on the spending spree with these appropriation bills. In many cases the President has vetoed the bills because they spend too much. And, of course, they spend it on the wrong things.

Secondly, on October 28, the nonpartisan Congressional Budget Office, and my colleague from Texas knows, we have mentioned this many times to the point where we get tired of repeating it, but the CBO certified then that the GOP leadership had broken their promise not to dip into the Social Security trust fund. Specifically, on October 28 the CBO sent a letter to Congress certifying that on the basis of CBO estimates of the 13 completed GOP appropriation bills, the GOP bills spent $17 billion of the Social Security surplus, even after their 1 percent across-the-board cut is taken into account.

I know we heard from the other side about across-the-board cuts, how this is holding up the budget and all that. The bottom line is their own appropriation bills, their budget that they put together and sent to the President, spent a significant amount of money of the Social Security surplus. I am not looking to stress that, as my colleague from Texas knows. It is just that they keep bringing it up and they keep bringing it up, they do not pass the bills, they cannot get the budget passed. Now we are here and finally we think in the next day or two it is going to be passed, but we have all these

other things that are so much more important that have not been addressed.

I yield to my colleague from Texas.

Mr. GREEN of Texas. I thank my colleague for yielding. I appreciate both of us being able to do this this afternoon. Typically this time of day we would be voting and not just talking about issues. But in following up our Republican colleagues for their hour that they had talking about both education, how important it is to them, and you and I will spend most of our time talking about the unfinished agenda, the issues that we would have liked to have dealt with that necessarily did not even have Federal dollars attached to it.

For example, their talk about the 1 percent cut. They were saying how we can find 1 percent in every agency. I am sure we can. But I also know that some of the appropriations bills that they have put in, they have projects in there that should be cut first and not across the board. My argument is if you just cut 1 percent across the board, if you have a wasteful project in there, you still have a 99 percent waste. Maybe it is a carrier we do not need that was added because of the Senate or someone. Maybe there is a certain project in a district. If it is 100 percent waste, if you only cut 1 percent, they are still getting 99 percent of it. That is what bothers me about that. They are saying we could find 1 percent. Sure I could find 1 percent but I would not cut, for example, title I funding in public education. Sure, I would not mind cutting the Department of Education, some of their other programs, but I know title I money goes to the classroom.

Just in the last couple of days because of the budget negotiations between the President and the administration and the Congress, we have added substantially new money to title I. That did not come out of their committee. In fact, their appropriations bill for education did not even come out of the committee from what I understand. It was the last issue they dealt with. So hearing someone stand up here and talk about they are for public education, in fact my colleague from Colorado who was part of that other hour, we had a quote last year saying that public education is the legacy of communism. One of the things I wanted to ask him when I asked him to yield just so we could say, is that a direct quote or was that said, so we could have the American people know where we all stand on public education and the commitment to public education.

The 1 percent cut I think ideally, in theory it is not bad, but again if you have a wasteful project you are still having 99 percent waste. Let us go back in and cut that budget down and eliminate those wasteful projects so we do not have to cut the important things, so we do not have to cut health care for children or education for children.

The other concern I have is they continually talk about dipping into Social Security. The gentleman mentioned that, as of October 28.

We have some numbers that, of course, since we have so many different numbers that we have but this poster, I think, will show that the issue of Republicans and Social Security and what they did. You can tell that it is $21 billion like you quoted. As of October 27 or 28, it is $21 billion. To say that the White House or as Democrats we are trying to spend the Social Security surplus is ludicrous. Again, I think we ought to be able to have this debate on the floor and have our colleagues say, tell me, where did this $21 billion that is going to be borrowed out of the Social Security trust fund, it is not being taken out of the fund, it is being borrowed like it has been for decades. Should we stop that? Of course we should. But do not stand up here on the floor or spend millions of dollars on ads around the country saying that Democrats are spending the Social Security surplus when we are not. In fact, I think we could come back with a budget that would meet what we have in the budget surplus very easily and still address the needs of our country, the needs of the Department of Defense. In fact, I think it is appropriate that their 1 percent cut that they talked about, and again from Houston we do not have a whole lot of defense installations but we do have a concern about the defense of our Nation. That 1 percent cut, the effect of the Republican across-the-board cut on defense, and I am quoting the Chairman of the Joint Chiefs of Staff,

> Of great concern for us today is the across-the-board reductions proposed by some Members. This would strip away the gains that we have made or what we have just done to start readiness moving back in the right direction. In other words, Mr. Chairman, if applied to this program, it would be devastating.

And so that is the direct quote from the Chairman of the Joint Chiefs of Staff. Our Republican colleagues who come up here and talk about, well, we can find 1 percent, sure. I could find 1 percent in the Department of Defense, but if we take a meat ax approach to it, we are going to cut about 35,000 service personnel. We cannot even staff the carriers in the Navy vessels we have now, much less adding a new one, yet they want to cut across the board. We would hope the Pentagon or the Department of Education or whatever agency would only cut that waste. But you and I know, it is our job to go in there and pinpoint those projects that really are not in the national interest and to do it instead of saying we want you to cut that 1 percent, leaving that up to the agencies.

The other concern, we talk about dipping into Social Security, we have another pretty good quote that follows up on that. When they talk about cutting, at one time it was a 1.4 percent across-the-board cut in military spending. The response from the Republican majority leader is, ''Instead of having two colonels hold your paper, you'll have only one.'' Granted I do not want two colonels up here holding somebody's paper, but I know when our troops are out in the field, whether they are in Bosnia, Kosovo or anywhere else that they go for our country, I want them to have the resources that they need to do the job, plus I want to pay them. I want to pay them a decent amount. Again on a bipartisan basis, this Congress passed a pay raise for our military personnel, so hopefully some of the enlisted personnel will be able to get off public assistance if they have family.

That is why I am glad to follow up my colleagues. I would like to debate the intensity on education particularly, but since they would not yield to me earlier, and again I would love to yield to them to talk about public education and what the Department of Education does. This year alone, this Congress passed a reauthorization for title I funding. Title I funding goes to help the schools. They have the poorest and the hardest to educate children. This Congress passed on a bipartisan basis the reauthorization.

In 1994 when I was on the Education Committee, we passed on a bipartisan basis a reauthorization for title I. So instead of coming in and cutting and saying education funding is wasteful, let us go in and say, okay, let us take out what you consider wasteful but let us make sure we do help with smaller class sizes, that we do help children who English is not their first language, that that is what we do on the Federal level. We do not provide the education opportunity on the Federal level. That is for the local and the State. But we can assist local and State agencies, our local school boards, because they are the ones having to make the decisions, our State agencies are making the decisions. But we can do it on a national basis. If we go in and always attack the Department of Education and want to abolish it and they do not do any good, that is what we hear from the other side so often. But let us go in and say, cut out what you do not think is a priority in education.

The problem is that sometimes what they want to cut out is our meat and potatoes. They do not want title I, they do not want bilingual education. That is what bothers me again about having an hour to listen without having a chance to do the debate.

I know you and I really want to talk about the unfinished agenda, which in some cases will not cost one dime more of Federal tax dollars.

I also have some of our things that are left buried for this year.

Mr. PALLONE. If the gentleman will yield before we get into that, and I do want to get into our unfinished agenda,

I was reading through my papers here. I came across this editorial in the New York Times that appeared soon after the Republicans started running the ads in some Democratic districts accusing Democrats of spending the Social Security trust fund. In light of the remarks you made about the across-the-board cuts and some of the pork-barrel spending that could be eliminated, I just wanted to, if I could, quote a couple of sections of this, because I think it really responds and sums up all the things that you were saying. This is entitled ''Social Security Scare-Mongering.'' This is not us, this is the New York Times speaking.

It says,

Republicans are trying to make political headway using the Social Security weapon against Democrats. They are advancing a ludicrous claim that deep Republican budget cuts are needed to stop a Democratic ''raid'' on Social Security.

The Republican argument rests on a fallacy that spending budget money today compromises the government's ability to meet its Social Security obligations in the future. Instead of squabbling over dollars in this year's budget, Congress can do more for Social Security by producing sound budgets that make the right investments while keeping the economy growing. A prosperous economy is the best guarantee that workers in the future will be able to afford paying for their parents' retirement.

In January, President Clinton called for setting aside nearly two-thirds of the total projected Federal surplus, from Social Security and other sources, to help retire Federal debt over the next 15 years. That was a sensible proposal intended to increase the savings rate and lower future interest rates. But the argument this year is over whether a small amount of the $140 billion Social Security surplus in the current year should be used to avoid spending cuts in other programs. In fact, no damage would be done to the economy, to Social Security or to the Federal budget itself if that happened.

Asserting that it is merely trying to save money for Social Security, the Republican leadership in Congress wants to cut spending by 1.4 percent across the board and block the White House's initiatives for money to hire new teachers and police officers. The Republican leaders' approach has been so wrong-headed that yesterday it provoked a revolt in the party rank and file. But it is not necessary to slash programs to ''save'' Social Security. More to the point, there are better places to save money, by cutting billions of dollars in pork-barrel projects and eliminating some of the expensive tax breaks for special interests that have made big campaign donations to the Republican Party in recent years.

President Clinton is right to veto spending bills that do not meet priority needs in education, the environment, law enforcement and other areas. As the White House notes, the Republican budget schemes approved so far have already tapped the Social Security system's surplus, according to the Congressional Budget Office.

That says it all. It is just a bunch of bogus claims about Social Security, spending cuts across the board instead of attacking the real spending-bloated projects that need to be attacked. As I would point out, and I know you are going to get into the unfinished agenda, the biggest thing is that they have not addressed the need to deal with Social Security and Medicare long-term. We would never have been able to address that if the President had not vetoed their huge tax cut, because there would not be any money in the surplus left to deal with Social Security and Medicare.

Mr. GREEN of Texas. Let me just continue a little bit before we get into our unfinished agenda, and talk about the proposed 1 percent across-the-board cut, what would be cut. For example, work study, a 1 percent cut across the board for work study would cut $9 million out of it. For title I again for the educationally disadvantaged, $78 million. We have more children and more children, so many children who are not served by title I already, that it would go backwards literally.

□ 1500

The 1 percent cut would cut, for example, FAA operations, $59 million; Coast Guard operations, $25 million; Federal aid for highways, $262 million.

So there are so many things that they would cut. EPA grants for wastewater and drinking water treatment, $32 million. I could just go on and on down the list. Again, military personnel, their 1 percent cut would be $739 million. Again, that was quantified to say it would be 35,000 military personnel that would not be there if we did that across-the-board cut.

So again, I would say yes, 1 percent is not bad across the board, but let us not cut the good with the bad, let us cut the bad out, and that is our job as Members of Congress.

Mr. Speaker, the unfinished legacy, so to speak, of this Congress is, first of all, prescription drug benefits that we were hopefully going to get as a Medicare drug prescription benefit. It was killed this year. There are actually a number of different proposals, at least on the House side. We have one by the gentleman from Maine (Mr. BALDACCI) and the gentleman from Texas (Mr. TURNER) and a host of other Members, that would not cost a dime of Federal dollars, it would just let the Federal Government, through HCFA, to negotiate, just like HMOs do now, just like the VA does, like anyone does for bulk purchasing. And to save money for seniors on prescription medication. That was not even considered on this floor except when we brought it up as an issue.

The Patients' Bill of Rights, which is again, near and dear to our hearts, because we spent so much time in talking about it; again, both of us serving on the Subcommittee on Health of the Committee on Commerce, and the gentleman chairs the Health Care Task Force of the Democratic caucus. The Patients' Bill of Rights was killed for this year, and now I am sure it is on life support maybe, because we passed a good, strong bill out of here. But when we saw the Speaker's appointments to the Republican Conference committee of 13 Members, only one of them voted for the bill, only one voted for the bill, and that is frustrating. Now we have a weak bill that the Senate passed, and we have a very strong bill that the House passed; and yet here in the House, even though we had a strong bill, only one Member of the conference committee, of the majority, voted for the bill.

So I am worried that not only has it been killed for this year, but we may see it killed for next year.

The other thing I think we have talked about, and we have talked about all year and we were hoping we could get something done with it was the minimum wage increase. We have had the greatest economy, literally, in our history, the longest running, and inflation is not a problem; and yet sometimes the folks in the lowest level of workers are the ones who are being left behind. So there has been serious talk over the last 3 weeks on the minimum wage, and there was effort to do something, but we have been here since January, and that bill has been talked about and has been introduced.

So a dollar for the people who are not on social services, but are working, a dollar increase over 2 years only seems to be beneficial not only for the country, because that dollar, those folks are not going to take that $1 an hour more and go buy stock with it, although that would be great, they are going to pay more on rent, buy more food, so that dollar will circulate within the economy. Again, a dollar increase in the minimum wage, I am sorry it did not pass this year. Maybe, again, we will do it next year. I do not think any of us would serve in the Congress if we were not optimists to say we could do better the next year.

Campaign finance reform. Again, a very good issue that the House passed, a very tough bill; and now it is sitting somewhere over in the Senate, and there will not be any campaign finance reform bill for this year. Again, maybe next year. I feel like sometimes I am a football coach saying wait until next year; we will do better next year. But we are not playing football; we are dealing with people's lives here, and that is important.

Smaller class sizes for our public schools. Again, 94 percent of public education money is spent by local and State governments; only 6 percent on the Federal level. We are not talking about a large Federal commitment. But we also know that our local school districts and our States use Title I money; they use this Federal education money to help leverage what they do for the classes and the schools that need it the most and the children that need it the most.

Again, my wife is a high school algebra teacher and most of the smaller class sizes we talk about, kindergarten through elementary school, kindergarten through third grade or fifth grade, but one cannot teach algebra to 35 students; we need a smaller class size, hopefully 20 students where one can really deal with the complications.

The last issue, and I know I like to talk about this too because a lot of people think sometimes as Democrats and Republicans, well, the Democrats, they do not really want tax relief. Sure, I would love to have tax relief. I do my own taxes and let me tell my colleague, I would like to simplify and make it a lot easier. But there are things that we could do for targeted tax relief that we had as part of our legislation, and again, it was not even seriously considered. The only thing that was considered was that $800 billion over a 10-year period that would literally take the heart out of Social Security and Medicare efforts. Not only that, but also in military spending and everything else that is the responsibility of our country.

Let me just finish by saying a couple of weeks ago, and I have used this before, the reason the managed care issue was so important and why it passed this House on a very bipartisan vote is it was illustrated by Newsweek, ''HMO Hell,'' and the number of people who are going through that. And they are frustrated because they have some type of insurance, whether it is through their employer, whether it is maybe they pay part of it through their employer; and yet when they go receive that type of care, when they go get that care, they are somehow eliminated from it or delayed.

Our bill would eliminate the gag rules where a physician or a doctor or a provider could talk with their patients. It would make the determination of medical necessity not by a bureaucrat or someone answering a phone, but by someone who actually knows that individual patient. Outside, an independent appeals process, a swift appeals process which will make sure that people do not have to go through HMO hell. Emergency room care. Instead of one having to drive by one's closest emergency room, if someone has an emergency, maybe one has heart trouble or chest pains and going to the hospital on their list, one can go to the closest hospital and find out if it really is an emergency and if one needs to be stabilized. That would help stop having to go through HMO hell.

The last one is accountability. That is probably more important than almost any of them, because everybody ought to be accountable in their jobs. The gentleman and I are accountable to our voters every 2 years. I tell people my contract is renewed every 2 years, so we are accountable. Because if we make a vote up here that our constituents do not like, then they have the right to vote against us. Hopefully, if we do something they like, they vote for us, so it comes out even. But on accountability, the people who make the medical decisions need to be accountable and, ultimately, that means the courthouse.

Now, part of accountability is a good, strong independent appeals process, but we found out in Texas that we have a good appeals process, but the reason it is successful is we have that backup. If the appeals process breaks down, one can go to court. During over 2 years of our Texas law, we have had 250, 300 maybe appeals, just hundreds of them filed and over half of them are being found in favor of the patient, but we have had less than five lawsuits. In fact, three of those five I understand is by one attorney in Fort Worth, Texas, for whatever reason. So there have not been many rushing to the courthouse.

So if we had strong accountability, we would then keep people from having to go through HMO hell, and that is a bill that I know the gentleman and I talked about all year and last year and maybe even the year before. Because we have not passed it this year, after the New Year holiday, after we celebrate the holidays and the new millennium, hopefully we will come back and be able to pass a real strong HMO reform bill, patterned after a lot of what our States have, particularly in Texas.

That is why I think the unfinished agenda is so important for us. We do not want to just point at the other side and say, hey, you are doing wrong; let us see what we can all do right. We could do right on managed care reform; we could do right on prescription drug medication; we could do right on a minimum wage increase; we could do right by education, for smaller class sizes; and we could do right by passing a strong campaign finance reform bill, again, that would eliminate the soft money that we hear is so bad. Although again, the gentleman and I do not benefit from that as individuals, because we are under the caps like everyone else is, but that soft money that goes to the party structures and whoever else, and even the independent expenditures from people who maybe if they do not like how the gentleman voted on a bill or they do not like how I voted, they can spend literally millions of dollars trying to defeat us without knowing who is actually spending it. That is why we need campaign finance reform. People should have the right to know who is doing it.

There are a lot of things that we did not do this year, and I appreciate the gentleman setting aside this special order again, even though it is in the middle of the day instead of late at night to talk about the unfinished agenda. We did not do very good this year, but we will do better next year, we hope.

Mr. PALLONE. Mr. Speaker, I just wanted to thank the gentleman for what he said, and particularly for raising those tombstones. I just wanted to comment on some of the tombstones and some of the remarks the gentleman made because I think they are so appropriate. I really like the tombstone presentation, because I think it says it all. I mean, what do they say? ''Rest in peace, killed by the GOP, 1999.'' That is basically what we face.

We know that in another day or so, once this budget is passed, that we are going to go home and the Republicans want us to go home, not having addressed this unfinished agenda, these major issues that the public cares about. When we go home, that is all we are going to hear. I know my colleague from Texas faces that, and when I go home nobody is going to tell me, thank you for passing the budget. They expect the budget to be passed. That is routine. But they want us to address these major concerns that have not been addressed.

I just wanted to say a couple of things about them. The gentleman mentioned the campaign finance reform. I know that is not one that I hear too much about because I know most people think that is more of an inside situation, but it really is not. The reality is that when we have all of this money being spent that is unregulated, it really does corrupt the system. I just know from my own campaign, in my last campaign in November of 1998, I think I spent and my opponent spent about $1 million each that was regulated money, if you will. In other words, hard dollars, Federal dollars that people contributed and people disclosed, and it was a hard-fought race.

But there was about $4 million to $5 million that was spent against me in independent expenditures, TV ads on New York stations, the last 2 or 3 weeks of the campaign, by a group that never identified itself. I think it called itself Americans For Job Security. They do not have to file anything; they do not have to disclose where that money came from. And to this day, we are only speculating about where we think the money came from. It was undoubtedly millions of dollars in corporate money that was coming from special interests, and we have no idea where it came from. It really corrupts the system when we have that kind of phenomenon. That is why we need to pass the Shays-Meehan bill and we need to have real campaign finance reform.

The other thing the gentleman mentioned, and I appreciate the fact that he brought it up, is the targeted tax cuts, because I started out this afternoon by talking about this trillion dollar Republican tax cut that went primarily for the wealthy and for corporate interests, and I am glad the gentleman came and pointed out that we

as Democrats want tax cuts as well, but we want them targeted for middle-class families, for child care, for education needs, those kinds of things, not these huge, trillion dollar tax cuts that just go to help the wealthy.

I brought with me some information about that Republican tax cut, and I will just briefly mention it. Just to show how it was skewed toward the wealthy and corporations. The Republican plan means $46,000 per year for the wealthiest taxpayers that they were going to get back, but only $160 per year for the average middle-class family, and $21 billion was lavished on special interest tax breaks for big businesses.

The other thing about that trillion dollar Republican tax cut is that it basically used the entire surplus and would prevent us from paying down a significant chunk of the $5.6 trillion national debt.

The President keeps pointing out that we are now actually reducing the debt, paying back some of the bonds, not collecting the same interest that we were before. If we use all of that and give it back in tax breaks, one cannot pay down the national debt. But most important, that Republican tax plan just took all the money away that could be used for Medicare, for prescription drugs, and also to shore up Social Security.

The other thing the gentleman mentioned, one of the tombstones was about the small class size. I think we should mention that two of the reasons, and I think the gentleman mentioned it, two of the major reasons why we stayed here for the last 6 weeks and insisted on a better budget than what the Republicans were sending to the President, two of the major reasons was because we wanted to fund that 100,000 teachers program where the money goes back to the municipalities so they do not have to pay it in local property taxes and also for the COPs program which was similar. The Republicans, as the gentleman knows, did not want to pay for that. Their budget did not include those programs. Now, the budget that we are going to adopt tomorrow does at least include those.

So I guess we would have to say that at least in one of those cases, we have had success.

□ 1515

But unfortunately, we have not had success on so many other things, the HMO reform, the Medicare prescription drugs, and so many of the other things the gentleman mentioned. But we did at least, in staying here for the last 6 weeks and insisting that they put in the 100,000 teachers and cops, at least we did accomplish something.

Mr. Speaker, I yield to the gentlewoman from California (Ms. SANCHEZ). I am so pleased she is joining us here this afternoon.

Ms. SANCHEZ. Mr. Speaker, I thank my colleague from New Jersey for yielding to me.

Mr. Speaker, I just wanted to reiterate what the gentleman just talked about, this whole issue of why have we been here 6 extra weeks. Because I go home to my district and people ask me all the time, why is this fighting going on in Congress?

I try to explain to them that the strategy of the other side, of the Republicans, was to fund what they wanted up front in the appropriations bills and then leave the appropriations that they do not like to fund to the very end, and say, we have spent too much already. We cannot fund these other issues.

Of course, the one they wanted to leave for the end was the HHS and education bill, health care, human services, the education pieces of the budget. In fact, initially out of the Appropriations Committee, as I recall, they wanted a 40 percent cut in that.

I tell people all the time when I am back home, the reason we are in Washington still is because the Democrats did not want to see education and health care services cut. We would stand up and we would fight for that.

Of course, as we saw, we are getting the next installment, if you will, of the 100,000 teachers. I think that is great. It is patterned after the COPS program. Something that we have seen since President Clinton initiated that and we voted for it and we have been funding it, we have been seen the crime rate drop across the Nation.

It is really interesting because, of course, then we had COPS III in this year's budget. The Republicans did not want to fund it anymore. I would go back home and even my own police officers would say, what is wrong with those guys? Why do they not understand that the reason that crime has gone down is because we have had these extra bodies to put out in the communities to not deal in a negative way with neighborhoods, but to do a positive campaign, have a presence in the neighborhood, and it really has brought crime down.

And it is amazing to me that they would want to cut off that program, but of course that is what they had in mind, just as they did not want to do the second installment of the teachers.

We know when we look at the education system, a young child, and I had a forum in my district, and I remember the Vice President, Mr. GORE, came out. One of the students stood up, and she must have been, gosh, I think about 12 years old. We asked her, what is the most important thing in the classroom? What do you think is the most important thing? And she said, the most important thing is the quality of the teacher in the classroom. This is a young student. And I believe that. Trained teachers, teachers that are teaching to 20 students versus 40 students, it makes a big difference.

Of course, I am from California, where we have had at a State level an initiative to bring down the class size by hiring more teachers, et cetera. We have seen an incredible difference. I have first grade teachers, where we have implemented this in first and second and some of third grade, I have had the first grade teachers tell me, my students are learning to read. The difference is that I only have 20 to teach, and I can spend the quality time with them and understand the individual problems that they have in learning to read better than when I used to have 40 children in the classroom and it was more of a disciplinary problem, and I had to watch what was going on, and I could not spend individual time with students because there were so many, 39 others running amok.

The first grade teachers will tell us the difference is that they have a smaller class size and they can understand the individuals. Gosh, when we look at this Columbine situation and the school safety issue, and we look at what these students are really telling us, when we look at what is happening, it is a need for attention.

When you have a smaller class size, a teacher can see, are there problems with this child? Might they be having problems at home? Do we need to get some help for them? Can I sit down and talk something through with them? It is much harder to do for 40 kids in the classroom than it is on an individual basis.

I hope that people will understand why we have been here fighting as Democrats, and it has been because we care about what is happening in the public school system. We want to fix it. We want to help it. That is through a myriad of programs, not just more teachers, but the teacher training grants that we have approved, the technology, which is such a need in the classroom.

I hope they will also understand that we have also been fighting to keep safety, to keep the crime rate down, to keep this safety issue out there by fighting for the COPS program.

These have been just incredibly important issues as to why we have been here, in addition to the health care factor that the gentleman mentioned earlier, and of course, the prescription drugs, and things that we just have not been able to get through because the leadership of this House, the Republican leadership, has closed an eye to it and do not want to push this type of thing through.

Mr. PALLONE. Mr. Speaker, I just want to thank the gentlewoman for coming down. What the gentlewoman has said is so true. I do not really understand, we see my colleagues on the Republican side talk about education, but when it comes to actually trying to

provide the funding that is going to go back to the local towns and help with property taxes to pay for education, they do not want to do it.

The gentlewoman remembers that we were here a year ago trying to adopt a budget, and again, one of the major sticking points was their unwillingness to fund this 100,000 teachers initiative. I know when I go back to New Jersey, and basically in all the school districts, they say it is great. They like it on a bipartisan basis, because frankly, it not only means more teachers and smaller class size, but also it saves them money that they do not have to hire the teachers because they get the Federal dollars.

The other initiative that is part of the unfinished agenda which the Republican leadership has refused to deal with is the school construction initiative. We have been talking about that now for several years, as well. That was sort of the second part, to bring down the class size and then provide some Federal dollars to help with school construction. That was for renovation in urban areas for older schools and also in the suburban areas where we have split sessions, and they cannot afford to build new schools to help pay for that, too. Yet that is not going to be in this budget because they say that is too much. They do not want the Federal government involved.

I do not know how the Federal government helping local schools pay for school modernization is somehow ideologically a problem, but this is what we hear from the Republican side of the aisle.

Ms. SANCHEZ. If the gentleman will yield further, they do say that. They say that they do not think at a Federal level we should be involved.

We have proposed to them programs that work wonderfully; for example, school construction bonds, the whole issue of at a local level an entire community has to decide that, yes, in fact they need new schools and they are willing to pay for new schools. They have to pass a bond issue; if they would do that, if they would do the work, and then of course the building of the schools and all of that is still under local control.

We have a lot of propositions here in the House that would say, you pay the principle on the bonds and we, those people who purchased those school bonds, will get a tax credit on their income tax form, $1 for $1, where they do not have to send the money to Washington. Instead, they get the tax credit on their income taxes. What does that mean? It means that the Federal government basically picks up the interest cost on the bonds. That is about a 50 percent match.

It has two of these Republican types of issues with it; one, keep it at a local level. They have to approve it locally, they have to work it locally, and the local community wants it, needs it, and decides to do it. And secondly, do not send your money to Washington, do not send us the money, keep it as a tax credit. It fits right in there their philosophies of less money to Washington, but still this whole issue of constructing schools is just something that they do not want to do, at a time when I look in California and we have such a need.

One of the districts I represent, Anaheim City School District, it is growing at twice the rate in school enrollment of children as the five fastest growing States in school enrollment across the Nation, twice as fast. It grows by about a thousand students a year. That is a new elementary school every year. Yet, they have the same number of elementary schools they had as when I was going through the school system 25, 30 years ago.

It is amazing. They go year round, four-track. They never have a summer anymore. They do not have a traditional school, they have different tracks going. They send their kid for 8 weeks, and then he is off for a week. Then they send him for another 8 weeks, et cetera.

Every time that the teacher finishes that 8 weeks, she has to pack up her classroom, put it in storage, go away for a week, come back, unpack the classroom in a different school building. Imagine if you are a professional, imagine if we had to pack up our offices every 8 or 9 weeks here, how much work we would really get done.

They have gone to double sessions, so not only do they have this year-round school going on, but they have an a.m. and p.m. session with their kids, which means some kids start to eat lunch at 9 in the morning, and some kids do not get lunch until 2 p.m. in the afternoon. They have sessions at which kids, they have only so much room outside for kids to sit down at the picnic tables.

Besides that, they have portables all over the green grass area, so the kids really cannot go out and play anymore because they now have portable classrooms. In fact, I have a school system that, if you took the number of portables they have on the school sites, on the current permanent school sites, and you took them off and you actually made the equivalent of new school sites, you would have 27 new school sites versus the 26 existing school sites. That is how crowded it is getting in California.

Mr. PALLONE. We have the same problem in New Jersey, maybe not as severe. But I know that the State legislature now is struggling to pass some sort of school bond modernization initiative. Obviously, if we could get money from the Federal government, it would make such a difference.

Again, we talk about the school modernization, and that is nowhere to be seen in this budget. We just have to press for it as part of this unfinished agenda when we come back.

Mr. Speaker, I yield to my colleague, the gentleman from North Dakota (Mr. POMEROY), who has been down here many times talking about these issues.

Mr. POMEROY. Mr. Speaker, I thank my friend for hosting this special order, because we are at the end of the session. I think it is time to take a look back at what has been accomplished over the past year, or in this case, unfortunately, what has been left needing and deserving of action.

Let us just go through the issues, ending with the budget issues, which are still being wrangled about even as we visit on the floor this afternoon.

A Patients' Bill of Rights. I think if we look at issues that enjoy very broad support across the country, and indeed, a very significant bipartisan support in this Chamber, it would be the drive to give health insurance policyholders greater protections that their medical care decisions will be made between the doctor and themselves, not by some intervening HMO official.

That seemed to be a very clear-cut issue. After significant discussion in this Chamber there was a vote, and it was a strong bipartisan vote to give patients meaningful protections relative to their HMOs. Unfortunately, we saw the Speaker turn around and do everything possible to sabotage that bill in the conference committee, refusing to appoint to the conference committee even those who had been supportive of the legislation; in fact, sandbagging, so this bill which enjoyed the strong vote out of the House was doomed to failure in conference committee. The result, of course: no legislation on the Patients' Bill of Rights.

Mr. Speaker, we started the year with a very, or actually at the end of the school year we had the terrible tragedy of Littleton. It drew our attention to certain essential gun safety actions, very measured but prudent steps we could have taken: child safety locks; dealing with the gun show loophole, making the sale of guns at a gun show context somewhat similar to what it would be under a licensed dealer, be it a retail vendor, a hardware store, or what have you.

Again, there was broad national support for those measures, and yet, it was stymied within the Chamber and no further effort to bring it forward, even though the Speaker in this instance, unlike the Patients' Bill of Rights, said he did intend to have a response move forward; ultimately sabotaged by his own people, and nothing happening on the gun safety issues.

An issue that I have seen coming on and coming on very strong is the need to address the soaring cost of prescription drug medications. That is especially true, and certainly it had been my hope that this would be the Congress where we could take steps forward to address this issue in one of two

ways. I think the best way to address it would be to fold in some type of prescription drug coverage in the Medicare program. I hoped that that could be achieved.

In the alternative, in the event that questions about the financing of that would prove too tough to deal with, we could address pricing differentials, because it is very clear that right now the drug companies are selling below cost to their favorite customers, like the HMOs or Federal agencies, and coming back and having people paying these prescription drugs out of pocket.

Our seniors on fixed incomes so often need these prescription medications for their very health maintenance, and unfortunately, this is going to be a Congress leaving town without having done one thing relative to prescription drug needs of our seniors. I just think that is what has become another in a long string of failures.

□ 1530

We are heading into an election year. We had a chance to address campaign finance reform. No campaign finance reform coming out of this Congress. Another in a long litany of failures.

In addition, one of the things that I had hoped we could really achieve, especially in this situation, would be to strengthen the Social Security Trust Fund, extend the life of its solvency. Move now to address the needs of baby boomers in retirement. We had the plan. We had the opportunity. Unfortunately, not one hour on the floor of this House has a measure been discussed to lengthen the life of the Social Security trust fund.

We did see, I will say with Social Security, I think, some very clever sleight-of-hand by the majority. They tried to deflect the discussion from the Social Security Trust Fund and its long-term solvency to whether or not funds from the Social Security revenues were being spent on the funding of government. All of their argument did not have anything to do with strengthening Social Security. None of their arguments go to lengthen the life of the trust fund so much as one day. But they drove the point: The Democrats were going to raid Social Security for wild spending programs, and they were going to put a stop to it.

Mr. Speaker, we know the score, and I have got the score revealed here on this chart. This is from the Congressional Budget Office. About $14 billion in general fund surplus to support additional spending. And now we know that even as the deal is being put together on the final spending of this Congress, we are going to be into the Social Security program at least $17 billion and, quite potentially, much larger than that. So although they did not lengthen the life of the trust fund one day, they spoke a lot about not spending any of the Social Security surplus. The Congressional Budget Office makes it very clear, Social Security money is being spent under their budget plan.

I think, in total this constitutes really an abysmal year in terms of lack of action on the one hand coupled with action that is not helpful on the other hand. I would hope that next year we could put forward a much better record of accomplishment for the American people. Because in the end, I think a congressional session like this should not be about setting up the next election. The elections are about having us work together, putting aside the overheated, overblown campaign rhetoric and getting into the Chamber and rolling up our sleeves, bridging our differences and forcing solutions for the American people. That is what they expect out of Congress.

So perhaps, and I would have to say there is some unlikeliness to this, but even though the 2000 elections are going to be looming large next year, it would be my hope the majority leadership would concentrate on the task at hand and that is doing the people's business. Let the 2000 elections take care of themselves. I yield back to the gentleman.

Mr. PALLONE. Mr. Speaker, I thank the gentleman. I just wanted to say with regard to the remarks that the gentleman from North Dakota made, there is no question that we have to put on the pressure with this Republican Majority when we come back to try to deal with this unfinished agenda.

The one thing I wanted to mention very briefly is that we have already put in place a rule to bring up a discharge petition on the price discrimination and the prescription drug benefit. We have one bill that would basically deal with the price discrimination by putting in place a Federal remedy, and another that would provide for a prescription drug benefit under Medicare. We are going to make sure when we come back that we get the petition signed and that we force that issue to the floor, which we have had to do with every one of these issues, unfortunately. Take that extraordinary means of a discharge petition, which should not be the case, but unfortunately that is what is necessary to get the Republican leadership to move in the House on every one of these issues. HMO reform, campaign finance reform, gun safety, every one that we could mention we have had to go that route.

Ms. SANCHEZ. Mr. Speaker, I would agree with the gentleman. We have had various petitions and, hopefully, there will be another way when we return in January to try to get the prescription drug issue to the floor.

I just want to wrap up my comments with respect to what the gentleman from North Dakota said about Social Security. Let us face it. Next year is going to be a very difficult election year with control of the House, in particular, up for grabs. I think it will be very difficult to move legislation through. This would have been really the ideal year to take a look at the Social Security issue and shoring it up.

Why? Because we have the time to do it. Because we have a surplus for the first time to be able to take a look at where the monies are spent. And because there are still inequities. Just looking at the 2013 year where we will have the switch over and there will be a deficit fund gathering for Social Security. But there are still inequities in the program that we have, like the notch babies. All of these issues. They do not affect a lot of the population, but they affect people who have been working very hard all of their lives and somehow along the line got something done, a law passed here that was against them for really no reason.

We really need to take a look at this restructure of Social Security, make sure that it is solvent, make sure that we are putting the monies aside today for tomorrow when we will need them. And it is a shame that this Congress was unable or unwilling, that the leadership in this House, the Republican leadership, was unwilling to address the Social Security reform issue.

Mr. Speaker, with that I yield back to the gentleman from New Jersey.

Mr. PALLONE. Mr. Speaker, I appreciate the gentlewoman from California bringing that up, because I guess we can take some solace in the fact that at least we stopped this tax break for the wealthy and for the corporate interests. Because if that had passed and the President had signed it, then there would not even be the money available in the surplus as it grows over the next few years to even address the Social Security and the Medicare prescription drug issue. So I guess we have to kind of be happy for small victories, so to speak. At least that did not happen. I agree completely.

The President started out the year in his State of the Union address last year saying he wanted 1999 to be the year when we addressed the solvency of Social Security and Medicare. Basically, the Republican leadership made that impossible, but we just have to try and work harder next year. We are going to be down here on the floor every day in January and February making the point that these issues, this unfinished agenda, have to be addressed.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 80. Joint resolution making further continuing appropriations for the fiscal year 2000, and for other purposes.

The message also announced that pursuant to Public Law 105–277, the

Chair, on behalf of the majority leader, announces the appointment of Deborah C. Ball, of Georgia, to serve as a member of the Parents Advisory Council on Youth Drug Abuse for a three-year term.

ISSUES, NOT SOLUTIONS

The SPEAKER pro tempore (Mr. NUSSLE). Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. TANCREDO) is recognized for 60 minutes.

Mr. TANCREDO. Mr. Speaker, I must say that I had originally requested only 5 minutes, but a number of things have happened in the last several hours that have forced me to come back and request more time to address the issues that I wanted to bring to the attention of the body today.

Certainly, some of the things that have been discussed by previous speakers here lead me to take the floor today and to do so for at least some more time than 5 minutes.

When I was in high school, our class used to have the task at the end of the year of coming up with a motto, among other things, to attach to ourselves for the rest of eternity and it would always be placed in the little book, the annual. It would say the class motto was such and such for this. Mr. Speaker, I have a suggestion after listening to the discussion for the last hour. I have a suggestion of what our colleagues on the other side of the aisle might use for their class motto this session, and it would be this: ''Issues, not solutions.''

Mr. Speaker, let me just suggest that as the class motto for the Democrats of the 106th Congress. That their real purpose is to have an issue to run on and to avoid the possibility of achieving a solution in this body at all costs.

Now, I say that recognizing that it is certainly not a revelation. I bring to the body that this is the strategy that the Democrats are employing. I say that because the minority leader has said that. The gentleman from Missouri (Mr. GEPHARDT) has indicated in articles that I have read, and certainly have been brought to the attention on the floor in the past, that it is his purpose to try and present as many obstacles as he possibly can to the accomplishment of the goals established by the majority in the area of education reform, in the area of tax reform, in any area important to the people of the country, there they would be.

It is not surprising, therefore, when we look at the majority responsibility of the Congress, that is the passage of 13 appropriations bills, that when we look at how that eventually got done, it got done without the help of our Members on the other side. Without the help of any of them. Maybe three or four at a time would come on board, but almost always it was the Republicans in the Congress that had to carry the load because everybody over there was going to play hard ball because they want issues, not solutions.

The last thing they want, in fact, is a solution to the problem. So much rhetoric has been devoted to the Social Security issue. I am so glad to hear that at least there is a concern on the other side with regard to Social Security and, in fact, holding it sacrosanct, because that is a very interesting thing. We, in fact, passed a law, passed a bill out of this House. It went over to the other side and that law was designed to, in fact, codify this idea of holding Social Security sacrosanct. Not using it for the general fund. Something that we even hear the President saying that he agrees to.

But what has happened, Mr. Speaker, I ask? Where is that bill? And why is it not now part of the solution to the Social Security issue?

Well, of course, it is because the Senate Democrats have had a filibuster. The issue has been brought forward five times at least in the Senate, and each time it has been filibustered by the Democrats and essentially killed.

So where is the desire for the solution here? It is not their desire. It is, in fact, to maintain an issue to go into the next campaign with.

Beyond that, when the discussion resolves to the next stage, and that is the fix for Social Security, where is the President's plan for that? Has anyone heard of the President's plan? I certainly have not. I recognize fully well that the continuation of the Social Security system is in great, great jeopardy; and we must do something to change that. And I do not even suggest for a moment that not spending Social Security funds for general fund purposes will solve the Social Security problem. It will not. It does, in fact, however, slow the growth of government quite dramatically and makes us a little more honest to our constituents. Those two things are pretty good things in and of themselves.

But if, in fact, there is such a desire to fix Social Security, then of course we should hear something out of the White House about how we should go about doing that. That would be nice. That would be good. But we have not. Why have we not heard that, Mr. Speaker? Let me suggest the reason is because it does not fit the motto. The motto is, remember: ''Issues, not solutions.''

COLUMBINE HIGH SCHOOL AND GUN CONTROL

Mr. TANCREDO. Mr. Speaker, let me go on to the purpose of my original request for this time to speak. It is my understanding that today a group of Members of this body held a press conference in which they unveiled a clock of sorts. And this clock, I am told, has recorded the amount of time, minutes and hours and days, since the event at Columbine High School. And it is meant, I suppose, well, I know it is meant as a political gag in order to try and embarrass the Congress for not having, quote, moved ahead on gun legislation.

Mr. Speaker, I can understand the desire on the part of a lot of people, especially as we move to the very end of the session, to grasp at straws to do the most outrageous things in order to try to get the attention of the general public and in order to try and score some sort of political advantage.

□ 1545

But I must say, Mr. Speaker, as the Representative from Columbine, from that area, the school is half a mile from my home, and my neighbors have children there, and we suffered through this event together.

I must tell my colleagues, Mr. Speaker, that to have this kind of political shenanigan pulled at this late date to try and remind us of when Columbine occurred, let me tell my colleagues, Mr. Speaker, there is not a parent in my district, there is not a parent of a single child who was murdered at that school or injured in that school who needs to be reminded of when that happened.

There is not a single living soul in my district that needs to be told when that occurred, how long ago, because it is etched indelibly in our memories and in my mind.

To suggest that any action taken subsequent to that time by this Congress could possibly have changed the situation there is, of course, both ludicrous and hypocritical. It is especially hypocritical, Mr. Speaker, because of course this Congress did attempt to address the issue of gun safety.

There was a bill, Mr. Speaker. There was a bill. It made it to the floor. H.R. 2122. Now, maybe it was not a perfect piece of legislation. There were certainly things about it that I had concerns about. But let me just go it just to remind all of us what exactly it was that we were talking about in that particular piece of legislation.

Under current law, background checks are not conducted at gun shows concerning transactions by private vendors but, instead, are only required of Federal licensees. This allows for a loophole of sorts in the acquisition of firearms.

There was an amendment proposed as a matter of fact by a Democrat, by the gentleman from Michigan (Mr. DINGELL). That amendment I believe was the most accommodating option, both in keeping guns out of the hands of the criminals and in protecting the rights of gun owners across the country. Certainly it was controversial. There were many people in my own district, certainly people in my own constituency that said it still went too far. As a matter of fact, I was the only Member in my delegation to vote for this. It

was, in fact, the best possible option of all the options I think we had available to us.

By the way, the Dingell amendment would have, in fact, closed that loophole, would have required someone that was a private vendor to do background checks on people purchasing guns.

The argument revolved around the length of time that would be allowed for these checks to be completed and that sort of thing, and those were arguable points. I will not say that they were not. It was not, as I say, a perfect bill. But it was a Democrat amendment that achieved about 45 or 50 Democrats in its support originally, and then it became part of the bill.

The next amendment dealt with large capacity devices. They prohibited the manufacture of large capacity clips, ammunition clips. Another one prevented juveniles from possessing semiautomatic assault weapons. Another one made it mandatory to provide trigger locks and safety devices when guns were purchased.

Another amendment qualified current and former law enforcement officers to carry a concealed weapon whereby allowing them to continue to serve our communities as safety personnel. In a way, this is something that my friends on the other side have been pushing for all the time, that 100,000 cops. Well, this is a way of putting a lot of police on the beat. These are retired former law enforcement police officers who could be carrying weapons and protecting the community.

Another amendment in that particular bill said that, when guns were pawned for more than a year, they would not be returned to their owner until they pass an NIC background check.

This amendment makes sure that, during periods when the firearm is under the possession of the pawn shop, that the original owner does not undergo circumstances which would hinder them from possessing the firearm. Likewise, it allows for checks to be done on the pawned weapon so as to make sure it has not been stolen.

Then the juvenile Brady part where the amendment would prohibit persons who commit violent acts of juvenile delinquency from possessing firearms as adults.

All right. Those are the parts of the bill, the most significant parts of the bill, H.R. 2122, that came to this floor.

After a great deal of debate after originally supporting that, my colleagues remember what happened. My colleagues may recall, Mr. Speaker, how that all played out. I often think of that cartoon, the Peanuts cartoon, and that character when Lucy is holding the ball that Charlie is coming to kick. Just as he gets there, she pulls it away, and he falls back. That is in a way what the Democrats did with that bill.

They put this bill out there. The Dingell amendment was part of it. We assumed, of course, that we would get some support, although it may not have been perfect, because when was the last perfect piece of legislation that passed this body. Every piece of legislation is made up of compromises on both sides of the issue. Certainly it was not perfect for me. But I also knew that it was going to be the best chance we had of getting this kind of legislation out of this Congress. So did the other side, and that is my point. They also knew that that was the best chance we had.

So what happened, Mr. Speaker, after all the rhetoric about gun legislation, and I asked the people across the street holding press conferences and unveiling these clocks, telling us how long it has been, and people holding up replicas of tombstones saying ''rest in peace gun control measures,'' I want to ask them where they were on the day that H.R. 2122 came to the floor.

I will tell my colleagues what happened when that bill came to the floor. It failed. It failed with 198 Democrats voting no, 81 Republicans voting no. Let me say that again. The chart depicts this: 198 Democrat no votes, 81 Republican no votes. The final vote, 147 aye, 280 no. The 147 broke down in the following manner: Republicans, 137; Democrats 10.

Now, I do not know, I have heard of awards that are given annually, maybe monthly, or something by various members for the pork of the week award. There are all these things that are picked out, and people, individuals get sometimes these awards that are not really all that much appreciated.

I am not sure, but perhaps we should come up with a chutzpah award because I cannot think of a better word, a fine Jewish word to explain what we are talking about here when somebody can actually stand up here in this body and tell us that we have prevented the movement of this kind of legislation of gun control legislation when this is the fact of the matter: 198 Democrat noes. 198. Republican noes, 81.

Who stopped it? Why did they stop it, Mr. Speaker? The answer I believe is the answer I gave at the beginning. It is the motto of the Democratic class of 1999 in the House of Representatives. The motto is: ''Issues, not solutions. We want problems to carry forward.''

Mr. Speaker, I received just a little bit before I came over here a communication from Mr. William Maloney. Mr. Maloney is the Colorado Commissioner of Education. This is not a political position. He is appointed by an elected board. It was a communication that I did not prompt, I did not request, and it is in response to the events, I hate to even characterize it as a press conference, because a press conference would indicate that there was something newsworthy about it, but it was the event to which I referred earlier, this thing where they unveiled this clock that is supposed to remind us all how long it has been since Columbine.

Mr. Maloney puts it very, very clearly and very succinctly and articulately. Remember, Mr. Maloney is the Commissioner of Education in Colorado. It is a nonpartisan position. He says the following about their antics, and I will say antics rather than activities:

''We would deeply regret that anyone would address the Columbine tragedy without any consultation with those who were most deeply involved. To do so in a simplistic fashion is to disrespect the full dimension of this tragedy and the diverse and earnest efforts being made to deal with it.''

Mr. Speaker, I suppose I cannot say much more than that, and perhaps do not need to. I hope the point has been made. Issues, issues, not solutions. Certainly not everything that has been proposed, not just on gun legislation, but anything else, not everything would have completely solved these things, but many would have come close, Mr. Speaker, if there would have truly been that bipartisan desire to get the job done.

There is plenty of partisan wrangling that goes on during the course of one session of Congress. Even though I am a freshman, I am certainly well aware of that. To a large extent, I think it is fine, healthy, and appropriate.

We have, of course, very legitimate clashes of ideas that are articulated on the floor of this House. We disagree on the size and scope of government. That disagreement, that very basic disagreement that usually separates the two sides plays itself out in many interesting ways.

I will never forget the day here on the floor of the House when the final vote was taken on the tax relief measure. I was proud to be a Republican, perhaps more so than any other time since I have been here in the past 11 months, because we were actually doing something that was very, very characteristic, I thought, of Republican principles.

So it is absolutely appropriate for us to be divided on those issues, have battles on those issues, fight it out on this floor, go to a vote, everybody doing what they truly believe in their heart of hearts should be done because of their commitment to what is good for the country.

Mr. Speaker, sometimes other things happen, other things happen here, and decisions are made and events occur that really are not based on those heartfelt opinions and ideas. It is based on sheer, pure politics. I would say to my colleagues that when we look at the issues as we approach the next election, be very, very, very discerning. Mr. Speaker, be discerning and try to

determine whether or not they are being brought to us for purely political reasons or because in fact there is concern about the way they would have affected the outcome of America.

Mr. Speaker, I yield to the gentleman from Colorado Springs, Colorado (Mr. HEFLEY).

Mr. HEFLEY. Mr. Speaker, I appreciate the gentleman from Colorado for yielding. I have to admit to the gentleman from Colorado (Mr. TANCREDO) that I was not back in my office hanging on every one of his words. But when I realized he was doing this special order, I hoped he was doing it in reaction to the news conference which was held earlier today, the made-for-TV political news conference that was held earlier today. I wanted to come over and just visit with him a little bit about this thing.

Columbine for the gentleman from Colorado (Mr. TANCREDO) particularly more than anyone else in this chamber, for him particularly, was a hard-hitting experience. Because this was in his district. But it adjoins my district. I have some addresses that are Columbine addresses.

□ 1600

And I do not know of any tragedy like this that has hit me so hard in a long, long time. It was a terrible tragedy to the folks that experienced it and to all of us in Colorado and, I hope, across the country.

The day after this tragedy, this tragedy I believe occurred on a Tuesday, on Wednesday the chairman of the Democratic National Committee from this House was standing before his colleagues in his conference saying this is a great political issue for us, a great political issue for us, and we need to flood the Congress with gun control bills because the Republicans will vote against them and this will be a great issue for us in the next election.

I was appalled. I was offended, I was disgusted that someone would jump in and make political hay when my heart was broken. We had had a terrible tragedy, and this was going on.

I also noticed that as we went through the debate and discussion about gun control after that, because they did exactly that, flooded the Congress with gun control bills; and as I looked at each one of those, it was my opinion that not a single one of them, had they been law prior to Columbine, would have altered the Columbine experience one iota. I think there were 18, 20, 21 laws violated there already. None of these new laws would have done anything. None of the laws that they were talking about at that news conference in the basement of this Capitol would have done one thing to alter the Columbine experience or to prevent an additional Columbine experience.

One thing that I think might help prevent something like that is if we would enforce the gun control laws which are on the books right now. And the gentleman has probably said all this, and better than I can, but if we would enforce the laws that are on the books right now, which this Justice Department has had a dismal record of enforcing the gun laws that are on the books, absolute dismal record. And in an instant or two that I am aware of, where a U.S. attorney or assistant U.S. attorney has taken it into his own hands to be strict in his enforcement of gun law violations, the gun crime rates have dropped like a rock.

But the Justice Department does not like that. In one case they were even trying to get a U.S. attorney fired because he was enforcing the gun laws too strictly. Now, what can I assume from that? All I can assume from that is if we actually did enforce the laws on the books, and if it did reduce gun crime, then there would not be the motivation to accomplish their goal, which is to take away private ownership of guns in America. I do think that is this administration's goal.

So we do not want to reduce the rate of crime with guns, because if we did that, then they would not have that argument. That is appalling as well. We need to enforce the laws that are on the books and stop making phony political hay out of one of the worst tragedies that has occurred in this country in a long, long time.

I thank the gentleman for having this special order and giving me an opportunity to express, too emotionally, but I feel emotional about it, some of my feelings about this situation.

Mr. TANCREDO. Well, Mr. Speaker, I thank the gentleman for his comments; and I certainly and completely understand the degree of emotion that is connected with making them because I assure the gentleman that I empathize in that regard.

I do not think, in fact I know, that there has been no more difficult issue with which I have had to try to deal than the issue of Columbine High School, not just from the standpoint of the pure politics of it, the issues of gun control and the rest, but the neighbors that I see when I go home every weekend and the children that I see and the concerns I have, Mr. Speaker.

And just perhaps for a moment, if I could be allowed, I would reference those concerns and ask for the prayers of America to be directed to the parents and to the children who are still suffering to this day. We are seeing every time when I go home this subject being brought up, and the papers play it up, and there are some very good things, positive things that are happening in terms of children being healed, children coming out of the hospital who are now walking, these kids that were so terribly wounded in this. Then we will have another setback, and we had one not too long ago, when a mother of one of the students took her own life.

And it is so hard for us to understand. We think about how much pain any community, any family can deal with or can endure. How much can we endure? And I look at those students, as I say, those children who are recuperating, and I thank God for their recuperation. The physical signs of healing are there. Their scars are healing and we can see that, and that is good and as it should be. But, Mr. Speaker, what we cannot see are those scars that do not manifest themselves on the outside of the body. They are the scars in the mind and in the heart and on the soul, and they do not heal as quickly as the scars on the outside.

We do not see people coming out of the hospital being welcomed home with flowers and friends. We do not see how they live through the agony of this thing and are tormented by the thought of Columbine over and over again. And fear, fear in their hearts, fear of going to school, fear on the part of parents in taking their children to school, because they do not know what is going to happen and because they feel totally helpless. These are the things with which we are still dealing.

And I can tell my colleagues, my friends who had this press conference giving us the clock, they do not have to tell me when this happened. I know exactly when it happened, and so do those parents. And what they have done today does not help the healing. In fact, Mr. Speaker, one might even suggest that it digs deeper at the wound. And that is why I do have emotion in my voice; and I am filled with emotion about this, because this is not just a typical political debate or fight we are having here. These are about real people whose hearts have been broken, and it disgusts me to think that they are being used as pawns in this political battle.

But that is the only way I can see it right now. Because, Mr. Speaker, we could have had at least attempts at solutions. Although I was the only one, as I say, that voted for the bill, I know my colleague did not vote for the bill that I referred to, I was the only one from Colorado to have done so, and I know in my heart that that bill would not have changed anything had it been in place, I understand full well that there is really so little, in fact, we can do.

But what little we can do to have somebody then stand up later on and blame us, blame this side for not having moved this process along, when as anyone can see, 191 Democrat noes on the bill to 80 Republican. It was not us. But even had this passed, we would not be safe in our schools, we would not be safe on our streets. Much, much more has to occur.

And in a way, my fear with this particular piece of legislation, and all the

others that were suggested, I had this great fear in my heart that if we had passed them, that in fact people would have walked away from the table thinking, oh, good, now we have done something to stop violence.

And here is another aspect of this, Mr. Speaker, that I failed to bring out. Just the other day, in Decatur, Illinois, when there was an act of violence that, thank God, did not end up with someone being killed, but it was a very, very harsh violent act committed by several students, what did we hear in this House about that? Would Jesse Jackson, who has now involved himself in this whole thing, would he have been there if one of those students had been carrying a gun, even if no one had been hurt? I think not.

So is the real issue school violence? Are we really worried about juvenile violence? Are we trying to do something about violence, or are we just trying to look at the political advantage we can get out of the ''gun issue ''? How come there has not been an outrage voiced in this House about Jesse Jackson's involvement in this thing and his attempt to intimidate the school board to put these kids back in school when they did the absolute right thing in throwing those kids out of school.

If I had had time, Mr. Speaker, we are at the closing minutes of this session, perhaps days, I do not know how long we have, but I know it is not going to be too long, but if I had had the time, I would have issued a resolution commending the school board for their actions. Because, of course, that is the kind of thing that can help us avoid the next Columbine tragedy, the absolute avoidance, the zero tolerance policy for any sort of violence on a school campus or at a school event. In this case it was at a game.

I do not know if my colleagues saw the videotape of this, but I can assure them that this was not just a couple of school bullies roughing up some of their classmates. These were very violent young men. And as I say, I thank God they did not have a gun or some other weapon, and I thank God today that there was not even severe damage done even without the use of a firearm. But the fact is that there should have been just as much outrage expressed in this House at any attempt to quiet that school district or to intimidate that school district into putting those kids back in school. But no, we have not heard a word about that.

Well, I would tell my colleagues they did exactly the right thing, and I commend the school board for it and I hope they stick to their guns and do not be bullied by Jesse Jackson. They did what is right. They should keep those kids out of that school. Those are the things that can help us, Mr. Speaker, those and hundreds of people, thousands of people, millions of people around this country changing their own hearts, connecting back with their own families, thinking more about how they raise their own children, and what can be done not just maybe for our children but for our Nation's children and becoming a community again.

All these things matter more than this bill would have ever mattered, but it was a stab at it anyway. It was killed by Democrats because they want issues not solutions.

OPTIMISTIC ABOUT SECOND SESSION OF 106TH CONGRESS

The SPEAKER pro tempore (Mr. EWING). Under the Speaker's announced policy of January 6, 1999, the gentleman from New York (Mr. OWENS) is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, I appreciate the emotion of the previous candidate, the previous speaker, and I think that it is altogether fitting that we not come to the floor and waste the time of anybody unless we do feel strongly about what we have to say, and I certainly feel strongly about the remarks I intend to make at this point.

We are nearing the end of a session, it is a matter of hours now, and I think all of us feel very strongly about what was or was not accomplished during this first session of the 106th Congress. I think we should look forward to the second session of the 106th Congress with optimism. I am optimistic about the second session of the 106th Congress, and I am going to talk about the reasons why I am optimistic.

I regret greatly the fact that we have not dealt with very crucial issues. We did not even put the minimum wage increase on the floor for a discussion. We refused to have a dialogue and to share with the American people the concerns of many of us that in a time of unprecedented prosperity, when great amounts of money are being made by the top 5 percent of the population, the population with the income in the top 5 percent, we are not willing to give an increase of $1 an hour over a 2-year period to the people who are at the very bottom earning a minimum wage. I regret that greatly.

I regret the fact that we have not done an HMO patients' bill of rights.

I regret the fact we have not dealt with campaign finance reform. This House at least passed a bill, and the other body did not deal with it.

I regret the fact that we are still refusing to come to grips with the magnitude of the problem with education. Everybody talks about education, but we have just been allowed to play around at the fringes by the Republican majority this year.

We did at least deal with reauthorizing Title I, which is the most stable Federal participation in the elementary and secondary education process. We did at least tinker around with that.

□ 1615

We tried to make it worse by reducing the amount of funds being directed to poorest children. There are some problems there. But at least we put it on the table, we brought it to the floor, and we dealt with it. We have not dealt with school construction. We have not dealt with the magnitude of a kingpin problem.

If we do not deal with the physical infrastructure of the public education system, we are sending a message that we really do not care about the system. All the other things we do will not matter if the physical infrastructure cannot carry out the task that we have set for our public education system.

But I am optimistic about that. I am optimistic about the fact that we will come to grips with the problem of school construction and the large amounts of resources that are going to be needed for that. The fact it is going to require billions and billions of dollars is no reason to back away from it. Because we are able to come up with billions of dollars for an interstate highway system and the continuation of the highway program.

We authorized $218 billion in the last session of the 105th Congress. We saw the problem as being big. And despite the fact that nobody wants to be tagged with the label of being a big spender, that highway bill certainly spent large amounts of money to deal with a monumental problem.

We should look forward to the second session of the 106th Congress with optimism. Because the fact is that the public out there clearly has made it obvious what their priorities are. And eventually the Republican majority is going to respond to what the public is saying through the polls and through the focus groups and understand that next year's election cannot go forward with a record of ignoring what people are saying over and over again about education, about Patients' Bill of Rights, about the minimum wage. All these things have to be dealt with.

I am optimistic about the year 2000, our first year of the 21st century and the second session of the 106th Congress. I am optimistic about it because of the fact that it is a presidential election year.

Presidential elections are always pregnant with surprises. I am optimistic that we are going to have some positive surprises. We can have negative surprises, too. We do not want another presidential election year where a Willie Horton commercial surfaced and the whole spirit of that Willie Horton commercial pervades during the campaign and the electorate is treated to an appeal to go down to the lowest common denominator and racism becomes an overriding factor in the election.

Or the election that Ronald Reagan kicked off at Philadelphia, Mississippi.

When Ronald Reagan ran for President, he went to Philadelphia, Mississippi, the place where three civil rights workers had been slain; and he kicked off his campaign there sending a message, which later was communicated in terms of the new position of the Republican party.

They abandoned the civil rights partnership that they had up to that time with the Democrats, and they became the party which promoted anti-affirmative action and a whole series of things that led downhill, to the point where when Ronald Reagan left office and George Bush became President, there was a burning of churches throughout the South.

We had generated that kind of spirit at the time. I hope that we do not have those kinds of surprises. I hope that we will be able to not spend all the time fighting a rear-guard action, a defensive action, and can focus on positive matters. We could have some positive surprises. We could have some positive surprises which create a dialogue in this election which allows American people to really take a hard look at where we are now and where we can go in the 21st century.

The first year of the 21st century can be seen as a gateway into a new way of governing, a new way of dealing with the problems, an intellectual and mental opportunity to set our sights differently; and it could end up with some real positive achievements as a result.

First of all, I want a positive and adequate response to the number one concern of the American people. And that is education. We want a real adequate response, not a tempered nickel-and-dime response.

The response has to include not only the obvious problems that we need with respect to more funds for more teachers, more funds to deal with computers, but also the tremendous amount of funding that we need in order to deal with infrastructure problems, the construction repair, modernization, making schools more secure, et cetera.

The polls indicate a demand for this kind of action, and we are going to have to respond. There can be some other positive surprises that are taken which redound to the credit of the whole process and the American people could benefit.

Every presidential candidate, and there are more of them now, and as we get more presidential candidates, then we have more ideas introduced. I do not think that this is a bad thing. I think each presidential candidate may be good for one idea.

I want to disclose the fact right away that I am an early AL GORE supporter. I am not going to hide that from people listening. But I think that the other candidates can have some good ideas.

I think Mr. Buchanan is a candidate I can never live with because Mr. Buchanan has declared that American should be a white Christian country, which means that he really does not think there is a place solidly for me and my children and my grandchildren; and he says a lot of other things that I could never agree with.

But Mr. Buchanan should be applauded for his idea on trade, that this American Nation occupy a kingpin position, where we can almost dictate the terms for world trade, has given in over and over and over again to demands and rules that tie the hands of American workers.

We have negotiated our trade policies for the benefit of their top 5 percent, the top income bracket. They have done very well on the kinds of things we have negotiated with world trade.

Now we have a new agreement with China, which compounds the problem and we go on into the same abyss. I cannot agree more wholeheartedly than any Buchanan supporter with that particular aspect of his platform that trade is a bit of a sell-out for the American worker and we must do something to stop that. He has that one good idea. I would like to identify with that.

I would like to identify with Mr. Bradley's proposal that the Federal Government should be about doing things that are big and all encompassing. That certainly is something I would like to see Mr. Bradley develop in more detail.

I do not want a health care plan of the kind that he proposes where he wants to get rid of Medicaid. I think that is ridiculous. That is being big and stupid. That is being big and destructive. This is a big idea that could really cause a lot of suffering among people who are on the very bottom and among many of my constituents.

If you get rid of Medicaid in the process of trying to improve health care, you are going backwards and not forward. So I do not agree on that with Mr. Bradley.

But I hope he has some proposals on school construction and what the Federal roles should be in education, which are comparable to the role that they would be playing in a thing as important as education. I hope that Mr. Bradley will challenge the other candidates to come forward with big ideas.

We had a big idea when we decided to build the Transcontinental Railroad. The Federal Government built the Transcontinental Railroad, not private industry. We subsidized it. It was a big idea when we decided to create the land grant colleges and universities. Big idea. The Federal Government pushed that and created it. Big idea with the GI bill that offered education to every returning GI after World War II. Those big ideas paid off.

Medicaid was a big idea. Social Security was a big idea. All these big ideas, by the way, have been pushed and sponsored mostly by Democrats. And Democrats again should step up and provide the big idea at present.

We have to look at the school construction problem as being in the same category as the Transcontinental Railroad, as the interstate highway. We have to move in that way.

Mr. GORE, of course, has many ideas that I identify with. Mr. GORE has been there as we have had this transition of our government taking a very active role in the transition of our society into a sort of cyber-civilization, a new kind of civilization based on the Internet and computer and all the things related to that; and they have made proposals that have been very worthwhile for education and for our school system. I would like to see that continue.

And even bigger things should be made to happen by a person with Mr. GORE's background and experience and record. The track record is that the E-rate, which provides a 90 percent discount to the poorest schools for telecommunication services, was a product of this administration, which Mr. GORE is part of. The whole wiring of the schools and certain technology, literacy programs, have all come out of this administration that Mr. GORE has been a part of. We want to continue that kind of massive transformation of education and of society in general.

So I was talking about positive surprises that we may see in this election year, new kinds of activities to create a more dynamic dialogue, new ideas. And I have covered Mr. Buchanan, Mr. Bradley, Mr. GORE. And finally we come to Donald Trump, who recently made his entry into the presidential race.

I want to applaud Mr. Trump for producing an idea. I certainly am still a GORE supporter, but Mr. Trump has an idea which deserves examination. Mr. Trump has an idea which really is a blockbuster, it is revolutionary, it is sweeping, and it deserves to be considered.

Mr. Trump's idea is not so authentic that I can say that nobody else has thought about it at all, but he goes much further than most of us have gone. Certainly his idea that we should have a greater amount of tax on the richest Americans. Mr. Trump wants to impose a tax on the people who have assets above $10 million.

Now, stop and think how many people do you know would be affected by that kind of tax. He wants to tax only people who have assets above $10 million, and he wants to tax them one time at a rate of 14.5 percent and use the money realized from that tax to pay off the national debt. And then he wants to take the money that was being used every year to pay the national debt and funnel that into the system to cover the needs of Social Security; and there would be additional money left over, of course, for the safety net, Medicare, schools, education.

It is an idea which is quite broad and sweeping and has received quite a bit of ridicule by the people who have reacted immediately. However, before we dismiss it as being ridiculous, I think we ought to take a hard look at it.

I certainly find that it is compatible with a bill that I introduced a few months ago, H.R. 1099, a bill to amend the Internal Revenue Code of 1986 to provide more revenue for the Social Security system by imposing a tax on certain unearned income and to provide tax relief for more than 80 million individuals and families who pay more in Social Security than they pay in income taxes.

Now, I did not go as far as Mr. Trump did. Mr. Trump wants to tax unearned income assets. He wants to tax them far more broadly than I have proposed. And he wants to do that in order to get rid of the national debt.

I only propose a slight increase in taxes of people who have great assets, unearned income; and I wanted enough to be able to have that 80 million group of individuals and families who are paying now more Social Security tax than they are paying in income taxes.

□ 1630

Over the last two decades, the biggest percentage jump in taxes has been the payroll tax. The Social Security tax, the Medicare tax, combined, they have created a larger percentage increase in taxes than income taxes have increased. That means that the people at the very bottom who have no choice but to pay the payroll taxes are paying a greater percentage now than they were paying 20 years ago. They got the biggest percentage increase. We need to have some relief for those people.

That was my concern when I introduced H.R. 1099. I said the way to deal with that is to tax the unearned income, the assets of the richest people in order to get enough money to provide the relief for the poorest people. Mr. Trump says he wants to provide relief for the middle-income people as well. If you have a 14.5 percent tax on the assets of all people who have more than $10 million in assets, his economists calculate that would be enough to pay off the national debt. And once the national debt is paid off, you can use the interest we pay each year on the national debt in order to certainly make Social Security more secure and also to provide additional money for the safety net programs, including education and Medicare.

He wants to demand some things for that. He wants to get rid of the estate tax and do a few other things. But one should not lightly dismiss his proposal. Some people have said already, why do 14.5 percent one time? If it is a good idea, maybe you could do it over a 10-year period less, and it would not be such a shock to the economy. That makes sense. But the principle is established. The principle he is establishing is that the richest people in America can afford to come to the aid of the economy and the country and set a whole new standard, a whole new pattern for the way we deal with the budgeting in America. It is as revolutionary almost as Thomas Jefferson. The King of England thought Thomas Jefferson was a nut when he proposed that all men are created equal, that that was ridiculous. The one time that Thomas Jefferson had a chance to have an audience with the King of England, the King of England turned his back on Jefferson. He would not even talk to him. That revolutionary idea that all men are created equal was considered ridiculous in 1776. Now Trump says all rich people should step forward, and he is rich himself. He says that he is worth $5 billion, that his assets total $5 billion. He says that he would have to pay almost $700 million in this new tax that he proposes. And he is willing to do it. He says there are many other rich people who could do it, too, and never know that they lost that amount of money. They would never know it is gone.

I heard on a talk show in New York City yesterday, a couple of other rich people called in and said that they do not mind some version of this, they would not mind paying more taxes if it will help provide for decent health services and decent educational services. It is something that the rich can ponder. They would be indeed history-making. Never before in the history of mankind have those with wealth and means come forward and said, we will make a revolution from the top, from the top we will begin to deal with a problem of the redistribution of the tax burden. We always talked about the redistribution of the wealth and it would scare the hell out of people. They say you are a Communist if you talk about redistribution of wealth too loudly. But here is a rich man who says, let us redistribute the tax burden, let us have the people who are mega-millionaires and billionaires, making so much money now that it is hard for us to comprehend.

What is Bill Gates worth? Every day it jumps by billions. At the end of last year, I heard he was worth $40 billion. But he agreed to give away $40 billion a few months ago. He must be worth $60 billion now, some people estimated yesterday in the talk show. I do not know. I doubt if he knows. Because of the nature of wealth creation, it is not dependent on oil in the earth, the number of barrels that can be pumped, it is not dependent on mining gold, it is dependent on intellectual capital, people buying intellectual products, his software, his various other ventures. It is mushrooming all the time. Of course if you get a trade agreement with China, with more than 1 billion customers out there, a certain percentage of those are middle-class, well-educated, they are going to use computers too, and software, et cetera, et cetera. There is no end, it is infinite, the possible wealth of Bill Gates and the people in the various information technology industries, Cisco, ITT, it goes on and on. Wealth being created on a scale that we cannot even comprehend. If we are at this point in history accumulating wealth at that scale and most of the wealth, a large percentage of it is redounding to the United States population, 1 percent, 5 percent, the people at the very top, then is it not in order to stop and think about the fact that these people can never spend it, that it would be no harm to them to pay a greater percentage of this money than they now pay in taxes?

The Roman Empire at the point when its armies were bringing in large amounts of booty, large amounts of treasures were won by war, violence. They brought back the treasures, they made Rome rich beyond anybody's comprehension at that time. The Roman Empire leaders decreed that all the citizens of Rome should be paid. Because they had so much money, they got rid of all the taxes and they said they should be paid a certain amount of money every year, every citizen. They had that much money. And the citizens of Rome were defined in a small category. As soon as they started that policy, all the suburban Romans and all the rural Romans and everybody nearby moved into Rome. Of course it went bankrupt. It was a policy that was doomed to failure because if you define citizens of Rome as the people who live there, more people are going to come in to live there, and the booty, the treasures that they brought back from their violent conquests was not infinite. There was not a Bill Gates Windows 95, Windows 98 and other software products which as long as there are human brains and there are human brains out there working together, they will keep producing intellectual products for sale. There is a limit to how much violent conquest can produce. So the Roman policy failed. But it was a revolutionary kind of policy, to think that the treasury of a government is so great that we will give every citizen some part of it.

What Donald Trump is saying now is that we have such prosperity now and the people in his class, the billionaires and the mega-millionaires, are making so much money until they would not really miss it if you were to tax them 14.5 percent of their assets and get rid of the national debt overnight and use that interest you pay on the national debt for other things.

I think you can see now that an idea like that arouses great optimism in me. I am optimistic if that is going to be interjected into the debate in this presidential election. All we have been hearing so far about taxes is the flat

tax, and everybody that I know, every honest economist has said that that is a Steve Forbes rip-off, that the flat tax will produce definitely more money for the people who have the most money already. Unfortunately, the other candidates have not talked loudly about taxes at all because the word ''tax'' is something we politicians try to avoid. Just by itself the word ''tax'' arouses great animosity among voters. Here is a man who announced his candidacy by talking about taxes. I think it is so significant that it should not be ignored. We should use it as a key for a new kind of discussion. It should set the tone for a new kind of discussion.

Mr. Speaker, I am going to submit for the RECORD the article that appeared in the New York Times on November 10 which discussed Mr. Trump's launching his presidential career by proposing a new tax. I am going to just read a few excerpts from it before I submit it. This is an article by Adam Nagourney on November 10, 1999, in the New York Times:

''Trump, describing the first proposal of his exploratory presidential campaign, said the government should impose a one-time 14.25 percent tax on the assets of individuals and trusts worth $10 million or more. That would raise $5.7 trillion, he said, enough to pay off the national debt in a single year. And eliminating the debt, Trump explained, would save the Nation $200 billion in annual interest payments, money that he said could be used for tax cuts and ensuring the stability of the Social Security system.

''The New York developer chose an unusual forum to unveil what he describes as a policy cornerstone of his prospective campaign: a rolling series of radio and television interviews.'' In a rolling series, he will deal with these proposals again and again.

''Trump's plan met a response that ranged from incredulity to ridicule from a number of economists Tuesday. They suggested that a 14.25 percent tax would be impossible to get through a Republican-controlled Congress that has previously championed a $792 billion tax cut this year. Beyond that, they said that even if it passed, it would be problematic to measure net worth and then to tax it.''

And on and on it goes. There could be many objections made to this proposal. Mr. Trump said himself that his own net worth is $5 billion and that under his plan, he would owe $750 million in taxes in this one year. But he would profit, it says in parentheses, because a part of his plan calls for a repeal of the 55 percent estate tax. I mean, there are some pieces in there where you are going to be trading off for this plan.

Now, why am I trumpeting it here and do I think it could ever occur? I do not think so, but why not a modified version of this? Why not take a hard look at the assets of the billionaires and the mega-millionaires? I think Germany already has an asset tax, an asset tax of, I think, 1 percent. So an asset tax is not out of the question. But can we change the dialogue? The dialogue now says we will never have universal health care. We cannot even have a decent patients' bill of rights because it costs too much money. The dialogue now says we can never have all the money we need for education. Even the improvement of education in small ways costs so much money that we are retreating from that. They wanted to move away from the President's proposal to give more teachers for the classrooms and to bring down the ratio of children in the classroom to the teacher. After agreeing to that last year, they now want to bring it down very low, and with the recent proposals that have been discussed in these budget negotiations I understand have been concluded, they will honor the pledge and we will have that program restored at a slight increase, $1.3 billion I hear instead of $1.2 billion but they are going to have a proviso that allows them to take part of the money and do other things with it.

Mr. Speaker, $1.3 billion is a lot of money. I do not take lightly sums of money when they get to the million dollar mark. It is hard for me to conceive of a million dollars. I am the son of a poor factory worker who all his life worked for minimum wages. So it is all important. It is all big. But when you look at the needs that are there and you look at the needs that are there in education in modern terms, 50 years ago we would not think of spending $3.5 billion on an aircraft carrier. Fifty years ago nobody would have thought of an F–22 system, a series of planes that would cost billions and billions of dollars, or a B–1 bomber. You would not have 50 years ago talked about being able to conceive of a CIA, a Central Intelligence Agency which costs $30 billion a year to run. So in modern terms to spend $110 billion over a 10-year period to build schools is conservative, not radical. We need that kind of money. And if we happen to get that kind of money by having new taxes, the only taxes we should think about are taxes on the people who can afford to pay more taxes.

I am optimistic that the debate cannot be avoided. I am optimistic about the fact that each presidential candidate's campaign will have to step up to the plate and talk in new terms about the way we fund our government and offer new kinds of excuses about not being able to provide a decent health care system as well as a decent education system.

I include the entirety of this article for the RECORD, Mr. Speaker.

[From the New York Times, Nov. 10, 1999]

TRUMP PROPOSES CLEARING NATION'S DEBT AT EXPENSE OF THE RICH

(By Adam Nagourney)

Preparing to embark on his first trip as a prospective candidate for president, Donald J. Trump Tuesday presented a plan that he said would pay off the national debt, bolster Social Security and slash taxes by billions of dollars. Trump promised to accomplish all this at no cost to ordinary Americans, by forcing the rich to pay for it.

Trump, describing the first proposal of his exploratory presidential campaign, said the government should impose a one-time 14.25 percent tax on the assets of individuals and trusts worth $10 million or more. That would raise $5.7 trillion, he said, enough to pay off the national debt in a single year. And eliminating the debt, Trump explained, would save the nation $200 billion in annual interest payments, money that he said could be used for tax cuts and ensuring the stability of the Social Security system.

The New York developer chose an unusual forum to unveil what he described as a policy cornerstone of his prospective campaign: a rolling series of radio and television interviews. The proposal comes a week before Trump is to fly to Florida for a series of campaign-style events in Miami,the first of three such trips planned for the next month.

''The phones are going off the hook,'' Trump reported, as he combined a discussion of his economic ideas with a description of what he described as the public's giddy reaction to his foray into economic policy-making. ''I've never seen anything like this. Do you make Page 1 with this one?''

As a matter of politics, Trump's proposal—simple in its concept and framed in populist terms—seems aimed directly at the people who have supported the Reform Party since Ross Perot first called it to arms with, among other things, a call to wipe out the national debt. Trump, should he run, said he would seek to become the Reform Party's candidate for president.

It also had the advantage of lessening any liability Trump might believe he could suffer because of his own reputation as a man of wealth. The developer put his own net worth at $5 billion, and said that under his plan, he would owe $750 million in taxes (though his estate would ultimately profit if another part of Trump's plan were enacted: the repeal of the 55 percent estate tax).

Trump's plan met a response that ranged from incredulity to ridicule from a number of economists Tuesday. They suggested that a 14.25 percent tax would be impossible to get through a Republican-controlled Congress that championed a $792 billion tax cut this year. Beyond that, they said that even if it passed it would be problematic to measure net worth and then to tax it.

''I don't think the plan makes much economic sense,'' said Stephen Moore, director of fiscal policy studies at the libertarian Cato Institute. ''The fact is that most people's wealth that has been built up over 10, 20 or 50 years is wealth that has already been taxed.''

Trump's main opponent for the Reform Party nomination, Patrick J. Buchanan, offered a harsher assessment of Trump's plan. ''This is serious wacko stuff,'' Buchanan said by telephone from Albany.

Buchanan predicted that Trump's plan would cause the wealthy to move their holdings beyond the reach of the Internal Revenue Service. ''I can't think of a better idea to cause capital flight out of the United States,'' Buchanan said.

Trump said he had come up with the idea on his own and worked out its details with some private economists. He declined to name them.

He rejected criticism of his idea, demanding: ''Where is Gore's plan? Where is Bradley's plan? Where is Bush's plan? They don't exist.''

Still, it was clear that some parts of Trump's proposal remained unformed. For example, of the $200 billion in interest costs that would be saved, he said he would apply half to the Social Security system and the rest to tax reduction.

Trump said that $20 billion of that would pay for eliminating the inheritance tax. Asked how he would allocate the rest, he responded: ''All different taxes across the board. That would be determined and worked out.''

I also want to just backtrack a minute and say as we close out this session, I talked about a number of things that I wish we had covered that we did not cover.

□ 1645

I was delighted when this morning I saw them put on the calendar a bill which dealt with something which I was concerned with some time ago and never saw any action on. Suddenly I got a notice that we had put H.Con.Res. 128 on the calendar, and that is a resolution to express the sense of Congress regarding treatment of religious minorities in Iran, particularly Members of the Jewish community.

Now, I said to my staff, I want to go over and speak on that. I have been waiting for that. Back in August, on August 28, I read an article in the paper and it talked about the fact that 13 Jews would not be tried in Iran as spies for Israel, and I talked to some people on the Committee on International Relations, and they said yes, we are going to bring up a resolution to deal with that, and it never happened.

In August of this year, we were still very much preoccupied, of course, with Kosovo and ethnic cleansing. One article I read, not the one I read in the paper, but a larger article in a magazine, it talked about the fact that in Iran and Iraq and the Arab countries, there was massive removal of Jewish communities going on for the last 25 years. Large numbers of Jews in large Jewish communities in these countries had been moved. Nobody ever brought forth an international outcry about ethnic cleansing, but ethnic cleansing of that kind has been going on for a long time. Now we only have tiny Jewish communities, very small amounts of Jews still in countries like Iran and Iraq, and here is a situation where a small group has been singled out for persecution.

On August 28, the article reads as follows: ''Iran's courts are prepared to try 13 Iranian Jews on charges of spying for Israel. Israel has repeatedly denied any link to the 13 who face a near certain death sentence if convicted under a 1996 law punishing spies for Israel or the United States.'' The case took on a new gravity after an official was quoted as saying ''the accused belong to a spy network directly linked to Israel and that they were spying for the United States.'' Quote, ''This regime was definitely involved in the spying,'' end of quote, an unidentified official said in today's issue of the conservative Tehran Times, which is close to Iran judiciary and intelligence services.

The newspaper said the official had also alleged that the 13 were spying for the United States. The official was also quoted as saying ''an unspecified number of Muslims had also been arrested in connection with the case. The charges mean that the defendants are likely to be tried in one of Iran's hardline revolutionary courts.''

That was August 28 of this year. Today we put on the calendar a resolution regarding the treatment of religious minorities in Iran, because I hear that those 13 are still awaiting trial and the trial will take place soon. I do not know why we took that off the calendar. It is very important now because this week we have had to see the phenomenon of the joyous approval of an agreement with China, World Trade Organization agreement; China is going to be admitted to the World Trade Organization, and all of the persecutions of the Chinese Communist government and all of the things that they have done, suddenly they have been pushed in the background.

Mr. Speaker, I would hate to see the day arrive when we are going to allow Iran to join the World Trade Organization and we are going to negotiate a trade agreement with Iran and not deal with all of these problems.

Today there is an article in The New York Times about the wartime accounts found in Swiss banks. Instead of them being a small amount that Swiss banks agreed to, they said they only had 755 accounts of Jews who were killed in the Holocaust; yet it turns out that they have 45,000, 45,000 accounts that they now admit were accounts of the Jews in the Holocaust. Are we going to talk about prosecutors and Swiss bankers at the world court tribunal the way we are considering the prosecution of people who are responsible for the massacres in Kosovo and Bosnia?

Mr. Speaker, I just think that as we close out, there should be room on the calendar, and I hope that if there is going to be any more business unrelated to the budget, but certainly we will bring back that resolution as we close out and let the world know that the ethnic cleansing, we do not have to send bombers and we did not send bombers a long time ago to bomb Iran and we have not advocated that activity and I certainly do not propose that we do that, but our moral authority should be brought to bear another kind of ethnic cleansing that Jews have been doing in all of these Arab countries, especially in Iran, and now the continuation of it in such a bold way certainly ought to be brought to the attention of the American people and the Congress ought to weigh in and give its own moral opinion.

Mr. Speaker, I want to continue the train of thought that I set forth before that we are closing out the first session of the 106th Congress with great disappointment, but I am optimistic that the second session will be very productive, because I think the stage for a second session which is more productive will be set by the presidential debates and the presidential contests, as well as the contest for a new Congress. I do not want to imply that I do not think that the contest to elect a new Congress is less important than the presidential election.

We intend to have a Democratic majority, and that Democratic majority will be based on the fact that the people look at the lack of achievements of the first session of the 106th Congress and begin to demand a change and vote for a change.

It is certainly of great need in my district, New York City. It seems that the newspapers and the powerful people that control decision-making have suddenly discovered that the board of education in our city is on the verge of collapse, and that education, the educational deficiencies that we have talked about for many years are true.

All of this is being brought to a head by a class action suit that is now going forward in the Federal court at 60 Center Street in New York. The Federal court is hearing a case brought by a group called the Campaign for Fiscal Equity, and the case is being brought against the State of New York because the conditions in the city schools are partially that way because of the lack of fair State aid, or fair distribution of State aid.

New York City, with 38 percent of the children in the State, receives only 35 percent of the State aid money; and that is a great improvement over the way it was 5 years ago. Over the years, the gap has closed. There was one point where we received far less in State aid where communities outside of New York City and upstate received a far greater percentage of State aid per pupil. The court case, the plaintiffs are charging, and rightly so, that we do not get enough money to live up to the requirement of the State constitution that all children be educated adequately. We need more money in order to provide adequate education.

They have gone further and said that the schools that are suffering either in New York City or in the big city of Buffalo, big cities like Buffalo and Syracuse are in some of the suburban schools. Those schools are all schools

that have minority youngsters, either African American youngsters or Hispanic youngsters, so that there is a racial component. The suit is charging two things, not only that the State has failed to provide the funds necessary for an adequate education for all children, but the State is also discriminating, because the pattern is that the places that are getting less money per pupil, per child, happen to be places where we have concentrations of minorities.

Now, that court suit has generated more attention from the press to the great problems that exist in New York City schools. As a result, one day last week we had the New York Post carry articles about the fact that the cafeterias of certain schools in the poorest areas had rats and roaches, signs of rats and roaches in the cafeteria. The same day there was a big article in the Daily News about the fact that in those same schools where the minorities are concentrated and of course youngsters are concentrated, up to half of the teachers are not certified to teach. Where we need the best teachers we have the worst teachers because of the problem of the lack of certification.

The problem of certification of teachers goes on as being discussed, and I welcome that discussion in the newspapers. We cannot really take full advantage of the President's fight that I think now has been won, the battle has been won, to provide more teachers to the classroom who are qualified if we do not have certified teachers. So it is imperative that the unfinished business of this Congress be followed through next year by providing more funds and more programs to generate more teachers. We have to have a greater pool of teachers because we are in a situation now where because there is a great shortage of teachers, the best teachers, the teachers who passed the tests and are certified, they leave New York City and go to the suburbs, and we are left with those who are unqualified and are not certified in large numbers.

This is just one of the many problems. The New York Times has an editorial which talks about the bidding for teachers.

Now, am I laying this problem solely on the doorstep of the Federal Government? No, I am not. But bidding for qualified teachers requires more funding. Most of that funding would not come from the Federal Government. So I would like to add that it is very important for the Federal Government to continue its role as a stimulus. The Federal Government's role in education is a very small one proportionally. We only provide 6 or 7 percent of the total education funds in this Nation, and that includes higher education. So the other 93 percent of the funding for education comes from the States and from the local governments.

We must set standards for the States and local governments in certain critical areas and force them to spend more of their money on education. In my own City of New York, last year they had a surplus of $2 billion, more revenue was collected, $2 billion more than was spent. But the mayor of the city and the city council has to bear part of the blame for this also, chose not to spend a single dime on education. We cannot blame the Federal Government for that.

These problems that are being unearthed with respect to lack of certified teachers, poor conditions in the cafeterias, et cetera, they must be approached from the city level as well, and the State level; the State Government had a $2 billion surplus also.

These are very prosperous times, and we had surpluses. The New York State legislature, both the legislature and the assembly, passed a bill to spend $500 million to repair schools, for schools that need repair most. There are schools that still have coal-burning furnaces; there are schools that have asbestos problems; schools that have lead in the pipes. They wanted to deal with some of those problems, but the Republican governor vetoed a bill to provide $500,000 for that.

So we cannot blame it totally on the Federal Government, but the example has to be set by the Federal Government. The role of the Federal Government in education, as small as it is, has been a very positive one because they have stimulated new standards at the State level, new kinds of competencies. We never had State education plans before the Federal Government got involved under Lyndon Johnson. We never had standards, discussions about standards in curriculum. There are a whole set of positive things that have happened in education as a result of Federal leadership. Federal leadership provided the impetus, and that is as important as any other thing that the Federal Government does.

□ 1700

If we make them, expose them to their own constituencies, the States and cities will spend more money for education, but we can only do that if the Federal government takes a greater initiative.

I have always said that at the dawn of the 21st century we should see ourselves as creating a new cyber civilization. That cyber civilization demands that there be more brain power. Brains are going to drive the next century. Everybody agrees on that, and if that is the case, we should give our highest priority to the development. No individuals in America should be left in a situation where they do not have the fullest opportunity to develop their brain power.

To do this, we need to launch a highly visible effort to revamp the infrastructure of the school systems of America. H.R. 3071, a bill I have introduced which calls for spending $110 billion over a 10-year period, is the kind of adequate response that we need to the problem of decaying infrastructure.

Me and my colleagues who were here 2 hours ago speaking on the floor talked about the atrocities with respect to overcrowding in their schools across the country. We can only deal with that if we have a massive Federal intervention which, in addition to providing the funds needed to build some schools, would stimulate the States and cities to also participate.

I am optimistic about next year. For those people who called me and said, well, they are closing out the year and you have no money for construction, are you not sad, no. I never expected this year to end with new money for construction. Even H.R. 1660, offered by the gentleman from New York (Mr. RANGEL), which all members of the Democratic Caucus support and we have been pushing, even that token response was not allowed on the floor.

I am not surprised. Next year the Republican majority will have to respond. Next year the candidates for president will have to respond. The American people want and demand that our education systems be revamped. We have to start with a substantial action like school construction and repair, and new school security.

Mr. Speaker, I yield to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I thank the gentleman from New York for yielding to me.

Mr. Speaker, I wanted to call attention. Earlier this afternoon there were speakers on the floor who challenged a press conference that was held this morning. I wanted to, and my colleague, the gentlewoman from New York (Mrs. MCCARTHY), wanted to try to set the record straight on this press conference.

In fact, there were several of the Democratic women who today unveiled a sad symbol of this Congress' inaction on the very important issue of gun safety, gun safety legislation. The Columbine clock was unveiled. It ticks off the days, the hours, the minutes, the seconds since the Columbine tragedy, which was at 1:30 p.m. on April 12, 211 days ago, 211 days and 3 hours.

It represents the inaction of this Congress on an issue of absolute importance to American families, to their families and to their children.

Since April 20, many of my colleagues, many of the Democratic women in this House of Representatives, have worked hard to address the issue of gun safety and gun violence in a very thorough and thoughtful way, but for the last 7 months the Republican leadership has consistently obstructed every single attempt to pass

meaningful gun safety measures in this body.

This is done so despite overwhelming support among mothers, fathers, sisters, brothers, aunts, uncles, grandmothers across this great country of ours to pass sensible measures: child safety locks, closing the loophole on background checks at gun shows, banning the importation of the high capacity ammunition clips.

This is legislation that was passed in the Senate, a bipartisan piece of legislation, a compromise piece of legislation. We are asking that the Conference Committee on Juvenile Justice which takes up the issue of gun safety please meet, do something, respond to the will of the people in this country. In fact, it is a conference committee that has met one time, one time; no debate, no discussion, no clarity of thought on what direction we take on gun safety measures in this country.

No one here is grandstanding. No one here is saying, let us not have a piece of legislation because what we want to do is to keep this issue around. That is not why we were sent here. We were sent here to do the people's business in the people's House.

Every single day 13 children die from gunfire in this country. It is wrong. That is why we had the clock, as a way to say the days, the hours, the seconds, the minutes are being ticked off and our kids are dying. Guns are getting into the hands of criminals and children. It is wrong.

If we are not going to do anything about it in this final day, these final days of the 106th session, we commit to the American public that we will spend every single day, minute, hour, and second of the next year of this session working hard to pass gun safety legislation in this country to protect our families and protect our children.

Mr. OWENS. Mr. Speaker, I am optimistic about gun safety passing, and it is because of the gentlewomen here.

Mr. Speaker, I yield to the gentlewoman from New York (Mrs. McCARTHY).

Mrs. McCARTHY of New York. Mr. Speaker, hopefully we will bring this issue up next year and work for it and get it passed.

Mr. Speaker, I also want to address some of the things said earlier in this Chamber and try and set the record straight. Number one, there is an awful lot of us that do not want this to be a political issue.

I personally do not think it should be a political issue. To me, it is not a Republican or a Democratic issue, it is the issue of the American people. That is why we had the clock, the Columbine clock, to remind people, because there has unfortunately been that terrible incident that woke up the American people to the gun violence that we sit here and talk about.

I of all people certainly do know what it is to remember the violence in this country. In a couple of weeks, it will be the 6th year anniversary of the Long Island Railroad Massacre, where my husband was killed and a number of my neighbors were killed, and my son was injured, and an awful lot of people were injured on that.

We do not want the American people to forget the pain that is left with so many victims, so we here in Congress are trying to stop future pain to our children and to American citizens.

It can be taken off the table as far as a political issue. Let us all meet together at a conference. That is all we have been asking for. We are hearing this and that. I am on the conferees, and we have not met.

I have to tell the Members, if the NRA amendment had passed in this House, it was more than just being imperfect, it was dangerous. If the NRA amendment had been law over the first 6 months of 1999, 17,000 people who were stopped by our current background check system would now be armed. In fact, if the 24-hour policy had been in effect, we know of cases where murderers, rapists, and kidnappers would be walking around with guns.

This has nothing to do with second amendment rights, this has to do with keeping guns out of the hands of criminals. That is what we are supposed to do. But fortunately, and I will say this, Republicans and Democrats did work together, and together we prevented the NRA amendment from becoming law.

I think that is important here, because when we speak to the people, the American people, and it does not matter whether they are Republicans or Democrats, they want something done. That is what this House is supposed to be doing.

That is why we had the Columbine clock, to remind the American people that we still have time to do something before we leave. I know there are many of us that are willing to work through Thanksgiving, through Christmas, to make sure that our citizens are safe.

We have all tried to work in a bipartisan manner. We certainly have had people on both sides of the aisle support my amendment, which would have closed the gun show loophole, made sure that criminals and especially children do not get their hands on guns. I think that is what we have to do.

We should have passed safety reform in this Congress, real gun safety reform that keeps the guns out of the hands of felons. That is what we did not do in this Congress, and I am sorry for that, because each day that we have not done something we continue to lose victims across this country. We continue to see too much pain. That is not what this country is about.

I thank the gentleman from New York (Mr. OWENS) and I thank my colleague, the gentlewoman from Connecticut (Ms. DeLAURO), for letting us answer these questions.

Mr. OWENS. Mr. Speaker, I thank my colleagues for joining me.

RECESS

The SPEAKER pro tempore (Mr. EWING). Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 5 o'clock and 10 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1102

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. DREIER) at 11 o'clock and 2 minutes p.m.

TICKET TO WORK AND WORK INCENTIVES IMPROVEMENT ACT OF 1999

Mr. ARMEY submitted the following conference report and statement on the bill (H.R. 1180) to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes:

CONFERENCE REPORT (H. REPT. 106–478)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1180), to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Ticket to Work and Work Incentives Improvement Act of 1999".

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

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
TITLE I—TICKET TO WORK AND SELF-SUFFICIENCY AND RELATED PROVISIONS
Subtitle A—Ticket to Work and Self-Sufficiency
Sec. 101. Establishment of the Ticket to Work and Self-Sufficiency Program.
Subtitle B—Elimination of Work Disincentives
Sec. 111. Work activity standard as a basis for review of an individual's disabled status.
Sec. 112. Expedited reinstatement of disability benefits.

Subtitle C—Work Incentives Planning, Assistance, and Outreach

Sec. 121. Work incentives outreach program.
Sec. 122. State grants for work incentives assistance to disabled beneficiaries.

TITLE II—EXPANDED AVAILABILITY OF HEALTH CARE SERVICES

Sec. 201. Expanding State options under the medicaid program for workers with disabilities.
Sec. 202. Extending medicare coverage for OASDI disability benefit recipients.
Sec. 203. Grants to develop and establish State infrastructures to support working individuals with disabilities.
Sec. 204. Demonstration of coverage under the medicaid program of workers with potentially severe disabilities.
Sec. 205. Election by disabled beneficiaries to suspend medigap insurance when covered under a group health plan.

TITLE III—DEMONSTRATION PROJECTS AND STUDIES

Sec. 301. Extension of disability insurance program demonstration project authority.
Sec. 302. Demonstration projects providing for reductions in disability insurance benefits based on earnings.
Sec. 303. Studies and reports.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

Sec. 401. Technical amendments relating to drug addicts and alcoholics.
Sec. 402. Treatment of prisoners.
Sec. 403. Revocation by members of the clergy of exemption from social security coverage.
Sec. 404. Additional technical amendment relating to cooperative research or demonstration projects under titles II and XVI.
Sec. 405. Authorization for State to permit annual wage reports.
Sec. 406. Assessment on attorneys who receive their fees via the Social Security Administration.
Sec. 407. Extension of authority of State medicaid fraud control units.
Sec. 408. Climate database modernization.
Sec. 409. Special allowance adjustment for student loans.
Sec. 410. Schedule for payments under SSI state supplementation agreements.
Sec. 411. Bonus commodities.
Sec. 412. Simplification of definition of foster child under EIC.
Sec. 413. Delay of effective date of organ procurement and transplantation network final rule.

TITLE V—TAX RELIEF EXTENSION ACT OF 1999

Sec. 500. Short title of title.

Subtitle A—Extensions

Sec. 501. Allowance of nonrefundable personal credits against regular and minimum tax liability.
Sec. 502. Research credit.
Sec. 503. Subpart F exemption for active financing income.
Sec. 504. Taxable income limit on percentage depletion for marginal production.
Sec. 505. Work opportunity credit and welfare-to-work credit.
Sec. 506. Employer-provided educational assistance.
Sec. 507. Extension and modification of credit for producing electricity from certain renewable resources.
Sec. 508. Extension of duty-free treatment under Generalized System of Preferences.
Sec. 509. Extension of credit for holders of qualified zone academy bonds.
Sec. 510. Extension of first-time homebuyer credit for District of Columbia.
Sec. 511. Extension of expensing of environmental remediation costs.
Sec. 512. Temporary increase in amount of rum excise tax covered over to Puerto Rico and Virgin Islands.

Subtitle B—Other Time-Sensitive Provisions

Sec. 521. Advance pricing agreements treated as confidential taxpayer information.
Sec. 522. Authority to postpone certain tax-related deadlines by reason of Y2K failures.
Sec. 523. Inclusion of certain vaccines against streptococcus pneumoniae to list of taxable vaccines.
Sec. 524. Delay in effective date of requirement for approved diesel or kerosene terminals.
Sec. 525. Production flexibility contract payments.

Subtitle C—Revenue Offsets

PART I—GENERAL PROVISIONS

Sec. 531. Modification of estimated tax safe harbor.
Sec. 532. Clarification of tax treatment of income and loss on derivatives.
Sec. 533. Expansion of reporting of cancellation of indebtedness income.
Sec. 534. Limitation on conversion of character of income from constructive ownership transactions.
Sec. 535. Treatment of excess pension assets used for retiree health benefits.
Sec. 536. Modification of installment method and repeal of installment method for accrual method taxpayers.
Sec. 537. Denial of charitable contribution deduction for transfers associated with split-dollar insurance arrangements.
Sec. 538. Distributions by a partnership to a corporate partner of stock in another corporation.

PART II—PROVISIONS RELATING TO REAL ESTATE INVESTMENT TRUSTS

SUBPART A—TREATMENT OF INCOME AND SERVICES PROVIDED BY TAXABLE REIT SUBSIDIARIES

Sec. 541. Modifications to asset diversification test.
Sec. 542. Treatment of income and services provided by taxable REIT subsidiaries.
Sec. 543. Taxable REIT subsidiary.
Sec. 544. Limitation on earnings stripping.
Sec. 545. 100 percent tax on improperly allocated amounts.
Sec. 546. Effective date.
Sec. 547. Study relating to taxable REIT subsidiaries.

SUBPART B—HEALTH CARE REITS

Sec. 551. Health care REITs.

SUBPART C—CONFORMITY WITH REGULATED INVESTMENT COMPANY RULES

Sec. 556. Conformity with regulated investment company rules.

SUBPART D—CLARIFICATION OF EXCEPTION FROM IMPERMISSIBLE TENANT SERVICE INCOME

Sec. 561. Clarification of exception for independent operators.

SUBPART E—MODIFICATION OF EARNINGS AND PROFITS RULES

Sec. 566. Modification of earnings and profits rules.

SUBPART F—MODIFICATION OF ESTIMATED TAX RULES

Sec. 571. Modification of estimated tax rules for closely held real estate investment trusts.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress makes the following findings:

(1) It is the policy of the United States to provide assistance to individuals with disabilities to lead productive work lives.

(2) Health care is important to all Americans.

(3) Health care is particularly important to individuals with disabilities and special health care needs who often cannot afford the insurance available to them through the private market, are uninsurable by the plans available in the private sector, and are at great risk of incurring very high and economically devastating health care costs.

(4) Americans with significant disabilities often are unable to obtain health care insurance that provides coverage of the services and supports that enable them to live independently and enter or rejoin the workforce. Personal assistance services (such as attendant services, personal assistance with transportation to and from work, reader services, job coaches, and related assistance) remove many of the barriers between significant disability and work. Coverage for such services, as well as for prescription drugs, durable medical equipment, and basic health care are powerful and proven tools for individuals with significant disabilities to obtain and retain employment.

(5) For individuals with disabilities, the fear of losing health care and related services is one of the greatest barriers keeping the individuals from maximizing their employment, earning potential, and independence.

(6) Social Security Disability Insurance and Supplemental Security Income beneficiaries risk losing medicare or medicaid coverage that is linked to their cash benefits, a risk that is an equal, or greater, work disincentive than the loss of cash benefits associated with working.

(7) Individuals with disabilities have greater opportunities for employment than ever before, aided by important public policy initiatives such as the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), advancements in public understanding of disability, and innovations in assistive technology, medical treatment, and rehabilitation.

(8) Despite such historic opportunities and the desire of millions of disability recipients to work and support themselves, fewer than one-half of one percent of Social Security Disability Insurance and Supplemental Security Income beneficiaries leave the disability rolls and return to work.

(9) In addition to the fear of loss of health care coverage, beneficiaries cite financial disincentives to work and earn income and lack of adequate employment training and placement services as barriers to employment.

(10) Eliminating such barriers to work by creating financial incentives to work and by providing individuals with disabilities real choice in obtaining the services and technology they need to find, enter, and maintain employment can greatly improve their short and long-term financial independence and personal well-being.

(11) In addition to the enormous advantages such changes promise for individuals with disabilities, redesigning government programs to help individuals with disabilities return to work may result in significant savings and extend the life of the Social Security Disability Insurance Trust Fund.

(12) If only an additional one-half of one percent of the current Social Security Disability Insurance and Supplemental Security Income recipients were to cease receiving benefits as a result of employment, the savings to the Social Security Trust Funds and to the Treasury in cash assistance would total $3,500,000,000 over the worklife of such individuals, far exceeding the cost of providing incentives and services needed

to assist them in entering work and achieving financial independence to the best of their abilities.

(b) PURPOSES.—The purposes of this Act are as follows:

(1) To provide health care and employment preparation and placement services to individuals with disabilities that will enable those individuals to reduce their dependency on cash benefit programs.

(2) To encourage States to adopt the option of allowing individuals with disabilities to purchase medicaid coverage that is necessary to enable such individuals to maintain employment.

(3) To provide individuals with disabilities the option of maintaining medicare coverage while working.

(4) To establish a return to work ticket program that will allow individuals with disabilities to seek the services necessary to obtain and retain employment and reduce their dependency on cash benefit programs.

TITLE I—TICKET TO WORK AND SELF-SUFFICIENCY AND RELATED PROVISIONS

Subtitle A—Ticket to Work and Self-Sufficiency

SEC. 101. ESTABLISHMENT OF THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

(a) IN GENERAL.—Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by adding at the end the following new section:

''THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM

''SEC. 1148. (a) IN GENERAL.—The Commissioner shall establish a Ticket to Work and Self-Sufficiency Program, under which a disabled beneficiary may use a ticket to work and self-sufficiency issued by the Commissioner in accordance with this section to obtain employment services, vocational rehabilitation services, or other support services from an employment network which is of the beneficiary's choice and which is willing to provide such services to such beneficiary.

''(b) TICKET SYSTEM.—

''(1) DISTRIBUTION OF TICKETS.—The Commissioner may issue a ticket to work and self-sufficiency to disabled beneficiaries for participation in the Program.

''(2) ASSIGNMENT OF TICKETS.—A disabled beneficiary holding a ticket to work and self-sufficiency may assign the ticket to any employment network of the beneficiary's choice which is serving under the Program and is willing to accept the assignment.

''(3) TICKET TERMS.—A ticket issued under paragraph (1) shall consist of a document which evidences the Commissioner's agreement to pay (as provided in paragraph (4)) an employment network, which is serving under the Program and to which such ticket is assigned by the beneficiary, for such employment services, vocational rehabilitation services, and other support services as the employment network may provide to the beneficiary.

''(4) PAYMENTS TO EMPLOYMENT NETWORKS.—The Commissioner shall pay an employment network under the Program in accordance with the outcome payment system under subsection (h)(2) or under the outcome-milestone payment system under subsection (h)(3) (whichever is elected pursuant to subsection (h)(1)). An employment network may not request or receive compensation for such services from the beneficiary.

''(c) STATE PARTICIPATION.—

''(1) IN GENERAL.—Each State agency administering or supervising the administration of the State plan approved under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) may elect to participate in the Program as an employment network with respect to a disabled beneficiary. If the State agency does elect to participate in the Program, the State agency also shall elect to be paid under the outcome payment system or the outcome-milestone payment system in accordance with subsection (h)(1). With respect to a disabled beneficiary that the State agency does not elect to have participate in the Program, the State agency shall be paid for services provided to that beneficiary under the system for payment applicable under section 222(d) and subsections (d) and (e) of section 1615. The Commissioner shall provide for periodic opportunities for exercising such elections.

''(2) EFFECT OF PARTICIPATION BY STATE AGENCY.—

''(A) STATE AGENCIES PARTICIPATING.—In any case in which a State agency described in paragraph (1) elects under that paragraph to participate in the Program, the employment services, vocational rehabilitation services, and other support services which, upon assignment of tickets to work and self-sufficiency, are provided to disabled beneficiaries by the State agency acting as an employment network shall be governed by plans for vocational rehabilitation services approved under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

''(B) STATE AGENCIES ADMINISTERING MATERNAL AND CHILD HEALTH SERVICES PROGRAMS.—Subparagraph (A) shall not apply with respect to any State agency administering a program under title V of this Act.

''(3) AGREEMENTS BETWEEN STATE AGENCIES AND EMPLOYMENT NETWORKS.—State agencies and employment networks shall enter into agreements regarding the conditions under which services will be provided when an individual is referred by an employment network to a State agency for services. The Commissioner shall establish by regulations the timeframe within which such agreements must be entered into and the mechanisms for dispute resolution between State agencies and employment networks with respect to such agreements.

''(d) RESPONSIBILITIES OF THE COMMISSIONER.—

''(1) SELECTION AND QUALIFICATIONS OF PROGRAM MANAGERS.—The Commissioner shall enter into agreements with 1 or more organizations in the private or public sector for service as a program manager to assist the Commissioner in administering the Program. Any such program manager shall be selected by means of a competitive bidding process, from among organizations in the private or public sector with available expertise and experience in the field of vocational rehabilitation or employment services.

''(2) TENURE, RENEWAL, AND EARLY TERMINATION.—Each agreement entered into under paragraph (1) shall provide for early termination upon failure to meet performance standards which shall be specified in the agreement and which shall be weighted to take into account any performance in prior terms. Such performance standards shall include—

''(A) measures for ease of access by beneficiaries to services; and

''(B) measures for determining the extent to which failures in obtaining services for beneficiaries fall within acceptable parameters, as determined by the Commissioner.

''(3) PRECLUSION FROM DIRECT PARTICIPATION IN DELIVERY OF SERVICES IN OWN SERVICE AREA.—Agreements under paragraph (1) shall preclude—

''(A) direct participation by a program manager in the delivery of employment services, vocational rehabilitation services, or other support services to beneficiaries in the service area covered by the program manager's agreement; and

''(B) the holding by a program manager of a financial interest in an employment network or service provider which provides services in a geographic area covered under the program manager's agreement.

''(4) SELECTION OF EMPLOYMENT NETWORKS.—

''(A) IN GENERAL.—The Commissioner shall select and enter into agreements with employment networks for service under the Program. Such employment networks shall be in addition to State agencies serving as employment networks pursuant to elections under subsection (c).

''(B) ALTERNATE PARTICIPANTS.—In any State where the Program is being implemented, the Commissioner shall enter into an agreement with any alternate participant that is operating under the authority of section 222(d)(2) in the State as of the date of the enactment of this section and chooses to serve as an employment network under the Program.

''(5) TERMINATION OF AGREEMENTS WITH EMPLOYMENT NETWORKS.—The Commissioner shall terminate agreements with employment networks for inadequate performance, as determined by the Commissioner.

''(6) QUALITY ASSURANCE.—The Commissioner shall provide for such periodic reviews as are necessary to provide for effective quality assurance in the provision of services by employment networks. The Commissioner shall solicit and consider the views of consumers and the program manager under which the employment networks serve and shall consult with providers of services to develop performance measurements. The Commissioner shall ensure that the results of the periodic reviews are made available to beneficiaries who are prospective service recipients as they select employment networks. The Commissioner shall ensure that the periodic surveys of beneficiaries receiving services under the Program are designed to measure customer service satisfaction.

''(7) DISPUTE RESOLUTION.—The Commissioner shall provide for a mechanism for resolving disputes between beneficiaries and employment networks, between program managers and employment networks, and between program managers and providers of services. The Commissioner shall afford a party to such a dispute a reasonable opportunity for a full and fair review of the matter in dispute.

''(e) PROGRAM MANAGERS.—

''(1) IN GENERAL.—A program manager shall conduct tasks appropriate to assist the Commissioner in carrying out the Commissioner's duties in administering the Program.

''(2) RECRUITMENT OF EMPLOYMENT NETWORKS.—A program manager shall recruit, and recommend for selection by the Commissioner, employment networks for service under the Program. The program manager shall carry out such recruitment and provide such recommendations, and shall monitor all employment networks serving in the Program in the geographic area covered under the program manager's agreement, to the extent necessary and appropriate to ensure that adequate choices of services are made available to beneficiaries. Employment networks may serve under the Program only pursuant to an agreement entered into with the Commissioner under the Program incorporating the applicable provisions of this section and regulations thereunder, and the program manager shall provide and maintain assurances to the Commissioner that payment by the Commissioner to employment networks pursuant to this section is warranted based on compliance by such employment networks with the terms of such agreement and this section. The program manager shall not impose numerical limits on the number of employment networks to be recommended pursuant to this paragraph.

''(3) FACILITATION OF ACCESS BY BENEFICIARIES TO EMPLOYMENT NETWORKS.—A program manager shall facilitate access by beneficiaries to employment networks. The program manager shall ensure that each beneficiary is allowed changes in employment networks without being deemed to have rejected services under

the Program. When such a change occurs, the program manager shall reassign the ticket based on the choice of the beneficiary. Upon the request of the employment network, the program manager shall make a determination of the allocation of the outcome or milestone-outcome payments based on the services provided by each employment network. The program manager shall establish and maintain lists of employment networks available to beneficiaries and shall make such lists generally available to the public. The program manager shall ensure that all information provided to disabled beneficiaries pursuant to this paragraph is provided in accessible formats.

''(4) ENSURING AVAILABILITY OF ADEQUATE SERVICES.—The program manager shall ensure that employment services, vocational rehabilitation services, and other support services are provided to beneficiaries throughout the geographic area covered under the program manager's agreement, including rural areas.

''(5) REASONABLE ACCESS TO SERVICES.—The program manager shall take such measures as are necessary to ensure that sufficient employment networks are available and that each beneficiary receiving services under the Program has reasonable access to employment services, vocational rehabilitation services, and other support services. Services provided under the Program may include case management, work incentives planning, supported employment, career planning, career plan development, vocational assessment, job training, placement, follow-up services, and such other services as may be specified by the Commissioner under the Program. The program manager shall ensure that such services are available in each service area.

''(f) EMPLOYMENT NETWORKS.—

''(1) QUALIFICATIONS FOR EMPLOYMENT NETWORKS.—

''(A) IN GENERAL.—Each employment network serving under the Program shall consist of an agency or instrumentality of a State (or a political subdivision thereof) or a private entity, that assumes responsibility for the coordination and delivery of services under the Program to individuals assigning to the employment network tickets to work and self-sufficiency issued under subsection (b).

''(B) ONE-STOP DELIVERY SYSTEMS.—An employment network serving under the Program may consist of a one-stop delivery system established under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.).

''(C) COMPLIANCE WITH SELECTION CRITERIA.—No employment network may serve under the Program unless it meets and maintains compliance with both general selection criteria (such as professional and educational qualifications, where applicable) and specific selection criteria (such as substantial expertise and experience in providing relevant employment services and supports).

''(D) SINGLE OR ASSOCIATED PROVIDERS ALLOWED.—An employment network shall consist of either a single provider of such services or of an association of such providers organized so as to combine their resources into a single entity. An employment network may meet the requirements of subsection (e)(4) by providing services directly, or by entering into agreements with other individuals or entities providing appropriate employment services, vocational rehabilitation services, or other support services.

''(2) REQUIREMENTS RELATING TO PROVISION OF SERVICES.—Each employment network serving under the Program shall be required under the terms of its agreement with the Commissioner to—

''(A) serve prescribed service areas; and

''(B) take such measures as are necessary to ensure that employment services, vocational rehabilitation services, and other support services provided under the Program by, or under agreements entered into with, the employment network are provided under appropriate individual work plans that meet the requirements of subsection (g).

''(3) ANNUAL FINANCIAL REPORTING.—Each employment network shall meet financial reporting requirements as prescribed by the Commissioner.

''(4) PERIODIC OUTCOMES REPORTING.—Each employment network shall prepare periodic reports, on at least an annual basis, itemizing for the covered period specific outcomes achieved with respect to specific services provided by the employment network. Such reports shall conform to a national model prescribed under this section. Each employment network shall provide a copy of the latest report issued by the employment network pursuant to this paragraph to each beneficiary upon enrollment under the Program for services to be received through such employment network. Upon issuance of each report to each beneficiary, a copy of the report shall be maintained in the files of the employment network. The program manager shall ensure that copies of all such reports issued under this paragraph are made available to the public under reasonable terms.

''(g) INDIVIDUAL WORK PLANS.—

''(1) REQUIREMENTS.—Each employment network shall—

''(A) take such measures as are necessary to ensure that employment services, vocational rehabilitation services, and other support services provided under the Program by, or under agreements entered into with, the employment network are provided under appropriate individual work plans that meet the requirements of subparagraph (C);

''(B) develop and implement each such individual work plan, in partnership with each beneficiary receiving such services, in a manner that affords such beneficiary the opportunity to exercise informed choice in selecting an employment goal and specific services needed to achieve that employment goal;

''(C) ensure that each individual work plan includes at least—

''(i) a statement of the vocational goal developed with the beneficiary, including, as appropriate, goals for earnings and job advancement;

''(ii) a statement of the services and supports that have been deemed necessary for the beneficiary to accomplish that goal;

''(iii) a statement of any terms and conditions related to the provision of such services and supports; and

''(iv) a statement of understanding regarding the beneficiary's rights under the Program (such as the right to retrieve the ticket to work and self-sufficiency if the beneficiary is dissatisfied with the services being provided by the employment network) and remedies available to the individual, including information on the availability of advocacy services and assistance in resolving disputes through the State grant program authorized under section 1150;

''(D) provide a beneficiary the opportunity to amend the individual work plan if a change in circumstances necessitates a change in the plan; and

''(E) make each beneficiary's individual work plan available to the beneficiary in, as appropriate, an accessible format chosen by the beneficiary.

''(2) EFFECTIVE UPON WRITTEN APPROVAL.—A beneficiary's individual work plan shall take effect upon written approval by the beneficiary or a representative of the beneficiary and a representative of the employment network that, in providing such written approval, acknowledges assignment of the beneficiary's ticket to work and self-sufficiency.

''(h) EMPLOYMENT NETWORK PAYMENT SYSTEMS.—

''(1) ELECTION OF PAYMENT SYSTEM BY EMPLOYMENT NETWORKS.—

''(A) IN GENERAL.—The Program shall provide for payment authorized by the Commissioner to employment networks under either an outcome payment system or an outcome-milestone payment system. Each employment network shall elect which payment system will be utilized by the employment network, and, for such period of time as such election remains in effect, the payment system so elected shall be utilized exclusively in connection with such employment network (except as provided in subparagraph (B)).

''(B) NO CHANGE IN METHOD OF PAYMENT FOR BENEFICIARIES WITH TICKETS ALREADY ASSIGNED TO THE EMPLOYMENT NETWORKS.—Any election of a payment system by an employment network that would result in a change in the method of payment to the employment network for services provided to a beneficiary who is receiving services from the employment network at the time of the election shall not be effective with respect to payment for services provided to that beneficiary and the method of payment previously selected shall continue to apply with respect to such services.

''(2) OUTCOME PAYMENT SYSTEM.—

''(A) IN GENERAL.—The outcome payment system shall consist of a payment structure governing employment networks electing such system under paragraph (1)(A) which meets the requirements of this paragraph.

''(B) PAYMENTS MADE DURING OUTCOME PAYMENT PERIOD.—The outcome payment system shall provide for a schedule of payments to an employment network, in connection with each individual who is a beneficiary, for each month, during the individual's outcome payment period, for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable to such individual because of work or earnings.

''(C) COMPUTATION OF PAYMENTS TO EMPLOYMENT NETWORK.—The payment schedule of the outcome payment system shall be designed so that—

''(i) the payment for each month during the outcome payment period for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable is equal to a fixed percentage of the payment calculation base for the calendar year in which such month occurs; and

''(ii) such fixed percentage is set at a percentage which does not exceed 40 percent.

''(3) OUTCOME-MILESTONE PAYMENT SYSTEM.—

''(A) IN GENERAL.—The outcome-milestone payment system shall consist of a payment structure governing employment networks electing such system under paragraph (1)(A) which meets the requirements of this paragraph.

''(B) EARLY PAYMENTS UPON ATTAINMENT OF MILESTONES IN ADVANCE OF OUTCOME PAYMENT PERIODS.—The outcome-milestone payment system shall provide for 1 or more milestones, with respect to beneficiaries receiving services from an employment network under the Program, that are directed toward the goal of permanent employment. Such milestones shall form a part of a payment structure that provides, in addition to payments made during outcome payment periods, payments made prior to outcome payment periods in amounts based on the attainment of such milestones.

''(C) LIMITATION ON TOTAL PAYMENTS TO EMPLOYMENT NETWORK.—The payment schedule of the outcome milestone payment system shall be designed so that the total of the payments to the employment network with respect to each beneficiary is less than, on a net present value basis (using an interest rate determined by the Commissioner that appropriately reflects the cost of funds faced by providers), the total amount to which payments to the employment network

with respect to the beneficiary would be limited if the employment network were paid under the outcome payment system.

''(4) DEFINITIONS.—In this subsection:

''(A) PAYMENT CALCULATION BASE.—The term 'payment calculation base' means, for any calendar year—

''(i) in connection with a title II disability beneficiary, the average disability insurance benefit payable under section 223 for all beneficiaries for months during the preceding calendar year; and

''(ii) in connection with a title XVI disability beneficiary (who is not concurrently a title II disability beneficiary), the average payment of supplemental security income benefits based on disability payable under title XVI (excluding State supplementation) for months during the preceding calendar year to all beneficiaries who have attained 18 years of age but have not attained 65 years of age.

''(B) OUTCOME PAYMENT PERIOD.—The term 'outcome payment period' means, in connection with any individual who had assigned a ticket to work and self-sufficiency to an employment network under the Program, a period—

''(i) beginning with the first month, ending after the date on which such ticket was assigned to the employment network, for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable to such individual by reason of engagement in substantial gainful activity or by reason of earnings from work activity; and

''(ii) ending with the 60th month (consecutive or otherwise), ending after such date, for which such benefits are not payable to such individual by reason of engagement in substantial gainful activity or by reason of earnings from work activity.

''(5) PERIODIC REVIEW AND ALTERATIONS OF PRESCRIBED SCHEDULES.—

''(A) PERCENTAGES AND PERIODS.—The Commissioner shall periodically review the percentage specified in paragraph (2)(C), the total payments permissible under paragraph (3)(C), and the period of time specified in paragraph (4)(B) to determine whether such percentages, such permissible payments, and such period provide an adequate incentive for employment networks to assist beneficiaries to enter the workforce, while providing for appropriate economies. The Commissioner may alter such percentage, such total permissible payments, or such period of time to the extent that the Commissioner determines, on the basis of the Commissioner's review under this paragraph, that such an alteration would better provide the incentive and economies described in the preceding sentence.

''(B) NUMBER AND AMOUNTS OF MILESTONE PAYMENTS.—The Commissioner shall periodically review the number and amounts of milestone payments established by the Commissioner pursuant to this section to determine whether they provide an adequate incentive for employment networks to assist beneficiaries to enter the workforce, taking into account information provided to the Commissioner by program managers, the Ticket to Work and Work Incentives Advisory Panel established by section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999, and other reliable sources. The Commissioner may from time to time alter the number and amounts of milestone payments initially established by the Commissioner pursuant to this section to the extent that the Commissioner determines that such an alteration would allow an adequate incentive for employment networks to assist beneficiaries to enter the workforce. Such alteration shall be based on information provided to the Commissioner by program managers, the Ticket to Work and Work Incentives Advisory Panel established by section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999, or other reliable sources.

''(C) REPORT ON THE ADEQUACY OF INCENTIVES.—The Commissioner shall submit to the Congress not later than 36 months after the date of the enactment of the Ticket to Work and Work Incentives Improvement Act of 1999 a report with recommendations for a method or methods to adjust payment rates under subparagraphs (A) and (B), that would ensure adequate incentives for the provision of services by employment networks of—

''(i) individuals with a need for ongoing support and services;

''(ii) individuals with a need for high-cost accommodations;

''(iii) individuals who earn a subminimum wage; and

''(iv) individuals who work and receive partial cash benefits.

The Commissioner shall consult with the Ticket to Work and Work Incentives Advisory Panel established under section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999 during the development and evaluation of the study. The Commissioner shall implement the necessary adjusted payment rates prior to full implementation of the Ticket to Work and Self-Sufficiency Program.

''(i) SUSPENSION OF DISABILITY REVIEWS.—During any period for which an individual is using, as defined by the Commissioner, a ticket to work and self-sufficiency issued under this section, the Commissioner (and any applicable State agency) may not initiate a continuing disability review or other review under section 221 of whether the individual is or is not under a disability or a review under title XVI similar to any such review under section 221.

''(j) AUTHORIZATIONS.—

''(1) PAYMENTS TO EMPLOYMENT NETWORKS.—

''(A) TITLE II DISABILITY BENEFICIARIES.—There are authorized to be transferred from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund each fiscal year such sums as may be necessary to make payments to employment networks under this section. Money paid from the Trust Funds under this section with respect to title II disability beneficiaries who are entitled to benefits under section 223 or who are entitled to benefits under section 202(d) on the basis of the wages and self-employment income of such beneficiaries, shall be charged to the Federal Disability Insurance Trust Fund, and all other money paid from the Trust Funds under this section shall be charged to the Federal Old-Age and Survivors Insurance Trust Fund.

''(B) TITLE XVI DISABILITY BENEFICIARIES.—Amounts authorized to be appropriated to the Social Security Administration under section 1601 (as in effect pursuant to the amendments made by section 301 of the Social Security Amendments of 1972) shall include amounts necessary to carry out the provisions of this section with respect to title XVI disability beneficiaries.

''(2) ADMINISTRATIVE EXPENSES.—The costs of administering this section (other than payments to employment networks) shall be paid from amounts made available for the administration of title II and amounts made available for the administration of title XVI, and shall be allocated among such amounts as appropriate.

''(k) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means a title II disability beneficiary or a title XVI disability beneficiary.

''(3) TITLE II DISABILITY BENEFICIARY.—The term 'title II disability beneficiary' means an individual entitled to disability insurance benefits under section 223 or to monthly insurance benefits under section 202 based on such individual's disability (as defined in section 223(d)). An individual is a title II disability beneficiary for each month for which such individual is entitled to such benefits.

''(4) TITLE XVI DISABILITY BENEFICIARY.—The term 'title XVI disability beneficiary' means an individual eligible for supplemental security income benefits under title XVI on the basis of blindness (within the meaning of section 1614(a)(2)) or disability (within the meaning of section 1614(a)(3)). An individual is a title XVI disability beneficiary for each month for which such individual is eligible for such benefits.

''(5) SUPPLEMENTAL SECURITY INCOME BENEFIT.—The term 'supplemental security income benefit under title XVI' means a cash benefit under section 1611 or 1619(a), and does not include a State supplementary payment, administered federally or otherwise.

''(l) REGULATIONS.—Not later than 1 year after the date of the enactment of the Ticket to Work and Work Incentives Improvement Act of 1999, the Commissioner shall prescribe such regulations as are necessary to carry out the provisions of this section.''.

(b) CONFORMING AMENDMENTS.—

(1) AMENDMENTS TO TITLE II.—

(A) Section 221(i) of the Social Security Act (42 U.S.C. 421(i)) is amended by adding at the end the following new paragraph:

''(5) For suspension of reviews under this subsection in the case of an individual using a ticket to work and self-sufficiency, see section 1148(i).''.

(B) Section 222(a) of such Act (42 U.S.C. 422(a)) is repealed.

(C) Section 222(b) of such Act (42 U.S.C. 422(b)) is repealed.

(D) Section 225(b)(1) of such Act (42 U.S.C. 425(b)(1)) is amended by striking ''a program of vocational rehabilitation services'' and inserting ''a program consisting of the Ticket to Work and Self-Sufficiency Program under section 1148 or another program of vocational rehabilitation services, employment services, or other support services''.

(2) AMENDMENTS TO TITLE XVI.—

(A) Section 1615(a) of such Act (42 U.S.C. 1382d(a)) is amended to read as follows:

''SEC. 1615. (a) In the case of any blind or disabled individual who—

''(1) has not attained age 16; and

''(2) with respect to whom benefits are paid under this title,

the Commissioner of Social Security shall make provision for referral of such individual to the appropriate State agency administering the State program under title V.''.

(B) Section 1615(c) of such Act (42 U.S.C. 1382d(c)) is repealed.

(C) Section 1631(a)(6)(A) of such Act (42 U.S.C. 1383(a)(6)(A)) is amended by striking ''a program of vocational rehabilitation services'' and inserting ''a program consisting of the Ticket to Work and Self-Sufficiency Program under section 1148 or another program of vocational rehabilitation services, employment services, or other support services''.

(D) Section 1633(c) of such Act (42 U.S.C. 1383b(c)) is amended—

(i) by inserting ''(1)'' after ''(c)''; and

(ii) by adding at the end the following new paragraph:

''(2) For suspension of continuing disability reviews and other reviews under this title similar to reviews under section 221 in the case of an individual using a ticket to work and self-sufficiency, see section 1148(i).''.

(c) EFFECTIVE DATE.—Subject to subsection (d), the amendments made by subsections (a) and (b) shall take effect with the first month following 1 year after the date of the enactment of this Act.

(d) GRADUATED IMPLEMENTATION OF PROGRAM.—

(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Commissioner of Social Security shall commence implementation of the amendments made by this section (other than paragraphs (1)(C) and (2)(B) of subsection (b)) in graduated phases at phase-in sites selected by the Commissioner. Such phase-in sites shall be selected so as to ensure, prior to full implementation of the Ticket to Work and Self-Sufficiency Program, the development and refinement of referral processes, payment systems, computer linkages, management information systems, and administrative processes necessary to provide for full implementation of such amendments. Subsection (c) shall apply with respect to paragraphs (1)(C) and (2)(B) of subsection (b) without regard to this subsection.

(2) REQUIREMENTS.—Implementation of the Program at each phase-in site shall be carried out on a wide enough scale to permit a thorough evaluation of the alternative methods under consideration, so as to ensure that the most efficacious methods are determined and in place for full implementation of the Program on a timely basis.

(3) FULL IMPLEMENTATION.—The Commissioner shall ensure that ability to provide tickets and services to individuals under the Program exists in every State as soon as practicable on or after the effective date specified in subsection (c) but not later than 3 years after such date.

(4) ONGOING EVALUATION OF PROGRAM.—

(A) IN GENERAL.—The Commissioner shall provide for independent evaluations to assess the effectiveness of the activities carried out under this section and the amendments made thereby. Such evaluations shall address the cost-effectiveness of such activities, as well as the effects of this section and the amendments made thereby on work outcomes for beneficiaries receiving tickets to work and self-sufficiency under the Program.

(B) CONSULTATION.—Evaluations shall be conducted under this paragraph after receiving relevant advice from experts in the fields of disability, vocational rehabilitation, and program evaluation and individuals using tickets to work and self-sufficiency under the Program and in consultation with the Ticket to Work and Work Incentives Advisory Panel established under section 101(f) of this Act, the Comptroller General of the United States, other agencies of the Federal Government, and private organizations with appropriate expertise.

(C) METHODOLOGY.—

(i) IMPLEMENTATION.—The Commissioner, in consultation with the Ticket to Work and Work Incentives Advisory Panel established under section 101(f) of this Act, shall ensure that plans for evaluations and data collection methods under the Program are appropriately designed to obtain detailed employment information.

(ii) SPECIFIC MATTERS TO BE ADDRESSED.—Each such evaluation shall address (but is not limited to)—

(I) the annual cost (including net cost) of the Program and the annual cost (including net cost) that would have been incurred in the absence of the Program;

(II) the determinants of return to work, including the characteristics of beneficiaries in receipt of tickets under the Program;

(III) the types of employment services, vocational rehabilitation services, and other support services furnished to beneficiaries in receipt of tickets under the Program who return to work and to those who do not return to work;

(IV) the duration of employment services, vocational rehabilitation services, and other support services furnished to beneficiaries in receipt of tickets under the Program who return to work and the duration of such services furnished to those who do not return to work and the cost to employment networks of furnishing such services;

(V) the employment outcomes, including wages, occupations, benefits, and hours worked, of beneficiaries who return to work after receiving tickets under the Program and those who return to work without receiving such tickets;

(VI) the characteristics of individuals in possession of tickets under the Program who are not accepted for services and, to the extent reasonably determinable, the reasons for which such beneficiaries were not accepted for services;

(VII) the characteristics of providers whose services are provided within an employment network under the Program;

(VIII) the extent (if any) to which employment networks display a greater willingness to provide services to beneficiaries with a range of disabilities;

(IX) the characteristics (including employment outcomes) of those beneficiaries who receive services under the outcome payment system and of those beneficiaries who receive services under the outcome-milestone payment system;

(X) measures of satisfaction among beneficiaries in receipt of tickets under the Program; and

(XI) reasons for (including comments solicited from beneficiaries regarding) their choice not to use their tickets or their inability to return to work despite the use of their tickets.

(D) PERIODIC EVALUATION REPORTS.—Following the close of the third and fifth fiscal years ending after the effective date under subsection (c), and prior to the close of the seventh fiscal year ending after such date, the Commissioner shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report containing the Commissioner's evaluation of the progress of activities conducted under the provisions of this section and the amendments made thereby. Each such report shall set forth the Commissioner's evaluation of the extent to which the Program has been successful and the Commissioner's conclusions on whether or how the Program should be modified. Each such report shall include such data, findings, materials, and recommendations as the Commissioner may consider appropriate.

(5) EXTENT OF STATE'S RIGHT OF FIRST REFUSAL IN ADVANCE OF FULL IMPLEMENTATION OF AMENDMENTS IN SUCH STATE.—

(A) IN GENERAL.—In the case of any State in which the amendments made by subsection (a) have not been fully implemented pursuant to this subsection, the Commissioner shall determine by regulation the extent to which—

(i) the requirement under section 222(a) of the Social Security Act (42 U.S.C. 422(a)) for prompt referrals to a State agency; and

(ii) the authority of the Commissioner under section 222(d)(2) of such Act (42 U.S.C. 422(d)(2)) to provide vocational rehabilitation services in such State by agreement or contract with other public or private agencies, organizations, institutions, or individuals,

shall apply in such State.

(B) EXISTING AGREEMENTS.—Nothing in subparagraph (A) or the amendments made by subsection (a) shall be construed to limit, impede, or otherwise affect any agreement entered into pursuant to section 222(d)(2) of the Social Security Act (42 U.S.C. 422(d)(2)) before the date of the enactment of this Act with respect to services provided pursuant to such agreement to beneficiaries receiving services under such agreement as of such date, except with respect to services (if any) to be provided after 3 years after the effective date provided in subsection (c).

(e) SPECIFIC REGULATIONS REQUIRED.—

(1) IN GENERAL.—The Commissioner of Social Security shall prescribe such regulations as are necessary to implement the amendments made by this section.

(2) SPECIFIC MATTERS TO BE INCLUDED IN REGULATIONS.—The matters which shall be addressed in such regulations shall include—

(A) the form and manner in which tickets to work and self-sufficiency may be distributed to beneficiaries pursuant to section 1148(b)(1) of the Social Security Act;

(B) the format and wording of such tickets, which shall incorporate by reference any contractual terms governing service by employment networks under the Program;

(C) the form and manner in which State agencies may elect participation in the Ticket to Work and Self-Sufficiency Program pursuant to section 1148(c)(1) of such Act and provision for periodic opportunities for exercising such elections;

(D) the status of State agencies under section 1148(c)(1) of such Act at the time that State agencies exercise elections under that section;

(E) the terms of agreements to be entered into with program managers pursuant to section 1148(d) of such Act, including—

(i) the terms by which program managers are precluded from direct participation in the delivery of services pursuant to section 1148(d)(3) of such Act;

(ii) standards which must be met by quality assurance measures referred to in paragraph (6) of section 1148(d) of such Act and methods of recruitment of employment networks utilized pursuant to paragraph (2) of section 1148(e) of such Act; and

(iii) the format under which dispute resolution will operate under section 1148(d)(7) of such Act;

(F) the terms of agreements to be entered into with employment networks pursuant to section 1148(d)(4) of such Act, including—

(i) the manner in which service areas are specified pursuant to section 1148(f)(2)(A) of such Act;

(ii) the general selection criteria and the specific selection criteria which are applicable to employment networks under section 1148(f)(1)(C) of such Act in selecting service providers;

(iii) specific requirements relating to annual financial reporting by employment networks pursuant to section 1148(f)(3) of such Act; and

(iv) the national model to which periodic outcomes reporting by employment networks must conform under section 1148(f)(4) of such Act;

(G) standards which must be met by individual work plans pursuant to section 1148(g) of such Act;

(H) standards which must be met by payment systems required under section 1148(h) of such Act, including—

(i) the form and manner in which elections by employment networks of payment systems are to be exercised pursuant to section 1148(h)(1)(A) of such Act;

(ii) the terms which must be met by an outcome payment system under section 1148(h)(2) of such Act;

(iii) the terms which must be met by an outcome-milestone payment system under section 1148(h)(3) of such Act;

(iv) any revision of the percentage specified in paragraph (2)(C) of section 1148(h) of such Act or the period of time specified in paragraph (4)(B) of such section 1148(h) of such Act; and

(v) annual oversight procedures for such systems; and

(I) procedures for effective oversight of the Program by the Commissioner of Social Security, including periodic reviews and reporting requirements.

(f) THE TICKET TO WORK AND WORK INCENTIVES ADVISORY PANEL.—

(1) ESTABLISHMENT.—There is established within the Social Security Administration a panel to be known as the ''Ticket to Work and Work Incentives Advisory Panel'' (in this subsection referred to as the ''Panel'').

(2) DUTIES OF PANEL.—It shall be the duty of the Panel to—

(A) advise the President, the Congress, and the Commissioner of Social Security on issues related to work incentives programs, planning, and assistance for individuals with disabilities, including work incentive provisions under titles II, XI, XVI, XVIII, and XIX of the Social Security Act (42 U.S.C. 401 et seq., 1301 et seq., 1381 et seq., 1395 et seq., 1396 et seq.); and

(B) with respect to the Ticket to Work and Self-Sufficiency Program established under section 1148 of such Act—

(i) advise the Commissioner of Social Security with respect to establishing phase-in sites for such Program and fully implementing the Program thereafter, the refinement of access of disabled beneficiaries to employment networks, payment systems, and management information systems, and advise the Commissioner whether such measures are being taken to the extent necessary to ensure the success of the Program;

(ii) advise the Commissioner regarding the most effective designs for research and demonstration projects associated with the Program or conducted pursuant to section 302 of this Act;

(iii) advise the Commissioner on the development of performance measurements relating to quality assurance under section 1148(d)(6) of the Social Security Act; and

(iv) furnish progress reports on the Program to the Commissioner and each House of Congress.

(3) MEMBERSHIP.—

(A) NUMBER AND APPOINTMENT.—The Panel shall be composed of 12 members as follows:

(i) 4 members appointed by the President, not more than 2 of whom may be of the same political party;

(ii) 2 members appointed by the Speaker of the House of Representatives, in consultation with the Chairman of the Committee on Ways and Means of the House of Representatives;

(iii) 2 members appointed by the minority leader of the House of Representatives, in consultation with the ranking member of the Committee on Ways and Means of the House of Representatives;

(iv) 2 members appointed by the majority leader of the Senate, in consultation with the Chairman of the Committee on Finance of the Senate; and

(v) 2 members appointed by the minority leader of the Senate, in consultation with the ranking member of the Committee on Finance of the Senate.

(B) REPRESENTATION.—

(i) IN GENERAL.—The members appointed under subparagraph (A) shall have experience or expert knowledge as a recipient, provider, employer, or employee in the fields of, or related to, employment services, vocational rehabilitation services, and other support services.

(ii) REQUIREMENT.—At least one-half of the members appointed under subparagraph (A) shall be individuals with disabilities, or representatives of individuals with disabilities, with consideration given to current or former title II disability beneficiaries or title XVI disability beneficiaries (as such terms are defined in section 1148(k) of the Social Security Act (as added by subsection (a)).

(C) TERMS.—

(i) IN GENERAL.—Each member shall be appointed for a term of 4 years (or, if less, for the remaining life of the Panel), except as provided in clauses (ii) and (iii). The initial members shall be appointed not later than 90 days after the date of the enactment of this Act.

(ii) TERMS OF INITIAL APPOINTEES.—Of the members first appointed under each clause of subparagraph (A), as designated by the appointing authority for each such clause—

(I) one-half of such members shall be appointed for a term of 2 years; and

(II) the remaining members shall be appointed for a term of 4 years.

(iii) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Panel shall be filled in the manner in which the original appointment was made.

(D) BASIC PAY.—Members shall each be paid at a rate, and in a manner, that is consistent with guidelines established under section 7 of the Federal Advisory Committee Act (5 U.S.C. App.).

(E) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(F) QUORUM.—8 members of the Panel shall constitute a quorum but a lesser number may hold hearings.

(G) CHAIRPERSON.—The Chairperson of the Panel shall be designated by the President. The term of office of the Chairperson shall be 4 years.

(H) MEETINGS.—The Panel shall meet at least quarterly and at other times at the call of the Chairperson or a majority of its members.

(4) DIRECTOR AND STAFF OF PANEL; EXPERTS AND CONSULTANTS.—

(A) DIRECTOR.—The Panel shall have a Director who shall be appointed by the Chairperson, and paid at a rate, and in a manner, that is consistent with guidelines established under section 7 of the Federal Advisory Committee Act (5 U.S.C. App.).

(B) STAFF.—Subject to rules prescribed by the Commissioner of Social Security, the Director may appoint and fix the pay of additional personnel as the Director considers appropriate.

(C) EXPERTS AND CONSULTANTS.—Subject to rules prescribed by the Commissioner of Social Security, the Director may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(D) STAFF OF FEDERAL AGENCIES.—Upon request of the Panel, the head of any Federal department or agency may detail, on a reimbursable basis, any of the personnel of that department or agency to the Panel to assist it in carrying out its duties under this Act.

(5) POWERS OF PANEL.—

(A) HEARINGS AND SESSIONS.—The Panel may, for the purpose of carrying out its duties under this subsection, hold such hearings, sit and act at such times and places, and take such testimony and evidence as the Panel considers appropriate.

(B) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Panel may, if authorized by the Panel, take any action which the Panel is authorized to take by this section.

(C) MAILS.—The Panel may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(6) REPORTS.—

(A) INTERIM REPORTS.—The Panel shall submit to the President and the Congress interim reports at least annually.

(B) FINAL REPORT.—The Panel shall transmit a final report to the President and the Congress not later than eight years after the date of the enactment of this Act. The final report shall contain a detailed statement of the findings and conclusions of the Panel, together with its recommendations for legislation and administrative actions which the Panel considers appropriate.

(7) TERMINATION.—The Panel shall terminate 30 days after the date of the submission of its final report under paragraph (6)(B).

(8) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated from the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and the general fund of the Treasury, as appropriate, such sums as are necessary to carry out this subsection.

Subtitle B—Elimination of Work Disincentives

SEC. 111. WORK ACTIVITY STANDARD AS A BASIS FOR REVIEW OF AN INDIVIDUAL'S DISABLED STATUS.

(a) IN GENERAL.—Section 221 of the Social Security Act (42 U.S.C. 421) is amended by adding at the end the following new subsection:

''(m)(1) In any case where an individual entitled to disability insurance benefits under section 223 or to monthly insurance benefits under section 202 based on such individual's disability (as defined in section 223(d)) has received such benefits for at least 24 months—

''(A) no continuing disability review conducted by the Commissioner may be scheduled for the individual solely as a result of the individual's work activity;

''(B) no work activity engaged in by the individual may be used as evidence that the individual is no longer disabled; and

''(C) no cessation of work activity by the individual may give rise to a presumption that the individual is unable to engage in work.

''(2) An individual to which paragraph (1) applies shall continue to be subject to—

''(A) continuing disability reviews on a regularly scheduled basis that is not triggered by work; and

''(B) termination of benefits under this title in the event that the individual has earnings that exceed the level of earnings established by the Commissioner to represent substantial gainful activity.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 2002.

SEC. 112. EXPEDITED REINSTATEMENT OF DISABILITY BENEFITS.

(a) OASDI BENEFITS.—Section 223 of the Social Security Act (42 U.S.C. 423) is amended—

(1) by redesignating subsection (i) as subsection (j); and

(2) by inserting after subsection (h) the following new subsection:

''Reinstatement of Entitlement

''(i)(1)(A) Entitlement to benefits described in subparagraph (B)(i)(I) shall be reinstated in any case where the Commissioner determines that an individual described in subparagraph (B) has filed a request for reinstatement meeting the requirements of paragraph (2)(A) during the period prescribed in subparagraph (C). Reinstatement of such entitlement shall be in accordance with the terms of this subsection.

''(B) An individual is described in this subparagraph if—

''(i) prior to the month in which the individual files a request for reinstatement—

''(I) the individual was entitled to benefits under this section or section 202 on the basis of disability pursuant to an application filed therefor; and

''(II) such entitlement terminated due to the performance of substantial gainful activity;

''(ii) the individual is under a disability and the physical or mental impairment that is the basis for the finding of disability is the same as (or related to) the physical or mental impairment that was the basis for the finding of disability that gave rise to the entitlement described in clause (i); and

''(iii) the individual's disability renders the individual unable to perform substantial gainful activity.

''(C)(i) Except as provided in clause (ii), the period prescribed in this subparagraph with respect to an individual is 60 consecutive months beginning with the month following the most recent month for which the individual was entitled to a benefit described in subparagraph (B)(i)(I) prior to the entitlement termination described in subparagraph (B)(i)(II).

''(ii) In the case of an individual who fails to file a reinstatement request within the period prescribed in clause (i), the Commissioner may extend the period if the Commissioner determines that the individual had good cause for the failure to so file.

''(2)(A)(i) A request for reinstatement shall be filed in such form, and containing such information, as the Commissioner may prescribe.

''(ii) A request for reinstatement shall include express declarations by the individual that the individual meets the requirements specified in clauses (ii) and (iii) of paragraph (1)(B).

''(B) A request for reinstatement filed in accordance with subparagraph (A) may constitute an application for benefits in the case of any individual who the Commissioner determines is not entitled to reinstated benefits under this subsection.

''(3) In determining whether an individual meets the requirements of paragraph (1)(B)(ii), the provisions of subsection (f) shall apply.

''(4)(A)(i) Subject to clause (ii), entitlement to benefits reinstated under this subsection shall commence with the benefit payable for the month in which a request for reinstatement is filed.

''(ii) An individual whose entitlement to a benefit for any month would have been reinstated under this subsection had the individual filed a request for reinstatement before the end of such month shall be entitled to such benefit for such month if such request for reinstatement is filed before the end of the twelfth month immediately succeeding such month.

''(B)(i) Subject to clauses (ii) and (iii), the amount of the benefit payable for any month pursuant to the reinstatement of entitlement under this subsection shall be determined in accordance with the provisions of this title.

''(ii) For purposes of computing the primary insurance amount of an individual whose entitlement to benefits under this section is reinstated under this subsection, the date of onset of the individual's disability shall be the date of onset used in determining the individual's most recent period of disability arising in connection with such benefits payable on the basis of an application.

''(iii) Benefits under this section or section 202 payable for any month pursuant to a request for reinstatement filed in accordance with paragraph (2) shall be reduced by the amount of any provisional benefit paid to such individual for such month under paragraph (7).

''(C) No benefit shall be payable pursuant to an entitlement reinstated under this subsection to an individual for any month in which the individual engages in substantial gainful activity.

''(D) The entitlement of any individual that is reinstated under this subsection shall end with the benefits payable for the month preceding whichever of the following months is the earliest:

''(i) The month in which the individual dies.

''(ii) The month in which the individual attains retirement age.

''(iii) The third month following the month in which the individual's disability ceases.

''(5) Whenever an individual's entitlement to benefits under this section is reinstated under this subsection, entitlement to benefits payable on the basis of such individual's wages and self-employment income may be reinstated with respect to any person previously entitled to such benefits on the basis of an application if the Commissioner determines that such person satisfies all the requirements for entitlement to such benefits except requirements related to the filing of an application. The provisions of paragraph (4) shall apply to the reinstated entitlement of any such person to the same extent that they apply to the reinstated entitlement of such individual.

''(6) An individual to whom benefits are payable under this section or section 202 pursuant to a reinstatement of entitlement under this subsection for 24 months (whether or not consecutive) shall, with respect to benefits so payable after such twenty-fourth month, be deemed for purposes of paragraph (1)(B)(i)(I) and the determination, if appropriate, of the termination month in accordance with subsection (a)(1) of this section, or subsection (d)(1), (e)(1), or (f)(1) of section 202, to be entitled to such benefits on the basis of an application filed therefor.

''(7)(A) An individual described in paragraph (1)(B) who files a request for reinstatement in accordance with the provisions of paragraph (2)(A) shall be entitled to provisional benefits payable in accordance with this paragraph, unless the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration under paragraph (2)(A)(ii) is false. Any such determination by the Commissioner shall be final and not subject to review under subsection (b) or (g) of section 205.

''(B) The amount of a provisional benefit for a month shall equal the amount of the last monthly benefit payable to the individual under this title on the basis of an application increased by an amount equal to the amount, if any, by which such last monthly benefit would have been increased as a result of the operation of section 215(i).

''(C)(i) Provisional benefits shall begin with the month in which a request for reinstatement is filed in accordance with paragraph (2)(A).

''(ii) Provisional benefits shall end with the earliest of—

''(I) the month in which the Commissioner makes a determination regarding the individual's entitlement to reinstated benefits;

''(II) the fifth month following the month described in clause (i);

''(III) the month in which the individual performs substantial gainful activity; or

''(IV) the month in which the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration made in accordance with paragraph (2)(A)(ii) is false.

''(D) In any case in which the Commissioner determines that an individual is not entitled to reinstated benefits, any provisional benefits paid to the individual under this paragraph shall not be subject to recovery as an overpayment unless the Commissioner determines that the individual knew or should have known that the individual did not meet the requirements of paragraph (1)(B).''.

(b) SSI BENEFITS.—

(1) IN GENERAL.—Section 1631 of the Social Security Act (42 U.S.C. 1383) is amended by adding at the end the following new subsection:

''Reinstatement of Eligibility on the Basis of Blindness or Disability

''(p)(1)(A) Eligibility for benefits under this title shall be reinstated in any case where the Commissioner determines that an individual described in subparagraph (B) has filed a request for reinstatement meeting the requirements of paragraph (2)(A) during the period prescribed in subparagraph (C). Reinstatement of eligibility shall be in accordance with the terms of this subsection.

''(B) An individual is described in this subparagraph if—

''(i) prior to the month in which the individual files a request for reinstatement—

''(I) the individual was eligible for benefits under this title on the basis of blindness or disability pursuant to an application filed therefor; and

''(II) the individual thereafter was ineligible for such benefits due to earned income (or earned and unearned income) for a period of 12 or more consecutive months;

''(ii) the individual is blind or disabled and the physical or mental impairment that is the basis for the finding of blindness or disability is the same as (or related to) the physical or mental impairment that was the basis for the finding of blindness or disability that gave rise to the eligibility described in clause (i);

''(iii) the individual's blindness or disability renders the individual unable to perform substantial gainful activity; and

''(iv) the individual satisfies the nonmedical requirements for eligibility for benefits under this title.

''(C)(i) Except as provided in clause (ii), the period prescribed in this subparagraph with respect to an individual is 60 consecutive months beginning with the month following the most recent month for which the individual was eligible for a benefit under this title (including section 1619) prior to the period of ineligibility described in subparagraph (B)(i)(II).

''(ii) In the case of an individual who fails to file a reinstatement request within the period prescribed in clause (i), the Commissioner may extend the period if the Commissioner determines that the individual had good cause for the failure to so file.

''(2)(A)(i) A request for reinstatement shall be filed in such form, and containing such information, as the Commissioner may prescribe.

''(ii) A request for reinstatement shall include express declarations by the individual that the individual meets the requirements specified in clauses (ii) through (iv) of paragraph (1)(B).

''(B) A request for reinstatement filed in accordance with subparagraph (A) may constitute an application for benefits in the case of any individual who the Commissioner determines is not eligible for reinstated benefits under this subsection.

''(3) In determining whether an individual meets the requirements of paragraph (1)(B)(ii), the provisions of section 1614(a)(4) shall apply.

''(4)(A) Eligibility for benefits reinstated under this subsection shall commence with the benefit payable for the month following the month in which a request for reinstatement is filed.

''(B)(i) Subject to clause (ii), the amount of the benefit payable for any month pursuant to the reinstatement of eligibility under this subsection shall be determined in accordance with the provisions of this title.

''(ii) The benefit under this title payable for any month pursuant to a request for reinstatement filed in accordance with paragraph (2) shall be reduced by the amount of any provisional benefit paid to such individual for such month under paragraph (7).

''(C) Except as otherwise provided in this subsection, eligibility for benefits under this title reinstated pursuant to a request filed under paragraph (2) shall be subject to the same terms and conditions as eligibility established pursuant to an application filed therefor.

''(5) Whenever an individual's eligibility for benefits under this title is reinstated under this subsection, eligibility for such benefits shall be reinstated with respect to the individual's spouse if such spouse was previously an eligible spouse of the individual under this title and the Commissioner determines that such spouse satisfies all the requirements for eligibility for such

benefits except requirements related to the filing of an application. The provisions of paragraph (4) shall apply to the reinstated eligibility of the spouse to the same extent that they apply to the reinstated eligibility of such individual.

''(6) An individual to whom benefits are payable under this title pursuant to a reinstatement of eligibility under this subsection for twenty-four months (whether or not consecutive) shall, with respect to benefits so payable after such twenty-fourth month, be deemed for purposes of paragraph (1)(B)(i)(I) to be eligible for such benefits on the basis of an application filed therefor.

''(7)(A) An individual described in paragraph (1)(B) who files a request for reinstatement in accordance with the provisions of paragraph (2)(A) shall be eligible for provisional benefits payable in accordance with this paragraph, unless the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration under paragraph (2)(A)(ii) is false. Any such determination by the Commissioner shall be final and not subject to review under paragraph (1) or (3) of subsection (c).

''(B)(i) Except as otherwise provided in clause (ii), the amount of a provisional benefit for a month shall equal the amount of the monthly benefit that would be payable to an eligible individual under this title with the same kind and amount of income.

''(ii) If the individual has a spouse who was previously an eligible spouse of the individual under this title and the Commissioner determines that such spouse satisfies all the requirements of section 1614(b) except requirements related to the filing of an application, the amount of a provisional benefit for a month shall equal the amount of the monthly benefit that would be payable to an eligible individual and eligible spouse under this title with the same kind and amount of income.

''(C)(i) Provisional benefits shall begin with the month following the month in which a request for reinstatement is filed in accordance with paragraph (2)(A).

''(ii) Provisional benefits shall end with the earliest of—

''(I) the month in which the Commissioner makes a determination regarding the individual's eligibility for reinstated benefits;

''(II) the fifth month following the month for which provisional benefits are first payable under clause (i); or

''(III) the month in which the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration made in accordance with paragraph (2)(A)(ii) is false.

''(D) In any case in which the Commissioner determines that an individual is not eligible for reinstated benefits, any provisional benefits paid to the individual under this paragraph shall not be subject to recovery as an overpayment unless the Commissioner determines that the individual knew or should have known that the individual did not meet the requirements of paragraph (1)(B).

''(8) For purposes of this subsection other than paragraph (7), the term 'benefits under this title' includes State supplementary payments made pursuant to an agreement under section 1616(a) of this Act or section 212(b) of Public Law 93–66.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 1631(j)(1) of such Act (42 U.S.C. 1383(j)(1)) is amended by striking the period and inserting '', or has filed a request for reinstatement of eligibility under subsection (p)(2) and been determined to be eligible for reinstatement.''.

(B) Section 1631(j)(2)(A)(i)(I) of such Act (42 U.S.C. 1383(j)(2)(A)(i)(I)) is amended by inserting ''(other than pursuant to a request for reinstatement under subsection (p))'' after ''eligible''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act.

(2) LIMITATION.—No benefit shall be payable under title II or XVI on the basis of a request for reinstatement filed under section 223(i) or 1631(p) of the Social Security Act (42 U.S.C. 423(i), 1383(p)) before the effective date described in paragraph (1).

Subtitle C—Work Incentives Planning, Assistance, and Outreach

SEC. 121. WORK INCENTIVES OUTREACH PROGRAM.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.), as amended by section 101 of this Act, is amended by adding after section 1148 the following new section:

''WORK INCENTIVES OUTREACH PROGRAM

''SEC. 1149. (a) ESTABLISHMENT.—

''(1) IN GENERAL.—The Commissioner, in consultation with the Ticket to Work and Work Incentives Advisory Panel established under section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999, shall establish a community-based work incentives planning and assistance program for the purpose of disseminating accurate information to disabled beneficiaries on work incentives programs and issues related to such programs.

''(2) GRANTS, COOPERATIVE AGREEMENTS, CONTRACTS, AND OUTREACH.—Under the program established under this section, the Commissioner shall—

''(A) establish a competitive program of grants, cooperative agreements, or contracts to provide benefits planning and assistance, including information on the availability of protection and advocacy services, to disabled beneficiaries, including individuals participating in the Ticket to Work and Self-Sufficiency Program established under section 1148, the program established under section 1619, and other programs that are designed to encourage disabled beneficiaries to work;

''(B) conduct directly, or through grants, cooperative agreements, or contracts, ongoing outreach efforts to disabled beneficiaries (and to the families of such beneficiaries) who are potentially eligible to participate in Federal or State work incentive programs that are designed to assist disabled beneficiaries to work, including—

''(i) preparing and disseminating information explaining such programs; and

''(ii) working in cooperation with other Federal, State, and private agencies and nonprofit organizations that serve disabled beneficiaries, and with agencies and organizations that focus on vocational rehabilitation and work-related training and counseling;

''(C) establish a corps of trained, accessible, and responsive work incentives specialists within the Social Security Administration who will specialize in disability work incentives under titles II and XVI for the purpose of disseminating accurate information with respect to inquiries and issues relating to work incentives to—

''(i) disabled beneficiaries;

''(ii) benefit applicants under titles II and XVI; and

''(iii) individuals or entities awarded grants under subparagraphs (A) or (B); and

''(D) provide—

''(i) training for work incentives specialists and individuals providing planning assistance described in subparagraph (C); and

''(ii) technical assistance to organizations and entities that are designed to encourage disabled beneficiaries to return to work.

''(3) COORDINATION WITH OTHER PROGRAMS.—The responsibilities of the Commissioner established under this section shall be coordinated with other public and private programs that provide information and assistance regarding rehabilitation services and independent living supports and benefits planning for disabled beneficiaries including the program under section 1619, the plans for achieving self-support program (PASS), and any other Federal or State work incentives programs that are designed to assist disabled beneficiaries, including educational agencies that provide information and assistance regarding rehabilitation, school-to-work programs, transition services (as defined in, and provided in accordance with, the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.)), a one-stop delivery system established under subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2811 et seq.), and other services.

''(b) CONDITIONS.—

''(1) SELECTION OF ENTITIES.—

''(A) APPLICATION.—An entity shall submit an application for a grant, cooperative agreement, or contract to provide benefits planning and assistance to the Commissioner at such time, in such manner, and containing such information as the Commissioner may determine is necessary to meet the requirements of this section.

''(B) STATEWIDENESS.—The Commissioner shall ensure that the planning, assistance, and information described in paragraph (2) shall be available on a statewide basis.

''(C) ELIGIBILITY OF STATES AND PRIVATE ORGANIZATIONS.—

''(i) IN GENERAL.—The Commissioner may award a grant, cooperative agreement, or contract under this section to a State or a private agency or organization (other than Social Security Administration Field Offices and the State agency administering the State medicaid program under title XIX, including any agency or entity described in clause (ii), that the Commissioner determines is qualified to provide the planning, assistance, and information described in paragraph (2)).

''(ii) AGENCIES AND ENTITIES DESCRIBED.—The agencies and entities described in this clause are the following:

''(I) Any public or private agency or organization (including Centers for Independent Living established under title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796 et seq.), protection and advocacy organizations, client assistance programs established in accordance with section 112 of the Rehabilitation Act of 1973 (29 U.S.C. 732), and State Developmental Disabilities Councils established in accordance with section 124 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6024)) that the Commissioner determines satisfies the requirements of this section.

''(II) The State agency administering the State program funded under part A of title IV.

''(D) EXCLUSION FOR CONFLICT OF INTEREST.—The Commissioner may not award a grant, cooperative agreement, or contract under this section to any entity that the Commissioner determines would have a conflict of interest if the entity were to receive a grant, cooperative agreement, or contract under this section.

''(2) SERVICES PROVIDED.—A recipient of a grant, cooperative agreement, or contract to provide benefits planning and assistance shall select individuals who will act as planners and provide information, guidance, and planning to disabled beneficiaries on the—

''(A) availability and interrelation of any Federal or State work incentives programs designed to assist disabled beneficiaries that the individual may be eligible to participate in;

''(B) adequacy of any health benefits coverage that may be offered by an employer of the individual and the extent to which other health

benefits coverage may be available to the individual; and

''(C) availability of protection and advocacy services for disabled beneficiaries and how to access such services.

''(3) AMOUNT OF GRANTS, COOPERATIVE AGREEMENTS, OR CONTRACTS.—

''(A) BASED ON POPULATION OF DISABLED BENEFICIARIES.—Subject to subparagraph (B), the Commissioner shall award a grant, cooperative agreement, or contract under this section to an entity based on the percentage of the population of the State where the entity is located who are disabled beneficiaries.

''(B) LIMITATIONS.—

''(i) PER GRANT.—No entity shall receive a grant, cooperative agreement, or contract under this section for a fiscal year that is less than $50,000 or more than $300,000.

''(ii) TOTAL AMOUNT FOR ALL GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—The total amount of all grants, cooperative agreements, and contracts awarded under this section for a fiscal year may not exceed $23,000,000.

''(4) ALLOCATION OF COSTS.—The costs of carrying out this section shall be paid from amounts made available for the administration of title II and amounts made available for the administration of title XVI, and shall be allocated among those amounts as appropriate.

''(c) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' has the meaning given that term in section 1148(k)(2).

''(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $23,000,000 for each of the fiscal years 2000 through 2004.''.

SEC. 122. STATE GRANTS FOR WORK INCENTIVES ASSISTANCE TO DISABLED BENEFICIARIES.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.), as amended by section 121 of this Act, is amended by adding after section 1149 the following new section:

''STATE GRANTS FOR WORK INCENTIVES ASSISTANCE TO DISABLED BENEFICIARIES

''SEC. 1150. (a) IN GENERAL.—Subject to subsection (c), the Commissioner may make payments in each State to the protection and advocacy system established pursuant to part C of title I of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.) for the purpose of providing services to disabled beneficiaries.

''(b) SERVICES PROVIDED.—Services provided to disabled beneficiaries pursuant to a payment made under this section may include—

''(1) information and advice about obtaining vocational rehabilitation and employment services; and

''(2) advocacy or other services that a disabled beneficiary may need to secure or regain gainful employment.

''(c) APPLICATION.—In order to receive payments under this section, a protection and advocacy system shall submit an application to the Commissioner, at such time, in such form and manner, and accompanied by such information and assurances as the Commissioner may require.

''(d) AMOUNT OF PAYMENTS.—

''(1) IN GENERAL.—Subject to the amount appropriated for a fiscal year for making payments under this section, a protection and advocacy system shall not be paid an amount that is less than—

''(A) in the case of a protection and advocacy system located in a State (including the District of Columbia and Puerto Rico) other than Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, the greater of—

''(i) $100,000; or

''(ii) ⅓ of 1 percent of the amount available for payments under this section; and

''(B) in the case of a protection and advocacy system located in Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, $50,000.

''(2) INFLATION ADJUSTMENT.—For each fiscal year in which the total amount appropriated to carry out this section exceeds the total amount appropriated to carry out this section in the preceding fiscal year, the Commissioner shall increase each minimum payment under subparagraphs (A) and (B) of paragraph (1) by a percentage equal to the percentage increase in the total amount so appropriated to carry out this section.

''(e) ANNUAL REPORT.—Each protection and advocacy system that receives a payment under this section shall submit an annual report to the Commissioner and the Ticket to Work and Work Incentives Advisory Panel established under section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999 on the services provided to individuals by the system.

''(f) FUNDING.—

''(1) ALLOCATION OF PAYMENTS.—Payments under this section shall be made from amounts made available for the administration of title II and amounts made available for the administration of title XVI, and shall be allocated among those amounts as appropriate.

''(2) CARRYOVER.—Any amounts allotted for payment to a protection and advocacy system under this section for a fiscal year shall remain available for payment to or on behalf of the protection and advocacy system until the end of the succeeding fiscal year.

''(g) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' has the meaning given that term in section 1148(k)(2).

''(3) PROTECTION AND ADVOCACY SYSTEM.—The term 'protection and advocacy system' means a protection and advocacy system established pursuant to part C of title I of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.).

''(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $7,000,000 for each of the fiscal years 2000 through 2004.''.

TITLE II—EXPANDED AVAILABILITY OF HEALTH CARE SERVICES

SEC. 201. EXPANDING STATE OPTIONS UNDER THE MEDICAID PROGRAM FOR WORKERS WITH DISABILITIES.

(a) IN GENERAL.—

(1) STATE OPTION TO ELIMINATE INCOME, ASSETS, AND RESOURCE LIMITATIONS FOR WORKERS WITH DISABILITIES BUYING INTO MEDICAID.—Section 1902(a)(10)(A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)) is amended—

(A) in subclause (XIII), by striking ''or'' at the end;

(B) in subclause (XIV), by adding ''or'' at the end; and

(C) by adding at the end the following new subclause:

''(XV) who, but for earnings in excess of the limit established under section 1905(q)(2)(B), would be considered to be receiving supplemental security income, who is at least 16, but less than 65, years of age, and whose assets, resources, and earned or unearned income (or both) do not exceed such limitations (if any) as the State may establish;''.

(2) STATE OPTION TO PROVIDE OPPORTUNITY FOR EMPLOYED INDIVIDUALS WITH A MEDICALLY IMPROVED DISABILITY TO BUY INTO MEDICAID.—

(A) ELIGIBILITY.—Section 1902(a)(10) (A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)), as amended by paragraph (1), is amended—

(i) in subclause (XIV), by striking ''or'' at the end;

(ii) in subclause (XV), by adding ''or'' at the end; and

(iii) by adding at the end the following new subclause:

''(XVI) who are employed individuals with a medically improved disability described in section 1905(v)(1) and whose assets, resources, and earned or unearned income (or both) do not exceed such limitations (if any) as the State may establish, but only if the State provides medical assistance to individuals described in subclause (XV);''.

(B) DEFINITION OF EMPLOYED INDIVIDUALS WITH A MEDICALLY IMPROVED DISABILITY.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended by adding at the end the following new subsection:

''(v)(1) The term 'employed individual with a medically improved disability' means an individual who—

''(A) is at least 16, but less than 65, years of age;

''(B) is employed (as defined in paragraph (2));

''(C) ceases to be eligible for medical assistance under section 1902(a)(10)(A)(ii)(XV) because the individual, by reason of medical improvement, is determined at the time of a regularly scheduled continuing disability review to no longer be eligible for benefits under section 223(d) or 1614(a)(3); and

''(D) continues to have a severe medically determinable impairment, as determined under regulations of the Secretary.

''(2) For purposes of paragraph (1), an individual is considered to be 'employed' if the individual—

''(A) is earning at least the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act (29 U.S.C. 206) and working at least 40 hours per month; or

''(B) is engaged in a work effort that meets substantial and reasonable threshold criteria for hours of work, wages, or other measures, as defined by the State and approved by the Secretary.''.

(C) CONFORMING AMENDMENT.—Section 1905(a) of such Act (42 U.S.C. 1396d(a)) is amended in the matter preceding paragraph (1)—

(i) in clause (x), by striking ''or'' at the end;

(ii) in clause (xi), by adding ''or'' at the end; and

(iii) by inserting after clause (xi), the following new clause:

''(xii) employed individuals with a medically improved disability (as defined in subsection (v)),''.

(3) STATE AUTHORITY TO IMPOSE INCOME-RELATED PREMIUMS AND COST-SHARING.—Section 1916 of such Act (42 U.S.C. 1396o) is amended—

(A) in subsection (a), by striking ''The State plan'' and inserting ''Subject to subsection (g), the State plan''; and

(B) by adding at the end the following new subsection:

''(g) With respect to individuals provided medical assistance only under subclause (XV) or (XVI) of section 1902(a)(10)(A)(ii)—

''(1) a State may (in a uniform manner for individuals described in either such subclause)—

''(A) require such individuals to pay premiums or other cost-sharing charges set on a sliding scale based on income that the State may determine; and

''(B) require payment of 100 percent of such premiums for such year in the case of such an individual who has income for a year that exceeds 250 percent of the income official poverty line (referred to in subsection (c)(1)) applicable

to a family of the size involved, except that in the case of such an individual who has income for a year that does not exceed 450 percent of such poverty line, such requirement may only apply to the extent such premiums do not exceed 7.5 percent of such income; and

''(2) such State shall require payment of 100 percent of such premiums for a year by such an individual whose adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986) for such year exceeds $75,000, except that a State may choose to subsidize such premiums by using State funds which may not be federally matched under this title.

In the case of any calendar year beginning after 2000, the dollar amount specified in paragraph (2) shall be increased in accordance with the provisions of section 215(i)(2)(A)(ii).''.

(4) PROHIBITION AGAINST SUPPLANTATION OF STATE FUNDS AND STATE FAILURE TO MAINTAIN EFFORT.—Section 1903(i) of such Act (42 U.S.C. 1396b(i)) is amended—

(A) by striking the period at the end of paragraph (19) and inserting ''; or''; and

(B) by inserting after such paragraph the following new paragraph:

''(20) with respect to amounts expended for medical assistance provided to an individual described in subclause (XV) or (XVI) of section 1902(a)(10)(A)(ii) for a fiscal year unless the State demonstrates to the satisfaction of the Secretary that the level of State funds expended for such fiscal year for programs to enable working individuals with disabilities to work (other than for such medical assistance) is not less than the level expended for such programs during the most recent State fiscal year ending before the date of the enactment of this paragraph.''.

(b) CONFORMING AMENDMENTS.—Section 1903(f)(4) of the Social Security Act (42 U.S.C. 1396b(f)(4) is amended in the matter preceding subparagraph (A) by inserting ''1902(a)(10)(A)(ii)(XV), 1902(a)(10)(A)(ii)(XVI),'' before ''1905(p)(1)''.

(c) GAO REPORT.—Not later than 3 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to the Congress regarding the amendments made by this section that examines—

(1) the extent to which higher health care costs for individuals with disabilities at higher income levels deter employment or progress in employment;

(2) whether such individuals have health insurance coverage or could benefit from the State option established under such amendments to provide a medicaid buy-in; and

(3) how the States are exercising such option, including—

(A) how such States are exercising the flexibility afforded them with regard to income disregards;

(B) what income and premium levels have been set;

(C) the degree to which States are subsidizing premiums above the dollar amount specified in section 1916(g)(2) of the Social Security Act (42 U.S.C. 1396o(g)(2)); and

(D) the extent to which there exists any crowd-out effect.

(d) EFFECTIVE DATE.—The amendments made by this section apply to medical assistance for items and services furnished on or after October 1, 2000.

SEC. 202. EXTENDING MEDICARE COVERAGE FOR OASDI DISABILITY BENEFIT RECIPIENTS.

(a) IN GENERAL.—The next to last sentence of section 226(b) of the Social Security Act (42 U.S.C. 426) is amended by striking ''24'' and inserting ''78''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective on and after October 1, 2000.

(c) GAO REPORT.—Not later than 5 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to the Congress that—

(1) examines the effectiveness and cost of the amendment made by subsection (a);

(2) examines the necessity and effectiveness of providing continuation of medicare coverage under section 226(b) of the Social Security Act (42 U.S.C. 426(b)) to individuals whose annual income exceeds the contribution and benefit base (as determined under section 230 of such Act (42 U.S.C. 430));

(3) examines the viability of providing the continuation of medicare coverage under such section 226(b) based on a sliding scale premium for individuals whose annual income exceeds such contribution and benefit base;

(4) examines the viability of providing the continuation of medicare coverage under such section 226(b) based on a premium buy-in by the beneficiary's employer in lieu of coverage under private health insurance;

(5) examines the interrelation between the use of the continuation of medicare coverage under such section 226(b) and the use of private health insurance coverage by individuals during the extended period; and

(6) recommends such legislative or administrative changes relating to the continuation of medicare coverage for recipients of social security disability benefits as the Comptroller General determines are appropriate.

SEC. 203. GRANTS TO DEVELOP AND ESTABLISH STATE INFRASTRUCTURES TO SUPPORT WORKING INDIVIDUALS WITH DISABILITIES.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ''Secretary'') shall award grants described in subsection (b) to States to support the design, establishment, and operation of State infrastructures that provide items and services to support working individuals with disabilities.

(2) APPLICATION.—In order to be eligible for an award of a grant under this section, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary shall require.

(3) DEFINITION OF STATE.—In this section, the term ''State'' means each of the 50 States, the District of Columbia, Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(b) GRANTS FOR INFRASTRUCTURE AND OUTREACH.—

(1) IN GENERAL.—Out of the funds appropriated under subsection (e), the Secretary shall award grants to States to—

(A) support the establishment, implementation, and operation of the State infrastructures described in subsection (a); and

(B) conduct outreach campaigns regarding the existence of such infrastructures.

(2) ELIGIBILITY FOR GRANTS.—

(A) IN GENERAL.—No State may receive a grant under this subsection unless the State demonstrates to the satisfaction of the Secretary that the State makes personal assistance services available under the State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) to the extent necessary to enable individuals with disabilities to remain employed, including individuals described in section 1902(a)(10)(A)(ii)(XIII) of such Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XIII)) if the State has elected to provide medical assistance under such plan to such individuals.

(B) DEFINITIONS.—In this section:

(i) EMPLOYED.—The term ''employed'' means—

(I) earning at least the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act (29 U.S.C. 206) and working at least 40 hours per month; or

(II) being engaged in a work effort that meets substantial and reasonable threshold criteria for hours of work, wages, or other measures, as defined and approved by the Secretary.

(ii) PERSONAL ASSISTANCE SERVICES.—The term ''personal assistance services'' means a range of services, provided by 1 or more persons, designed to assist an individual with a disability to perform daily activities on and off the job that the individual would typically perform if the individual did not have a disability. Such services shall be designed to increase the individual's control in life and ability to perform everyday activities on or off the job.

(3) DETERMINATION OF AWARDS.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall develop a methodology for awarding grants to States under this section for a fiscal year in a manner that—

(i) rewards States for their efforts in encouraging individuals described in paragraph (2)(A) to be employed; and

(ii) does not provide a State that has not elected to provide medical assistance under title XIX of the Social Security Act to individuals described in section 1902(a)(10)(A)(ii)(XIII) of that Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XIII)) with proportionally more funds for a fiscal year than a State that has exercised such election.

(B) AWARD LIMITS.—

(i) MINIMUM AWARDS.—

(I) IN GENERAL.—Subject to subclause (II), no State with an approved application under this section shall receive a grant for a fiscal year that is less than $500,000.

(II) PRO RATA REDUCTIONS.—If the funds appropriated under subsection (e) for a fiscal year are not sufficient to pay each State with an application approved under this section the minimum amount described in subclause (I), the Secretary shall pay each such State an amount equal to the pro rata share of the amount made available.

(ii) MAXIMUM AWARDS.—

(I) STATES THAT ELECTED OPTIONAL MEDICAID ELIGIBILITY.—No State that has an application that has been approved under this section and that has elected to provide medical assistance under title XIX of the Social Security Act to individuals described in section 1902(a)(10)(A)(ii)(XIII) of such Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XIII)) shall receive a grant for a fiscal year that exceeds 10 percent of the total expenditures by the State (including the reimbursed Federal share of such expenditures) for medical assistance provided under such title for such individuals, as estimated by the State and approved by the Secretary.

(II) OTHER STATES.—The Secretary shall determine, consistent with the limit described in subclause (I), a maximum award limit for a grant for a fiscal year for a State that has an application that has been approved under this section but that has not elected to provide medical assistance under title XIX of the Social Security Act to individuals described in section 1902(a)(10)(A)(ii)(XIII) of that Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XIII)).

(c) AVAILABILITY OF FUNDS.—

(1) FUNDS AWARDED TO STATES.—Funds awarded to a State under a grant made under this section for a fiscal year shall remain available until expended.

(2) FUNDS NOT AWARDED TO STATES.—Funds not awarded to States in the fiscal year for which they are appropriated shall remain available in succeeding fiscal years for awarding by the Secretary.

(d) ANNUAL REPORT.—A State that is awarded a grant under this section shall submit an annual report to the Secretary on the use of funds provided under the grant. Each report shall include the percentage increase in the number of

title II disability beneficiaries, as defined in section 1148(k)(3) of the Social Security Act (as added by section 101(a) of this Act) in the State, and title XVI disability beneficiaries, as defined in section 1148(k)(4) of the Social Security Act (as so added) in the State who return to work.

(e) APPROPRIATION.—

(1) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to make grants under this section—

(A) for fiscal year 2001, $20,000,000;

(B) for fiscal year 2002, $25,000,000;

(C) for fiscal year 2003, $30,000,000;

(D) for fiscal year 2004, $35,000,000;

(E) for fiscal year 2005, $40,000,000; and

(F) for each of fiscal years 2006 through 2011, the amount appropriated for the preceding fiscal year increased by the percentage increase (if any) in the Consumer Price Index for All Urban Consumers (United States city average) for the preceding fiscal year.

(2) BUDGET AUTHORITY.—This subsection constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment of the amounts appropriated under paragraph (1).

(f) RECOMMENDATION.—Not later than October 1, 2010, the Secretary, in consultation with the Ticket to Work and Work Incentives Advisory Panel established by section 101(f) of this Act, shall submit a recommendation to the Committee on Commerce of the House of Representatives and the Committee on Finance of the Senate regarding whether the grant program established under this section should be continued after fiscal year 2011.

SEC. 204. DEMONSTRATION OF COVERAGE UNDER THE MEDICAID PROGRAM OF WORKERS WITH POTENTIALLY SEVERE DISABILITIES.

(a) STATE APPLICATION.—A State may apply to the Secretary of Health and Human Services (in this section referred to as the ''Secretary'') for approval of a demonstration project (in this section referred to as a ''demonstration project'') under which up to a specified maximum number of individuals who are workers with a potentially severe disability (as defined in subsection (b)(1)) are provided medical assistance equal to—

(1) that provided under section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) to individuals described in section 1902(a)(10)(A)(ii)(XIII) of that Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XIII)); or

(2) in the case of a State that has not elected to provide medical assistance under that section to such individuals, such medical assistance as the Secretary determines is an appropriate equivalent to the medical assistance described in paragraph (1).

(b) WORKER WITH A POTENTIALLY SEVERE DISABILITY DEFINED.—For purposes of this section—

(1) IN GENERAL.—The term ''worker with a potentially severe disability'' means, with respect to a demonstration project, an individual who—

(A) is at least 16, but less than 65, years of age;

(B) has a specific physical or mental impairment that, as defined by the State under the demonstration project, is reasonably expected, but for the receipt of items and services described in section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)), to become blind or disabled (as defined under section 1614(a) of the Social Security Act (42 U.S.C. 1382c(a))); and

(C) is employed (as defined in paragraph (2)).

(2) DEFINITION OF EMPLOYED.—An individual is considered to be ''employed'' if the individual—

(A) is earning at least the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act (29 U.S.C. 206) and working at least 40 hours per month; or

(B) is engaged in a work effort that meets substantial and reasonable threshold criteria for hours of work, wages, or other measures, as defined under the demonstration project and approved by the Secretary.

(c) APPROVAL OF DEMONSTRATION PROJECTS.—

(1) IN GENERAL.—Subject to paragraph (3), the Secretary shall approve applications under subsection (a) that meet the requirements of paragraph (2) and such additional terms and conditions as the Secretary may require. The Secretary may waive the requirement of section 1902(a)(1) of the Social Security Act (42 U.S.C. 1396a(a)(1)) to allow for sub-State demonstrations.

(2) TERMS AND CONDITIONS OF DEMONSTRATION PROJECTS.—The Secretary may not approve a demonstration project under this section unless the State provides assurances satisfactory to the Secretary that the following conditions are or will be met:

(A) MAINTENANCE OF STATE EFFORT.—Federal funds paid to a State pursuant to this section must be used to supplement, but not supplant, the level of State funds expended for workers with potentially severe disabilities under programs in effect for such individuals at the time the demonstration project is approved under this section.

(B) INDEPENDENT EVALUATION.—The State provides for an independent evaluation of the project.

(3) LIMITATIONS ON FEDERAL FUNDING.—

(A) APPROPRIATION.—

(i) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to carry out this section—

(I) $42,000,000 for each of fiscal years 2001 through 2004, and

(II) $41,000,000 for each of fiscal years 2005 and 2006.

(ii) BUDGET AUTHORITY.—Clause (i) constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment of the amounts appropriated under clause (i).

(B) LIMITATION ON PAYMENTS.—In no case may—

(i) the aggregate amount of payments made by the Secretary to States under this section exceed $250,000,000;

(ii) the aggregate amount of payments made by the Secretary to States for administrative expenses relating to annual reports required under subsection (d) exceed $2,000,000 of such $250,000,000; or

(iii) payments be provided by the Secretary for a fiscal year after fiscal year 2009.

(C) FUNDS ALLOCATED TO STATES.—The Secretary shall allocate funds to States based on their applications and the availability of funds. Funds allocated to a State under a grant made under this section for a fiscal year shall remain available until expended.

(D) FUNDS NOT ALLOCATED TO STATES.—Funds not allocated to States in the fiscal year for which they are appropriated shall remain available in succeeding fiscal years for allocation by the Secretary using the allocation formula established under this section.

(E) PAYMENTS TO STATES.—The Secretary shall pay to each State with a demonstration project approved under this section, from its allocation under subparagraph (C), an amount for each quarter equal to the Federal medical assistance percentage (as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1395d(b)) of expenditures in the quarter for medical assistance provided to workers with a potentially severe disability.

(d) ANNUAL REPORT.—A State with a demonstration project approved under this section shall submit an annual report to the Secretary on the use of funds provided under the grant. Each report shall include enrollment and financial statistics on—

(1) the total population of workers with potentially severe disabilities served by the demonstration project; and

(2) each population of such workers with a specific physical or mental impairment described in subsection (b)(1)(B) served by such project.

(e) RECOMMENDATION.—Not later than October 1, 2004, the Secretary shall submit a recommendation to the Committee on Commerce of the House of Representatives and the Committee on Finance of the Senate regarding whether the demonstration project established under this section should be continued after fiscal year 2006.

(f) STATE DEFINED.—In this section, the term ''State'' has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

SEC. 205. ELECTION BY DISABLED BENEFICIARIES TO SUSPEND MEDIGAP INSURANCE WHEN COVERED UNDER A GROUP HEALTH PLAN.

(a) IN GENERAL.—Section 1882(q) of the Social Security Act (42 U.S.C. 1395ss(q)) is amended—

(1) in paragraph (5)(C), by inserting ''or paragraph (6)'' after ''this paragraph''; and

(2) by adding at the end the following new paragraph:

''(6) Each medicare supplemental policy shall provide that benefits and premiums under the policy shall be suspended at the request of the policyholder if the policyholder is entitled to benefits under section 226(b) and is covered under a group health plan (as defined in section 1862(b)(1)(A)(v)). If such suspension occurs and if the policyholder or certificate holder loses coverage under the group health plan, such policy shall be automatically reinstituted (effective as of the date of such loss of coverage) under terms described in subsection (n)(6)(A)(ii) as of the loss of such coverage if the policyholder provides notice of loss of such coverage within 90 days after the date of such loss.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to requests made after the date of the enactment of this Act.

TITLE III—DEMONSTRATION PROJECTS AND STUDIES

SEC. 301. EXTENSION OF DISABILITY INSURANCE PROGRAM DEMONSTRATION PROJECT AUTHORITY.

(a) EXTENSION OF AUTHORITY.—Title II of the Social Security Act (42 U.S.C. 401 et seq.) is amended by adding at the end the following new section:

''DEMONSTRATION PROJECT AUTHORITY

''SEC. 234. (a) AUTHORITY.—

''(1) IN GENERAL.—The Commissioner of Social Security (in this section referred to as the 'Commissioner') shall develop and carry out experiments and demonstration projects designed to determine the relative advantages and disadvantages of—

''(A) various alternative methods of treating the work activity of individuals entitled to disability insurance benefits under section 223 or to monthly insurance benefits under section 202 based on such individual's disability (as defined in section 223(d)), including such methods as a reduction in benefits based on earnings, designed to encourage the return to work of such individuals;

''(B) altering other limitations and conditions applicable to such individuals (including lengthening the trial work period (as defined in section 222(c)), altering the 24-month waiting period for hospital insurance benefits under section 226, altering the manner in which the program under this title is administered, earlier referral of such individuals for rehabilitation, and

greater use of employers and others to develop, perform, and otherwise stimulate new forms of rehabilitation); and

''(C) implementing sliding scale benefit offsets using variations in—

''(i) the amount of the offset as a proportion of earned income;

''(ii) the duration of the offset period; and

''(iii) the method of determining the amount of income earned by such individuals,

to the end that savings will accrue to the Trust Funds, or to otherwise promote the objectives or facilitate the administration of this title.

''(2) AUTHORITY FOR EXPANSION OF SCOPE.—The Commissioner may expand the scope of any such experiment or demonstration project to include any group of applicants for benefits under the program established under this title with impairments that reasonably may be presumed to be disabling for purposes of such demonstration project, and may limit any such demonstration project to any such group of applicants, subject to the terms of such demonstration project which shall define the extent of any such presumption.

''(b) REQUIREMENTS.—The experiments and demonstration projects developed under subsection (a) shall be of sufficient scope and shall be carried out on a wide enough scale to permit a thorough evaluation of the alternative methods under consideration while giving assurance that the results derived from the experiments and projects will obtain generally in the operation of the disability insurance program under this title without committing such program to the adoption of any particular system either locally or nationally.

''(c) AUTHORITY TO WAIVE COMPLIANCE WITH BENEFITS REQUIREMENTS.—In the case of any experiment or demonstration project conducted under subsection (a), the Commissioner may waive compliance with the benefit requirements of this title and the requirements of section 1148 as they relate to the program established under this title, and the Secretary may (upon the request of the Commissioner) waive compliance with the benefits requirements of title XVIII, insofar as is necessary for a thorough evaluation of the alternative methods under consideration. No such experiment or project shall be actually placed in operation unless at least 90 days prior thereto a written report, prepared for purposes of notification and information only and containing a full and complete description thereof, has been transmitted by the Commissioner to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate. Periodic reports on the progress of such experiments and demonstration projects shall be submitted by the Commissioner to such committees. When appropriate, such reports shall include detailed recommendations for changes in administration or law, or both, to carry out the objectives stated in subsection (a).

''(d) REPORTS.—

''(1) INTERIM REPORTS.—On or before June 9 of each year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate an annual interim report on the progress of the experiments and demonstration projects carried out under this subsection together with any related data and materials that the Commissioner may consider appropriate.

''(2) TERMINATION AND FINAL REPORT.—The authority under the preceding provisions of this section (including any waiver granted pursuant to subsection (c)) shall terminate 5 years after the date of the enactment of this Act. Not later than 90 days after the termination of any experiment or demonstration project carried out under this section, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a final report with respect to that experiment or demonstration project.''.

(b) CONFORMING AMENDMENTS; TRANSFER OF PRIOR AUTHORITY.—

(1) CONFORMING AMENDMENTS.—

(A) REPEAL OF PRIOR AUTHORITY.—Paragraphs (1) through (4) of subsection (a) and subsection (c) of section 505 of the Social Security Disability Amendments of 1980 (42 U.S.C. 1310 note) are repealed.

(B) CONFORMING AMENDMENT REGARDING FUNDING.—Section 201(k) of the Social Security Act (42 U.S.C. 401(k)) is amended by striking ''section 505(a) of the Social Security Disability Amendments of 1980'' and inserting ''section 234''.

(2) TRANSFER OF PRIOR AUTHORITY.—With respect to any experiment or demonstration project being conducted under section 505(a) of the Social Security Disability Amendments of 1980 (42 U.S.C. 1310 note) as of the date of the enactment of this Act, the authority to conduct such experiment or demonstration project (including the terms and conditions applicable to the experiment or demonstration project) shall be treated as if that authority (and such terms and conditions) had been established under section 234 of the Social Security Act, as added by subsection (a).

SEC. 302. DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

(a) AUTHORITY.—The Commissioner of Social Security shall conduct demonstration projects for the purpose of evaluating, through the collection of data, a program for title II disability beneficiaries (as defined in section 1148(k)(3) of the Social Security Act) under which benefits payable under section 223 of such Act, or under section 202 of such Act based on the beneficiary's disability, are reduced by $1 for each $2 of the beneficiary's earnings that is above a level to be determined by the Commissioner. Such projects shall be conducted at a number of localities which the Commissioner shall determine is sufficient to adequately evaluate the appropriateness of national implementation of such a program. Such projects shall identify reductions in Federal expenditures that may result from the permanent implementation of such a program.

(b) SCOPE AND SCALE AND MATTERS TO BE DETERMINED.—

(1) IN GENERAL.—The demonstration projects developed under subsection (a) shall be of sufficient duration, shall be of sufficient scope, and shall be carried out on a wide enough scale to permit a thorough evaluation of the project to determine—

(A) the effects, if any, of induced entry into the project and reduced exit from the project;

(B) the extent, if any, to which the project being tested is affected by whether it is in operation in a locality within an area under the administration of the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act; and

(C) the savings that accrue to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and other Federal programs under the project being tested.

The Commissioner shall take into account advice provided by the Ticket to Work and Work Incentives Advisory Panel pursuant to section 101(f)(2)(B)(ii) of this Act.

(2) ADDITIONAL MATTERS.—The Commissioner shall also determine with respect to each project—

(A) the annual cost (including net cost) of the project and the annual cost (including net cost) that would have been incurred in the absence of the project;

(B) the determinants of return to work, including the characteristics of the beneficiaries who participate in the project; and

(C) the employment outcomes, including wages, occupations, benefits, and hours worked, of beneficiaries who return to work as a result of participation in the project.

The Commissioner may include within the matters evaluated under the project the merits of trial work periods and periods of extended eligibility.

(c) WAIVERS.—The Commissioner may waive compliance with the benefit provisions of title II of the Social Security Act (42 U.S.C. 401 et seq.), and the Secretary of Health and Human Services may waive compliance with the benefit requirements of title XVIII of such Act (42 U.S.C. 1395 et seq.), insofar as is necessary for a thorough evaluation of the alternative methods under consideration. No such project shall be actually placed in operation unless at least 90 days prior thereto a written report, prepared for purposes of notification and information only and containing a full and complete description thereof, has been transmitted by the Commissioner to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate. Periodic reports on the progress of such projects shall be submitted by the Commissioner to such committees. When appropriate, such reports shall include detailed recommendations for changes in administration or law, or both, to carry out the objectives stated in subsection (a).

(d) INTERIM REPORTS.—Not later than 2 years after the date of the enactment of this Act, and annually thereafter, the Commissioner of Social Security shall submit to the Congress an interim report on the progress of the demonstration projects carried out under this subsection together with any related data and materials that the Commissioner of Social Security may consider appropriate.

(e) FINAL REPORT.—The Commissioner of Social Security shall submit to the Congress a final report with respect to all demonstration projects carried out under this section not later than 1 year after their completion.

(f) EXPENDITURES.—Expenditures made for demonstration projects under this section shall be made from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, as determined appropriate by the Secretary of Health and Human Services, to the extent provided in advance in appropriation Acts.

SEC. 303. STUDIES AND REPORTS.

(a) STUDY BY GENERAL ACCOUNTING OFFICE OF EXISTING DISABILITY-RELATED EMPLOYMENT INCENTIVES.—

(1) STUDY.—As soon as practicable after the date of the enactment of this Act, the Comptroller General of the United States shall undertake a study to assess existing tax credits and other disability-related employment incentives under the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and other Federal laws. In such study, the Comptroller General shall specifically address the extent to which such credits and other incentives would encourage employers to hire and retain individuals with disabilities.

(2) REPORT.—Not later than 3 years after the date of the enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this subsection, together with such recommendations for legislative or administrative

changes as the Comptroller General determines are appropriate.

(b) STUDY BY GENERAL ACCOUNTING OFFICE OF EXISTING COORDINATION OF THE DI AND SSI PROGRAMS AS THEY RELATE TO INDIVIDUALS ENTERING OR LEAVING CONCURRENT ENTITLEMENT.—

(1) STUDY.—As soon as practicable after the date of the enactment of this Act, the Comptroller General of the United States shall undertake a study to evaluate the coordination under current law of the disability insurance program under title II of the Social Security Act (42 U.S.C. 401 et seq.) and the supplemental security income program under title XVI of such Act (42 U.S.C. 1381 et seq.), as such programs relate to individuals entering or leaving concurrent entitlement under such programs. In such study, the Comptroller General shall specifically address the effectiveness of work incentives under such programs with respect to such individuals and the effectiveness of coverage of such individuals under titles XVIII and XIX of such Act (42 U.S.C. 1395 et seq., 1396 et seq.).

(2) REPORT.—Not later than 3 years after the date of the enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

(c) STUDY BY GENERAL ACCOUNTING OFFICE OF THE IMPACT OF THE SUBSTANTIAL GAINFUL ACTIVITY LIMIT ON RETURN TO WORK.—

(1) STUDY.—As soon as practicable after the date of the enactment of this Act, the Comptroller General of the United States shall undertake a study of the substantial gainful activity level applicable as of that date to recipients of benefits under section 223 of the Social Security Act (42 U.S.C. 423) and under section 202 of such Act (42 U.S.C. 402) on the basis of a recipient having a disability, and the effect of such level as a disincentive for those recipients to return to work. In the study, the Comptroller General also shall address the merits of increasing the substantial gainful activity level applicable to such recipients of benefits and the rationale for not yearly indexing that level to inflation.

(2) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

(d) REPORT ON DISREGARDS UNDER THE DI AND SSI PROGRAMS.—Not later than 90 days after the date of the enactment of this Act, the Commissioner of Social Security shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that—

(1) identifies all income, assets, and resource disregards (imposed under statutory or regulatory authority) that are applicable to individuals receiving benefits under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.);

(2) with respect to each such disregard—

(A) specifies the most recent statutory or regulatory modification of the disregard; and

(B) recommends whether further statutory or regulatory modification of the disregard would be appropriate; and

(3) with respect to the disregard described in section 1612(b)(7) of such Act (42 U.S.C. 1382a(b)(7)) (relating to grants, scholarships, or fellowships received for use in paying the cost of tuition and fees at any educational (including technical or vocational education) institution)—

(A) identifies the number of individuals receiving benefits under title XVI of such Act (42 U.S.C. 1381 et seq.) who have attained age 22 and have not had any portion of any grant, scholarship, or fellowship received for use in paying the cost of tuition and fees at any educational (including technical or vocational education) institution excluded from their income in accordance with that section;

(B) recommends whether the age at which such grants, scholarships, or fellowships are excluded from income for purposes of determining eligibility under title XVI of such Act (42 U.S.C. 1381 et seq.) should be increased to age 25; and

(C) recommends whether such disregard should be expanded to include any such grant, scholarship, or fellowship received for use in paying the cost of room and board at any such institution.

(e) STUDY BY THE GENERAL ACCOUNTING OFFICE OF SOCIAL SECURITY ADMINISTRATION'S DISABILITY INSURANCE PROGRAM DEMONSTRATION AUTHORITY.—

(1) STUDY.—As soon as practicable after the date of the enactment of this Act, the Comptroller General of the United States shall undertake a study to assess the results of the Social Security Administration's efforts to conduct disability demonstrations authorized under prior law as well as under section 234 of the Social Security Act (as added by section 301 of this Act).

(2) REPORT.—Not later than 5 years after the date of the enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this section, together with a recommendation as to whether the demonstration authority authorized under section 234 of the Social Security Act (as added by section 301 of this Act) should be made permanent.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

SEC. 401. TECHNICAL AMENDMENTS RELATING TO DRUG ADDICTS AND ALCOHOLICS.

(a) CLARIFICATION RELATING TO THE EFFECTIVE DATE OF THE DENIAL OF SOCIAL SECURITY DISABILITY BENEFITS TO DRUG ADDICTS AND ALCOHOLICS.—Section 105(a)(5) of the Contract with America Advancement Act of 1996 (42 U.S.C. 405 note) is amended—

(1) in subparagraph (A), by striking ''by the Commissioner of Social Security'' and ''by the Commissioner''; and

(2) by adding at the end the following new subparagraph:

''(D) For purposes of this paragraph, an individual's claim, with respect to benefits under title II based on disability, which has been denied in whole before the date of the enactment of this Act, may not be considered to be finally adjudicated before such date if, on or after such date—

''(i) there is pending a request for either administrative or judicial review with respect to such claim; or

''(ii) there is pending, with respect to such claim, a readjudication by the Commissioner of Social Security pursuant to relief in a class action or implementation by the Commissioner of a court remand order.

''(E) Notwithstanding the provisions of this paragraph, with respect to any individual for whom the Commissioner of Social Security does not perform the entitlement redetermination before the date prescribed in subparagraph (C), the Commissioner shall perform such entitlement redetermination in lieu of a continuing disability review whenever the Commissioner determines that the individual's entitlement is subject to redetermination based on the preceding provisions of this paragraph, and the provisions of section 223(f) shall not apply to such redetermination.''.

(b) CORRECTION TO EFFECTIVE DATE OF PROVISIONS CONCERNING REPRESENTATIVE PAYEES AND TREATMENT REFERRALS OF SOCIAL SECURITY BENEFICIARIES WHO ARE DRUG ADDICTS AND ALCOHOLICS.—Section 105(a)(5)(B) of the Contract with America Advancement Act of 1996 (42 U.S.C. 405 note) is amended to read as follows:

''(B) The amendments made by paragraphs (2) and (3) shall take effect on July 1, 1996, with respect to any individual—

''(i) whose claim for benefits is finally adjudicated on or after the date of the enactment of this Act; or

''(ii) whose entitlement to benefits is based upon an entitlement redetermination made pursuant to subparagraph (C).''.

(c) EFFECTIVE DATES.—The amendments made by this section shall take effect as if included in the enactment of section 105 of the Contract with America Advancement Act of 1996 (Public Law 104–121; 110 Stat. 852 et seq.).

SEC. 402. TREATMENT OF PRISONERS.

(a) IMPLEMENTATION OF PROHIBITION AGAINST PAYMENT OF TITLE II BENEFITS TO PRISONERS.—

(1) IN GENERAL.—Section 202(x)(3) of the Social Security Act (42 U.S.C. 402(x)(3)) is amended—

(A) by inserting ''(A)'' after ''(3)''; and

(B) by adding at the end the following new subparagraph:

''(B)(i) The Commissioner shall enter into an agreement under this subparagraph with any interested State or local institution comprising a jail, prison, penal institution, or correctional facility, or comprising any other institution a purpose of which is to confine individuals as described in paragraph (1)(A)(ii). Under such agreement—

''(I) the institution shall provide to the Commissioner, on a monthly basis and in a manner specified by the Commissioner, the names, Social Security account numbers, dates of birth, confinement commencement dates, and, to the extent available to the institution, such other identifying information concerning the individuals confined in the institution as the Commissioner may require for the purpose of carrying out paragraph (1) and other provisions of this title; and

''(II) the Commissioner shall pay to the institution, with respect to information described in subclause (I) concerning each individual who is confined therein as described in paragraph (1)(A), who receives a benefit under this title for the month preceding the first month of such confinement, and whose benefit under this title is determined by the Commissioner to be not payable by reason of confinement based on the information provided by the institution, $400 (subject to reduction under clause (ii)) if the institution furnishes the information to the Commissioner within 30 days after the date such individual's confinement in such institution begins, or $200 (subject to reduction under clause (ii)) if the institution furnishes the information after 30 days after such date but within 90 days after such date.

''(ii) The dollar amounts specified in clause (i)(II) shall be reduced by 50 percent if the Commissioner is also required to make a payment to the institution with respect to the same individual under an agreement entered into under section 1611(e)(1)(I).

''(iii) There are authorized to be transferred from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, as appropriate, such sums

as may be necessary to enable the Commissioner to make payments to institutions required by clause (i)(II).

''(iv) The Commissioner shall maintain, and shall provide on a reimbursable basis, information obtained pursuant to agreements entered into under this paragraph to any agency administering a Federal or federally-assisted cash, food, or medical assistance program for eligibility and other administrative purposes under such program.''.

(2) CONFORMING AMENDMENTS TO THE PRIVACY ACT.—Section 552a(a)(8)(B) of title 5, United States Code, is amended—

(A) in clause (vi), by striking ''or'' at the end;

(B) in clause (vii), by adding ''or'' at the end; and

(C) by adding at the end the following new clause:

''(viii) matches performed pursuant to section 202(x)(3) or 1611(e)(1) of the Social Security Act (42 U.S.C. 402(x)(3), 1382(e)(1));''.

(3) CONFORMING AMENDMENTS TO TITLE XVI.—

(A) Section 1611(e)(1)(I)(i)(I) of the Social Security Act (42 U.S.C. 1382(e)(1)(I)(i)(I)) is amended by striking ''; and'' and inserting ''and the other provisions of this title; and''.

(B) Section 1611(e)(1)(I)(ii)(II) of such Act (42 U.S.C. 1382(e)(1)(I)(ii)(II)) is amended by striking ''is authorized to provide, on a reimbursable basis,'' and inserting ''shall maintain, and shall provide on a reimbursable basis,''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to individuals whose period of confinement in an institution commences on or after the first day of the fourth month beginning after the month in which this Act is enacted.

(b) ELIMINATION OF TITLE II REQUIREMENT THAT CONFINEMENT STEM FROM CRIME PUNISHABLE BY IMPRISONMENT FOR MORE THAN 1 YEAR.—

(1) IN GENERAL.—Section 202(x)(1)(A) of the Social Security Act (42 U.S.C. 402(x)(1)(A)) is amended—

(A) in the matter preceding clause (i), by striking ''during which'' and inserting ''ending with or during or beginning with or during a period of more than 30 days throughout all of which'';

(B) in clause (i), by striking ''an offense punishable by imprisonment for more than 1 year (regardless of the actual sentence imposed)'' and inserting ''a criminal offense''; and

(C) in clause (ii)(I), by striking ''an offense punishable by imprisonment for more than 1 year'' and inserting ''a criminal offense''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to individuals whose period of confinement in an institution commences on or after the first day of the fourth month beginning after the month in which this Act is enacted.

(c) CONFORMING TITLE XVI AMENDMENTS.—

(1) 50 PERCENT REDUCTION IN TITLE XVI PAYMENT IN CASE INVOLVING COMPARABLE TITLE II PAYMENT.—Section 1611(e)(1)(I) of the Social Security Act (42 U.S.C. 1382(e)(1)(I)) is amended—

(A) in clause (i)(II), by inserting ''(subject to reduction under clause (ii))'' after ''$400'' and after ''$200'';

(B) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv) respectively; and

(C) by inserting after clause (i) the following new clause:

''(ii) The dollar amounts specified in clause (i)(II) shall be reduced by 50 percent if the Commissioner is also required to make a payment to the institution with respect to the same individual under an agreement entered into under section 202(x)(3)(B).''.

(2) EXPANSION OF CATEGORIES OF INSTITUTIONS ELIGIBLE TO ENTER INTO AGREEMENTS WITH THE COMMISSIONER.—Section 1611(e)(1)(I)(i) of such Act (42 U.S.C. 1382(e)(1)(I)(i)) is amended in the matter preceding subclause (I) by striking ''institution'' and all that follows through ''section 202(x)(1)(A),'' and inserting ''institution comprising a jail, prison, penal institution, or correctional facility, or with any other interested State or local institution a purpose of which is to confine individuals as described in section 202(x)(1)(A)(ii),''.

(3) ELIMINATION OF OVERLY BROAD EXEMPTION.—Section 1611(e)(1)(I)(iii) of such Act (42 U.S.C. 1382(e)(1)(I)(iii)) (as redesignated by paragraph (1)(B)) is amended further—

(A) by striking ''(I) The provisions'' and all that follows through ''(II)''; and

(B) by striking ''eligibility purposes'' and inserting ''eligibility and other administrative purposes under such program''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the enactment of section 203(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2186). The reference to section 202(x)(1)(A)(ii) of the Social Security Act in section 1611(e)(1)(I)(i) of the Social Security Act, as amended by paragraph (2) of this subsection, shall be deemed a reference to such section 202(x)(1)(A)(ii) of such Act as amended by subsection (b)(1)(C) of this section.

(d) CONTINUED DENIAL OF BENEFITS TO SEX OFFENDERS REMAINING CONFINED TO PUBLIC INSTITUTIONS UPON COMPLETION OF PRISON TERM.—

(1) IN GENERAL.—Section 202(x)(1)(A) of the Social Security Act (42 U.S.C. 402(x)(1)(A)) is amended—

(A) in clause (i), by striking ''or'' at the end;

(B) in clause (ii)(IV), by striking the period and inserting '', or''; and

(C) by adding at the end the following new clause:

''(iii) immediately upon completion of confinement as described in clause (i) pursuant to conviction of a criminal offense an element of which is sexual activity, is confined by court order in an institution at public expense pursuant to a finding that the individual is a sexually dangerous person or a sexual predator or a similar finding.''.

(2) CONFORMING AMENDMENT.—Section 202(x)(1)(B)(ii) of such Act (42 U.S.C. 402(x)(1)(B)(ii)) is amended by striking ''clause (ii)'' and inserting ''clauses (ii) and (iii)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to benefits for months ending after the date of the enactment of this Act.

SEC. 403. REVOCATION BY MEMBERS OF THE CLERGY OF EXEMPTION FROM SOCIAL SECURITY COVERAGE.

(a) IN GENERAL.—Notwithstanding section 1402(e)(4) of the Internal Revenue Code of 1986, any exemption which has been received under section 1402(e)(1) of such Code by a duly ordained, commissioned, or licensed minister of a church, a member of a religious order, or a Christian Science practitioner, and which is effective for the taxable year in which this Act is enacted, may be revoked by filing an application therefor (in such form and manner, and with such official, as may be prescribed by the Commissioner of Internal Revenue), if such application is filed no later than the due date of the Federal income tax return (including any extension thereof) for the applicant's second taxable year beginning after December 31, 1999. Any such revocation shall be effective (for purposes of chapter 2 of the Internal Revenue Code of 1986 and title II of the Social Security Act (42 U.S.C. 401 et seq.)), as specified in the application, either with respect to the applicant's first taxable year beginning after December 31, 1999, or with respect to the applicant's second taxable year beginning after such date, and for all succeeding taxable years; and the applicant for any such revocation may not thereafter again file application for an exemption under such section 1402(e)(1). If the application is filed after the due date of the applicant's Federal income tax return for a taxable year and is effective with respect to that taxable year, it shall include or be accompanied by payment in full of an amount equal to the total of the taxes that would have been imposed by section 1401 of the Internal Revenue Code of 1986 with respect to all of the applicant's income derived in that taxable year which would have constituted net earnings from self-employment for purposes of chapter 2 of such Code (notwithstanding paragraphs (4) and (5) of section 1402(c)) except for the exemption under section 1402(e)(1) of such Code.

(b) EFFECTIVE DATE.—Subsection (a) shall apply with respect to service performed (to the extent specified in such subsection) in taxable years beginning after December 31, 1999, and with respect to monthly insurance benefits payable under title II on the basis of the wages and self-employment income of any individual for months in or after the calendar year in which such individual's application for revocation (as described in such subsection) is effective (and lump-sum death payments payable under such title on the basis of such wages and self-employment income in the case of deaths occurring in or after such calendar year).

SEC. 404. ADDITIONAL TECHNICAL AMENDMENT RELATING TO COOPERATIVE RESEARCH OR DEMONSTRATION PROJECTS UNDER TITLES II AND XVI.

(a) IN GENERAL.—Section 1110(a)(3) of the Social Security Act (42 U.S.C. 1310(a)(3)) is amended by striking ''title XVI'' and inserting ''title II or XVI''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Social Security Independence and Program Improvements Act of 1994 (Public Law 103–296; 108 Stat. 1464).

SEC. 405. AUTHORIZATION FOR STATE TO PERMIT ANNUAL WAGE REPORTS.

(a) IN GENERAL.—Section 1137(a)(3) of the Social Security Act (42 U.S.C. 1320b–7(a)(3)) is amended by inserting before the semicolon the following: '', and except that in the case of wage reports with respect to domestic service employment, a State may permit employers (as so defined) that make returns with respect to such employment on a calendar year basis pursuant to section 3510 of the Internal Revenue Code of 1986 to make such reports on an annual basis''.

(b) TECHNICAL AMENDMENTS.—Section 1137(a)(3) of the Social Security Act (42 U.S.C. 1320b–7(a)(3)) is amended—

(1) by striking ''(as defined in section 453A(a)(2)(B)(iii))''; and

(2) by inserting ''(as defined in section 453A(a)(2)(B))'' after ''employers'' .

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to wage reports required to be submitted on and after the date of the enactment of this Act.

SEC. 406. ASSESSMENT ON ATTORNEYS WHO RECEIVE THEIR FEES VIA THE SOCIAL SECURITY ADMINISTRATION.

(a) ASSESSMENT ON ATTORNEYS.—

(1) IN GENERAL.—Section 206 of the Social Security Act (42 U.S.C. 406) is amended by adding at the end the following new subsection:

''(d) ASSESSMENT ON ATTORNEYS.—

''(1) IN GENERAL.—Whenever a fee for services is required to be certified for payment to an attorney from a claimant's past-due benefits pursuant to subsection (a)(4) or (b)(1), the Commissioner shall impose on the attorney an assessment calculated in accordance with paragraph (2).

''(2) AMOUNT.—

''(A) The amount of an assessment under paragraph (1) shall be equal to the product obtained by multiplying the amount of the representative's fee that would be required to be so certified by subsection (a)(4) or (b)(1) before the application of this subsection, by the percentage specified in subparagraph (B).

''(B) The percentage specified in this subparagraph is—

''(i) for calendar years before 2001, 6.3 percent, and

''(ii) for calendar years after 2000, such percentage rate as the Commissioner determines is necessary in order to achieve full recovery of the costs of determining and certifying fees to attorneys from the past-due benefits of claimants, but not in excess of 6.3 percent.

''(3) COLLECTION.—The Commissioner may collect the assessment imposed on an attorney under paragraph (1) by offset from the amount of the fee otherwise required by subsection (a)(4) or (b)(1) to be certified for payment to the attorney from a claimant's past-due benefits.

''(4) PROHIBITION ON CLAIMANT REIMBURSEMENT.—An attorney subject to an assessment under paragraph (1) may not, directly or indirectly, request or otherwise obtain reimbursement for such assessment from the claimant whose claim gave rise to the assessment.

''(5) DISPOSITION OF ASSESSMENTS.—Assessments on attorneys collected under this subsection shall be credited to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, as appropriate.

''(6) AUTHORIZATION OF APPROPRIATIONS.—The assessments authorized under this section shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Amounts so appropriated are authorized to remain available until expended, for administrative expenses in carrying out this title and related laws.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 206(a)(4)(A) of such Act (42 U.S.C. 406(a)(4)(A)) is amended by inserting ''and subsection (d)'' after ''subparagraph (B)''.

(B) Section 206(b)(1)(A) of such Act (42 U.S.C. 406(b)(1)(A)) is amended by inserting '', but subject to subsection (d) of this section'' after ''section 205(i)''.

(b) ELIMINATION OF 15-DAY WAITING PERIOD FOR PAYMENT OF FEES.—Section 206(a)(4) of such Act (42 U.S.C. 406(a)(4)), as amended by subsection (a)(2)(A) of this section, is amended—

(1) by striking ''(4)(A)'' and inserting ''(4)'';

(2) by striking ''subparagraph (B) and''; and

(3) by striking subparagraph (B).

(c) GAO STUDY AND REPORT.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study that—

(A) examines the costs incurred by the Social Security Administration in administering the provisions of subsection (a)(4) and (b)(1) of section 206 of the Social Security Act (42 U.S.C. 406) and itemizes the components of such costs, including the costs of determining fees to attorneys from the past-due benefits of claimants before the Commissioner of Social Security and of certifying such fees;

(B) identifies efficiencies that the Social Security Administration could implement to reduce such costs;

(C) examines the feasibility and advisability of linking the payment of, or the amount of, the assessment under section 206(d) of the Social Security Act (42 U.S.C. 406(d)) to the timeliness of the payment of the fee to the attorney as certified by the Commissioner of Social Security pursuant to subsection (a)(4) or (b)(1) of section 206 of such Act (42 U.S.C. 406);

(D) determines whether the provisions of subsection (a)(4) and (b)(1) of section 206 of such Act (42 U.S.C. 406) should be applied to claimants under title XVI of such Act (42 U.S.C 1381 et seq.);

(E) determines the feasibility and advisability of stating fees under section 206(d) of such Act (42 U.S.C. 406(d)) in terms of a fixed dollar amount as opposed to a percentage;

(F) determines whether the dollar limit specified in section 206(a)(2)(A)(ii)(II) of such Act (42 U.S.C. 406(a)(2)(A)(ii)(II)) should be raised; and

(G) determines whether the assessment on attorneys required under section 206(d) of such Act (42 U.S.C. 406(d)) (as added by subsection (a)(1) of this section) impairs access to legal representation for claimants.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the study conducted under paragraph (1), together with any recommendations for legislation that the Comptroller General determines to be appropriate as a result of such study.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply in the case of any attorney with respect to whom a fee for services is required to be certified for payment from a claimant's past-due benefits pursuant to subsection (a)(4) or (b)(1) of section 206 of the Social Security Act after the later of—

(1) December 31, 1999, or

(2) the last day of the first month beginning after the month in which this Act is enacted.

SEC. 407. EXTENSION OF AUTHORITY OF STATE MEDICAID FRAUD CONTROL UNITS.

(a) EXTENSION OF AUTHORITY TO INVESTIGATE AND PROSECUTE FRAUD IN OTHER FEDERAL HEALTH CARE PROGRAMS.—Section 1903(q)(3) of the Social Security Act (42 U.S.C. 1396b(q)(3)) is amended—

(1) by inserting ''(A)'' after ''in connection with''; and

(2) by striking ''title.'' and inserting ''title; and (B) upon the approval of the Inspector General of the relevant Federal agency, any aspect of the provision of health care services and activities of providers of such services under any Federal health care program (as defined in section 1128B(f)(1)), if the suspected fraud or violation of law in such case or investigation is primarily related to the State plan under this title.''.

(b) RECOUPMENT OF FUNDS.—Section 1903(q)(5) of such Act (42 U.S.C. 1396b(q)(5)) is amended—

(1) by inserting ''or under any Federal health care program (as so defined)'' after ''plan''; and

(2) by adding at the end the following: ''All funds collected in accordance with this paragraph shall be credited exclusively to, and available for expenditure under, the Federal health care program (including the State plan under this title) that was subject to the activity that was the basis for the collection.''.

(c) EXTENSION OF AUTHORITY TO INVESTIGATE AND PROSECUTE RESIDENT ABUSE IN NON-MEDICAID BOARD AND CARE FACILITIES.—Section 1903(q)(4) of such Act (42 U.S.C. 1396b(q)(4)) is amended to read as follows:

''(4)(A) The entity has—

''(i) procedures for reviewing complaints of abuse or neglect of patients in health care facilities which receive payments under the State plan under this title;

''(ii) at the option of the entity, procedures for reviewing complaints of abuse or neglect of patients residing in board and care facilities; and

''(iii) procedures for acting upon such complaints under the criminal laws of the State or for referring such complaints to other State agencies for action.

''(B) For purposes of this paragraph, the term 'board and care facility' means a residential setting which receives payment (regardless of whether such payment is made under the State plan under this title) from or on behalf of two or more unrelated adults who reside in such facility, and for whom one or both of the following is provided:

''(i) Nursing care services provided by, or under the supervision of, a registered nurse, licensed practical nurse, or licensed nursing assistant.

''(ii) A substantial amount of personal care services that assist residents with the activities of daily living, including personal hygiene, dressing, bathing, eating, toileting, ambulation, transfer, positioning, self-medication, body care, travel to medical services, essential shopping, meal preparation, laundry, and housework.''.

(d) EFFECTIVE DATE.—The amendments made by this section take effect on the date of the enactment of this Act.

SEC. 408. CLIMATE DATABASE MODERNIZATION.

Notwithstanding any other provision of law, the National Oceanic and Atmospheric Administration (NOAA) shall contract for its multi-year program for climate database modernization and utilization in accordance with NIH Image World Contract #263-96-D-0323 and Task Order #56-DKNE-9-98303 which were awarded as a result of fair and open competition conducted in response to NOAA's solicitation IW SOW 1082.

SEC. 409. SPECIAL ALLOWANCE ADJUSTMENT FOR STUDENT LOANS.

(a) AMENDMENT.—Section 438(b)(2) of the Higher Education Act of 1965 (20 U.S.C. 1087–1(b)(2)) is amended—

(1) in subparagraph (A), by striking ''(G), and (H)'' and inserting ''(G), (H), and (I)'';

(2) in subparagraph (B)(iv), by striking ''(G), or (H)'' and inserting ''(G), (H), or (I)'';

(3) in subparagraph (C)(ii), by striking ''(G) and (H)'' and inserting ''(G), (H), and (I)'';

(4) in the heading of subparagraph (H), by striking ''JULY 1, 2003'' and inserting ''JANUARY 1, 2000'';

(5) in subparagraph (H), by striking ''July 1, 2003,'' each place it appears and inserting ''January 1, 2000,''; and

(6) by inserting after subparagraph (H) the following new subparagraph:

''(I) LOANS DISBURSED ON OR AFTER JANUARY 1, 2000, AND BEFORE JULY 1, 2003.—

''(i) IN GENERAL.—Notwithstanding subparagraphs (G) and (H), but subject to paragraph (4) and clauses (ii), (iii), and (iv) of this subparagraph, and except as provided in subparagraph (B), the special allowance paid pursuant to this subsection on loans for which the first disbursement is made on or after January 1, 2000, and before July 1, 2003, shall be computed—

''(I) by determining the average of the bond equivalent rates of the quotes of the 3-month commercial paper (financial) rates in effect for each of the days in such quarter as reported by the Federal Reserve in Publication H–15 (or its successor) for such 3-month period;

''(II) by subtracting the applicable interest rates on such loans from such average bond equivalent rate;

''(III) by adding 2.34 percent to the resultant percent; and

''(IV) by dividing the resultant percent by 4.

''(ii) IN SCHOOL AND GRACE PERIOD.—In the case of any loan for which the first disbursement is made on or after January 1, 2000, and before July 1, 2003, and for which the applicable rate of interest is described in section 427A(k)(2), clause (i)(III) of this subparagraph shall be applied by substituting '1.74 percent' for '2.34 percent'.

''(iii) PLUS LOANS.—In the case of any loan for which the first disbursement is made on or after January 1, 2000, and before July 1, 2003, and for which the applicable rate of interest is described in section 427A(k)(3), clause (i)(III) of

this subparagraph shall be applied by substituting '2.64 percent' for '2.34 percent', subject to clause (v) of this subparagraph.

''(iv) CONSOLIDATION LOANS.—In the case of any consolidation loan for which the application is received by an eligible lender on or after January 1, 2000, and before July 1, 2003, and for which the applicable interest rate is determined under section 427A(k)(4), clause (i)(III) of this subparagraph shall be applied by substituting '2.64 percent' for '2.34 percent', subject to clause (vi) of this subparagraph.

''(v) LIMITATION ON SPECIAL ALLOWANCES FOR PLUS LOANS.—In the case of PLUS loans made under section 428B and first disbursed on or after January 1, 2000, and before July 1, 2003, for which the interest rate is determined under section 427A(k)(3), a special allowance shall not be paid for such loan during any 12-month period beginning on July 1 and ending on June 30 unless, on the June 1 preceding such July 1—

''(I) the bond equivalent rate of 91-day Treasury bills auctioned at the final auction held prior to such June 1 (as determined by the Secretary for purposes of such section); plus

''(II) 3.1 percent,

exceeds 9.0 percent.

''(vi) LIMITATION ON SPECIAL ALLOWANCES FOR CONSOLIDATION LOANS.—In the case of consolidation loans made under section 428C and for which the application is received on or after January 1, 2000, and before July 1, 2003, for which the interest rate is determined under section 427A(k)(4), a special allowance shall not be paid for such loan during any 3-month period ending March 31, June 30, September 30, or December 31 unless—

''(I) the average of the bond equivalent rates of the quotes of the 3-month commercial paper (financial) rates in effect for each of the days in such quarter as reported by the Federal Reserve in Publication H–15 (or its successor) for such 3-month period; plus

''(II) 2.64 percent,

exceeds the rate determined under section 427A(k)(4).''.

(b) EFFECTIVE DATE.—Subparagraph (I) of section 438(b)(2) of the Higher Education Act of 1965 (20 U.S.C. 1087–1(b)(2)) as added by subsection (a) of this section shall apply with respect to any payment pursuant to such section with respect to any 3-month period beginning on or after January 1, 2000, for loans for which the first disbursement is made after such date.

SEC. 410. SCHEDULE FOR PAYMENTS UNDER SSI STATE SUPPLEMENTATION AGREEMENTS.

(a) SCHEDULE FOR SSI SUPPLEMENTATION PAYMENTS.—

(1) IN GENERAL.—Section 1616(d) of the Social Security Act (42 U.S.C. 1382e(d)) is amended—

(A) in paragraph (1), by striking ''at such times and in such installments as may be agreed upon between the Commissioner of Social Security and such State'' and inserting ''in accordance with paragraph (5)''; and

(B) by adding at the end the following new paragraph:

''(5)(A)(i) Any State which has entered into an agreement with the Commissioner of Social Security under this section shall remit the payments and fees required under this subsection with respect to monthly benefits paid to individuals under this title no later than—

''(I) the business day preceding the date that the Commissioner pays such monthly benefits; or

''(II) with respect to such monthly benefits paid for the month that is the last month of the State's fiscal year, the fifth business day following such date.

''(ii) The Commissioner may charge States a penalty in an amount equal to 5 percent of the payment and the fees due if the remittance is received after the date required by clause (i).

''(B) The Cash Management Improvement Act of 1990 shall not apply to any payments or fees required under this subsection that are paid by a State before the date required by subparagraph (A)(i).

''(C) Notwithstanding subparagraph (A)(i), the Commissioner may make supplementary payments on behalf of a State with funds appropriated for payment of benefits under this title, and subsequently to be reimbursed for such payments by the State at such times as the Commissioner and State may agree. Such authority may be exercised only if extraordinary circumstances affecting a State's ability to make payment when required by subparagraph (A)(i) are determined by the Commissioner to exist.''.

(2) AMENDMENT TO SECTION 212.—Section 212 of Public Law 93-66 (42 U.S.C. 1382 note) is amended—

(A) in subsection (b)(3)(A), by striking ''at such times and in such installments as may be agreed upon between the Secretary and the State'' and inserting ''in accordance with subparagraph (E)'';

(B) by adding at the end of subsection (b)(3) the following new subparagraph:

''(E)(i) Any State which has entered into an agreement with the Commissioner of Social Security under this section shall remit the payments and fees required under this paragraph with respect to monthly benefits paid to individuals under title XVI of the Social Security Act no later than—

''(I) the business day preceding the date that the Commissioner pays such monthly benefits; or

''(II) with respect to such monthly benefits paid for the month that is the last month of the State's fiscal year, the fifth business day following such date.

''(ii) The Cash Management Improvement Act of 1990 shall not apply to any payments or fees required under this paragraph that are paid by a State before the date required by clause (i).

''(iii) Notwithstanding clause (i), the Commissioner may make supplementary payments on behalf of a State with funds appropriated for payment of supplemental security income benefits under title XVI of the Social Security Act, and subsequently to be reimbursed for such payments by the State at such times as the Commissioner and State may agree. Such authority may be exercised only if extraordinary circumstances affecting a State's ability to make payment when required by clause (i) are determined by the Commissioner to exist.''; and

(C) by striking ''Secretary of Health, Education, and Welfare'' and ''Secretary'' each place such term appear and inserting ''Commissioner of Social Security''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payments and fees arising under an agreement between a State and the Commissioner of Social Security under section 1616 of the Social Security Act (42 U.S.C. 1382e) or under section 212 of Public Law 93-66 (42 U.S.C. 1382 note) with respect to monthly benefits paid to individuals under title XVI of the Social Security Act for months after September 2009 (October 2009 in the case of a State with a fiscal year that coincides with the Federal fiscal year), without regard to whether the agreement has been modified to reflect such amendments or the Commissioner has promulgated regulations implementing such amendments.

SEC. 411. BONUS COMMODITIES.

Section 6(e)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(e)(1)) is amended—

(1) by striking ''in the form of commodity assistance'' and inserting ''in the form of—

''(A) commodity assistance'';

(2) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(B) during the period beginning October 1, 2000, and ending September 30, 2009, commodities provided by the Secretary under any provision of law.''.

SEC. 412. SIMPLIFICATION OF DEFINITION OF FOSTER CHILD UNDER EIC.

(a) IN GENERAL.—Section 32(c)(3)(B)(iii) of the Internal Revenue Code of 1986 (defining eligible foster child) is amended by redesignating subclauses (I) and (II) as subclauses (II) and (III), respectively, and by inserting before subclause (II), as so redesignated, the following:

''(I) is a brother, sister, stepbrother, or stepsister of the taxpayer (or a descendant of any such relative) or is placed with the taxpayer by an authorized placement agency,''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 413. DELAY OF EFFECTIVE DATE OF ORGAN PROCUREMENT AND TRANSPLANTATION NETWORK FINAL RULE.

(a) IN GENERAL.—The final rule entitled ''Organ Procurement and Transplantation Network'', promulgated by the Secretary of Health and Human Services on April 2, 1998 (63 Fed. Reg. 16295 et seq.) (relating to part 121 of title 42, Code of Federal Regulations), together with the amendments to such rules promulgated on October 20, 1999 (64 Fed. Reg. 56649 et seq.) shall not become effective before the expiration of the 90-day period beginning on the date of the enactment of this Act.

(b) NOTICE AND REVIEW.—For purposes of subsection (a):

(1) Not later than 3 days after the date of the enactment of this Act, the Secretary of Health and Human Services (referred to in this subsection as the ''Secretary'') shall publish in the Federal Register a notice providing that the period within which comments on the final rule may be submitted to the Secretary is 60 days after the date of such publication of the notice.

(2) Not later than 21 days after the expiration of such 60-day period, the Secretary shall complete the review of the comments submitted pursuant to paragraph (1) and shall amend the final rule with any revisions appropriate according to the review by the Secretary of such comments. The final rule may be in the form of amendments to the rule referred to in subsection (a) that was promulgated on April 2, 1998, and in the form of amendments to the rule referred to in such subsection that was promulgated on October 20, 1999.

TITLE V—TAX RELIEF EXTENSION ACT OF 1999

SEC. 500. SHORT TITLE OF TITLE.

This title may be cited as the ''Tax Relief Extension Act of 1999''.

Subtitle A—Extensions

SEC. 501. ALLOWANCE OF NONREFUNDABLE PERSONAL CREDITS AGAINST REGULAR AND MINIMUM TAX LIABILITY.

(a) IN GENERAL.—Subsection (a) of section 26 of the Internal Revenue Code of 1986 (relating to limitation based on amount of tax) is amended to read as follows:

''(a) LIMITATION BASED ON AMOUNT OF TAX.—

''(1) IN GENERAL.—The aggregate amount of credits allowed by this subpart for the taxable year shall not exceed the excess (if any) of—

''(A) the taxpayer's regular tax liability for the taxable year, over

''(B) the tentative minimum tax for the taxable year (determined without regard to the alternative minimum tax foreign tax credit).

For purposes of subparagraph (B), the taxpayer's tentative minimum tax for any taxable year beginning during 1999 shall be treated as being zero.''.

''(2) SPECIAL RULE FOR 2000 AND 2001.—For purposes of any taxable year beginning during

2000 or 2001, the aggregate amount of credits allowed by this subpart for the taxable year shall not exceed the sum of—

''(A) the taxpayer's regular tax liability for the taxable year reduced by the foreign tax credit allowable under section 27(a), and

''(B) the tax imposed by section 55(a) for the taxable year.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 24(d)(2) of such Code is amended by striking ''1998'' and inserting ''2001''.

(2) Section 904(h) of such Code is amended by adding at the end the following: ''This subsection shall not apply to taxable years beginning during 2000 or 2001.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 502. RESEARCH CREDIT.

(a) EXTENSION.—

(1) IN GENERAL.—Paragraph (1) of section 41(h) of the Internal Revenue Code of 1986 (relating to termination) is amended—

(A) by striking ''June 30, 1999'' and inserting ''June 30, 2004'', and

(B) by striking the material following subparagraph (B).

(2) TECHNICAL AMENDMENT.—Subparagraph (D) of section 45C(b)(1) of such Code is amended by striking ''June 30, 1999'' and inserting ''June 30, 2004''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after June 30, 1999.

(b) INCREASE IN PERCENTAGES UNDER ALTERNATIVE INCREMENTAL CREDIT.—

(1) IN GENERAL.—Subparagraph (A) of section 41(c)(4) of such Code is amended—

(A) by striking ''1.65 percent'' and inserting ''2.65 percent'',

(B) by striking ''2.2 percent'' and inserting ''3.2 percent'', and

(C) by striking ''2.75 percent'' and inserting ''3.75 percent''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after June 30, 1999.

(c) EXTENSION OF RESEARCH CREDIT TO RESEARCH IN PUERTO RICO AND THE POSSESSIONS OF THE UNITED STATES.—

(1) IN GENERAL.—Subsections (c)(6) and (d)(4)(F) of section 41 of such Code (relating to foreign research) are each amended by inserting '', the Commonwealth of Puerto Rico, or any possession of the United States'' after ''United States''.

(2) DENIAL OF DOUBLE BENEFIT.—Section 280C(c)(1) of such Code is amended by inserting ''or credit'' after ''deduction'' each place it appears.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after June 30, 1999.

(d) SPECIAL RULE.—

(1) IN GENERAL.—For purposes of the Internal Revenue Code of 1986, the credit determined under section 41 of such Code which is otherwise allowable under such Code—

(A) shall not be taken into account prior to October 1, 2000, to the extent such credit is attributable to the first suspension period, and

(B) shall not be taken into account prior to October 1, 2001, to the extent such credit is attributable to the second suspension period.

On or after the earliest date that an amount of credit may be taken into account, such amount may be taken into account through the filing of an amended return, an application for expedited refund, an adjustment of estimated taxes, or other means allowed by such Code.

(2) SUSPENSION PERIODS.—For purposes of this subsection—

(A) the first suspension period is the period beginning on July 1, 1999, and ending on September 30, 2000, and

(B) the second suspension period is the period beginning on October 1, 2000, and ending on September 30, 2001.

(3) EXPEDITED REFUNDS.—

(A) IN GENERAL.—If there is an overpayment of tax with respect to a taxable year by reason of paragraph (1), the taxpayer may file an application for a tentative refund of such overpayment. Such application shall be in such manner and form, and contain such information, as the Secretary may prescribe.

(B) DEADLINE FOR APPLICATIONS.—Subparagraph (A) shall apply only to an application filed before the date which is 1 year after the close of the suspension period to which the application relates.

(C) ALLOWANCE OF ADJUSTMENTS.—Not later than 90 days after the date on which an application is filed under this paragraph, the Secretary shall—

(i) review the application,

(ii) determine the amount of the overpayment, and

(iii) apply, credit, or refund such overpayment,

in a manner similar to the manner provided in section 6411(b) of such Code.

(D) CONSOLIDATED RETURNS.—The provisions of section 6411(c) of such Code shall apply to an adjustment under this paragraph in such manner as the Secretary may provide.

(4) CREDIT ATTRIBUTABLE TO SUSPENSION PERIOD.—

(A) IN GENERAL.—For purposes of this subsection, in the case of a taxable year which includes a portion of the suspension period, the amount of credit determined under section 41 of such Code for such taxable year which is attributable to such period is the amount which bears the same ratio to the amount of credit determined under such section 41 for such taxable year as the number of months in the suspension period which are during such taxable year bears to the number of months in such taxable year.

(B) WAIVER OF ESTIMATED TAX PENALTIES.—No addition to tax shall be made under section 6654 or 6655 of such Code for any period before July 1, 1999, with respect to any underpayment of tax imposed by such Code to the extent such underpayment was created or increased by reason of subparagraph (A).

(5) SECRETARY.—For purposes of this subsection, the term ''Secretary'' means the Secretary of the Treasury (or such Secretary's delegate).

SEC. 503. SUBPART F EXEMPTION FOR ACTIVE FINANCING INCOME.

(a) IN GENERAL.—Sections 953(e)(10) and 954(h)(9) of the Internal Revenue Code of 1986 (relating to application) are each amended—

(1) by striking ''the first taxable year'' and inserting ''taxable years'',

(2) by striking ''January 1, 2000'' and inserting ''January 1, 2002'', and

(3) by striking ''within which such'' and inserting ''within which any such''.

(b) TECHNICAL AMENDMENT.—Paragraph (10) of section 953(e) of such Code is amended by adding at the end the following new sentence: ''If this subsection does not apply to a taxable year of a foreign corporation beginning after December 31, 2001 (and taxable years of United States shareholders ending with or within such taxable year), then, notwithstanding the preceding sentence, subsection (a) shall be applied to such taxable years in the same manner as it would if the taxable year of the foreign corporation began in 1998.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 504. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR MARGINAL PRODUCTION.

(a) IN GENERAL.—Subparagraph (H) of section 613A(c)(6) of the Internal Revenue Code of 1986 (relating to temporary suspension of taxable limit with respect to marginal production) is amended by striking ''January 1, 2000'' and inserting ''January 1, 2002''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 505. WORK OPPORTUNITY CREDIT AND WELFARE-TO-WORK CREDIT.

(a) TEMPORARY EXTENSION.—Sections 51(c)(4)(B) and 51A(f) of the Internal Revenue Code of 1986 (relating to termination) are each amended by striking ''June 30, 1999'' and inserting ''December 31, 2001''.

(b) CLARIFICATION OF FIRST YEAR OF EMPLOYMENT.—Paragraph (2) of section 51(i) of such Code is amended by striking ''during which he was not a member of a targeted group''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to individuals who begin work for the employer after June 30, 1999.

SEC. 506. EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE.

(a) IN GENERAL.—Subsection (d) of section 127 of the Internal Revenue Code of 1986 (relating to termination) is amended by striking ''May 31, 2000'' and inserting ''December 31, 2001''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to courses beginning after May 31, 2000.

SEC. 507. EXTENSION AND MODIFICATION OF CREDIT FOR PRODUCING ELECTRICITY FROM CERTAIN RENEWABLE RESOURCES.

(a) EXTENSION AND MODIFICATION OF PLACED-IN-SERVICE RULES.—Paragraph (3) of section 45(c) of the Internal Revenue Code of 1986 is amended to read as follows:

''(3) QUALIFIED FACILITY.—

''(A) WIND FACILITY.—In the case of a facility using wind to produce electricity, the term 'qualified facility' means any facility owned by the taxpayer which is originally placed in service after December 31, 1993, and before January 1, 2002.

''(B) CLOSED-LOOP BIOMASS FACILITY.—In the case of a facility using closed-loop biomass to produce electricity, the term 'qualified facility' means any facility owned by the taxpayer which is originally placed in service after December 31, 1992, and before January 1, 2002.

''(C) POULTRY WASTE FACILITY.—In the case of a facility using poultry waste to produce electricity, the term 'qualified facility' means any facility of the taxpayer which is originally placed in service after December 31, 1999, and before January 1, 2002.''.

(b) EXPANSION OF QUALIFIED ENERGY RESOURCES.—

(1) IN GENERAL.—Section 45(c)(1) of such Code (defining qualified energy resources) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', and'', and by adding at the end the following new subparagraph:

''(C) poultry waste.''.

(2) DEFINITION.—Section 45(c) of such Code is amended by adding at the end the following new paragraph:

''(4) POULTRY WASTE.—The term 'poultry waste' means poultry manure and litter, including wood shavings, straw, rice hulls, and other bedding material for the disposition of manure.''.

(c) SPECIAL RULES.—Section 45(d) of such Code (relating to definitions and special rules) is amended by adding at the end the following new paragraphs:

''(6) CREDIT ELIGIBILITY IN THE CASE OF GOVERNMENT-OWNED FACILITIES USING POULTRY WASTE.—In the case of a facility using poultry waste to produce electricity and owned by a governmental unit, the person eligible for the

credit under subsection (a) is the lessee or the operator of such facility.

''(7) CREDIT NOT TO APPLY TO ELECTRICITY SOLD TO UTILITIES UNDER CERTAIN CONTRACTS.—

''(A) IN GENERAL.—The credit determined under subsection (a) shall not apply to electricity—

''(i) produced at a qualified facility described in paragraph (3)(A) which is placed in service by the taxpayer after June 30, 1999, and

''(ii) sold to a utility pursuant to a contract originally entered into before January 1, 1987 (whether or not amended or restated after that date).

''(B) EXCEPTION.—Subparagraph (A) shall not apply if—

''(i) the prices for energy and capacity from such facility are established pursuant to an amendment to the contract referred to in subparagraph (A)(ii),

''(ii) such amendment provides that the prices set forth in the contract which exceed avoided cost prices determined at the time of delivery shall apply only to annual quantities of electricity (prorated for partial years) which do not exceed the greater of—

''(I) the average annual quantity of electricity sold to the utility under the contract during calendar years 1994, 1995, 1996, 1997, and 1998, or

''(II) the estimate of the annual electricity production set forth in the contract, or, if there is no such estimate, the greatest annual quantity of electricity sold to the utility under the contract in any of the calendar years 1996, 1997, or 1998, and

''(iii) such amendment provides that energy and capacity in excess of the limitation in clause (ii) may be—

''(I) sold to the utility only at prices that do not exceed avoided cost prices determined at the time of delivery, or

''(II) sold to a third party subject to a mutually agreed upon advance notice to the utility. For purposes of this subparagraph, avoided cost prices shall be determined as provided for in 18 CFR 292.304(d)(1) or any successor regulation.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 508. EXTENSION OF DUTY-FREE TREATMENT UNDER GENERALIZED SYSTEM OF PREFERENCES.

(a) IN GENERAL.—Section 505 of the Trade Act of 1974 (19 U.S.C. 2465) is amended by striking ''June 30, 1999'' and inserting ''September 30, 2001''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by this section applies to articles entered on or after the date of the enactment of this Act.

(2) RETROACTIVE APPLICATION FOR CERTAIN LIQUIDATIONS AND RELIQUIDATIONS.—

(A) GENERAL RULE.—Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, and subject to paragraph (3), any entry—

(i) of an article to which duty-free treatment under title V of the Trade Act of 1974 would have applied if such entry had been made on July 1, 1999, and such title had been in effect on July 1, 1999, and

(ii) that was made—

(I) after June 30, 1999, and

(II) before the date of enactment of this Act, shall be liquidated or reliquidated as free of duty, and the Secretary of the Treasury shall refund any duty paid with respect to such entry.

(B) ENTRY.—As used in this paragraph, the term ''entry'' includes a withdrawal from warehouse for consumption.

(3) REQUESTS.—Liquidation or reliquidation may be made under paragraph (2) with respect to an entry only if a request therefore is filed with the Customs Service, within 180 days after the date of enactment of this Act, that contains sufficient information to enable the Customs Service—

(A) to locate the entry, or

(B) to reconstruct the entry if it cannot be located.

SEC. 509. EXTENSION OF CREDIT FOR HOLDERS OF QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Section 1397E(e)(1) of the Internal Revenue Code of 1986 (relating to national limitation) is amended by striking ''and 1999'' and inserting '', 1999, 2000, and 2001''.

(b) LIMITATION ON CARRYOVER PERIODS.—Paragraph (4) of section 1397E(e) of such Code is amended by adding at the end the following flush sentences:

''Any carryforward of a limitation amount may be carried only to the first 2 years (3 years for carryforwards from 1998 or 1999) following the unused limitation year. For purposes of the preceding sentence, a limitation amount shall be treated as used on a first-in first-out basis.''

SEC. 510. EXTENSION OF FIRST-TIME HOMEBUYER CREDIT FOR DISTRICT OF COLUMBIA.

Section 1400C(i) of the Internal Revenue Code of 1986 is amended by striking ''2001'' and inserting ''2002''.

SEC. 511. EXTENSION OF EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

Section 198(h) of the Internal Revenue Code of 1986 is amended by striking ''2000'' and inserting ''2001''.

SEC. 512. TEMPORARY INCREASE IN AMOUNT OF RUM EXCISE TAX COVERED OVER TO PUERTO RICO AND VIRGIN ISLANDS.

(a) IN GENERAL.—Section 7652(f)(1) of the Internal Revenue Code of 1986 (relating to limitation on cover over of tax on distilled spirits) is amended to read as follows:

''(1) $10.50 ($13.25 in the case of distilled spirits brought into the United States after June 30, 1999, and before January 1, 2002), or''.

(b) SPECIAL COVER OVER TRANSFER RULES.—Notwithstanding section 7652 of the Internal Revenue Code of 1986, the following rules shall apply with respect to any transfer before October 1, 2000, of amounts relating to the increase in the cover over of taxes by reason of the amendment made by subsection (a):

(1) INITIAL TRANSFER OF INCREMENTAL INCREASE IN COVER OVER.—The Secretary of the Treasury shall, within 15 days after the date of the enactment of this Act, transfer an amount equal to the lesser of—

(A) the amount of such increase otherwise required to be covered over after June 30, 1999, and before the date of the enactment of this Act, or

(B) $20,000,000.

(2) TRANSFER OF INCREMENTAL INCREASE FOR FISCAL YEAR 2001.—The Secretary of the Treasury shall on October 1, 2000, transfer an amount equal to the excess of—

(A) the amount of such increase otherwise required to be covered over after June 30, 1999, and before October 1, 2000, over

(B) the amount of the transfer described in paragraph (1).

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on July 1, 1999.

Subtitle B—Other Time-Sensitive Provisions

SEC. 521. ADVANCE PRICING AGREEMENTS TREATED AS CONFIDENTIAL TAXPAYER INFORMATION.

(a) IN GENERAL.—

(1) TREATMENT AS RETURN INFORMATION.—Paragraph (2) of section 6103(b) of the Internal Revenue Code of 1986 (defining return information) is amended by striking ''and'' at the end of subparagraph (A), by inserting ''and'' at the end of subparagraph (B), and by inserting after subparagraph (B) the following new subparagraph:

''(C) any advance pricing agreement entered into by a taxpayer and the Secretary and any background information related to such agreement or any application for an advance pricing agreement,''.

(2) EXCEPTION FROM PUBLIC INSPECTION AS WRITTEN DETERMINATION.—Paragraph (1) of section 6110(b) of such Code (defining written determination) is amended by adding at the end the following new sentence: ''Such term shall not include any advance pricing agreement entered into by a taxpayer and the Secretary and any background information related to such agreement or any application for an advance pricing agreement.''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date of the enactment of this Act.

(b) ANNUAL REPORT REGARDING ADVANCE PRICING AGREEMENTS.—

(1) IN GENERAL.—Not later than 90 days after the end of each calendar year, the Secretary of the Treasury shall prepare and publish a report regarding advance pricing agreements.

(2) CONTENTS OF REPORT.—The report shall include the following for the calendar year to which such report relates:

(A) Information about the structure, composition, and operation of the advance pricing agreement program office.

(B) A copy of each model advance pricing agreement.

(C) The number of—

(i) applications filed during such calendar year for advance pricing agreements;

(ii) advance pricing agreements executed cumulatively to date and during such calendar year;

(iii) renewals of advance pricing agreements issued;

(iv) pending requests for advance pricing agreements;

(v) pending renewals of advance pricing agreements;

(vi) for each of the items in clauses (ii) through (v), the number that are unilateral, bilateral, and multilateral, respectively;

(vii) advance pricing agreements revoked or canceled, and the number of withdrawals from the advance pricing agreement program; and

(viii) advance pricing agreements finalized or renewed by industry.

(D) General descriptions of—

(i) the nature of the relationships between the related organizations, trades, or businesses covered by advance pricing agreements;

(ii) the covered transactions and the business functions performed and risks assumed by such organizations, trades, or businesses;

(iii) the related organizations, trades, or businesses whose prices or results are tested to determine compliance with transfer pricing methodologies prescribed in advance pricing agreements;

(iv) methodologies used to evaluate tested parties and transactions and the circumstances leading to the use of those methodologies;

(v) critical assumptions made and sources of comparables used;

(vi) comparable selection criteria and the rationale used in determining such criteria;

(vii) the nature of adjustments to comparables or tested parties;

(viii) the nature of any ranges agreed to, including information regarding when no range was used and why, when interquartile ranges were used, and when there was a statistical narrowing of the comparables;

(ix) adjustment mechanisms provided to rectify results that fall outside of the agreed upon advance pricing agreement range;

(x) the various term lengths for advance pricing agreements, including rollback years, and the number of advance pricing agreements with each such term length;

(xi) the nature of documentation required; and

(xii) approaches for sharing of currency or other risks.

(E) Statistics regarding the amount of time taken to complete new and renewal advance pricing agreements.

(F) A detailed description of the Secretary of the Treasury's efforts to ensure compliance with existing advance pricing agreements.

(3) CONFIDENTIALITY.—The reports required by this subsection shall be treated as authorized by the Internal Revenue Code of 1986 for purposes of section 6103 of such Code, but the reports shall not include information—

(A) which would not be permitted to be disclosed under section 6110(c) of such Code if such report were a written determination as defined in section 6110 of such Code, or

(B) which can be associated with, or otherwise identify, directly or indirectly, a particular taxpayer.

(4) FIRST REPORT.—The report for calendar year 1999 shall include prior calendar years after 1990.

(c) REGULATIONS.—The Secretary of the Treasury or the Secretary's delegate shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of section 6103(b)(2)(C), and the last sentence of section 6110(b)(1), of the Internal Revenue Code of 1986, as added by this section.

SEC. 522. AUTHORITY TO POSTPONE CERTAIN TAX-RELATED DEADLINES BY REASON OF Y2K FAILURES.

(a) IN GENERAL.—In the case of a taxpayer determined by the Secretary of the Treasury (or the Secretary's delegate) to be affected by a Y2K failure, the Secretary may disregard a period of up to 90 days in determining, under the internal revenue laws, in respect of any tax liability (including any interest, penalty, additional amount, or addition to the tax) of such taxpayer—

(1) whether any of the acts described in paragraph (1) of section 7508(a) of the Internal Revenue Code of 1986 (without regard to the exceptions in parentheses in subparagraphs (A) and (B)) were performed within the time prescribed therefor, and

(2) the amount of any credit or refund.

(b) APPLICABILITY OF CERTAIN RULES.—For purposes of this section, rules similar to the rules of subsections (b) and (e) of section 7508 of the Internal Revenue Code of 1986 shall apply.

SEC. 523. INCLUSION OF CERTAIN VACCINES AGAINST STREPTOCOCCUS PNEUMONIAE TO LIST OF TAXABLE VACCINES.

(a) INCLUSION OF VACCINES.—

(1) IN GENERAL.—Section 4132(a)(1) of the Internal Revenue Code of 1986 (defining taxable vaccine) is amended by adding at the end the following new subparagraph:

''(L) Any conjugate vaccine against streptococcus pneumoniae.''.

(2) EFFECTIVE DATE.—

(A) SALES.—The amendment made by this subsection shall apply to vaccine sales after the date of the enactment of this Act, but shall not take effect if subsection (b) does not take effect.

(B) DELIVERIES.—For purposes of subparagraph (A), in the case of sales on or before the date described in such subparagraph for which delivery is made after such date, the delivery date shall be considered the sale date.

(b) VACCINE TAX AND TRUST FUND AMENDMENTS.—

(1) Sections 1503 and 1504 of the Vaccine Injury Compensation Program Modification Act (and the amendments made by such sections) are hereby repealed.

(2) Subparagraph (A) of section 9510(c)(1) of such Code is amended by striking ''August 5, 1997'' and inserting ''December 31, 1999''.

(3) The amendments made by this subsection shall take effect as if included in the provisions of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 to which they relate.

(c) REPORT.—Not later than January 31, 2000, the Comptroller General of the United States shall prepare and submit a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the operation of the Vaccine Injury Compensation Trust Fund and on the adequacy of such Fund to meet future claims made under the Vaccine Injury Compensation Program.

SEC. 524. DELAY IN EFFECTIVE DATE OF REQUIREMENT FOR APPROVED DIESEL OR KEROSENE TERMINALS.

Paragraph (2) of section 1032(f) of the Taxpayer Relief Act of 1997 is amended by striking ''July 1, 2000'' and inserting ''January 1, 2002''.

SEC. 525. PRODUCTION FLEXIBILITY CONTRACT PAYMENTS.

Any option to accelerate the receipt of any payment under a production flexibility contract which is payable under the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7200 et seq.), as in effect on the date of the enactment of this Act, shall be disregarded in determining the taxable year for which such payment is properly includible in gross income for purposes of the Internal Revenue Code of 1986.

Subtitle C—Revenue Offsets

PART I—GENERAL PROVISIONS

SEC. 531. MODIFICATION OF ESTIMATED TAX SAFE HARBOR.

(a) IN GENERAL.—The table contained in clause (i) of section 6654(d)(1)(C) of the Internal Revenue Code of 1986 (relating to limitation on use of preceding year's tax) is amended by striking the items relating to 1999 and 2000 and inserting the following new items:

''1999 ..... 108.6
2000 ..... 110''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to any installment payment for taxable years beginning after December 31, 1999.

SEC. 532. CLARIFICATION OF TAX TREATMENT OF INCOME AND LOSS ON DERIVATIVES.

(a) IN GENERAL.—Section 1221 of the Internal Revenue Code of 1986 (defining capital assets) is amended—

(1) by striking ''For purposes'' and inserting the following:

''(a) IN GENERAL.—For purposes'',

(2) by striking the period at the end of paragraph (5) and inserting a semicolon, and

(3) by adding at the end the following:

''(6) any commodities derivative financial instrument held by a commodities derivatives dealer, unless—

''(A) it is established to the satisfaction of the Secretary that such instrument has no connection to the activities of such dealer as a dealer, and

''(B) such instrument is clearly identified in such dealer's records as being described in subparagraph (A) before the close of the day on which it was acquired, originated, or entered into (or such other time as the Secretary may by regulations prescribe);

''(7) any hedging transaction which is clearly identified as such before the close of the day on which it was acquired, originated, or entered into (or such other time as the Secretary may by regulations prescribe); or

''(8) supplies of a type regularly used or consumed by the taxpayer in the ordinary course of a trade or business of the taxpayer.

''(b) DEFINITIONS AND SPECIAL RULES.—

''(1) COMMODITIES DERIVATIVE FINANCIAL INSTRUMENTS.—For purposes of subsection (a)(6)—

''(A) COMMODITIES DERIVATIVES DEALER.—The term 'commodities derivatives dealer' means a person which regularly offers to enter into, assume, offset, assign, or terminate positions in commodities derivative financial instruments with customers in the ordinary course of a trade or business.

''(B) COMMODITIES DERIVATIVE FINANCIAL INSTRUMENT.—

''(i) IN GENERAL.—The term 'commodities derivative financial instrument' means any contract or financial instrument with respect to commodities (other than a share of stock in a corporation, a beneficial interest in a partnership or trust, a note, bond, debenture, or other evidence of indebtedness, or a section 1256 contract (as defined in section 1256(b)), the value or settlement price of which is calculated by or determined by reference to a specified index.

''(ii) SPECIFIED INDEX.—The term 'specified index' means any one or more or any combination of—

''(I) a fixed rate, price, or amount, or

''(II) a variable rate, price, or amount,

which is based on any current, objectively determinable financial or economic information with respect to commodities which is not within the control of any of the parties to the contract or instrument and is not unique to any of the parties' circumstances.

''(2) HEDGING TRANSACTION.—

''(A) IN GENERAL.—For purposes of this section, the term 'hedging transaction' means any transaction entered into by the taxpayer in the normal course of the taxpayer's trade or business primarily—

''(i) to manage risk of price changes or currency fluctuations with respect to ordinary property which is held or to be held by the taxpayer,

''(ii) to manage risk of interest rate or price changes or currency fluctuations with respect to borrowings made or to be made, or ordinary obligations incurred or to be incurred, by the taxpayer, or

''(iii) to manage such other risks as the Secretary may prescribe in regulations.

''(B) TREATMENT OF NONIDENTIFICATION OR IMPROPER IDENTIFICATION OF HEDGING TRANSACTIONS.—Notwithstanding subsection (a)(7), the Secretary shall prescribe regulations to properly characterize any income, gain, expense, or loss arising from a transaction—

''(i) which is a hedging transaction but which was not identified as such in accordance with subsection (a)(7), or

''(ii) which was so identified but is not a hedging transaction.

''(3) REGULATIONS.—The Secretary shall prescribe such regulations as are appropriate to carry out the purposes of paragraph (6) and (7) of subsection (a) in the case of transactions involving related parties.''.

(b) MANAGEMENT OF RISK.—

(1) Section 475(c)(3) of such Code is amended by striking ''reduces'' and inserting ''manages''.

(2) Section 871(h)(4)(C)(iv) of such Code is amended by striking ''to reduce'' and inserting ''to manage''.

(3) Clauses (i) and (ii) of section 988(d)(2)(A) of such Code are each amended by striking ''to reduce'' and inserting ''to manage''.

(4) Paragraph (2) of section 1256(e) of such Code is amended to read as follows:

''(2) DEFINITION OF HEDGING TRANSACTION.—For purposes of this subsection, the term 'hedging transaction' means any hedging transaction (as defined in section 1221(b)(2)(A)) if, before the close of the day on which such transaction was entered into (or such earlier time as the Secretary may prescribe by regulations), the taxpayer clearly identifies such transaction as being a hedging transaction.''.

(c) CONFORMING AMENDMENTS.—

(1) Each of the following sections of such Code are amended by striking ''section 1221'' and inserting ''section 1221(a)'':

(A) Section 170(e)(3)(A).

(B) Section 170(e)(4)(B).

(C) Section 367(a)(3)(B)(i).

(D) Section 818(c)(3).

(E) Section 865(i)(1).

(F) Section 1092(a)(3)(B)(ii)(II).

(G) Subparagraphs (C) and (D) of section 1231(b)(1).

(H) Section 1234(a)(3)(A).

(2) Each of the following sections of such Code are amended by striking ''section 1221(1)'' and inserting ''section 1221(a)(1)'':

(A) Section 198(c)(1)(A)(i).

(B) Section 263A(b)(2)(A).

(C) Clauses (i) and (iii) of section 267(f)(3)(B).

(D) Section 341(d)(3).

(E) Section 543(a)(1)(D)(i).

(F) Section 751(d)(1).

(G) Section 775(c).

(H) Section 856(c)(2)(D).

(I) Section 856(c)(3)(C).

(J) Section 856(e)(1).

(K) Section 856(j)(2)(B).

(L) Section 857(b)(4)(B)(i).

(M) Section 857(b)(6)(B)(iii).

(N) Section 864(c)(4)(B)(iii).

(O) Section 864(d)(3)(A).

(P) Section 864(d)(6)(A).

(Q) Section 954(c)(1)(B)(iii).

(R) Section 995(b)(1)(C).

(S) Section 1017(b)(3)(E)(i).

(T) Section 1362(d)(3)(C)(ii).

(U) Section 4662(c)(2)(C).

(V) Section 7704(c)(3).

(W) Section 7704(d)(1)(D).

(X) Section 7704(d)(1)(G).

(Y) Section 7704(d)(5).

(3) Section 818(b)(2) of such Code is amended by striking ''section 1221(2)'' and inserting ''section 1221(a)(2)''.

(4) Section 1397B(e)(2) of such Code is amended by striking ''section 1221(4)'' and inserting ''section 1221(a)(4)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to any instrument held, acquired, or entered into, any transaction entered into, and supplies held or acquired on or after the date of the enactment of this Act.

SEC. 533. EXPANSION OF REPORTING OF CANCELLATION OF INDEBTEDNESS INCOME.

(a) IN GENERAL.—Paragraph (2) of section 6050P(c) of the Internal Revenue Code of 1986 (relating to definitions and special rules) is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting '', and'', and by inserting after subparagraph (C) the following new subparagraph:

''(D) any organization a significant trade or business of which is the lending of money.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to discharges of indebtedness after December 31, 1999.

SEC. 534. LIMITATION ON CONVERSION OF CHARACTER OF INCOME FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

(a) IN GENERAL.—Part IV of subchapter P of chapter 1 of the Internal Revenue Code of 1986 (relating to special rules for determining capital gains and losses) is amended by inserting after section 1259 the following new section:

''SEC. 1260. GAINS FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

''(a) IN GENERAL.—If the taxpayer has gain from a constructive ownership transaction with respect to any financial asset and such gain would (without regard to this section) be treated as a long-term capital gain—

''(1) such gain shall be treated as ordinary income to the extent that such gain exceeds the net underlying long-term capital gain, and

''(2) to the extent such gain is treated as a long-term capital gain after the application of paragraph (1), the determination of the capital gain rate (or rates) applicable to such gain under section 1(h) shall be determined on the basis of the respective rate (or rates) that would have been applicable to the net underlying long-term capital gain.

''(b) INTEREST CHARGE ON DEFERRAL OF GAIN RECOGNITION.—

''(1) IN GENERAL.—If any gain is treated as ordinary income for any taxable year by reason of subsection (a)(1), the tax imposed by this chapter for such taxable year shall be increased by the amount of interest determined under paragraph (2) with respect to each prior taxable year during any portion of which the constructive ownership transaction was open. Any amount payable under this paragraph shall be taken into account in computing the amount of any deduction allowable to the taxpayer for interest paid or accrued during such taxable year.

''(2) AMOUNT OF INTEREST.—The amount of interest determined under this paragraph with respect to a prior taxable year is the amount of interest which would have been imposed under section 6601 on the underpayment of tax for such year which would have resulted if the gain (which is treated as ordinary income by reason of subsection (a)(1)) had been included in gross income in the taxable years in which it accrued (determined by treating the income as accruing at a constant rate equal to the applicable Federal rate as in effect on the day the transaction closed). The period during which such interest shall accrue shall end on the due date (without extensions) for the return of tax imposed by this chapter for the taxable year in which such transaction closed.

''(3) APPLICABLE FEDERAL RATE.—For purposes of paragraph (2), the applicable Federal rate is the applicable Federal rate determined under section 1274(d) (compounded semiannually) which would apply to a debt instrument with a term equal to the period the transaction was open.

''(4) NO CREDITS AGAINST INCREASE IN TAX.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining—

''(A) the amount of any credit allowable under this chapter, or

''(B) the amount of the tax imposed by section 55.

''(c) FINANCIAL ASSET.—For purposes of this section—

''(1) IN GENERAL.—The term 'financial asset' means—

''(A) any equity interest in any pass-thru entity, and

''(B) to the extent provided in regulations—

''(i) any debt instrument, and

''(ii) any stock in a corporation which is not a pass-thru entity.

''(2) PASS-THRU ENTITY.—For purposes of paragraph (1), the term 'pass-thru entity' means—

''(A) a regulated investment company,

''(B) a real estate investment trust,

''(C) an S corporation,

''(D) a partnership,

''(E) a trust,

''(F) a common trust fund,

''(G) a passive foreign investment company (as defined in section 1297 without regard to subsection (e) thereof),

''(H) a foreign personal holding company,

''(I) a foreign investment company (as defined in section 1246(b)), and

''(J) a REMIC.

''(d) CONSTRUCTIVE OWNERSHIP TRANSACTION.—For purposes of this section—

''(1) IN GENERAL.—The taxpayer shall be treated as having entered into a constructive ownership transaction with respect to any financial asset if the taxpayer—

''(A) holds a long position under a notional principal contract with respect to the financial asset,

''(B) enters into a forward or futures contract to acquire the financial asset,

''(C) is the holder of a call option, and is the grantor of a put option, with respect to the financial asset and such options have substantially equal strike prices and substantially contemporaneous maturity dates, or

''(D) to the extent provided in regulations prescribed by the Secretary, enters into one or more other transactions (or acquires one or more positions) that have substantially the same effect as a transaction described in any of the preceding subparagraphs.

''(2) EXCEPTION FOR POSITIONS WHICH ARE MARKED TO MARKET.—This section shall not apply to any constructive ownership transaction if all of the positions which are part of such transaction are marked to market under any provision of this title or the regulations thereunder.

''(3) LONG POSITION UNDER NOTIONAL PRINCIPAL CONTRACT.—A person shall be treated as holding a long position under a notional principal contract with respect to any financial asset if such person—

''(A) has the right to be paid (or receive credit for) all or substantially all of the investment yield (including appreciation) on such financial asset for a specified period, and

''(B) is obligated to reimburse (or provide credit for) all or substantially all of any decline in the value of such financial asset.

''(4) FORWARD CONTRACT.—The term 'forward contract' means any contract to acquire in the future (or provide or receive credit for the future value of) any financial asset.

''(e) NET UNDERLYING LONG-TERM CAPITAL GAIN.—For purposes of this section, in the case of any constructive ownership transaction with respect to any financial asset, the term 'net underlying long-term capital gain' means the aggregate net capital gain that the taxpayer would have had if—

''(1) the financial asset had been acquired for fair market value on the date such transaction was opened and sold for fair market value on the date such transaction was closed, and

''(2) only gains and losses that would have resulted from the deemed ownership under paragraph (1) were taken into account.

The amount of the net underlying long-term capital gain with respect to any financial asset shall be treated as zero unless the amount thereof is established by clear and convincing evidence.

''(f) SPECIAL RULE WHERE TAXPAYER TAKES DELIVERY.—Except as provided in regulations prescribed by the Secretary, if a constructive ownership transaction is closed by reason of taking delivery, this section shall be applied as if the taxpayer had sold all the contracts, options, or other positions which are part of such transaction for fair market value on the closing date. The amount of gain recognized under the preceding sentence shall not exceed the amount of gain treated as ordinary income under subsection (a). Proper adjustments shall be made in the amount of any gain or loss subsequently realized for gain recognized and treated as ordinary income under this subsection.

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

''(1) to permit taxpayers to mark to market constructive ownership transactions in lieu of applying this section, and

''(2) to exclude certain forward contracts which do not convey substantially all of the economic return with respect to a financial asset.''.

(b) CLERICAL AMENDMENT.—The table of sections for part IV of subchapter P of chapter 1 of such Code is amended by adding at the end the following new item:

''Sec. 1260. Gains from constructive ownership transactions.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after July 11, 1999.

SEC. 535. TREATMENT OF EXCESS PENSION ASSETS USED FOR RETIREE HEALTH BENEFITS.

(a) EXTENSION.—

(1) IN GENERAL.—Paragraph (5) of section 420(b) of the Internal Revenue Code of 1986 (relating to expiration) is amended by striking ''in any taxable year beginning after December 31, 2000'' and inserting ''made after December 31, 2005''.

(2) CONFORMING AMENDMENTS.—

(A) Section 101(e)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1021(e)(3)) is amended by striking ''January 1, 1995'' and inserting ''the date of the enactment of the Tax Relief Extension Act of 1999''.

(B) Section 403(c)(1) of such Act (29 U.S.C. 1103(c)(1)) is amended by striking ''January 1, 1995'' and inserting ''the date of the enactment of the Tax Relief Extension Act of 1999''.

(C) Paragraph (13) of section 408(b) of such Act (29 U.S.C. 1108(b)(13)) is amended—

(i) by striking ''in a taxable year beginning before January 1, 2001'' and inserting ''made before January 1, 2006'', and

(ii) by striking ''January 1, 1995'' and inserting ''the date of the enactment of the Tax Relief Extension Act of 1999''.

(b) APPLICATION OF MINIMUM COST REQUIREMENTS.—

(1) IN GENERAL.—Paragraph (3) of section 420(c) of the Internal Revenue Code of 1986 is amended to read as follows:

''(3) MINIMUM COST REQUIREMENTS.—

''(A) IN GENERAL.—The requirements of this paragraph are met if each group health plan or arrangement under which applicable health benefits are provided provides that the applicable employer cost for each taxable year during the cost maintenance period shall not be less than the higher of the applicable employer costs for each of the 2 taxable years immediately preceding the taxable year of the qualified transfer.

''(B) APPLICABLE EMPLOYER COST.—For purposes of this paragraph, the term 'applicable employer cost' means, with respect to any taxable year, the amount determined by dividing—

''(i) the qualified current retiree health liabilities of the employer for such taxable year determined—

''(I) without regard to any reduction under subsection (e)(1)(B), and

''(II) in the case of a taxable year in which there was no qualified transfer, in the same manner as if there had been such a transfer at the end of the taxable year, by

''(ii) the number of individuals to whom coverage for applicable health benefits was provided during such taxable year.

''(C) ELECTION TO COMPUTE COST SEPARATELY.—An employer may elect to have this paragraph applied separately with respect to individuals eligible for benefits under title XVIII of the Social Security Act at any time during the taxable year and with respect to individuals not so eligible.

''(D) COST MAINTENANCE PERIOD.—For purposes of this paragraph, the term 'cost maintenance period' means the period of 5 taxable years beginning with the taxable year in which the qualified transfer occurs. If a taxable year is in two or more overlapping cost maintenance periods, this paragraph shall be applied by taking into account the highest applicable employer cost required to be provided under subparagraph (A) for such taxable year.

''(E) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to prevent an employer who significantly reduces retiree health coverage during the cost maintenance period from being treated as satisfying the minimum cost requirement of this subsection.''.

(2) CONFORMING AMENDMENTS.—

(A) Clause (iii) of section 420(b)(1)(C) of such Code is amended by striking ''benefits'' and inserting ''cost''.

(B) Subparagraph (D) of section 420(e)(1) of such Code is amended by striking ''and shall not be subject to the minimum benefit requirements of subsection (c)(3)'' and inserting ''or in calculating applicable employer cost under subsection (c)(3)(B)''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to qualified transfers occurring after the date of the enactment of this Act.

(2) TRANSITION RULE.—If the cost maintenance period for any qualified transfer after the date of the enactment of this Act includes any portion of a benefit maintenance period for any qualified transfer on or before such date, the amendments made by subsection (b) shall not apply to such portion of the cost maintenance period (and such portion shall be treated as a benefit maintenance period).

SEC. 536. MODIFICATION OF INSTALLMENT METHOD AND REPEAL OF INSTALLMENT METHOD FOR ACCRUAL METHOD TAXPAYERS.

(a) REPEAL OF INSTALLMENT METHOD FOR ACCRUAL BASIS TAXPAYERS.—

(1) IN GENERAL.—Subsection (a) of section 453 of the Internal Revenue Code of 1986 (relating to installment method) is amended to read as follows:

''(a) USE OF INSTALLMENT METHOD.—

''(1) IN GENERAL.—Except as otherwise provided in this section, income from an installment sale shall be taken into account for purposes of this title under the installment method.

''(2) ACCRUAL METHOD TAXPAYER.—The installment method shall not apply to income from an installment sale if such income would be reported under an accrual method of accounting without regard to this section. The preceding sentence shall not apply to a disposition described in subparagraph (A) or (B) of subsection (l)(2).''.

(2) CONFORMING AMENDMENTS.—Sections 453(d)(1), 453(i)(1), and 453(k) of such Code are each amended by striking ''(a)'' each place it appears and inserting ''(a)(1)''.

(b) MODIFICATION OF PLEDGE RULES.—Paragraph (4) of section 453A(d) of such Code (relating to pledges, etc., of installment obligations) is amended by adding at the end the following: ''A payment shall be treated as directly secured by an interest in an installment obligation to the extent an arrangement allows the taxpayer to satisfy all or a portion of the indebtedness with the installment obligation.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or other dispositions occurring on or after the date of the enactment of this Act.

SEC. 537. DENIAL OF CHARITABLE CONTRIBUTION DEDUCTION FOR TRANSFERS ASSOCIATED WITH SPLIT-DOLLAR INSURANCE ARRANGEMENTS.

(a) IN GENERAL.—Subsection (f) of section 170 of the Internal Revenue Code of 1986 (relating to disallowance of deduction in certain cases and special rules) is amended by adding at the end the following new paragraph:

''(10) SPLIT-DOLLAR LIFE INSURANCE, ANNUITY, AND ENDOWMENT CONTRACTS.—

''(A) IN GENERAL.—Nothing in this section or in section 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2), or 2522 shall be construed to allow a deduction, and no deduction shall be allowed, for any transfer to or for the use of an organization described in subsection (c) if in connection with such transfer—

''(i) the organization directly or indirectly pays, or has previously paid, any premium on any personal benefit contract with respect to the transferor, or

''(ii) there is an understanding or expectation that any person will directly or indirectly pay any premium on any personal benefit contract with respect to the transferor.

''(B) PERSONAL BENEFIT CONTRACT.—For purposes of subparagraph (A), the term 'personal benefit contract' means, with respect to the transferor, any life insurance, annuity, or endowment contract if any direct or indirect beneficiary under such contract is the transferor, any member of the transferor's family, or any other person (other than an organization described in subsection (c)) designated by the transferor.

''(C) APPLICATION TO CHARITABLE REMAINDER TRUSTS.—In the case of a transfer to a trust referred to in subparagraph (E), references in subparagraphs (A) and (F) to an organization described in subsection (c) shall be treated as a reference to such trust.

''(D) EXCEPTION FOR CERTAIN ANNUITY CONTRACTS.—If, in connection with a transfer to or for the use of an organization described in subsection (c), such organization incurs an obligation to pay a charitable gift annuity (as defined in section 501(m)) and such organization purchases any annuity contract to fund such obligation, persons receiving payments under the charitable gift annuity shall not be treated for purposes of subparagraph (B) as indirect beneficiaries under such contract if—

''(i) such organization possesses all of the incidents of ownership under such contract,

''(ii) such organization is entitled to all the payments under such contract, and

''(iii) the timing and amount of payments under such contract are substantially the same as the timing and amount of payments to each such person under such obligation (as such obligation is in effect at the time of such transfer).

''(E) EXCEPTION FOR CERTAIN CONTRACTS HELD BY CHARITABLE REMAINDER TRUSTS.—A person shall not be treated for purposes of subparagraph (B) as an indirect beneficiary under any life insurance, annuity, or endowment contract held by a charitable remainder annuity trust or a charitable remainder unitrust (as defined in section 664(d)) solely by reason of being entitled to any payment referred to in paragraph (1)(A) or (2)(A) of section 664(d) if—

''(i) such trust possesses all of the incidents of ownership under such contract, and

''(ii) such trust is entitled to all the payments under such contract.

''(F) EXCISE TAX ON PREMIUMS PAID.—

''(i) IN GENERAL.—There is hereby imposed on any organization described in subsection (c) an excise tax equal to the premiums paid by such organization on any life insurance, annuity, or endowment contract if the payment of premiums on such contract is in connection with a transfer for which a deduction is not allowable under subparagraph (A), determined without regard to when such transfer is made.

''(ii) PAYMENTS BY OTHER PERSONS.—For purposes of clause (i), payments made by any other person pursuant to an understanding or expectation referred to in subparagraph (A) shall be treated as made by the organization.

''(iii) REPORTING.—Any organization on which tax is imposed by clause (i) with respect

to any premium shall file an annual return which includes—

''(I) the amount of such premiums paid during the year and the name and TIN of each beneficiary under the contract to which the premium relates, and

''(II) such other information as the Secretary may require.

The penalties applicable to returns required under section 6033 shall apply to returns required under this clause. Returns required under this clause shall be furnished at such time and in such manner as the Secretary shall by forms or regulations require.

''(iv) CERTAIN RULES TO APPLY.—The tax imposed by this subparagraph shall be treated as imposed by chapter 42 for purposes of this title other than subchapter B of chapter 42.

''(G) SPECIAL RULE WHERE STATE REQUIRES SPECIFICATION OF CHARITABLE GIFT ANNUITANT IN CONTRACT.—In the case of an obligation to pay a charitable gift annuity referred to in subparagraph (D) which is entered into under the laws of a State which requires, in order for the charitable gift annuity to be exempt from insurance regulation by such State, that each beneficiary under the charitable gift annuity be named as a beneficiary under an annuity contract issued by an insurance company authorized to transact business in such State, the requirements of clauses (i) and (ii) of subparagraph (D) shall be treated as met if—

''(i) such State law requirement was in effect on February 8, 1999,

''(ii) each such beneficiary under the charitable gift annuity is a bona fide resident of such State at the time the obligation to pay a charitable gift annuity is entered into, and

''(iii) the only persons entitled to payments under such contract are persons entitled to payments as beneficiaries under such obligation on the date such obligation is entered into.

''(H) MEMBER OF FAMILY.—For purposes of this paragraph, an individual's family consists of the individual's grandparents, the grandparents of such individual's spouse, the lineal descendants of such grandparents, and any spouse of such a lineal descendant.

''(I) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this paragraph, including regulations to prevent the avoidance of such purposes.''.

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this section, the amendment made by this section shall apply to transfers made after February 8, 1999.

(2) EXCISE TAX.—Except as provided in paragraph (3) of this subsection, section 170(f)(10)(F) of the Internal Revenue Code of 1986 (as added by this section) shall apply to premiums paid after the date of the enactment of this Act.

(3) REPORTING.—Clause (iii) of such section 170(f)(10)(F) shall apply to premiums paid after February 8, 1999 (determined as if the tax imposed by such section applies to premiums paid after such date).

SEC. 538. DISTRIBUTIONS BY A PARTNERSHIP TO A CORPORATE PARTNER OF STOCK IN ANOTHER CORPORATION.

(a) IN GENERAL.—Section 732 of the Internal Revenue Code of 1986 (relating to basis of distributed property other than money) is amended by adding at the end the following new subsection:

''(f) CORRESPONDING ADJUSTMENT TO BASIS OF ASSETS OF A DISTRIBUTED CORPORATION CONTROLLED BY A CORPORATE PARTNER.—

''(1) IN GENERAL.—If—

''(A) a corporation (hereafter in this subsection referred to as the 'corporate partner') receives a distribution from a partnership of stock in another corporation (hereafter in this subsection referred to as the 'distributed corporation'),

''(B) the corporate partner has control of the distributed corporation immediately after the distribution or at any time thereafter, and

''(C) the partnership's adjusted basis in such stock immediately before the distribution exceeded the corporate partner's adjusted basis in such stock immediately after the distribution,

then an amount equal to such excess shall be applied to reduce (in accordance with subsection (c)) the basis of property held by the distributed corporation at such time (or, if the corporate partner does not control the distributed corporation at such time, at the time the corporate partner first has such control).

''(2) EXCEPTION FOR CERTAIN DISTRIBUTIONS BEFORE CONTROL ACQUIRED.—Paragraph (1) shall not apply to any distribution of stock in the distributed corporation if—

''(A) the corporate partner does not have control of such corporation immediately after such distribution, and

''(B) the corporate partner establishes to the satisfaction of the Secretary that such distribution was not part of a plan or arrangement to acquire control of the distributed corporation.

''(3) LIMITATIONS ON BASIS REDUCTION.—

''(A) IN GENERAL.—The amount of the reduction under paragraph (1) shall not exceed the amount by which the sum of the aggregate adjusted bases of the property and the amount of money of the distributed corporation exceeds the corporate partner's adjusted basis in the stock of the distributed corporation.

''(B) REDUCTION NOT TO EXCEED ADJUSTED BASIS OF PROPERTY.—No reduction under paragraph (1) in the basis of any property shall exceed the adjusted basis of such property (determined without regard to such reduction).

''(4) GAIN RECOGNITION WHERE REDUCTION LIMITED.—If the amount of any reduction under paragraph (1) (determined after the application of paragraph (3)(A)) exceeds the aggregate adjusted bases of the property of the distributed corporation—

''(A) such excess shall be recognized by the corporate partner as long-term capital gain, and

''(B) the corporate partner's adjusted basis in the stock of the distributed corporation shall be increased by such excess.

''(5) CONTROL.—For purposes of this subsection, the term 'control' means ownership of stock meeting the requirements of section 1504(a)(2).

''(6) INDIRECT DISTRIBUTIONS.—For purposes of paragraph (1), if a corporation acquires (other than in a distribution from a partnership) stock the basis of which is determined (by reason of being distributed from a partnership) in whole or in part by reference to subsection (a)(2) or (b), the corporation shall be treated as receiving a distribution of such stock from a partnership.

''(7) SPECIAL RULE FOR STOCK IN CONTROLLED CORPORATION.—If the property held by a distributed corporation is stock in a corporation which the distributed corporation controls, this subsection shall be applied to reduce the basis of the property of such controlled corporation. This subsection shall be reapplied to any property of any controlled corporation which is stock in a corporation which it controls.

''(8) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection, including regulations to avoid double counting and to prevent the abuse of such purposes.''.

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by this section shall apply to distributions made after July 14, 1999.

(2) PARTNERSHIPS IN EXISTENCE ON JULY 14, 1999.—In the case of a corporation which is a partner in a partnership as of July 14, 1999, the amendment made by this section shall apply to any distribution made (or treated as made) to such partner from such partnership after June 30, 2001, except that this paragraph shall not apply to any distribution after the date of the enactment of this Act unless the partner makes an election to have this paragraph apply to such distribution on the partner's return of Federal income tax for the taxable year in which such distribution occurs.

PART II—PROVISIONS RELATING TO REAL ESTATE INVESTMENT TRUSTS

Subpart A—Treatment of Income and Services Provided by Taxable REIT Subsidiaries

SEC. 541. MODIFICATIONS TO ASSET DIVERSIFICATION TEST.

(a) IN GENERAL.—Subparagraph (B) of section 856(c)(4) of the Internal Revenue Code of 1986 is amended to read as follows:

''(B)(i) not more than 25 percent of the value of its total assets is represented by securities (other than those includible under subparagraph (A)),

''(ii) not more than 20 percent of the value of its total assets is represented by securities of 1 or more taxable REIT subsidiaries, and

''(iii) except with respect to a taxable REIT subsidiary and securities includible under subparagraph (A)—

''(I) not more than 5 percent of the value of its total assets is represented by securities of any one issuer,

''(II) the trust does not hold securities possessing more than 10 percent of the total voting power of the outstanding securities of any one issuer, and

''(III) the trust does not hold securities having a value of more than 10 percent of the total value of the outstanding securities of any one issuer.''.

(b) EXCEPTION FOR STRAIGHT DEBT SECURITIES.—Subsection (c) of section 856 of such Code is amended by adding at the end the following new paragraph:

''(7) STRAIGHT DEBT SAFE HARBOR IN APPLYING PARAGRAPH (4).—Securities of an issuer which are straight debt (as defined in section 1361(c)(5) without regard to subparagraph (B)(iii) thereof) shall not be taken into account in applying paragraph (4)(B)(ii)(III) if—

''(A) the issuer is an individual, or

''(B) the only securities of such issuer which are held by the trust or a taxable REIT subsidiary of the trust are straight debt (as so defined), or

''(C) the issuer is a partnership and the trust holds at least a 20 percent profits interest in the partnership.''.

SEC. 542. TREATMENT OF INCOME AND SERVICES PROVIDED BY TAXABLE REIT SUBSIDIARIES.

(a) INCOME FROM TAXABLE REIT SUBSIDIARIES NOT TREATED AS IMPERMISSIBLE TENANT SERVICE INCOME.—Clause (i) of section 856(d)(7)(C) of the Internal Revenue Code of 1986 (relating to exceptions to impermissible tenant service income) is amended by inserting ''or through a taxable REIT subsidiary of such trust'' after ''income''.

(b) CERTAIN INCOME FROM TAXABLE REIT SUBSIDIARIES NOT EXCLUDED FROM RENTS FROM REAL PROPERTY.—

(1) IN GENERAL.—Subsection (d) of section 856 of such Code (relating to rents from real property defined) is amended by adding at the end the following new paragraphs:

''(8) SPECIAL RULE FOR TAXABLE REIT SUBSIDIARIES.—For purposes of this subsection, amounts paid to a real estate investment trust by a taxable REIT subsidiary of such trust shall not be excluded from rents from real property by reason of paragraph (2)(B) if the requirements of either of the following subparagraphs are met:

''(A) LIMITED RENTAL EXCEPTION.—The requirements of this subparagraph are met with respect to any property if at least 90 percent of the leased space of the property is rented to persons other than taxable REIT subsidiaries of such trust and other than persons described in section 856(d)(2)(B). The preceding sentence shall apply only to the extent that the amounts paid to the trust as rents from real property (as defined in paragraph (1) without regard to paragraph (2)(B)) from such property are substantially comparable to such rents made by the other tenants of the trust's property for comparable space.

''(B) EXCEPTION FOR CERTAIN LODGING FACILITIES.—The requirements of this subparagraph are met with respect to an interest in real property which is a qualified lodging facility leased by the trust to a taxable REIT subsidiary of the trust if the property is operated on behalf of such subsidiary by a person who is an eligible independent contractor.

''(9) ELIGIBLE INDEPENDENT CONTRACTOR.—For purposes of paragraph (8)(B)—

''(A) IN GENERAL.—The term 'eligible independent contractor' means, with respect to any qualified lodging facility, any independent contractor if, at the time such contractor enters into a management agreement or other similar service contract with the taxable REIT subsidiary to operate the facility, such contractor (or any related person) is actively engaged in the trade or business of operating qualified lodging facilities for any person who is not a related person with respect to the real estate investment trust or the taxable REIT subsidiary.

''(B) SPECIAL RULES.—Solely for purposes of this paragraph and paragraph (8)(B), a person shall not fail to be treated as an independent contractor with respect to any qualified lodging facility by reason of any of the following:

''(i) The taxable REIT subsidiary bears the expenses for the operation of the facility pursuant to the management agreement or other similar service contract.

''(ii) The taxable REIT subsidiary receives the revenues from the operation of such facility, net of expenses for such operation and fees payable to the operator pursuant to such agreement or contract.

''(iii) The real estate investment trust receives income from such person with respect to another property that is attributable to a lease of such other property to such person that was in effect as of the later of—

''(I) January 1, 1999, or

''(II) the earliest date that any taxable REIT subsidiary of such trust entered into a management agreement or other similar service contract with such person with respect to such qualified lodging facility.

''(C) RENEWALS, ETC., OF EXISTING LEASES.—For purposes of subparagraph (B)(iii)—

''(i) a lease shall be treated as in effect on January 1, 1999, without regard to its renewal after such date, so long as such renewal is pursuant to the terms of such lease as in effect on whichever of the dates under subparagraph (B)(iii) is the latest, and

''(ii) a lease of a property entered into after whichever of the dates under subparagraph (B)(iii) is the latest shall be treated as in effect on such date if—

''(I) on such date, a lease of such property from the trust was in effect, and

''(II) under the terms of the new lease, such trust receives a substantially similar or lesser benefit in comparison to the lease referred to in subclause (I).

''(D) QUALIFIED LODGING FACILITY.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'qualified lodging facility' means any lodging facility unless wagering activities are conducted at or in connection with such facility by any person who is engaged in the business of accepting wagers and who is legally authorized to engage in such business at or in connection with such facility.

''(ii) LODGING FACILITY.—The term 'lodging facility' means a hotel, motel, or other establishment more than one-half of the dwelling units in which are used on a transient basis.

''(iii) CUSTOMARY AMENITIES AND FACILITIES.—The term 'lodging facility' includes customary amenities and facilities operated as part of, or associated with, the lodging facility so long as such amenities and facilities are customary for other properties of a comparable size and class owned by other owners unrelated to such real estate investment trust.

''(E) OPERATE INCLUDES MANAGE.—References in this paragraph to operating a property shall be treated as including a reference to managing the property.

''(F) RELATED PERSON.—Persons shall be treated as related to each other if such persons are treated as a single employer under subsection (a) or (b) of section 52.''.

(2) CONFORMING AMENDMENT.—Subparagraph (B) of section 856(d)(2) of such Code is amended by inserting ''except as provided in paragraph (8),'' after ''(B)''.

(3) DETERMINING RENTS FROM REAL PROPERTY.—

(A)(i) Paragraph (1) of section 856(d) of such Code is amended by striking ''adjusted bases'' each place it occurs and inserting ''fair market values''.

(ii) The amendment made by this subparagraph shall apply to taxable years beginning after December 31, 2000.

(B)(i) Clause (i) of section 856(d)(2)(B) of such Code is amended by striking ''number'' and inserting ''value''.

(ii) The amendment made by this subparagraph shall apply to amounts received or accrued in taxable years beginning after December 31, 2000, except for amounts paid pursuant to leases in effect on July 12, 1999, or pursuant to a binding contract in effect on such date and at all times thereafter.

SEC. 543. TAXABLE REIT SUBSIDIARY.

(a) IN GENERAL.—Section 856 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(l) TAXABLE REIT SUBSIDIARY.—For purposes of this part—

''(1) IN GENERAL.—The term 'taxable REIT subsidiary' means, with respect to a real estate investment trust, a corporation (other than a real estate investment trust) if—

''(A) such trust directly or indirectly owns stock in such corporation, and

''(B) such trust and such corporation jointly elect that such corporation shall be treated as a taxable REIT subsidiary of such trust for purposes of this part.

Such an election, once made, shall be irrevocable unless both such trust and corporation consent to its revocation. Such election, and any revocation thereof, may be made without the consent of the Secretary.

''(2) 35 PERCENT OWNERSHIP IN ANOTHER TAXABLE REIT SUBSIDIARY.—The term 'taxable REIT subsidiary' includes, with respect to any real estate investment trust, any corporation (other than a real estate investment trust) with respect to which a taxable REIT subsidiary of such trust owns directly or indirectly—

''(A) securities possessing more than 35 percent of the total voting power of the outstanding securities of such corporation, or

''(B) securities having a value of more than 35 percent of the total value of the outstanding securities of such corporation.

The preceding sentence shall not apply to a qualified REIT subsidiary (as defined in subsection (i)(2)). The rule of section 856(c)(7) shall apply for purposes of subparagraph (B).

''(3) EXCEPTIONS.—The term 'taxable REIT subsidiary' shall not include—

''(A) any corporation which directly or indirectly operates or manages a lodging facility or a health care facility, and

''(B) any corporation which directly or indirectly provides to any other person (under a franchise, license, or otherwise) rights to any brand name under which any lodging facility or health care facility is operated.

Subparagraph (B) shall not apply to rights provided to an eligible independent contractor to operate or manage a lodging facility if such rights are held by such corporation as a franchisee, licensee, or in a similar capacity and such lodging facility is either owned by such corporation or is leased to such corporation from the real estate investment trust.

''(4) DEFINITIONS.—For purposes of paragraph (3)—

''(A) LODGING FACILITY.—The term 'lodging facility' has the meaning given to such term by paragraph (9)(D)(ii).

''(B) HEALTH CARE FACILITY.—The term 'health care facility' has the meaning given to such term by subsection (e)(6)(D)(ii).''.

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 856(i) of such Code is amended by adding at the end the following new sentence: ''Such term shall not include a taxable REIT subsidiary.''.

SEC. 544. LIMITATION ON EARNINGS STRIPPING.

Paragraph (3) of section 163(j) of the Internal Revenue Code of 1986 (relating to limitation on deduction for interest on certain indebtedness) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', and'', and by adding at the end the following new subparagraph:

''(C) any interest paid or accrued (directly or indirectly) by a taxable REIT subsidiary (as defined in section 856(l)) of a real estate investment trust to such trust.''.

SEC. 545. 100 PERCENT TAX ON IMPROPERLY ALLOCATED AMOUNTS.

(a) IN GENERAL.—Subsection (b) of section 857 of the Internal Revenue Code of 1986 (relating to method of taxation of real estate investment trusts and holders of shares or certificates of beneficial interest) is amended by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively, and by inserting after paragraph (6) the following new paragraph:

''(7) INCOME FROM REDETERMINED RENTS, REDETERMINED DEDUCTIONS, AND EXCESS INTEREST.—

''(A) IMPOSITION OF TAX.—There is hereby imposed for each taxable year of the real estate investment trust a tax equal to 100 percent of redetermined rents, redetermined deductions, and excess interest.

''(B) REDETERMINED RENTS.—

''(i) IN GENERAL.—The term 'redetermined rents' means rents from real property (as defined in subsection 856(d)) the amount of which would (but for subparagraph (E)) be reduced on distribution, apportionment, or allocation under section 482 to clearly reflect income as a result of services furnished or rendered by a taxable REIT subsidiary of the real estate investment trust to a tenant of such trust.

''(ii) EXCEPTION FOR CERTAIN SERVICES.—Clause (i) shall not apply to amounts received directly or indirectly by a real estate investment trust for services described in paragraph (1)(B) or (7)(C)(i) of section 856(d).

''(iii) EXCEPTION FOR DE MINIMIS AMOUNTS.—Clause (i) shall not apply to amounts described in section 856(d)(7)(A) with respect to a property to the extent such amounts do not exceed the one percent threshold described in section 856(d)(7)(B) with respect to such property.

''(iv) EXCEPTION FOR COMPARABLY PRICED SERVICES.—Clause (i) shall not apply to any

service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if—

''(I) such subsidiary renders a significant amount of similar services to persons other than such trust and tenants of such trust who are unrelated (within the meaning of section 856(d)(8)(F)) to such subsidiary, trust, and tenants, but

''(II) only to the extent the charge for such service so rendered is substantially comparable to the charge for the similar services rendered to persons referred to in subclause (I).

''(v) EXCEPTION FOR CERTAIN SEPARATELY CHARGED SERVICES.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if—

''(I) the rents paid to the trust by tenants (leasing at least 25 percent of the net leasable space in the trust's property) who are not receiving such service from such subsidiary are substantially comparable to the rents paid by tenants leasing comparable space who are receiving such service from such subsidiary, and

''(II) the charge for such service from such subsidiary is separately stated.

''(vi) EXCEPTION FOR CERTAIN SERVICES BASED ON SUBSIDIARY'S INCOME FROM THE SERVICES.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if the gross income of such subsidiary from such service is not less than 150 percent of such subsidiary's direct cost in furnishing or rendering the service.

''(vii) EXCEPTIONS GRANTED BY SECRETARY.—The Secretary may waive the tax otherwise imposed by subparagraph (A) if the trust establishes to the satisfaction of the Secretary that rents charged to tenants were established on an arms' length basis even though a taxable REIT subsidiary of the trust provided services to such tenants.

''(C) REDETERMINED DEDUCTIONS.—The term 'redetermined deductions' means deductions (other than redetermined rents) of a taxable REIT subsidiary of a real estate investment trust if the amount of such deductions would (but for subparagraph (E)) be decreased on distribution, apportionment, or allocation under section 482 to clearly reflect income as between such subsidiary and such trust.

''(D) EXCESS INTEREST.—The term 'excess interest' means any deductions for interest payments by a taxable REIT subsidiary of a real estate investment trust to such trust to the extent that the interest payments are in excess of a rate that is commercially reasonable.

''(E) COORDINATION WITH SECTION 482.—The imposition of tax under subparagraph (A) shall be in lieu of any distribution, apportionment, or allocation under section 482.

''(F) REGULATORY AUTHORITY.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this paragraph. Until the Secretary prescribes such regulations, real estate investment trusts and their taxable REIT subsidiaries may base their allocations on any reasonable method.''.

(b) AMOUNT SUBJECT TO TAX NOT REQUIRED TO BE DISTRIBUTED.—Subparagraph (E) of section 857(b)(2) of such Code (relating to real estate investment trust taxable income) is amended by striking ''paragraph (5)'' and inserting ''paragraphs (5) and (7)''.

SEC. 546. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this subpart shall apply to taxable years beginning after December 31, 2000.

(b) TRANSITIONAL RULES RELATED TO SECTION 541.—

(1) EXISTING ARRANGEMENTS.—

(A) IN GENERAL.—Except as otherwise provided in this paragraph, the amendment made by section 541 shall not apply to a real estate investment trust with respect to—

(i) securities of a corporation held directly or indirectly by such trust on July 12, 1999,

(ii) securities of a corporation held by an entity on July 12, 1999, if such trust acquires control of such entity pursuant to a written binding contract in effect on such date and at all times thereafter before such acquisition,

(iii) securities received by such trust (or a successor) in exchange for, or with respect to, securities described in clause (i) or (ii) in a transaction in which gain or loss is not recognized, and

(iv) securities acquired directly or indirectly by such trust as part of a reorganization (as defined in section 368(a)(1) of the Internal Revenue Code of 1986) with respect to such trust if such securities are described in clause (i), (ii), or (iii) with respect to any other real estate investment trust.

(B) NEW TRADE OR BUSINESS OR SUBSTANTIAL NEW ASSETS.—Subparagraph (A) shall cease to apply to securities of a corporation as of the first day after July 12, 1999, on which such corporation engages in a substantial new line of business, or acquires any substantial asset, other than—

(i) pursuant to a binding contract in effect on such date and at all times thereafter before the acquisition of such asset,

(ii) in a transaction in which gain or loss is not recognized by reason of section 1031 or 1033 of the Internal Revenue Code of 1986, or

(iii) in a reorganization (as so defined) with another corporation the securities of which are described in paragraph (1)(A) of this subsection.

(C) LIMITATION ON TRANSITION RULES.—Subparagraph (A) shall cease to apply to securities of a corporation held, acquired, or received, directly or indirectly, by a real estate investment trust as of the first day after July 12, 1999, on which such trust acquires any additional securities of such corporation other than—

(i) pursuant to a binding contract in effect on July 12, 1999, and at all times thereafter, or

(ii) in a reorganization (as so defined) with another corporation the securities of which are described in paragraph (1)(A) of this subsection.

(2) TAX-FREE CONVERSION.—If—

(A) at the time of an election for a corporation to become a taxable REIT subsidiary, the amendment made by section 541 does not apply to such corporation by reason of paragraph (1), and

(B) such election first takes effect before January 1, 2004,

such election shall be treated as a reorganization qualifying under section 368(a)(1)(A) of such Code.

SEC. 547. STUDY RELATING TO TAXABLE REIT SUBSIDIARIES.

The Secretary of the Treasury shall conduct a study to determine how many taxable REIT subsidiaries are in existence and the aggregate amount of taxes paid by such subsidiaries. The Secretary shall submit a report to the Congress describing the results of such study.

Subpart B—Health Care REITs

SEC. 551. HEALTH CARE REITS.

(a) SPECIAL FORECLOSURE RULE FOR HEALTH CARE PROPERTIES.—Subsection (e) of section 856 of the Internal Revenue Code of 1986 (relating to special rules for foreclosure property) is amended by adding at the end the following new paragraph:

''(6) SPECIAL RULE FOR QUALIFIED HEALTH CARE PROPERTIES.—For purposes of this subsection—

''(A) ACQUISITION AT EXPIRATION OF LEASE.—The term 'foreclosure property' shall include any qualified health care property acquired by a real estate investment trust as the result of the termination of a lease of such property (other than a termination by reason of a default, or the imminence of a default, on the lease).

''(B) GRACE PERIOD.—In the case of a qualified health care property which is foreclosure property solely by reason of subparagraph (A), in lieu of applying paragraphs (2) and (3)—

''(i) the qualified health care property shall cease to be foreclosure property as of the close of the second taxable year after the taxable year in which such trust acquired such property, and

''(ii) if the real estate investment trust establishes to the satisfaction of the Secretary that an extension of the grace period in clause (i) is necessary to the orderly leasing or liquidation of the trust's interest in such qualified health care property, the Secretary may grant one or more extensions of the grace period for such qualified health care property.

Any such extension shall not extend the grace period beyond the close of the 6th year after the taxable year in which such trust acquired such qualified health care property.

''(C) INCOME FROM INDEPENDENT CONTRACTORS.—For purposes of applying paragraph (4)(C) with respect to qualified health care property which is foreclosure property by reason of subparagraph (A) or paragraph (1), income derived or received by the trust from an independent contractor shall be disregarded to the extent such income is attributable to—

''(i) any lease of property in effect on the date the real estate investment trust acquired the qualified health care property (without regard to its renewal after such date so long as such renewal is pursuant to the terms of such lease as in effect on such date), or

''(ii) any lease of property entered into after such date if—

''(I) on such date, a lease of such property from the trust was in effect, and

''(II) under the terms of the new lease, such trust receives a substantially similar or lesser benefit in comparison to the lease referred to in subclause (I).

''(D) QUALIFIED HEALTH CARE PROPERTY.—

''(i) IN GENERAL.—The term 'qualified health care property' means any real property (including interests therein), and any personal property incident to such real property, which—

''(I) is a health care facility, or

''(II) is necessary or incidental to the use of a health care facility.

''(ii) HEALTH CARE FACILITY.—For purposes of clause (i), the term 'health care facility' means a hospital, nursing facility, assisted living facility, congregate care facility, qualified continuing care facility (as defined in section 7872(g)(4)), or other licensed facility which extends medical or nursing or ancillary services to patients and which, immediately before the termination, expiration, default, or breach of the lease of or mortgage secured by such facility, was operated by a provider of such services which was eligible for participation in the medicare program under title XVIII of the Social Security Act with respect to such facility.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

Subpart C—Conformity With Regulated Investment Company Rules

SEC. 556. CONFORMITY WITH REGULATED INVESTMENT COMPANY RULES.

(a) DISTRIBUTION REQUIREMENT.—Clauses (i) and (ii) of section 857(a)(1)(A) of the Internal Revenue Code of 1986 (relating to requirements applicable to real estate investment trusts) are each amended by striking ''95 percent (90 percent for taxable years beginning before January 1, 1980)'' and inserting ''90 percent''.

(b) IMPOSITION OF TAX.—Clause (i) of section 857(b)(5)(A) of such Code (relating to imposition of tax in case of failure to meet certain requirements) is amended by striking ''95 percent (90

percent in the case of taxable years beginning before January 1, 1980)'' and inserting ''90 percent''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

Subpart D—Clarification of Exception From Impermissible Tenant Service Income

SEC. 561. CLARIFICATION OF EXCEPTION FOR INDEPENDENT OPERATORS.

(a) IN GENERAL.—Paragraph (3) of section 856(d) of the Internal Revenue Code of 1986 (relating to independent contractor defined) is amended by adding at the end the following flush sentence:

''In the event that any class of stock of either the real estate investment trust or such person is regularly traded on an established securities market, only persons who own, directly or indirectly, more than 5 percent of such class of stock shall be taken into account as owning any of the stock of such class for purposes of applying the 35 percent limitation set forth in subparagraph (B) (but all of the outstanding stock of such class shall be considered outstanding in order to compute the denominator for purpose of determining the applicable percentage of ownership).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

Subpart E—Modification of Earnings and Profits Rules

SEC. 566. MODIFICATION OF EARNINGS AND PROFITS RULES.

(a) RULES FOR DETERMINING WHETHER REGULATED INVESTMENT COMPANY HAS EARNINGS AND PROFITS FROM NON-RIC YEAR.—

(1) IN GENERAL.—Subsection (c) of section 852 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(3) DISTRIBUTIONS TO MEET REQUIREMENTS OF SUBSECTION (a)(2)(B).—Any distribution which is made in order to comply with the requirements of subsection (a)(2)(B)—

''(A) shall be treated for purposes of this subsection and subsection (a)(2)(B) as made from earnings and profits which, but for the distribution, would result in a failure to meet such requirements (and allocated to such earnings on a first-in, first-out basis), and

''(B) to the extent treated under subparagraph (A) as made from accumulated earnings and profits, shall not be treated as a distribution for purposes of subsection (b)(2)(D) and section 855.''.

(2) CONFORMING AMENDMENT.—Subparagraph (A) of section 857(d)(3) of such Code is amended to read as follows:

''(A) shall be treated for purposes of this subsection and subsection (a)(2)(B) as made from earnings and profits which, but for the distribution, would result in a failure to meet such requirements (and allocated to such earnings on a first-in, first-out basis), and''.

(b) CLARIFICATION OF APPLICATION OF REIT SPILLOVER DIVIDEND RULES TO DISTRIBUTIONS TO MEET QUALIFICATION REQUIREMENT.—Subparagraph (B) of section 857(d)(3) of such Code is amended by inserting before the period ''and section 858''.

(c) APPLICATION OF DEFICIENCY DIVIDEND PROCEDURES.—Paragraph (1) of section 852(e) of such Code is amended by adding at the end the following new sentence: ''If the determination under subparagraph (A) is solely as a result of the failure to meet the requirements of subsection (a)(2), the preceding sentence shall also apply for purposes of applying subsection (a)(2) to the non-RIC year and the amount referred to in paragraph (2)(A)(i) shall be the portion of the accumulated earnings and profits which resulted in such failure.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2000.

Subpart F—Modification of Estimated Tax Rules

SEC. 571. MODIFICATION OF ESTIMATED TAX RULES FOR CLOSELY HELD REAL ESTATE INVESTMENT TRUSTS.

(a) IN GENERAL.—Subsection (e) of section 6655 of the Internal Revenue Code of 1986 (relating to estimated tax by corporations) is amended by adding at the end the following new paragraph:

''(5) TREATMENT OF CERTAIN REIT DIVIDENDS.—

''(A) IN GENERAL.—Any dividend received from a closely held real estate investment trust by any person which owns (after application of subsections (d)(5) and (l)(3)(B) of section 856) 10 percent or more (by vote or value) of the stock or beneficial interests in the trust shall be taken into account in computing annualized income installments under paragraph (2) in a manner similar to the manner under which partnership income inclusions are taken into account.

''(B) CLOSELY HELD REIT.—For purposes of subparagraph (A), the term 'closely held real estate investment trust' means a real estate investment trust with respect to which 5 or fewer persons own (after application of subsections (d)(5) and (l)(3)(B) of section 856) 50 percent or more (by vote or value) of the stock or beneficial interests in the trust.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to estimated tax payments due on or after December 15, 1999.

And the Senate agree to the same.

BILL ARCHER,
TOM BLILEY,
DICK ARMEY,
Managers on the Part of the House.

W.V. ROTH, Jr.,
TRENT LOTT,
Managers on the Part of the Senate.

JOINT EXPLANATION STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1180) to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

THE TICKET TO WORK AND WORK INCENTIVES IMPROVEMENT ACT OF 1999

EXPLANATION OF THE CONFERENCE AGREEMENT

Short Title

Present law

No provision.

House bill

The ''Ticket to Work and Work Incentives Improvement Act of 1999''

Senate amendment

The ''Work Incentives Improvement Act of 1999''

Conference agreement

The Senate recedes to the House.

Long Title

Present law

No provision.

House bill

To amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes.

Senate amendment

Identical provision.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Findings and Purposes

Present law

No provision.

House bill

No provision.

Senate amendment

Makes a number of findings related to the importance of health care for especially individuals with disabilities, the difficulties they often experience in obtaining proper health care coverage under current program rules, the resulting limited departures from benefit rolls due to recipients' fears of losing coverage, and the potential program savings from providing them better access to coverage if they return to work.

The Senate amendment describes as its purposes to provide individuals with disabilities: (1) health care and employment preparation and placement services to reduce their dependency on cash benefits; (2) Medicaid coverage (through incentives to States to allow them to purchase it) needed to maintain employment; (3) the option of maintaining Medicare coverage while working; and (4) return to work tickets allowing them access to services needed to obtain and retain employment and reduce dependence on cash benefits.

Conference agreement

The House recedes to the Senate with the modification that additional findings are added that address employment opportunities and financial disincentives.

Title I. Ticket to Work and Self-Sufficiency and Related Provisions

Establishment of the Ticket to Work and Self-Sufficiency Program

1. Ticket System

Present law

The Commissioner is required to promptly refer individuals applying for Social Security disability insurance (SSDI) or Supplemental Security Income (SSI) benefits for necessary vocational rehabilitation (VR) services to State vocational rehabilitation (VR) agencies. State VR agencies are established pursuant to Title I of the Rehabilitation Act of 1973, as amended. A State VR agency is reimbursed for the costs of VR services to SSDI and SSI beneficiaries with a single payment after the beneficiary performs ''substantial gainful activity'' (i.e.,

had earnings in excess of $700 per month) for a continuous period of at least nine months. The Social Security Administration (SSA) has also established an ''alternate participant program'' in regulation where private or other public agencies are eligible to receive reimbursement from SSA for providing VR and related services to SSDI and SSI beneficiaries. To participate in the alternate participant program, a beneficiary must first be referred to, and declined by, a State VR agency. Such private and public agencies are reimbursed according to the same procedures as State VR agencies.

House bill

The House bill creates a Ticket to Work and Self-Sufficiency program. Under the program, the Commissioner of Social Security is authorized to provide SSDI and disabled SSI beneficiaries with a ''ticket'' which they may use to obtain employment services, VR services, and other support services (e.g., assistive technology) from an employment network (that is, provider of services) of their choice to enable them to enter the workforce.

Employment networks may include both State VR agencies and private and other public providers. Employment networks would be prohibited from seeking additional compensation from beneficiaries. The bill provides State VR agencies with the option of participating in the program as an employment network or remaining in the current law reimbursement system, including the option to elect either payment method on a case-by-case basis. Services provided by State VR agencies participating in the program would be governed by plans for VR services approved under Title I of the Rehabilitation Act. The Commissioner would issue regulations regarding the relationship between State VR agencies and other employment networks. It is intended that the agreements would be broad-based, rather than case-by-case agreements. The Commissioner is also required to issue regulations to address other implementation issues, including distribution of tickets to beneficiaries.

The bill requires the program to be phased in at sites selected by the Commissioner beginning no later than 1 year after enactment. The program would be fully implemented as soon as practicable, but not later than 3 years after the program begins.

Senate amendment

Similar provision, except adds a section on special requirements applicable to cross-referral of ticket holders to certain State agencies.

Conference agreement

The Senate recedes to the House.

2. Program Managers

Present law

No provision. (See description of present law under ''1. Ticket System'' above.)

House bill

The Commissioner is required to contract with ''program managers,'' i.e., one or more organizations in the private or public sector with expertise and experience in the field of vocational rehabilitation or employment services through a competitive bidding process, to assist the Social Security Administration to administer the program. Agreements between SSA and program managers shall include performance standards, including measures of access of beneficiaries to services. Program managers would be precluded from providing services in their own service area.

Program managers would recruit and recommend employment networks to the Commissioner, ensure adequate availability of services to beneficiaries and provide assurances to SSA that employment networks are complying with terms of their agreement. In addition, program managers would provide for changes in employment networks by beneficiaries.

Senate amendment

Similar provision, except the Senate amendment places an additional restriction on changes in employment networks by specifying that ticket holders may elect such changes only ''for good cause, as determined by the Commissioner.'' In addition, the Senate amendment does not specify that when changes in employment networks occur the program manager is to (1) reassign the ticket based on the choice of the beneficiary and (2) make a determination regarding the allocation of payments to each employment network.

Conference agreement

The Senate recedes to the House.

3. Employment Networks

Present law

No provision. (See description of present law under ''1. Ticket System'' above.)

House bill

Employment networks consist of a single provider (public or private) or an association of providers which would assume responsibility for the coordination and delivery of services. Employment networks may include a one-stop delivery system established under Title I of the Workforce Investment Act of 1998. Employment networks are required to demonstrate specific expertise and experience and provide an array of services under the program. The Commissioner would select and enter into agreements with employment networks, provide periodic quality assurance reviews of employment networks, and establish a method for resolving disputes between beneficiaries and employment networks. Employment networks would meet financial reporting requirements as prescribed by the Commissioner, and prepare periodic performance reports which would be provided to beneficiaries holding a ticket and made available to the public.

Employment networks and beneficiaries would together develop an individual employment plan for each beneficiary that provides for informed choice in selecting an employment goal and specific services needed to achieve that goal. A beneficiary's written plan would take effect upon written approval by the beneficiary or beneficiary's representative.

Senate amendment

Identical provision regarding qualification, requirements, and reporting involving employment networks. Similar provision regarding individual employment plans, except that the Senate amendment does not require the statement of vocational goals to include ''as appropriate, goals for earnings and job advancement.''

Conference agreement

The Senate recedes to the House.

4. Payment to Employment Networks

Present law

No provision. (See description of present law under ''1. Ticket System'' above.)

House bill

The bill authorizes payment to employment networks for outcomes and long-term results through one of two payment systems, each designed to encourage maximum participation by providers to serve beneficiaries:

The outcome payment system would provide payment to employment networks up to 40 percent of the average monthly disability benefit for each month benefits are not be payable to the beneficiary due to work, not to exceed 60 months.

The outcome-milestone payment system is similar to the outcome payment system, except it would provide for early payment(s) based on the achievement of one or more milestones directed towards the goal of permanent employment. To ensure the cost-effectiveness of the program, the total amount payable to a service provider under the outcome-milestone payment system must be less than the total amount that would have been payable under the outcome payment system.

The Commissioner is required to periodically review both payment systems and may alter the percentages, milestones, or payment periods to ensure that employment networks have adequate incentive to assist beneficiaries in entering the workforce. In addition, the Commissioner is required to submit a report to Congress with recommendations for methods to adjust payment rates to ensure adequate incentives for the provision of services to individuals with special needs.

The bill requires the Commissioner to report to Congress within 3 years on the adequacy of program incentives for employment networks to provide services to ''high risk'' beneficiaries.

The bill authorizes transfers from the Social Security Trust Funds to carry out these provisions for Social Security beneficiaries, and authorizes appropriations to the Social Security Administration to carry out these provisions for SSI recipients.

Senate amendment

Similar provision, except that the Senate amendment:

Does not require the Commissioner to report to Congress within 3 years on the adequacy of program incentives for employment networks to provide services to ''high risk'' beneficiaries;

Provides for ''Allocation of Costs'' to employment networks from the Trust Funds for services rendered (rather than authorizing such amounts be transferred as in the House bill); and

Provides for specific treatment of the costs associated with dually-entitled individuals (that is, individuals receiving both SSI and SSDI benefits).

Conference agreement

The Senate recedes to the House.

5. Evaluation

Present law

No provision. (See description of present law under ''1. Ticket System'' above.)

House bill

The Commissioner is required to design and conduct a series of evaluations to assess the cost-effectiveness and outcomes of the program. The Commissioner is required to periodically provide to the Congress a detailed report of the program's progress, success, and any modifications needed.

Senate amendment

Similar provision, except the Senate amendment does not require evaluations to address the characteristics of ticket holders who are not accepted for services and reasons they were not accepted.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with

the modification that the Commissioner is required to provide for independent evaluations of program effectiveness.

6. Advisory Panel

Present law

No provision. (See description of present law under ''1. Ticket System'' above.)

House bill

The bill establishes a Ticket to Work and Work Incentives Advisory Panel consisting of experts representing consumers, providers of services, employers, and employees, at least one-half of whom are individuals with disabilities or representatives of individuals with disabilities. The Advisory Panel is to be composed of twelve members appointed as follows:

Four by the President, not more than two of whom may be of the same political party;

Two by the Speaker of the House of Representatives, in consultation with the Chairman of the Committee on Ways and Means;

Two by the Minority Leader of the House of Representatives, in consultation with ranking minority member of the Committee on Ways and Means;

Two by the Majority Leader of the Senate, in consultation with the Chairman of the Committee on Finance; and

Two members would be appointed by the Minority Leader of the Senate, in consultation with the ranking minority member of the Committee on Finance.

The Panel is to advise the Commissioner and report to the Congress on program implementation including such issues as the establishment of pilot sites, refinements to the program, and the design of program evaluations.

Senate amendment

Similar provision, except the Senate amendment:

Names the panel the Work Incentives Advisory Panel;

Does not specify that, of the 4 members of the panel appointed by the President, ''not more than 2 . . . may be of the same political party'';

Provides that the Commissioner, as opposed to the President under the House bill, is to designate whether panel members' initial terms will be 2 or 4 years;

Specifies that ''all members appointed to the panel shall have experience or expert knowledge of'' several work and disability-related fields, whereas the House bill requires that ''at least 8'' shall have such experience or knowledge, with at least 2 ''representing the interests of'' each of the following groups: service recipients, service providers, employers, and employees;

Provides that the Director of the Advisory Panel is to be appointed by the Commissioner in the Senate amendment (compared with by the Advisory Panel in the House bill); and

Provides that the costs of the Panel ''shall be paid from amounts made available'' for administration of the Title II and Title XVI programs under the Senate amendment (compared with the House bill, which authorizes such amounts from the OASI and DI trust funds and from the general fund of the Treasury for this purpose.

Conference agreement

The conference agreement follows the House bill, except that all 12 Panel members would be required to have experience or expert knowledge as a recipient, provider, employer, or employee. The agreement is based on the expectation that individuals with disabilities, as opposed to representatives of individuals with disabilities, would be appointed as Panel members whenever possible. In addition, the terms of initial appointment would be set by the individual making the appointment, with each individual making appointments designating one-half of appointees for a term of 4 years and the other half for a term of 2 years. The conference agreement also provides that the Director of the Panel would be appointed by the Chairperson of the Advisory Panel.

Work Activity Standard as a Basis for Review of an Individual's Disabled Status

Present law

Eligibility for Social Security disability insurance (SSDI) cash benefits requires an applicant to meet certain criteria, including the presence of a disability that renders the individual unable to engage in substantial gainful activity. Substantial gainful activity is defined as work that results in earnings exceeding an amount set in regulations ($700 per month, as of July 1, 1999). Continuing disability reviews (CDRs) are conducted by the Social Security Administration (SSA) to determine whether an individual remains disabled and thus eligible for continued benefits. CDRs may be triggered by evidence of recovery from disability, including return to work. SSA is also required to conduct periodic CDRs every 3 years for beneficiaries with a nonpermanent disability, and at times determined by the Commissioner for beneficiaries with a permanent disability.

House bill

The bill establishes the standard that CDRs for long-term SSDI beneficiaries (i.e., those receiving disability benefits for at least 24 months) be limited to periodic CDRs. SSA would continue to evaluate work activity to determine whether eligibility for cash benefits continued, but a return to work would not trigger a review of the beneficiary's impairment to determine whether it continued to be disabling. This provision is effective January 1, 2003.

Senate amendment

Similar provision, except Senate amendment is effective upon enactment.

Conference agreement

The conference agreement follows the House bill and the Senate amendment, except that the provision would be effective January 1, 2002.

Expedited Reinstatement of Disability Benefits

Present law

Individuals entitled to Social Security disability insurance (SSDI) benefits may receive expedited reinstatement of benefits following termination of benefits because of work activity any time during a 36–month extended period of eligibility. That is, benefits may be reinstated without the need for a new application and disability determination. Otherwise, the Commissioner of Social Security must make a new determination of disability before a claimant can reestablish reentitlement to disability benefits.

House bill

The bill establishes that an individual: (1) whose entitlement to SSDI benefits had been terminated on the basis of work activity following completion of an extended period of eligibility; or (2) whose eligibility for SSI benefits (including special SSI eligibility status under section 1619(b) of the Social Security Act) had been terminated following suspension of those benefits for 12 consecutive months on account of excess income resulting from work activity, may request reinstatement of those benefits without filing a new application. The individual must have become unable to continue working due to his or her medical condition and must file a reinstatement request within the 60–month period following the month of such termination.

While the Commissioner is making a determination pertaining to a reinstatement request, the individual would be eligible for provisional benefits (cash benefits and Medicare or Medicaid, as appropriate) for a period of not more than 6 months. If the Commissioner makes a favorable determination, such individual's prior entitlement to benefits would be reinstated, as would be the prior benefits of his or her dependents who continue to meet the entitlement criteria. If the Commissioner makes an unfavorable determination, provisional benefits would end, but the provisional benefits already paid would not be considered an overpayment. This provision is effective one year after enactment.

Senate amendment

Identical provision.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Work Incentives Outreach Program

Present law

The Social Security Administration prepares and distributes educational materials on work incentives for individuals receiving Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) benefits, including on the Internet. Social Security personnel in its 1,300 field offices are available to answer questions about work incentives. Work incentives currently include: exclusions for impairment-related work expenses; trial work periods during which an individual may continue to receive cash benefits; a 36–month extended period of eligibility during which cash benefits can be reinstated at any time; continued eligibility for Medicaid and/or Medicare; continued payment of benefits while a beneficiary is enrolled in a vocational rehabilitation program; and plans for achieving self-support (PASS).

House bill

The Commissioner of Social Security is required to establish a community-based work incentives planning and assistance program for the purpose of disseminating accurate information to individuals on work incentives. Under this program, the Commissioner is required to:

Establish a program of grants, cooperative agreements, or contracts to provide benefits planning and assistance (including protection and advocacy services) to individuals with disabilities and outreach to individuals with disabilities who are potentially eligible for work incentive programs; and

Establish a corps of work incentive specialists located within the Social Security Administration.

The Commissioner is required to determine the qualifications of agencies eligible for grants, cooperative agreements, or contracts. Social Security Administration field offices and State Medicaid agencies are deemed ineligible. Eligible organizations may include Centers for Independent Living, protection and advocacy organizations, and client assistance programs (established in accordance with the Rehabilitation Act of 1973, as amended); State Developmental Disabilities Councils (established in accordance

with the Developmental Disabilities Assistance and Bill of Rights Act); and State welfare agencies (funded under Title IV-A of the Social Security Act).

Annual appropriations would not exceed $23 million for fiscal years 2000–2004. The provision would be effective on enactment. The grant amount in each State would be based on the number of beneficiaries in the State, subject to certain limits.

Senate amendment

Identical provision.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

State Grants for Work Incentives Assistance to Disabled Beneficiaries

Present law

Grants to States to provide assistance to individuals with disabilities are authorized under the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.). Such assistance includes information on and referral to programs and services and legal, administrative, and other appropriate remedies to ensure access to services.

House bill

The Commissioner of Social Security is authorized to make grants to existing protection and advocacy programs authorized by the States under the Developmental Disabilities Assistance and Bill of Rights Act. Services would include information and advice about obtaining vocational rehabilitation, employment services, advocacy, and other services a Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) beneficiary may need to secure or regain gainful employment, including applying for and receiving work incentives.

Appropriation would not exceed $7 million for each of the fiscal years 2000–2004. The provision would be effective upon enactment.

Senate amendment

Identical provision.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Title II. Expanded Availability of Health Care Services

Expanding State Options Under the Medicaid Program for Workers with Disabilities

Present law

Most States are required to provide Medicaid coverage for disabled individuals who are eligible for Supplemental Security Income (SSI). Individuals are considered disabled if they are unable to engage in substantial gainful activity (defined in Federal regulations as earnings of $700 per month) due to a medically determinable physical or mental impairment which is expected to result in death, or which has lasted or can be expected to last for at least 12 months. Eleven States link Medicaid eligibility to disability definitions which may be more restrictive than SSI criteria.

Eligibility for SSI is determined by certain federally-established income and resource standards. Individuals are eligible for SSI if their ''countable'' income falls below the Federal maximum monthly SSI benefit ($500 for an individual, and $751 for couples in 1999). Not all income is counted for SSI purposes. Excluded from income are the first $20 of any monthly income (i.e., either unearned, such as social security and other pension benefits, or earned) and the first $65 of monthly earned income plus one-half of the remaining earnings. The Federal limit on resources is $2,000 for an individual, and $3,000 for couples. Certain resources are not counted, including an individual's home, and the first $4,500 of the current market value of an automobile.

In addition, States must provide Medicaid coverage for certain individuals under 65 who are working. These persons are referred to as ''qualified severely impaired individuals'' under age 65. These are disabled and blind individuals whose earnings reach or exceed the basic SSI benefit standard, with disregards as determined by the States. (The current threshold for earnings is $1,085 per month.) This special eligibility status applies as long as the individual:

Continues to be blind or have a disabling impairment;

Except for earnings, continues to meet all the other requirements for SSI eligibility;

Would be seriously inhibited from continuing or obtaining employment if Medicaid eligibility were to end; and

Has earnings that are not sufficient to provide a reasonable equivalent of benefits from SSI, State supplemental payments (if provided by the State), Medicaid, and publicly funded attendant care that would have been available in the absence of those earnings.

A recent change in law allowed States to increase the income limit for Medicaid coverage of disabled individuals. The Balanced Budget Act of 1997 (P.L.105–33) allowed States to elect to provide Medicaid coverage to disabled persons who otherwise meet SSI eligibility criteria but have income up to 250 percent of the Federal poverty guidelines. Beneficiaries under the more liberal income limit may ''buy into'' Medicaid by paying premium costs. Premiums are set on a sliding scale based on an individual's income, as established by the State.

House bill

The bill allows States to establish one new optional Medicaid eligibility category: they may provide coverage to individuals with disabilities, aged 16 through 64, who are employed, and who cease to be eligible for Medicaid because their medical condition has improved, and are therefore determined to no longer be eligible for SSI and/or SSDI, but who continue to have a severe medically determinable impairment as defined by regulations of the Secretary of HHS. In addition, States could establish limits on assets, resources, and earned or unearned income for this group that differ from the federal requirements. In order to opt to cover this group, states must provide Medicaid coverage to individuals with disabilities whose income is no more than 250 percent of the federal poverty level, and who would be eligible for SSI, except for earnings.

Individuals would be considered to be employed if they earn at least the Federal minimum wage and work at least 40 hours per month, or are engaged in work that meets criteria for work hours, wages, or other measures established by the State and approved by the Secretary of Health and Human Services (HHS).

Individuals covered under this new option could ''buy into'' Medicaid coverage by paying premiums or other cost-sharing charges on a sliding fee scale based on their income, as established by the State.

The bill requires that in order to receive federal funds, States must maintain the level of expenditures they expended in the most recent fiscal year prior to enactment of this provision to enable working individuals with disabilities to work.

Senate amendment

Allows States to establish one or two new optional Medicaid eligibility categories:

States would have the option to cover individuals with disabilities (aged 16–64) who, except for earnings, would be eligible for SSI. In addition, States could establish limits on assets, resources and earned or unearned income that differ from the federal requirements.

If States provide Medicaid coverage to individuals described in (1) above, they may also provide coverage to the following: Employed persons with disabilities whose medical condition has improved, as described above in the House bill.

Individuals covered under these options could ''buy in'' to Medicaid coverage by paying premiums or other cost-sharing charges on a sliding-fee scale based on income. The State would be required to make premium or other cost-sharing charges the same for both these two new eligibility groups. States may require individuals with incomes above 250 percent of the federal poverty level to pay the full premium cost. In the case of individuals with incomes between 250 percent and 450 percent of the poverty level, premiums may not exceed 7.5 percent of income. States must require individuals with incomes above $75,000 per year to pay all of the premium costs. States may choose to subsidize premium costs for such individuals, but they may not use federal matching funds to do so.

Conference agreement

House recedes to Senate to include the Senate-passed Medicaid buy-in option, allowing States to permit working individuals with incomes above 250 percent of the Federal poverty level to buy-in to the Medicaid program. The conference agreement provides for an effective date of October 1, 2000.

Extending Medicare Coverage for OASDI Disability Benefit Recipients

Present law

Social Security Disability Insurance (SSDI) beneficiaries are allowed to test their ability to work for at least nine months without affecting their disability or Medicare benefits. Disability payments stop when a beneficiary has monthly earnings at or above the substantial gainful activity level ($700) after the 9–month period. If the beneficiary remains disabled but continues working, Medicare can continue for an additional 39 months, for a total of 48 months of coverage.

House bill

Effective October 1, 2000, the bill provides for continued Medicare Part A coverage for 6 years beyond the current limit.

The bill requires the General Accounting Office (GAO) to submit a report to Congress (no later than 5 years after enactment) that examines the effectiveness and cost of extending Medicare Part A coverage to working disabled persons without charging them a premium; the necessity and effectiveness of providing the continuation of Medicare coverage to disabled individuals with incomes above the Social Security taxable wage base ($72,600); the use of a sliding-scale premium for high-income disabled individuals; the viability of an employer buy-in to Medicare; the interrelation between the use of continuation of Medicare coverage and private health insurance coverage; and that recommends whether the Medicare coverage extension should continue beyond the extended period provided under the bill.

Senate amendment

The amendment provides that during the 6–year period following enactment of the bill, disabled Social Security beneficiaries who engage in substantial gainful activity

would be eligible for Medicare Part A coverage. Medicare Part A coverage could continue indefinitely after the termination of the 6–year period following enactment of the bill for any individual who is enrolled in the Medicare Part A program for the month that ends the 6–year period, without requiring the beneficiaries to pay premiums. It also provides for conforming amendments to facilitate this change.

The Senate amendment does not require GAO to examine the viability of an employer buy-in to Medicare.

Conference agreement

The Senate recedes to the House, but instead of the 6–year extension beyond current law in the House bill, the agreement includes a 4½ year extension.

Grants to Develop and Establish State Infrastructures to Support Working Individuals with Disabilities

Present law

No provision.

House bill

The bill requires the Secretary of HHS to award grants to States to design, establish and operate infrastructures that provide items and services to support working individuals with disabilities, and to conduct outreach campaigns to inform them about the infrastructures. States would be eligible for these grants under the following conditions:

They must provide Medicaid coverage to employed individuals with disabilities whose income does not exceed 250 percent of the Federal poverty level and who would be eligible for Supplemental Security Income (SSI), except for earnings; and

They must provide personal assistance services to assist individuals eligible under the bill to remain employed (that is, earn at least the Federal minimum wage and work at least 40 hours per month, or engage in work that meets criteria for work hours, wages, or other measures established by the State and approved by the Secretary of HHS).

Personal assistance services refers to a range of services provided by one or more persons to assist individuals with disabilities to perform daily activities on and off the job. These services would be designed to increase individuals' control in life.

The Secretary of HHS is required to develop a formula for the award of infrastructure grants. The formula must provide special consideration to States that extend Medicaid coverage to persons who cease to be eligible for SSDI and SSI because of an improvement in their medical condition, but who still have a severe medically determinable impairment and are employed.

Grant amounts to States must be a minimum of $500,000 per year, and may be up to a maximum of 15 percent of Federal and State Medicaid expenditures for individuals with disabilities whose income does not exceed 250 percent of the Federal poverty level and who would be eligible for SSI, except for earnings; and for individuals who cease to be eligible for Medicaid because of medical improvement.

States would be required to submit an annual report to the Secretary on the use of grant funds. In addition, the report must indicate the percent increase in the number of SSDI and SSI beneficiaries who return to work.

For developing State infrastructure grants, the bill authorizes the following amount for: FY2000, $20 million; FY2001, $25 million; FY2002, $30 million; FY2003, $35 million; FY2004, $40 million; and FY2005–10, the amount of appropriations for the preceding fiscal year plus the percent increase in the CPI for All Urban Consumers for the preceding fiscal year. The bill stipulates budget authority in advance of appropriations.

The Secretary of HHS, in consultation with the Ticket to Work and Work Incentives Advisory Panel established by the bill, is required to make a recommendation by October 1, 2009, to the Committee on Commerce in the House and the Committee on Finance in the Senate regarding whether the grant program should be continued after FY 2010.

Senate amendment

Similar provision, except for the following:

States would be eligible for infrastructure grants if they provide Medicaid coverage to individuals with disabilities whose income except for earnings, would make them eligible for SSI, and who meet State-established limits on assets, resources and earned or unearned income;

Special consideration for developing the formula for distribution of infrastructure grants is to be given to States that provide Medicaid benefits to individuals who cease to be eligible for SSDI and SSI because of an improvement in their medical condition, but who have a severe medically determinable impairment and are employed; and The name of the advisory panel is the Work Incentives Advisory Panel.

Conference agreement

State participation in the grant programs would be de-linked from adoption of Medicaid optional eligibility categories. Furthermore, the maximum award section would be amended to reflect that delinking. States that do not choose to take up the optional Medicaid eligibility category permitting expansion to individuals with disabilities with incomes up to 250 percent of poverty would be subject to a maximum grant award established by a methodology developed by the Secretary consistent with the limit applied to states that do take up the option. For those states who do take up the option, the maximum will be 10 percent, rather than the 15 percent included in the House and Senate passed bills. These provisions would be effective October 1, 2000, with funding of: FY2001, $20 million; FY2002, $25 million; FY2003, $30 million; FY2004, $35 million; FY2005, $40 million; and FY2006–11, the amount of appropriations for the preceding fiscal year plus the percent increase in the CPI for All Urban Consumers for the preceding fiscal year.

The conferees encourage states to exercise the option to permit disabled workers to buy into Medicaid. Providing a Medicaid buy-in option will encourage disabled individuals to return to work without fear of losing their existing health coverage. While election of the Medicaid buy-in option is not a condition of eligibility for infrastructure grants under this section, the conferees urge the Secretary to award such grants with preference for states exercising the buy-in option. Such grants may be used to help finance other State programs facilitating a return to work by disabled individuals, thereby supplementing the Medicaid buy-in benefit as well as other work incentives provided by this Act.

Demonstration of Coverage under the Medicaid Program of Workers with Potentially Severe Disabilities

Present law

No provision.

House bill

The Secretary of HHS is required to approve applications from States to establish demonstration programs that would provide medical assistance equal to that provided under Medicaid for disabled persons age 16–64 who are ''workers with a potentially severe disability.'' These are individuals who meet a State's definition of physical or mental impairment, who are employed, and who are reasonably expected to meet SSI's definition of blindness or disability if they did not receive Medicaid services.

The Secretary is required to approve demonstration programs if the State meets the following requirements:

The State has elected to provide Medicaid coverage to individuals with disabilities whose income does not exceed 250 percent of the Federal poverty level and who would be eligible for SSI, except for their earnings;

Federal funds are used to supplement State funds used for workers with potentially severe disabilities at the time the demonstration is approved; and

The State conducts an independent evaluation of the demonstration program.

The bill allows the Secretary to approve demonstration programs that operate on a sub-State basis.

For purposes of the demonstration, individuals would be considered to be employed if they earn at least the Federal minimum wage and work at least 40 hours per month, or are engaged in work that meets threshold criteria for work hours, wages, or other measures as defined by the demonstration project and approved by the Secretary.

The bill authorizes $56 million for the 5–year period beginning FY2000. The bill prohibits any further payments to States beginning in FY2006.

Unexpended funds from previous years may be spent in subsequent years, but only through FY2005. The Secretary is required to allocate funds to States based on their applications and the availability of funds. Funds awarded to States would equal their Federal medical assistance percentage (FMAP) of expenditures for medical assistance to workers with a potentially severe disability.

The Secretary of HHS is required to make a recommendation by October 1, 2002, to the Committee on Commerce in the House and the Committee on Finance in the Senate regarding whether the grant program should be continued after FY2003.

Senate amendment

Similar provision, except for the following:

requires States to provide Medicaid coverage to individuals with disabilities whose income except for earnings, would make them eligible for SSI, and who meet State-established limits on assets, resources and earned or unearned income;

authorizes $72 million for FY 2000, $74 million for FY 2001, $78 million for FY2002, and $81 million for FY 2003;

limits payments to States to no more than $300 million and prohibits payments beginning in FY2006;

requires States with an approved demonstration to submit an annual report to the Secretary, including data on the total number of persons served by the project, and the number who are ''workers with a potentially severe disability.'' The aggregate amount of payments to States for administrative expenses related to annual reports may not exceed $5 million.

Conference agreement

The conference agreement would authorize the demonstration at $250 million over 6 years, and eligibility for demonstration funds would be delinked from adoption of Medicaid optional eligibility categories.

These provisions would be effective October 1, 2000. In addition, the House recedes to the Senate on the inclusion on the annual report. The limitation on administrative expenses is reduced to $2 million. States' definitions of workers with potentially severe disabilities can include individuals with a potentially severe disability that can be traced to congenital birth defects as well as diseases or injuries developed or incurred through illness or accident in childhood or adulthood.

Election by Disabled Beneficiaries to Suspend Medigap Insurance when Covered under a Group Health Plan

Present law

No provision.

House bill

The bill requires Medigap supplemental insurance plans to provide that benefits and premiums of such plans be suspended at the policyholder's request if the policyholder is entitled to Medicare Part A benefits as a disabled individual and is covered under a group health plan (offered by an employer with 20 or more employees). If suspension occurs and the policyholder loses coverage under the group health plan, the Medigap policy is required to be automatically reinstituted (as of the date of loss of group coverage) if the policyholder provides notice of the loss of such coverage within 90 days of the date of losing group coverage.

Senate amendment

Identical provision.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Title III. Demonstration Projects and Studies

Extension of Disability Insurance Program Demonstration Project Authority

Present law

Section 505 of the Social Security Disability Amendments of 1980, as amended, (42 U.S.C. 1310) provides the Commissioner of Social Security authority to conduct certain demonstration projects. The Commissioner may initiate experiments and demonstration projects to test ways to encourage Social Security Disability Insurance (SSDI) beneficiaries to return to work, and may waive compliance with certain benefit requirements in connection with these projects. This demonstration authority expired on June 9, 1996.

House bill

Effective as of the date of enactment, the bill extends the demonstration authority for 5 years, and includes authority for demonstration projects involving applicants as well as beneficiaries.

Senate amendment

The Senate amendment provides for permanent demonstration authority.

Conference agreement

The Senate recedes to the House.

Demonstration Projects Providing for Reductions in Disability Insurance Benefits Based on Earnings

Present law

No provision.

House bill

The bill would require the Commissioner of Social Security to conduct a demonstration project under which payments to Social Security disability insurance (SSDI) beneficiaries would be reduced $1 for every $2 of beneficiary earnings. The Commissioner would be required to annually report to the Congress on the progress of this demonstration project.

Senate amendment

Identical provision.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Studies and Reports

Present law

No provision

House bill

1. GAO Report of Existing Disability-Related Employment Incentives

The bill would direct the General Accounting Office (GAO) to assess the value of existing tax credits and disability-related employment initiatives under the Americans with Disabilities Act and other Federal laws. The report is to be submitted within 3 years to the Senate Committee on Finance and the House Committee on Ways & Means.

2. GAO Report of Existing Coordination of the DI and SSI Programs as They Relate to Individuals Entering or Leaving Concurrent Entitlement

The bill would direct the General Accounting Office (GAO) to evaluate the coordination under current law of work incentives for individuals eligible for both Social Security disability insurance (SSDI) and Supplemental Security Income (SSI). The report is to be submitted within 3 years to the Senate Committee on Finance and the House Committee on Ways & Means.

3. GAO Report on the Impact of the Substantial Gainful Activity Limit on Return to Work

The bill would direct the General Accounting Office (GAO) to examine substantial gainful activity limit as a disincentive for return to work. The report is to be submitted within 2 years to the Senate Committee on Finance and the House Committee on Ways & Means.

4. Report on Disregards Under the DI and SSI Programs

The bill would direct the Commissioner of Social Security to identify all income disregards under the Social Security disability insurance (SSDI) and Supplemental Security Income (SSI) programs; to specify the most recent statutory or regulatory change in each disregard; the current value of any disregard if the disregard had been indexed for inflation; recommend any further changes; and to report certain additional information and recommendations on disregards related to grants, scholarships, or fellowships used in attending any educational institution. The report is to be submitted within 90 days to the Senate Committee on Finance and the House Committee on Ways & Means.

5. GAO Report on SSA's Demonstration Authority

The bill would direct GAO to assess the Social Security Administration's (SSA) efforts to conduct disability demonstrations and to make a recommendation as to whether SSA's disability demonstration authority should be made permanent. The report is to be submitted within 5 years to the Senate Committee on Finance and the House Committee on Ways and Means.

Senate amendment

Similar provision, but does not include the GAO report on SSA's demonstration authority.

Conference agreement

The Senate recedes to the House.

Title IV. Miscellaneous and Technical Amendments

Technical Amendments Relating to Drug Addicts and Alcoholics

Present law

Public Law 104–121 included amendments to the SSDI and SSI disability programs providing that no individual could be considered to be disabled if alcoholism or drug addiction would otherwise be a contributing factor material to the determination of disability. The effective date for all new and pending applications was the date of enactment (March 29, 1996). For those whose claim had been finally adjudicated before the date of enactment, the amendments would apply commencing with benefits for months beginning on or after January 1, 1997. Individuals receiving benefits due to drug addiction or alcoholism can reapply for benefits based on another impairment. If the individual applied within 120 days after the date of enactment, the Commissioner is required to complete the entitlement redetermination by January 1, 1997.

Public Law 104–121 provided for the appointment of representative payees for recipients allowed benefits due to another impairment who also have drug addiction or alcoholism conditions, and the referral of those individuals for treatment.

House bill

The bill clarifies that the meaning of the term ''final adjudication'' includes a pending request for administrative or judicial review or a pending readjudication pursuant to class action or court remand. The bill also clarifies that if the Commissioner does not perform the entitlement redetermination before January 1, 1997, that entitlement redetermination must be performed in lieu of a continuing disability review.

The provision also corrects an anomaly that currently excludes all those allowed benefits (due to another impairment) before March 29, 1996, and redetermined before July 1, 1996, from the requirement that a representative payee be appointed and that the beneficiary be referred for treatment.

The amendments are effective as though they had been included in the enactment of Section 105 of Public Law 104–121 on March 29, 1996.

Senate amendment

Identical provision.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Treatment of Prisoners

1. Implementation of Prohibition Against Payment of Title II Benefits to Prisoners

Present law

Current law prohibits prisoners from receiving Old Age, Survivors and Disability (OASDI) benefits while incarcerated if they are convicted of any crime punishable by imprisonment of more than 1 year. Federal, State, county or local prisons are required to make available, upon written request, the name and Social Security account number of any individual so convicted who is confined in a penal institution or correctional facility.

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, commonly referred to as the welfare reform law, requires the Commissioner to make agreements with any interested State or local institution to provide monthly the names, Social Security account numbers, confinement dates, dates of birth, and other identifying information of residents who are SSI recipients. The Commissioner is required to pay

the institution $400 for each SSI recipient who becomes ineligible as a result if the information is provided within 30 days of incarceration, and $200 if the information is furnished after 30 days but within 90 days. P.L. 104–193 requires the Commissioner to study the desirability, feasibility, and cost of establishing a system for courts to directly furnish SSA with information regarding court orders affecting SSI recipients, and requiring that State and local jails, prisons, and other institutions that enter into contracts with the Commissioner to furnish the information by means of an electronic or similar data exchange system.

The Commissioner is authorized to provide, on a reimbursable basis, information obtained pursuant to these agreements to any Federal or federally-assisted cash, food, or medical assistance program for the purpose of determining program eligibility.

House bill

The House bill amends prisoner provisions in the welfare reform law to include recipients of OASDI benefits in the prisoner reporting system.

The bill requires the Commissioner to enter into an agreement with any interested State or local correctional institution to provide monthly the names, Social Security account numbers, confinement dates, dates of birth, and other identifying information regarding prisoners who receive OASDI benefits. Certain requirements for computer matching agreements would not apply. For each eligible individual who becomes ineligible as a result, the Commissioner would pay the institution an amount up to $400 if the information is provided within 30 days of incarceration, and up to $200 if provided after 30 days but within 90 days.

Payments to correctional institutions would be reduced by 50 percent for multiple reports on the same individual who receives both SSI and OASDI benefits. Payments made to the correctional institution would be made from OASI or DI Trust Funds, as appropriate.

The Commissioner is required to provide on a reimbursable basis information obtained pursuant to these agreements to any Federal or federally-assisted cash, food, or medical assistance program for the purpose of determining program eligibility.

These amendments are effective for prisoners whose confinement begins on or after the first day of the fourth month after the month of enactment.

Senate amendment

Similar provision, except the Senate amendment:

Authorizes, rather than requires, the Commissioner to provide information obtained under this provision to be shared with other Federal and federally-assisted agencies;

Limits the uses of this information to ''eligibility purposes'' not including ''other administrative purposes'' as provided in the House bill; and

Does not include conforming amendments.

Conference agreement

The Senate recedes to the House.

2. Elimination of Title II Requirement That Confinement Stem From Crime Punishable by Imprisonment For More Than 1 Year

Present law

The Social Security Act bars payment of OASDI benefits to prisoners convicted of any crime punishable by imprisonment of more than one year and to those who are institutionalized because they are found guilty but insane. In addition, the law stipulates that no monthly benefits shall be paid to any person for any month during which the person is an inmate.

House bill

This House bill broadens the prohibition of OASDI benefits to prisoners to be identical to those that apply to SSI benefits. In addition, it replaces ''an offense punishable by imprisonment for more than 1 year'' with ''a criminal offense,'' and includes benefits payable to persons confined to: (1) a penal institution; or (2) other institution if found guilty but insane, regardless of the total duration of the confinement. An exception would be made for prisoners incarcerated for less than 30 days. The provision is effective for prisoners whose confinement begins on or after the first day of the fourth month after the month of enactment.

Senate amendment

Similar provision, except restrictions would apply during months throughout which the criminal was incarcerated, rather than in any month during which the criminal was incarcerated as in the House bill. In addition, does not exempt prisoners convicted of crimes punishable by imprisonment of less 30 days.

Conference agreement

The Senate recedes to the House.

3. Conforming Title XVI Amendments

Present law

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 required the Commissioner of Social Security to enter into an agreement with any interested State or local institution (defined as a jail, prison, other correctional facility, or institution where the individual is confined due to a court order) under which the institution shall provide monthly the names, Social Security numbers, dates of birth, confinement dates, and other identifying information of prisoners. The Commissioner must pay to the institution for each eligible individual who becomes ineligible for SSI $400 if the information is provided within 30 days of the individual's becoming an inmate. The payment is $200 if the information is furnished after 30 days but within 90 days.

House bill

The amendment is designed to clarify the provision in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 that, in cases in which an inmate receives benefits under both the SSI and Social Security programs, payments to correctional facilities would be restricted to $400 or $200, depending on when the report is furnished. The amendment also expands the categories of institutions eligible to report incarceration of prisoners. This provision is effective as of the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 on August 22, 1996.

Senate amendment

Similar provision, but limits the uses of this information to ''eligibility purposes'' not including ''other administrative purposes'' as provided in the House bill.

Conference agreement

The Senate recedes to the House.

4. Continued Denial of Benefits to Sex Offenders Remaining Confined to Public Institutions Upon Completion of Prison Terms

Present Law

No provision.

House bill

The bill prohibits OASDI payments to sex offenders who, on completion of a prison term, remain confined in a public institution pursuant to a court finding that they continue to be sexually dangerous to others. The provision applies to benefits for months ending after the date of enactment.

Senate amendment

Identical provision.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Revocation by Members of the Clergy of Exemption From Social Security Coverage

Present law

Practicing members of the clergy are automatically covered by Social Security as self-employed workers unless they file for an exemption from Social Security coverage within a period ending with the due date of the tax return for the second taxable year (not necessarily consecutive) in which they begin performing their ministerial services. Members of the clergy seeking the exemption must file statements with their church, order, or licensing or ordaining body stating their opposition to the acceptance of Social Security benefits on religious principles. If elected, this exemption is irrevocable.

House bill

The House bill provides a 2-year ''open season,'' beginning January 1, 2000, for members of the clergy who want to revoke their exemption from Social Security. This decision to join Social Security would be irrevocable. A member of the clergy choosing such coverage would become subject to self-employment taxes and his or her subsequent earnings would be credited for Social Security (and Medicare) benefit purposes. The provision is effective January 1, 2000, for a period of 2 years.

Senate amendment

Identical provision.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Additional Technical Amendment Relating to Cooperative Research or Demonstration Projects Under Titles II and XVI

Present law

Current law authorizes Title XVI funding for making grants to States and public and other organizations for paying part of the cost of cooperative research or demonstration projects.

House bill

The provision clarifies current law to include agreements or grants concerning Title II of the Social Security Act and is effective as of August 15, 1994.

Senate amendment

Identical provision.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Authorization for States to Permit Annual Wage Reports

Present law

The Social Security Domestic Employment Reform Act of 1994 (P.L. 103–387) changed certain Social Security and Medicare tax rules. Specifically, the Act provided that domestic service employers (that is, individuals employing maids, gardeners, babysitters, and the like) would no longer owe taxes for any domestic employee who earned less than $1,000 per year from the employer. In addition, the Act simplified certain reporting requirements. Domestic employers

were no longer required to file quarterly returns regarding Social Security and Medicare taxes, nor the annual Federal Unemployment Tax Act (FUTA) return. Instead, all Federal reporting was consolidated on an annual Schedule H filed at the same time as the employer's personal income tax return.

House bill

The provision allows States the option of permitting domestic service employers to file annual rather than quarterly wage reports pursuant to section 1137 of the Social Security Act, which provides for an income and eligibility verification system (IEVS) for certain public benefits. This provision is effective as of the date of enactment.

Senate amendment

Identical provision.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Assessment on Attorneys Who Receive Fees Via the Social Security Administration

Present law

The Commissioner of Social Security, using one of two processes, authorizes the fee that may be charged by an attorney or non-attorney to represent a claimant in administrative proceedings for Social Security, SSI, or Part B Black Lung benefits.

Under the fee agreement process, the representative and claimant submit a signed agreement reflecting the amount of the fee before the date of a favorable decision, and the agreement usually will be approved by the Commissioner if the specified fee does not exceed the lesser of 25 percent of the claimant's past-due benefits or $4,000. The Commissioner then issues a notice of the maximum fee the representative can charge based on the approved agreement.

Under the fee petition process, the representative submits an itemized list of services and fees after a decision has been issued. The Commissioner will issue a notice of the fees that are approved or disapproved after reviewing the extent and types of services performed, the complexity of the case, and the amount of time spent by the representative on the case.

The Social Security Act and Social Security regulations provide that a representative may not charge or collect, directly or indirectly, a fee in any amount not approved by the Social Security Administration (SSA) or a Federal court. The statute and regulations further provide that SSA may suspend or disqualify from further practice before SSA a representative who breaks the rules governing representatives.

Under programs authorized under title II of the Social Security Act, in favorable decisions in which the claimant is represented by an attorney, the Commissioner must withhold and certify direct payment to the attorney, out of the claimant's past-due benefits, an amount equal to the smaller of: (1) 25 percent of the past-due benefits, or (2) the fee authorized by the Commissioner under either the fee petition or fee agreement process. This payment provision does not apply to SSI benefits and an attorney must look to the SSI beneficiary for payment of the fee. In addition, it does not apply to fees requested by non-attorney representatives.

The costs associated with approving, determining, processing, withholding, and certifying direct payment of attorney fees are currently absorbed in SSA's administrative budget.

House bill

The bill requires the Commissioner of Social Security to recover from attorneys' fees the cost of administering the process used to certify payment of attorneys fees. The assessment would be withheld from the amount payable to the attorney and the attorney would be prohibited from recovering the assessment from the beneficiary. The provision specifies an assessment of 6.3 percent of the approved attorney's fee for FY2000. After FY2000, the percentage would be adjusted by the Commissioner as necessary to achieve full recovery of the costs associated with certifying fees to attorneys.

The provision is applicable to fees required to be certified for payment after December 31, 1999, or the last day of the first month beginning after the month of enactment, whichever is later.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the House bill with the modification that, for calendar years after 2000, the assessment would be set at a rate to achieve full recovery of the costs of determining, processing, withholding, and distributing payment of fees to attorneys, but shall not exceed 6.3 percent of the attorney's fee. The Conferees expect that the Commissioner of Social Security will take into account in determining the cost to the Social Security Administration the processing, withholding, and distributing of payments of fees to attorneys. The agreement contemplates ongoing Congressional oversight of the attorney fee assessment process through hearings and requires a study by the General Accounting Office (GAO) to examine the costs of administering the attorney fee provisions with specific estimates of the costs of processing, withholding, and distributing of payment of fees. GAO would also explore the feasibility and advisability of a fixed fee as opposed to an assessment based on a percentage of the attorney's fee and would determine whether the assessment impairs access to representation for applicants. GAO would be required to make recommendations regarding efficiencies that the Commissioner could implement to reduce the cost of determining and certifying fees, the feasibility of linking the collection of the assessment to the timeliness of the payment of fees to attorneys, and the advisability of extending attorney fee disbursement to the Supplemental Security Income program. The agreement also eliminates the requirement that the Commissioner may not certify a fee before the end of the 15–day waiting period, but does not affect any beneficiary's right of appeal.

The authority is provided to the SSA to decrease the user fee assessment, and accordingly it should be decreased to take into account any administrative savings associated with technological improvements or administrative efficiencies implemented by the SSA or if the GAO finds that actual administrative expenses are less than reported by the SSA. The SSA should devote special attention to GAO recommendations related to program improvements or administrative efficiencies.

In addition, the Congress and the Committees of jurisdiction should reconsider the assessment promptly if the GAO finds that such a fee in any way impairs or impacts beneficiaries' ability to obtain and secure legal representation.

Prevention of Fraud and Abuse Associated with Certain Payments Under the Medicaid Program

Present law

Under the Individuals with Disabilities Education Act (IDEA), public schools must provide children with disabilities with a free and appropriate public education in the least restrictive educational setting, including special education and health-related services according to their individualized education program (IEP). In order to assist schools in meeting this obligation, under certain circumstances States may turn to Medicaid as a payer for health-related services such as occupational therapy, speech therapy, and physical therapy. Under certain conditions, school districts may directly bill their State Medicaid program for health-related services provided to disabled children enrolled in Medicaid. In addition, a school district may utilize a community-based organization to provide health-related services to disabled children enrolled in Medicaid.

In May of 1999, the Health Care Financing Administration (HCFA) clarified federal policies with respect to reimbursement for school-based health services under Medicaid in three areas: (1) bundled rates for medical services provided to Medicaid-eligible children in schools; (2) Federal matching payments for school health-related transportation services; and (3) school health-related administrative activities.

House bill

The bill stipulates that Medicaid payments for school-based services and related administrative costs are not to be made unless certain conditions are met. First, individual items and services may not be bundled unless payment is made under a methodology approved by the Secretary of Health and Human Services (HHS). Similarly, fee-for-service payment for individual items and services and administrative expenses is permitted only when payment does not exceed amounts paid to other entities for the same items, services, or administrative expenses, or is made in accordance with an alternative arrangement approved by the Secretary. This provision also codifies HCFA's policies on transportation services in effect as of May 1999. Finally, the provision delineates specific conditions under which payments for Medicaid covered items, services and administrative expenses can be made when a public agency such as a school district contracts with an entity to conduct claims processing functions.

The bill requires coordination between states, managed care entities and schools related to provision of and payment for Medicaid services provided in school settings. The provision would ensure that local school agencies are able to recoup an appropriate amount of federal financial match when they make expenditures for services for these Medicaid eligible children. Finally, the provision specifies that the Administrator of HCFA, in consultation with State Medicaid and education agencies and local school systems, will develop and implement a uniform methodology for administrative claims made by schools.

Senate amendment

No provision.

Conference agreement

The House recedes to the Senate.

Extension of Authority of State Medicaid Fraud Control Units

Present law

Medicaid Fraud Control Units established by State governments as entities separate from the State's Medicaid agency are authorized to investigate and refer for prosecution Medicaid fraud as well as patient abuse in facilities that participate in the Medicaid program.

House bill

The bill permits State Medicaid Fraud Control Units to investigate fraud related to any Federal health care program, subject to the approval of the appropriate Inspector General, if the suspected fraud is related to Medicaid fraud. Funds that are recovered would be returned to the relevant Federal health care program or the Medicaid program. Fraud control units would be permitted to investigate patient abuse in non-Medicaid residential health care facilities.

Senate amendment

No provision.

Conference agreement

The Senate recedes to the House.

Climate Database Modernization

Present law

No provision.

House bill

No provision.

Senate amendment

No provision.

Conference agreement

Notwithstanding any other provision of law, the National Oceanic and Atmospheric Administration (NOAA) shall contract for its multi-year program for climate database modernization and utilization in accordance with NIH Image World Contract #263–96–D–0323 and Task Order #56–DKNE–9–98303 which were awarded as a result of fair and open competition conducted in response to NOAA's solicitation IW SOW 1082.

Special Allowance Adjustment for Student Loans

Present law

Under the Higher Education Act of 1965, the special allowance paid to lenders for participation in the Federal Family Education Loan Program is pegged to the rate for 91-day Treasury bills.

House bill

The bill changes the index for the special allowance from 91-day Treasury bills to that for 3-month commercial paper and would be applicable for payment with respect to any 3-month period beginning on or after January 1, 2000, for loans for which the first disbursement is made after such date.

Senate amendment

No provision.

Conference agreement

The Senate recedes to the House. In receding to the House on the provision, the conferees wish to note that the Higher Education Act reauthorization (P.L. 105–244) required the establishment of a study group to design and conduct a study to identify and evaluate means of establishing a market mechanism for the delivery of Title IV loans. Not fewer than three different mechanisms were to be identified and evaluated by this group which was to report to the Congress no later than May 15, 2001. The conferees wish to note that the Chairman and Ranking Member of the Committee on Education and the Workforce and the Chairman and Ranking Member of the House Subcommittee on Postsecondary Education, Training and Life Long Learning have endorsed the change to the lender yield calculation on student loans contained in the bill. The proposal would change lender yields from January 1, 2000 through June 30, 2003 at which time the House Education and the Workforce Committee and the Senate Health, Education, Labor, and Pension Committee can appropriately review this item during the consideration of the Higher Education Act reauthorization.

Schedule for Payments Under SSI State Supplementation Agreements

Present law

States may supplement the federal Supplemental Security Income (SSI) payment. The Social Security Administration (SSA) administers this state supplement payment for 26 States. Under current regulations, States must reimburse SSA within 5 business days after the monthly supplement payment has been made by SSA.

House bill

No provision.

Senate amendment

No provision.

Conference agreement

The conference agreement would change the date for remitting reimbursement by the States to no later than the business day preceding the date SSA pays the monthly benefit. For the payment for the last month of the State's fiscal year, States shall remit the reimbursement by the fifth business day following the date SSA pays the monthly benefit. The agreement also provides for a penalty of 5 percent of the payment and fees due if the payment is received after the specified dates. This provision is effective for monthly benefits paid for months after September 2009 (October 2009 for States with fiscal years that coincide with the Federal fiscal year).

Bonus Commodities Related to the National School Lunch Act

Present law

In the School Lunch program, schools are entitled to federal food commodity assistance for each meal they serve. Commodity assistance must equal a specific amount per meal, about 15 cents a meal in the 1999–2000 school year. In addition, when all school lunch program aid (cash and commodities) are added together, the value of commodities purchased to meet the per-meal (15–cent) entitlement—so-called entitlement commodities—must equal 12 percent of the total cash and commodity aid provided. If not, the Agriculture Department is required to buy additional commodities to meet the 12 percent requirement.

The Agriculture Department appropriations laws for fiscal years 1999 and 2000 changed this 12 percent rule temporarily. They require that any commodities acquired by the Agriculture Department for farm support reasons, and then donated to schools in the school lunch program (so-called bonus commodities), be counted when judging whether the 12 percent requirement has been met.

House bill

No provision.

Senate amendment

No provision.

Conference agreement

The conference agreement would apply the provisions incorporated in the Agriculture Department appropriations laws for fiscal years 1999 and 2000 to fiscal years 2001 through 2009.

Simplification of Foster Child Definition Under Earned Income Credit

Present law

For purposes of the earned income credit (''EIC''), qualifying children may include foster children who reside with the taxpayer for a full year, if the taxpayer cares for the foster children as the taxpayer's own children. (Code sec. 32(c)(3)(B)(iii)). All EIC qualifying children (including foster children) must either be under the age of 19 (24 if a full-time student) or permanently and totally disabled. There is no requirement that the foster child either be (1) placed in the household by a foster care agency or (2) a relative of the taxpayer.

House bill

NO PROVISION.

SENATE AMENDMENT

No provision.

CONFERENCE AGREEMENT

For purposes of the EIC, a foster child is defined as a child who (1) is cared for by the taxpayer as if he or she were the taxpayer's own child, (2) has the same principal place of abode as the taxpayer for the taxpayer's entire taxable year, and (3) either is the taxpayer's brother, sister, stepbrother, stepsister, or descendant (including an adopted child) of any such relative, or was placed in the taxpayer's home by an agency of a State or one of its political subdivisions or by a tax-exempt child placement agency licensed by a State.

Delay of Effective Date of Organ Procurement and Transplantation Network Final Rule

Present law

No provision.

House bill

No provision.

Senate amendment

No provision.

Conference agreement

The final rule entitled ''Organ Procurement and Transplantation Network'', promulgated by the Secretary of Health and Human Services on April 2, 1998, together with the amendments to such rules promulgated on October 20, 1999 shall not become effective before the expiration of the 90–day period beginning on the date of enactment of this Act.

LEGISLATIVE BACKGROUND

H.R. 1180, the ''Ticket to Work and Work Incentives Improvement Act of 1999,'' was passed by the House on October 19, 1999. In the Senate, the provisions of S. 331 (the ''Work Incentives Improvement Act of 1999''), with an amendment, were substituted, and the bill, as amended, passed the Senate on October 21, 1999. The conference agreement to H.R. 1180 contains provisions to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities. Provisions of H.R. 2923 (''Extension of Expiring Provisions''),[1] as approved by the Ways and Means Committee on September 28, 1999, and S. 1792, (the ''Tax Relief Extension Act of 1999''),[2] as passed by the Senate on October 29, 1999, are included in the conference agreement to H.R. 1180.

I. EXTENSION OF EXPIRED AND EXPIRING TAX PROVISIONS

A. Extend Minimum Tax Relief for Individuals (secs. 24 and 26 of the Code)

Present Law

Present law provides for certain nonrefundable personal tax credits (i.e., the dependent care credit, the credit for the elderly

[1] The provisions of H.R. 2923 were reported by the House Committee on Ways and Means on September 28, 1999 (H. Rept. 106–344).

[2] The provisions of S. 1792 were reported by the Senate Committee on Finance on October 26, 1999 (S. Rept. 106–201).

and disabled, the adoption credit, the child tax credit, the credit for interest on certain home mortgages, the HOPE Scholarship and Lifetime Learning credits, and the D.C. homebuyer's credit). Except for taxable years beginning during 1998, these credits are allowed only to the extent that the individual's regular income tax liability exceeds the individual's tentative minimum tax, determined without regard to the minimum tax foreign tax credit. For taxable years beginning during 1998, these credits are allowed to the extent of the full amount of the individual's regular tax (without regard to the tentative minimum tax).

An individual's tentative minimum tax is an amount equal to (1) 26 percent of the first $175,000 ($87,500 in the case of a married individual filing a separate return) of alternative minimum taxable income (''AMTI'') in excess of a phased-out exemption amount and (2) 28 percent of the remaining AMTI. The maximum tax rates on net capital gain used in computing the tentative minimum tax are the same as under the regular tax. AMTI is the individual's taxable income adjusted to take account of specified preferences and adjustments. The exemption amounts are: (1) $45,000 in the case of married individuals filing a joint return and surviving spouses; (2) $33,750 in the case of other unmarried individuals; and (3) $22,500 in the case of married individuals filing a separate return, estates and trusts. The exemption amounts are phased out by an amount equal to 25 percent of the amount by which the individual's AMTI exceeds (1) $150,000 in the case of married individuals filing a joint return and surviving spouses, (2) $112,500 in the case of other unmarried individuals, and (3) $75,000 in the case of married individuals filing separate returns or an estate or a trust. These amounts are not indexed for inflation.

For families with three or more qualifying children, a refundable child credit is provided, up to the amount by which the liability for social security taxes exceeds the amount of the earned income credit (sec. 24(d)). For taxable years beginning after 1998, the refundable child credit is reduced by the amount of the individual's minimum tax liability (i.e., the amount by which the tentative minimum tax exceeds the regular tax liability).

House Bill

No provision. H.R. 2923, as approved by the Committee on Ways and Means, makes permanent the provision that allows an individual to offset the entire regular tax liability (without regard to the minimum tax) by the personal nonrefundable credits.

H.R. 2923 repeals the present-law provision that reduces the refundable child credit by the amount of an individual's minimum tax.

Effective date.—The provisions of H.R. 2923 are effective for taxable years beginning after December 31, 1998.

Senate Amendment

No provision. S. 1792, as passed by the Senate, contains the same provisions as H.R. 2923, except that the provisions apply only to taxable years beginning in 1999 and 2000.

Conference Agreement

The conference agreement extends the provision that allows the nonrefundable credits to offset the individual's regular tax liability in full (as opposed to only the amount by which the regular tax exceeds the tentative minimum tax) to taxable years beginning in 1999. For taxable years beginning in 2000 and 2001 the personal nonrefundable credits may offset both the regular tax and the minimum tax.[3]

Under the conference agreement, the refundable child credit will not be reduced by the amount of an individual's minimum tax in taxable years beginning in 1999, 2000, and 2001.

B. Extend Research and Experimentation Tax Credit and Increase Rates for the Alternative Incremental Research Credit (sec. 41 of the Code)

Present Law

Section 41 provides for a research tax credit equal to 20 percent of the amount by which a taxpayer's qualified research expenditures for a taxable year exceeded its base amount for that year. The research tax credit expired and generally does not apply to amounts paid or incurred after June 30, 1999.

Except for certain university basic research payments made by corporations, the research tax credit applies only to the extent that the taxpayer's qualified research expenditures for the current taxable year exceed its base amount. The base amount for the current year generally is computed by multiplying the taxpayer's ''fixed-base percentage'' by the average amount of the taxpayer's gross receipts for the four preceding years. If a taxpayer both incurred qualified research expenditures and had gross receipts during each of at least three years from 1984 through 1988, then its ''fixed-base percentage'' is the ratio that its total qualified research expenditures for the 1984–1988 period bears to its total gross receipts for that period (subject to a maximum ratio of .16). All other taxpayers (so-called ''start-up firms'') are assigned a fixed-base percentage of 3 percent. Expenditures attributable to research that is conducted outside the United States do not enter into the credit computation.

Taxpayers are allowed to elect an alternative incremental research credit regime. If a taxpayer elects to be subject to this alternative regime, the taxpayer is assigned a three-tiered fixed-base percentage (that is lower than the fixed-base percentage otherwise applicable under present law) and the credit rate likewise is reduced. Under the alternative credit regime, a credit rate of 1.65 percent applies to the extent that a taxpayer's current-year research expenses exceed a base amount computed by using a fixed-base percentage of 1 percent (i.e., the base amount equals 1 percent of the taxpayer's average gross receipts for the four preceding years) but do not exceed a base amount computed by using a fixed-base percentage of 1.5 percent. A credit rate of 2.2 percent applies to the extent that a taxpayer's current-year research expenses exceed a base amount computed by using a fixed-base percentage of 1.5 percent but do not exceed a base amount computed by using a fixed-base percentage of 2 percent. A credit rate of 2.75 percent applies to the extent that a taxpayer's current-year research expenses exceed a base amount computed by using a fixed-base percentage of 2 percent. An election to be subject to this alternative incremental credit regime may be made for any taxable year beginning after June 30, 1996, and such an election applies to that taxable year and all subsequent years (in the event that the credit subsequently is extended by Congress) unless revoked with the consent of the Secretary of the Treasury.

[3]The foreign tax credit will be allowed before the personal credits in computing the regular tax for these years.

House Bill

No provision. However, H.R. 2923, as approved by the Committee on Ways and Means, extends the research tax credit for five years—i.e., generally, for the period July 1, 1999, through June 30, 2004.

In addition, the provision increases the credit rate applicable under the alternative incremental research credit one percentage point per step, that is from 1.65 percent to 2.65 percent when a taxpayer's current-year research expenses exceed a base amount of 1 percent but do not exceed a base amount of 1.5 percent; from 2.2 percent to 3.2 percent when a taxpayer's current-year research expenses exceed a base amount of 1.5 percent but do not exceed a base amount of 2 percent; and from 2.75 percent to 3.75 percent when a taxpayer's current-year research expenses exceed a base amount of 2 percent.

Research tax credits that are attributable to the period beginning on July 1, 1999, and ending on September 30, 2000, may not be taken into account in determining any amount required to be paid for any purpose under the Internal Revenue Code prior to October 1, 2000. On or after October 1, 2000, such credits may be taken into account through the filing of an amended return, an application for expedited refund, an adjustment of estimated taxes, or other means that is allowed by the Code.

Effective date.—The extension of the research credit is effective for qualified research expenditures paid or incurred during the period July 1, 1999, through June 30, 2004. The increase in the credit rate under the alternative incremental research credit is effective for taxable years beginning after June 30, 1999. Estimated tax penalties will be waived for the period before July 1, 1999, with respect to any underpayment that is created by reason of the rule allocating research credits to a period based on the ratio of months in such period to the months in the taxable year.

Senate Amendment

No provision. However, S. 1792, as passed by the Senate, extends the research tax credit for 18 months—i.e., generally, for the period July 1, 1999, through December 31, 2000.

In addition, S. 1792 increases the credit rate applicable under the alternative incremental research credit one percentage point per step, that is, identical to the H.R. 2923.

Lastly, S. 1792 expands the definition of qualified research to include research undertaken in Puerto Rico and possessions of the United States. However, any employee compensation or other expense claimed for computation of the research credit may not also be claimed for the purpose of any credit allowable under sec. 30A (''Puerto Rico economic activity credit'') or under sec. 936 (''Puerto Rico and possession tax credit'').

Effective date.—The extension of the research credit is effective for qualified research expenditures paid or incurred during the period July 1, 1999, through December 31, 2000. The increase in the credit rate under the alternative incremental research credit is effective for taxable years beginning after June 30, 1999. The expansion of qualified research to include research undertaken in any possession of the United States is effective for qualified research expenditures paid or incurred beginning after June 30, 1999.

Conference Agreement

The conference agreement includes the provision of H.R. 2923 by extending the research credit through June 30, 2004.

In addition, the conference agreement follows H.R. 2923 and S. 1792 by increasing the

credit rate applicable under the alternative incremental research credit by one percentage point per step.

The conference agreement follows S. 1792 by expanding the definition of qualified research to include research undertaken in Puerto Rico and possessions of the United States.

Research tax credits that are attributable to the period beginning on July 1, 1999, and ending on September 30, 2000, may not be taken into account in determining any amount required to be paid for any purpose under the Internal Revenue Code prior to October 1, 2000. On or after October 1, 2000, such credits may be taken into account through the filing of an amended return, an application for expedited refund, an adjustment of estimated taxes, or other means that are allowed by the Code. The prohibition on taking credits attributable to the period beginning on July 1, 1999, and ending on September 30, 2000, into account as payments prior to October 1, 2000, extends to the determination of any penalty or interest under the Code. For example, the amount of tax required to be shown on a return that is due prior to October 1, 2000 (excluding extensions) may not be reduced by any such credits. In addition, the conferees clarify that deductions under section 174 are reduced by credits allowable under section 41 as under present law, not withstanding the delay in taking the credit into account created by this provision.

Similarly, research tax credits that are attributable to the period beginning October 1, 2000, and ending on September 30, 2001, may not be taken into account in determining any amount required to be paid for any purpose under the Internal Revenue Code prior to October 1, 2001. On or after October 1, 2001, such credits may be taken into account through the filing of an amended return, an application for expedited refund, an adjustment of estimated taxes, or other means that are allowed by the Code. Likewise, the prohibition on taking credits attributable to the period beginning on October 1, 2000, and ending on September 30, 2001, into account as payments prior to October 1, 2001, extends to the determination of any penalty or interest under the Code.

In extending the research credit, the conferees are concerned that the definition of qualified research be administered in a manner that is consistent with the intent Congress has expressed in enacting and extending the research credit. The conferees urge the Secretary to consider carefully the comments he has and may receive regarding the proposed regulations relating to the computation of the credit under section 41(c) and the definition of qualified research under section 41(d), particularly regarding the ''common knowledge'' standard. The conferees further note the rapid pace of technological advance, especially in service-related industries, and urge the Secretary to consider carefully the comments he has and may receive in promulgating regulations in connection with what constitutes ''internal use'' with regard to software expenditures. The conferees also observe that software research, that otherwise satisfies the requirements of section 41, which is undertaken to support the provision of a service, should not be deemed ''internal use'' solely because the business component involves the provision of a service.

The conferees wish to reaffirm that qualified research is research undertaken for the purpose of discovering new information which is technological in nature. For purposes of applying this definition, new information is information that is new to the taxpayer, is not freely available to the general public, and otherwise satisfies the requirements of section 41. Employing existing technologies in a particular field or relying on existing principles of engineering or science is qualified research, if such activities are otherwise undertaken for purposes of discovering information and satisfy the other requirements under section 41.

The conferees also are concerned about unnecessary and costly taxpayer record keeping burdens and reaffirm that eligibility for the credit is not intended to be contingent on meeting unreasonable record keeping requirements.

Effective date.—The extension of the research credit is effective for qualified research expenditures paid or incurred during the period July 1, 1999, through June 30, 2004. The increase in the credit rate under the alternative incremental research credit is effective for taxable years beginning after June 30, 1999.

C. Extend Exceptions under Subpart F for Active Financing Income (secs. 953 and 954 of the Code)

Present Law

Under the subpart F rules, 10–percent U.S. shareholders of a controlled foreign corporation (''CFC'') are subject to U.S. tax currently on certain income earned by the CFC, whether or not such income is distributed to the shareholders. The income subject to current inclusion under the subpart F rules includes, among other things, foreign personal holding company income and insurance income. In addition, 10–percent U.S. shareholders of a CFC are subject to current inclusion with respect to their shares of the CFC's foreign base company services income (i.e., income derived from services performed for a related person outside the country in which the CFC is organized).

Foreign personal holding company income generally consists of the following: (1) dividends, interest, royalties, rents, and annuities; (2) net gains from the sale or exchange of (a) property that gives rise to the preceding types of income, (b) property that does not give rise to income, and (c) interests in trusts, partnerships, and REMICs; (3) net gains from commodities transactions; (4) net gains from foreign currency transactions; (5) income that is equivalent to interest; (6) income from notional principal contracts; and (7) payments in lieu of dividends.

Insurance income subject to current inclusion under the subpart F rules includes any income of a CFC attributable to the issuing or reinsuring of any insurance or annuity contract in connection with risks located in a country other than the CFC's country of organization. Subpart F insurance income also includes income attributable to an insurance contract in connection with risks located within the CFC's country of organization, as the result of an arrangement under which another corporation receives a substantially equal amount of consideration for insurance of other-country risks. Investment income of a CFC that is allocable to any insurance or annuity contract related to risks located outside the CFC's country of organization is taxable as subpart F insurance income (Prop. Treas. Reg. sec. 1.953–1(a)).

Temporary exceptions from foreign personal holding company income, foreign base company services income, and insurance income apply for subpart F purposes for certain income that is derived in the active conduct of a banking, financing, or similar business, or in the conduct of an insurance business (so-called ''active financing income''). These exceptions are applicable only for taxable years beginning in 1999.[4]

With respect to income derived in the active conduct of a banking, financing, or similar business, a CFC is required to be predominantly engaged in such business and to conduct substantial activity with respect to such business in order to qualify for the exceptions. In addition, certain nexus requirements apply, which provide that income derived by a CFC or a qualified business unit (''QBU'') of a CFC from transactions with customers is eligible for the exceptions if, among other things, substantially all of the activities in connection with such transactions are conducted directly by the CFC or QBU in its home country, and such income is treated as earned by the CFC or QBU in its home country for purposes of such country's tax laws. Moreover, the exceptions apply to income derived from certain cross border transactions, provided that certain requirements are met. Additional exceptions from foreign personal holding company income apply for certain income derived by a securities dealer within the meaning of section 475 and for gain from the sale of active financing assets.

In the case of insurance, in addition to a temporary exception from foreign personal holding company income for certain income of a qualifying insurance company with respect to risks located within the CFC's country of creation or organization, certain temporary exceptions from insurance income and from foreign personal holding company income apply for certain income of a qualifying branch of a qualifying insurance company with respect to risks located within the home country of the branch, provided certain requirements are met under each of the exceptions. Further, additional temporary exceptions from insurance income and from foreign personal holding company income apply for certain income of certain CFCs or branches with respect to risks located in a country other than the United States, provided that the requirements for these exceptions are met.

House Bill

No provision, but H.R. 2923, as approved by the Committee on Ways and Means, extends for five years the present-law temporary exceptions from subpart F foreign personal holding company income, foreign base company services income, and insurance income for certain income that is derived in the active conduct of a banking, financing, or similar business, or in the conduct of an insurance business.

Effective date.—The provision is effective for taxable years of foreign corporations beginning after December 31, 1999, and before January 1, 2005, and for taxable years of U.S. shareholders with or within which such taxable years of such foreign corporations end.

Senate Amendment

No provision, but S. 1792, as passed by the Senate, extends for one year the present-law temporary exceptions from subpart F foreign personal holding company income, foreign base company services income, and insurance income for certain income that is derived in the active conduct of a banking, financing, or similar business, or in the conduct of an insurance business.

[4] Temporary exceptions from the subpart F provisions for certain active financing income applied only for taxable years beginning in 1998. Those exceptions were extended and modified as part of the present-law provision.

Effective date.—The provision is effective only for taxable years of foreign corporations beginning in 2000, and for taxable years of U.S. shareholders with or within which such taxable years of such foreign corporations end.

Conference Agreement

The conference agreement includes the provision in H.R. 2923 and S. 1792, with a modification to the effective date. The provision in the conference agreement extends for two years the present-law temporary exceptions from subpart F foreign personal holding company income, foreign base company services income, and insurance income for certain income that is derived in the active conduct of a banking, financing, or similar business, or in the conduct of an insurance business.

The conference agreement clarifies that if the temporary exception from subpart F insurance income does not apply for a taxable year beginning after December 31, 2001, section 953(a) is to be applied to such taxable year in the same manner as it would for a taxable year beginning in 1998 (i.e., under the law in effect before amendments to section 953(a) were made in 1998).[5] Thus, for future periods in which the temporary exception relating to insurance income is not in effect, the same-country exception from subpart F insurance income applies as under prior law.

Effective date.—The provision is effective for taxable years of foreign corporations beginning after December 31, 1999, and before January 1, 2002, and for taxable years of U.S. shareholders with or within which such taxable years of such foreign corporations end.

D. Extend Suspension of Net Income Limitation on Percentage Depletion from Marginal Oil and Gas Wells (sec. 613A of the Code)

Present Law

The Code permits taxpayers to recover their investments in oil and gas wells through depletion deductions. In the case of certain properties, the deductions may be determined using the percentage depletion method. Among the limitations that apply in calculating percentage depletion deductions is a restriction that, for oil and gas properties, the amount deducted may not exceed 100 percent of the net income from that property in any year (sec. 613(a)).

Special percentage depletion rules apply to oil and gas production from ''marginal'' properties (sec. 613A(c)(6)). Marginal production is defined as domestic crude oil and natural gas production from stripper well property or from property substantially all of the production from which during the calendar year is heavy oil. Stripper well property is property from which the average daily production is 15 barrel equivalents or less, determined by dividing the average daily production of domestic crude oil and domestic natural gas from producing wells on the property for the calendar year by the number of wells. Heavy oil is domestic crude oil with a weighted average gravity of 20 degrees API or less (corrected to 60 degrees Farenheit). Under one such special rule, the 100-percent-of-net-income limitation does not apply to domestic oil and gas production from marginal properties during taxable years beginning after December 31, 1997, and before January 1, 2000.

[5] For the 1998 amendments, see the Tax and Trade Relief Extension Act of 1998, Division J, Making Omnibus Consolidated and Emergency Supplemental Appropriations for Fiscal Year 1999, Pub. L. No. 105–277, sec. 1005(b), 112 Stat. 2681 (1998).

House Bill

No provision, but H.R. 2923, as approved by the Committee on Ways and Means, extends the present-law suspension of the 100–percent-of-net-income limitation with respect to oil and gas production from marginal wells to include taxable years beginning after December 31, 1999, and before January 1, 2005.

Senate Amendment

No provision, but S. 1792, as passed by the Senate, extends the present-law suspension of the 100–percent-of-net-income limitation with respect to oil and gas production from marginal wells to include taxable years beginning after December 31, 1999, and before January 1, 2001.

Conference Agreement

The conference agreement includes H.R. 2923 and S. 1792, with a modification providing an extension period through taxable years beginning before January 1, 2002.

E. Extend the Work Opportunity Tax Credit (sec. 51 of the Code)

Present Law

In general

The work opportunity tax credit (''WOTC''), which expired on June 30, 1999, was available on an elective basis for employers hiring individuals from one or more of eight targeted groups. The credit equals 40 percent (25 percent for employment of 400 hours or less) of qualified wages. Generally, qualified wages are wages attributable to service rendered by a member of a targeted group during the one-year period beginning with the day the individual began work for the employer.

The maximum credit per employee is $2,400 (40% of the first $6,000 of qualified first-year wages). With respect to qualified summer youth employees, the maximum credit is $1,200 (40 percent of the first $3,000 of qualified first-year wages).

The employer's deduction for wages is reduced by the amount of the credit.

Targeted groups eligible for the credit

The eight targeted groups are: (1) families eligible to receive benefits under the Temporary Assistance for Needy Families (TANF) Program; (2) high-risk youth; (3) qualified ex-felons; (4) vocational rehabilitation referrals; (5) qualified summer youth employees; (6) qualified veterans; (7) families receiving food stamps; and (8) persons receiving certain Supplemental Security Income (SSI) benefits.

Minimum employment period

No credit is allowed for wages paid to employees who work less than 120 hours in the first year of employment.

Expiration date

The credit is effective for wages paid or incurred to a qualified individual who began work for an employer before July 1, 1999.

House Bill

No provision. However, H.R. 2923, as approved by the Committee on Ways and Means, extends the work opportunity tax credit for 30 months (through December 31, 2001) and clarifies the definition of first year of employment for purposes of the WOTC. H.R. 2923 also directs the Secretary of the Treasury to expedite procedures to allow taxpayers to satisfy their WOTC filing requirements (e.g., Form 8850) by electronic means.

Effective date.—The provision is effective for wages paid or incurred to qualified individuals who begin work for the employer on or after July 1, 1999, and before January 1, 2002.

Senate Amendment

No provision. However, S. 1792, as passed by the Senate, extends the work opportunity tax credit for 18 months (through December 31, 2000) and clarifies the definition of first year of employment for purposes of the WOTC.

Effective date.—The provision is effective for wages paid or incurred to qualified individuals who begin work for the employer on or after July 1, 1999, and before January 1, 2001.

Conference Agreement

The conference agreement provides for a 30-month extension of the work opportunity tax credit. The conference agreement also includes the clarification of the definition of first year of employment for purposes of the WOTC that is included in H.R. 2923 and S. 1792. Finally, the conferees also direct the Secretary of the Treasury to expedite the use of electronic filing of requests for certification under the credit. They believe that participation in the program by businesses should not be discouraged by the requirement that such forms (i.e., the Form 8850) be submitted in paper form.

Effective date.—The provision is effective for wages paid or incurred to qualified individuals who begin work for the employer on or after July 1, 1999, and before January 1, 2002.

F. Extend the Welfare-To-Work Tax Credit (sec. 51A of the Code)

Present Law

The Code provides to employers a tax credit on the first $20,000 of eligible wages paid to qualified long-term family assistance (AFDC or its successor program) recipients during the first two years of employment. The credit is 35 percent of the first $10,000 of eligible wages in the first year of employment and 50 percent of the first $10,000 of eligible wages in the second year of employment. The maximum credit is $8,500 per qualified employee.

Qualified long-term family assistance recipients are: (1) members of a family that has received family assistance for at least 18 consecutive months ending on the hiring date; (2) members of a family that has received family assistance for a total of at least 18 months (whether or not consecutive) after the date of enactment of this credit if they are hired within 2 years after the date that the 18-month total is reached; and (3) members of a family who are no longer eligible for family assistance because of either Federal or State time limits, if they are hired within 2 years after the Federal or State time limits made the family ineligible for family assistance.

Eligible wages include cash wages paid to an employee plus amounts paid by the employer for the following: (1) educational assistance excludable under a section 127 program (or that would be excludable but for the expiration of sec. 127); (2) health plan coverage for the employee, but not more than the applicable premium defined under section 4980B(f)(4); and (3) dependent care assistance excludable under section 129.

The welfare to work credit is effective for wages paid or incurred to a qualified individual who begins work for an employer on or after January 1, 1998, and before July 1, 1999.

House Bill

No provision. However, H.R. 2923, as approved by the Committee on Ways and Means, extends the welfare-to-work tax credit for 30 months.

Effective date.—The provision extends the welfare-to-work credit effective for wages paid or incurred to a qualified individual who begins work for an employer on or after July 1, 1999, and before January 1, 2002.

Senate Amendment

No provision. However, S. 1792, as passed by the Senate, extends the welfare-to-work tax credit for 18 months.

Effective date.—The provision extends the welfare-to-work credit effective for wages paid or incurred to a qualified individual who begins work for an employer on or after July 1, 1999, and before January 1, 2001.

Conference Agreement

The conference agreement provides for a 30-month extension of the welfare-to-work tax credit.

Effective date.—The provision is effective for wages paid or incurred to a qualified individual who begins work for an employer on or after July 1, 1999, and before January 1, 2002.

G. Extend Exclusion for Employer-Provided Educational Assistance (sec. 127 of the Code)

Present Law

Educational expenses paid by an employer for the employer's employees are generally deductible to the employer.

Employer-paid educational expenses are excludable from the gross income and wages of an employee if provided under a section 127 educational assistance plan or if the expenses qualify as a working condition fringe benefit under section 132. Section 127 provides an exclusion of $5,250 annually for employer-provided educational assistance. The exclusion expired with respect to graduate courses June 30, 1996. With respect to undergraduate courses, the exclusion for employer-provided educational assistance expires with respect to courses beginning on or after June 1, 2000.

In order for the exclusion to apply, certain requirements must be satisfied. The educational assistance must be provided pursuant to a separate written plan of the employer. The educational assistance program must no discriminate in favor of highly compensated employees. In addition, not more than 5 percent of the amounts paid or incurred by the employer during the year for educational assistance under a qualified educational assistance plan can be provided for the class of individuals consisting of more than 5-percent owners of the employer (and their spouses and dependents).

Educational expenses that do not qualify for the section 127 exclusion may be excludable from income as a working condition fringe benefit.[6] In general, education qualifies as a working condition fringe benefit if the employee could have deducted the education expenses under section 162 if the employee paid for the education. In general, education expenses are deductible by an individual under section 162 if the education (1) maintains or improves a skill required in a trade or business currently engaged in by the taxpayer, or (2) meets the express requirements of the taxpayer's employer, applicable law or regulations imposed as a condition of continued employment. However, education expenses are generally not deductible if they relate to certain minimum educational requirements or to education or training that enables a taxpayer to begin working in a new trade or business.[7]

House Bill

No provision.

Senate Amendment

No provision. However, S. 1792 as passed by the Senate reinstates the exclusion for employer-provided educational assistance for graduate-level courses, and extends the exclusion, as applied to both undergraduate and graduate-level courses, through 2000. The provision in S. 1792 is effective with respect to undergraduate courses beginning after May 31, 2000, and before January 1, 2001. The provision is effective with respect to graduate-level courses beginning after December 31, 1999, and before January 1, 2001.

Conference Agreement

The conference agreement provides that the present-law exclusion for employer-provided educational assistance is extended through December 31, 2001.

Effective date.—The provision is effective with respect to courses beginning after May 31, 2000, and before January 1, 2002.

H. Extend and Modify Tax Credit for Electricity Produced by Wind and Closed-Loop Biomass Facilities (sec. 45 of the Code)

Present Law

An income tax credit is allowed for the production of electricity from either qualified wind energy or qualified ''closed-loop'' biomass facilities (sec. 45). The credit applies to electricity produced by a qualified wind energy facility placed in service after December 31, 1993, and before July 1, 1999, and to electricity produced by a qualified closed-loop biomass facility placed in service after December 31, 1992, and before July 1, 1999. The credit is allowable for production during the 10-year period after a facility is originally placed in service.

Closed-loop biomass is the use of plant matter, where the plants are grown for the sole purpose of being used to generate electricity. It does not include the use of waste materials (including, but not limited to, scrap wood, manure, and municipal or agricultural waste). The credit also is not available to taxpayers who use standing timber to produce electricity. In order to claim the credit, a taxpayer must own the facility and sell the electricity produced by the facility to an unrelated party.

House Bill

No provision.

Senate Amendment

No provision, but S. 1792, as passed by the Senate, extends the present-law tax credit for electricity produced by wind and closed-loop biomass for facilities placed in service after June 30, 1999, and before December 31, 2000. S. 1792 also modifies the tax credit to include electricity produced from poultry litter, for facilities placed in service after December 31, 1999, and before December 31, 2000. The credit further is expanded to include electricity produced from landfill gas, for electricity produced from facilities placed in service after December 31, 1999, and before December 31, 2000.

Finally, the credit is expanded to include electricity produced from certain other biomass (in addition to closed-loop biomass and poultry waste). This additional biomass is defined as solid, nonhazardous, cellulose waste material which is segregated from other waste materials and which is derived from forest resources, but not including old-growth timber. The term also includes urban sources such as waste pallets, crates, manufacturing and construction wood waste, and tree trimmings, or agricultural sources (including grain, orchard tree crops, vineyard legumes, sugar, and other crop by-products or residues. The term does not include unsegregated municipal solid waste or paper that commonly is recycled.

In the case of both closed-loop biomass and this additional biomass, the credit applies to electricity produced after December 31, 1999, from facilities that are placed in service before January 1, 2003 (including facilities placed in service before the date of enactment of this provision), and the credit is allowed for production attributable to biomass produced at facilities that are co-fired with coal.

Conference Agreement

The conference agreement includes S. 1792, with modifications. First, the extension is limited to electricity from facilities using present-law qualified sources (wind and closed-loop biomass) and from poultry waste facilities (placed in service after December 31, 1999). Second, in the case of all three fuel sources, the extension is limited to facilities placed in service before January 1, 2002. Third, the conference agreement does not include the provisions of the Senate amendment allowing co-firing of closed-loop biomass facilities. Fourth, the conference agreement includes the provisions of the Senate amendment clarifying wind facilities eligible for the credit.

I. Extend Duty-Free Treatment Under Generalized System of Preferences (GSP)

Title V of the Trade Act of 1974, as amended, grants authority to the President to provide duty-free treatment on imports of eligible articles from designated beneficiary developing countries (BDCs), subject to certain conditions and limitations. To qualify for GSP privileges, each beneficiary country is subject to various mandatory and discretionary eligibility criteria. Import sensitive products are ineligible for GSP. Section 505 (a) of the Trade Act of 1974, as amended, provides that no duty-free treatment under Title V shall remain in effect after June 30, 1999.

House Bill

No provision.

Senate Amendment

No provision. The Senate amendment to H.R. 434, which passed the Senate on November 3, 1999, reauthorizes GSP retroactively for five years to terminate on June 30, 2004. It also provides that, notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, the entry (a) of any article to which duty-free treatment under Title V of the Trade Act of 1974 would have applied if such entry had been made on June 30, 1999, and (b) that was made after June 30, 1999, and before the date of enactment of this Act, shall be liquidated or reliquidated as free of duty and the Secretary of the Treasury shall refund any duty paid, upon proper request filed with the appropriate customs officer, within 180 days after the date of enactment of this Act.

Conference Agreement

The conference agreement would reauthorize the GSP program for 27 months, to expire on September 30, 2001. The proposal provides for refunds, upon request of the importer, of any duty paid between June 30, 1999 and the effective date of this Act. All entries between the effective date of this Act and September 30, 2001 would enter duty-free.

[6] These rules also apply in the event that section 127 expires and is not reinstated.

[7] In the case of an employee, education expenses (if not reimbursed by the employer) may be claimed as an itemized deduction only if such expenses, along with other miscellaneous deductions, exceed 2 percent of the taxpayer's AGI. The 2-percent floor limitation is disregarded in determining whether an item is excludable as a working condition fringe benefit.

J. Extend Authority to Issue Qualified Zone Academy Bonds (sec. 1397E of the Code)

Present Law

Tax-exempt bonds

Interest on State and local governmental bonds generally is excluded from gross income for Federal income tax purposes if the proceeds of the bonds are used to finance direct activities of these governmental units, including the financing of public schools (sec. 103).

Qualified zone academy bonds

As an alternative to traditional tax-exempt bonds, certain States and local governments are given the authority to issue ''qualified zone academy bonds.'' A total of $400 million of qualified zone academy bonds is authorized to be issued in each of 1998 and 1999. The $400 million aggregate bond cap is allocated each year to the States according to their respective populations of individuals below the poverty line. Each State, in turn, allocates the credit to qualified zone academies within such State. A State may carry over any unused allocation into subsequent years.

Certain financial institutions that hold qualified zone academy bonds are entitled to a nonrefundable tax credit in an amount equal to a credit rate multiplied by the face amount of the bond (sec. 1397E). A taxpayer holding a qualified zone academy bond on the credit allowance date is entitled to a credit. The credit is includable in gross income (as if it were a taxable interest payment on the bond), and may be claimed against regular income tax and AMT liability.

The Treasury Department sets the credit rate at a rate estimated to allow issuance of qualified zone academy bonds without discount and without interest cost to the issuer. The maximum term of the bond is determined by the Treasury Department, so that the present value of the obligation to repay the bond is 50 percent of the face value of the bond.

''Qualified zone academy bonds'' are defined as any bond issued by a State or local government, provided that (1) at least 95 percent of the proceeds are used for the purpose of renovating, providing equipment to, developing course materials for use at, or training teachers and other school personnel in a ''qualified zone academy'' and (2) private entities have promised to contribute to the qualified zone academy certain equipment, technical assistance or training, employee services, or other property or services with a value equal to at least 10 percent of the bond proceeds.

A school is a ''qualified zone academy'' if (1) the school is a public school that provides education and training below the college level, (2) the school operates a special academic program in cooperation with businesses to enhance the academic curriculum and increase graduation and employment rates, and (3) either (a) the school is located in one of the 31 designated empowerment zones or one of the 95 enterprise communities designated under Code section 1391, or (b) it is reasonably expected that at least 35 percent of the students at the school will be eligible for free or reduced-cost lunches under the school lunch program established under the National School Lunch Act.

House Bill

No provision.

Senate Amendment

No provision.

Conference Agreement

The conference agreement authorizes up to $400 million of qualified zone academy bonds to be issued in each of calendar years 2000 and 2001. Unusued QZAB authority arising in 1998 and 1999 may be carried forward by the State or local government entity to which it is (or was) allocated for up to three years after the year in which the authority originally arose. Unused QZAB authority arising in 2000 and 2001 may be carried forward for two years after the year in which it arises. Each issuer is deemed to used the oldest QZAB authority which has been allocated to it first when new bonds are issued.

Effective date.—The provision is effective on the date of enactment.

K. Extend the Tax Credit for First-Time D.C. Homebuyers (sec. 1400C of the Code)

Present Law

In general

First-time homebuyers of a principal residence in the District of Columbia are eligible for a nonrefundable tax credit of up to $5,000 of the amount of the purchase price. The $5,000 maximum credit applies both to individuals and married couples. Married individuals filing separately can claim a maximum credit of $2,500 each. The credit phases out for individual taxpayers with adjusted gross income between $70,000 and $90,000 ($110,000–$130,000 for joint filers). For purposes of eligibility, ''first-time homebuyer'' means any individual if such individual did not have a present ownership interest in a principal residence in the District of Columbia in the one year period ending on the date of the purchase of the residence to which the credit applies.

Expiration date

The credit is scheduled to expire for residences purchased after December 31, 2000.

House Bill

No provision.

Senate Amendment

No provision.

Conference Agreement

The conference agreement provides for a one-year extension of the tax credit for first-time D.C. homebuyers, so that it applies to residences purchased on or before December 31, 2001.

Effective date.—The provision is effective for residences purchased after December 31, 2000 and before January 1, 2002.

L. Extend Expensing of Environmental Remediation Expenditures (sec. 198 of the Code)

Present Law

Taxpayers can elect to treat certain environmental remediation expenditures that would otherwise be chargeable to capital account as deductible in the year paid or incurred (sec. 198). The deduction applies for both regular and alternative minimum tax purposes. The expenditure must be incurred in connection with the abatement or control of hazardous substances at a qualified contaminated site.

A ''qualified contaminated site'' generally is any property that (1) is held for use in a trade or business, for the production of income, or as inventory; (2) is certified by the appropriate State environmental agency to be located within a targeted area; and (3) contains (or potentially contains) a hazardous substance (so-called ''brownfields''). Targeted areas are defined as: (1) empowerment zones and enterprise communities as designated under present law; (2) sites announced before February, 1997, as being subject to one of the 76 Environmental Protection Agency (''EPA'') Brownfields Pilots; (3) any population census tract with a poverty rate of 20 percent or more; and (4) certain industrial and commercial areas that are adjacent to tracts described in (3) above. However, sites that are identified on the national priorities list under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 cannot qualify as targeted areas.

Eligible expenditures are those paid or incurred before January 1, 2001.

House Bill

No provision.

Senate Amendment

No provision. However, S. 1792, as passed by the Senate, eliminates the targeted area requirement, thereby, expanding eligible sites to include any site containing (or potentially containing) a hazardous substance that is certified by the appropriate State environmental agency, but not those sites that are identified on the national priorities list under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

Effective date.—The provision to expand the class of eligible sites is effective for expenditures paid or incurred after December 31, 1999.

Conference Agreement

The conference agreement extends present-law expiration date for sec. 198 to include those expenditures paid or incurred before January 1, 2002.

Effective date.—The provision to extend the expiration date is effective upon the date of enactment.

M. TEMPORARY INCREASE IN AMOUNT OF RUM EXCISE TAX THAT IS COVERED OVER TO PUERTO RICO AND THE U.S. VIRGIN ISLANDS (SEC. 7652 OF THE CODE)

Present Law

A $13.50 per proof gallon[8] excise tax is imposed on distilled spirits produced in or imported (or brought) into the United States. The excise tax does not apply to distilled spirits that are exported from the United States or to distilled spirits that are consumed in U.S. possessions (e.g., Puerto Rico and the Virgin Islands).

The Internal Revenue Code provides for coverover (payment) of $10.50 per proof gallon of the excise tax imposed on rum imported (or brought) into the United States (without regard to the country of origin) to Puerto Rico and the Virgin Islands. During the five-year period ending on September 30, 1998, the amount covered over was $11.30 per proof gallon. This temporary increase was enacted in 1993 as transitional relief accompanying a reduction in certain tax benefits for corporations operating in Puerto Rico and the Virgin Islands.

Amounts covered over to Puerto Rico and the Virgin Islands are deposited into the treasuries of the two possessions for use as those possessions determine.

House Bill

No provision, but H.R. 984, as approved by the Committee on Ways and Means, increases from $10.50 to $13.50 per proof gallon the amount of excise taxes collected on rum brought into the United States that is covered over to Puerto Rico and the U.S. Virgin Islands. H.R. 984 further provides that $0.50 per proof gallon of the amount covered over to Puerto Rico will be transferred to the Puerto Rico Conservation Trust, a private, non-profit section 501(c)(3) organization operating in Puerto Rico.

Effective date.—The provision is effective for excise taxes collected on rum imported or

[8] A proof gallon is a liquid gallon consisting of 50 percent alcohol.

brought into the United States after June 30, 1999 and before October 1, 1999.

Senate Amendment

No provision, but H.R. 434, as passed by the Senate, is the same as the House bill.

Conference Agreement

The conference agreement reinstates the rum excise tax coverover at a rate of $13.25 per proof gallon during the period from July 1, 1999, through December 31, 2001.

The conference agreement includes a special rule for payment of the $2.75 per proof gallon increase in the coverover rate for Puerto Rico and the Virgin Islands. The special rule applies to payments that otherwise would be made in Fiscal Year 2000. Under this special payment rule, amounts attributable to the increase in the coverover rate that would have been transferred to Puerto Rico and the Virgin Islands after June 30, 1999 and before the date of enactment, will be paid on the date which is 15 days after the date of enactment. However, the total amount of this initial payment (aggregated for both possessions) may not exceed $20 million.

The next payment to Puerto Rico and the Virgin Islands with respect to the $2.75 increase in the coverover rate will be made on October 1, 2000. This payment will equal the total amount attributable to the increase that otherwise would have been transferred to Puerto Rico and the Virgin Islands before October 1, 2000 (less the payment of up to $20 million made 15 days after the date of enactment).

Payments for the remainder of the period through December 31, 2001 will be paid as provided under the present-law rules for the $10.50 per proof gallon coverover rate.

The special payment rule does not affect payments to Puerto Rico and the Virgin Islands with respect to the present-law $10.50 per proof gallon coverover rate.

Finally, the conferees note that H.R. 984 and H.R. 434, described above, will be considered by the Congress next year. The conferees intend that the special payment rule for Fiscal Year 2000 will be reviewed when that legislation is considered, and that to the extent possible, the delayed payments will be accelerated, or interest on delayed amounts will be provided.

Effective date.—The provision is effective on July 1, 1999.

II. OTHER TIME-SENSITIVE PROVISIONS

A. Prohibit Disclosure of APAs and APA Background Files (secs. 6103 and 6110 of the Code)

Present Law

Section 6103

Under section 6103, returns and return information are confidential and cannot be disclosed unless authorized by the Internal Revenue Code.

The Code defines return information broadly. Return information includes:

A taxpayer's identity, the nature, source or amount of income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liability, tax withheld, deficiencies, overassessments, or tax payments;

Whether the taxpayer's return was, is being, or will be examined or subject to other investigation or processing; or

Any other data, received by, recorded by, prepared by, furnished to, or collected by the Secretary with respect to a return or with respect to the determination of the existence, or possible existence, of liability (or the amount thereof) of any person under this title for any tax, penalty, interest, fine, forfeiture, or other imposition, or offense.[9]

Section 6110 and the Freedom of Information Act

With certain exceptions, section 6110 makes the text of any written determination the IRS issues available for public inspection. A written determination is any ruling, determination letter, technical advice memorandum, or Chief Counsel advice. Once the IRS makes the written determination publicly available, the background file documents associated with such written determination are available for public inspection upon written request. The Code defines ''background file documents'' as any written material submitted in support of the request. Background file documents also include any communications between the IRS and persons outside the IRS concerning such written determination that occur before the IRS issues the determination.

Before making them available for public inspection, section 6110 requires the IRS to delete specific categories of sensitive information from the written determination and background file documents.[10] It also provides judicial and administrative procedures to resolve disputes over the scope of the information the IRS will disclose. In addition, Congress has also wholly exempted certain matters from section 6110's public disclosure requirements.[11] Any part of a written determination or background file that is not disclosed under section 6110 constitutes ''return information.''[12]

The Freedom of Information Act (FOIA) lists categories of information that a federal agency must make available for public inspection.[13] It establishes a presumption that agency records are accessible to the public. The FOIA, however, also provides nine exemptions from public disclosure. One of those exemptions is for matters specifically exempted from disclosure by a statute other than the FOIA if the exempting statute meets certain requirements.[14] Section 6103 qualifies as an exempting statute under this FOIA provision. Thus, returns and return information that section 6103 deems confidential are exempt from disclosure under the FOIA.

Section 6110 is the exclusive means for the public to view IRS written determinations.[15] If section 6110 covers the written determination, then the public cannot use the FOIA to obtain that determination.

Advance Pricing Agreements

The Advanced Pricing Agreement (''APA'') program is an alternative dispute resolution program conducted by the IRS, which resolves international transfer pricing issues prior to the filing of the corporate tax return. Specifically, an APA is an advance agreement establishing an approved transfer pricing methodology entered into among the taxpayer, the IRS, and a foreign tax authority. The IRS and the foreign tax authority generally agree to accept the results of such approved methodology. Alternatively, an APA also may be negotiated between just the taxpayer and the IRS; such an APA establishes an approved transfer pricing methodology for U.S. tax purposes. The APA program focuses on identifying the appropriate transfer pricing methodology; it does not determine a taxpayer's tax liability. Taxpayers voluntarily participate in the program.

To resolve the transfer pricing issues, the taxpayer submits detailed and confidential financial information, business plans and projections to the IRS for consideration. Resolution involves an extensive analysis of the taxpayer's functions and risks. Since its inception in 1991, the APA program has resolved more than 180 APAs, and approximately 195 APA requests are pending.

Currently pending in the U.S. District Court for the District of Columbia are three consolidated lawsuits asserting that APAs are subject to public disclosure under either section 6110 or the FOIA.[16] Prior to this litigation and since the inception of the APA program, the IRS held the position that APAs were confidential return information protected from disclosure by section 6103.[17] On January 11, 1999, the IRS conceded that APAs are ''rulings'' and therefore are ''written determinations'' for purposes of section 6110.[18] Although the court has not yet issued a ruling in the case, the IRS announced its plan to publicly release both existing and future APAs. The IRS then transmitted existing APAs to the respective taxpayers with proposed deletions. It has received comments from some of the affected taxpayers. Where appropriate, foreign tax authorities have also received copies of the relevant APAs for comment on the proposed deletions. No APAs have yet been released to the public.

Some taxpayers assert that the IRS erred in adopting the position that APAs are subject to section 6110 public disclosure. Several

[9] Sec. 6103(b)(2)(A).

[10] Sec. 6110(c) provides for the deletion of identifying information, trade secrets, confidential commercial and financial information and other material.

[11] Sec. 6110(l).

[12] Sec. 6103(b)(2)(B) (''The term 'return information' means . . . any part of any written determination or any background file document relating to such written determination (as such terms are defined in section 6110(b)) which is not open to public inspection under section 6110'').

[13] Unless published promptly and offered for sale, an agency must provide for public inspection and copying: (1) final opinions as well as orders made in the adjudication of cases; (2) statements of policy and interpretations not published in the Federal Register; (3) administrative staff manuals and instructions to staff that affect a member of the public; and (4) agency records which have been or the agency expects to be, the subject of repetitive FOIA requests. 5 U.S.C. sec. 552(a)(2). An agency must also publish in the Federal Register: the organizational structure of the agency and procedures for obtaining information under the FOIA; statements describing the functions of the agency and all formal and informal procedures; rules of procedure, descriptions of forms and statements describing all papers, reports and examinations; rules of general applicability and statements of general policy; and amendments, revisions and repeals of the foregoing. 5 U.S.C. sec. 552(a)(1). All other agency records can be sought by FOIA request; however, some records may be exempt from disclosure.

[14] 14. Exemption 3 of the FOIA provides that an agency is not required to disclose matters that are: (3) specifically exempted from disclosure by statute (other than section 552b of this title) provided that such statute (A) requires that the matters be withheld from the public in such a manner as to leave no discretion on the issue, or (B) establishes particular criteria for withholding or refers to particular types of matters to be withheld; * * * 5 U.S.C. §552(b)(3).

[15] Sec. 6110(m).

[16] BNA v. IRS, Nos. 96–376, 96–2820, and 96–1473 (D.D.C.). The Bureau of National Affairs, Inc. (BNA) publishes matters of interest for use by its subscribers. BNA contends that APAs are not return information as they are prospective in application. Thus at the time they are entered into they do not relate to ''the determination of the existence, or possible existence, of liability or amount thereof * * *''

[17] The IRS contended that information received or generated as part of the APA process pertains to a taxpayer's liability and therefore was return information as defined in sec. 6103(b)(2)(A). Thus, the information was subject to section 6103's restrictions on the dissemination of returns and return information. Rev. Proc. 91–22, sec. 11, 1991–1 C.B. 526, 534 and Rev. Proc. 96–53, sec. 12, 1996–2 C.B. 375, 386.

[18] IR 1999–05.

have sought to participate as amici in the lawsuit to block the release of APAs. They are concerned that release under section 6110 could expose them to expensive litigation to defend the deletion of the confidential information from their APAs. They are also concerned that the section 6110 procedures are insufficient to protect the confidentiality of their trade secrets and other financial and commercial information.

House Bill

No provision, but H.R. 2923, as approved by the Committee on Ways and Means, amends section 6103 to provide that APAs and related background information are confidential return information under section 6103. Related background information is meant to include: the request for an APA, any material submitted in support of the request, and any communication (written or otherwise) prepared or received by the Secretary in connection with an APA, regardless of when such communication is prepared or received. Protection is not limited to agreements actually executed; it includes material received and generated in the APA process that does not result in an executed agreement.

Further, APAs and related background information are not ''written determinations'' as that term is defined in section 6110. Therefore, the public inspection requirements of section 6110 do not apply to APAs and related background information. A document's incorporation in a background file, however, is not intended to be grounds for not disclosing an otherwise disclosable document from a source other than a background file.

H.R. 2923 requires that the Treasury Department prepare and publish an annual report on the status of APAs. The annual report is to contain the following information:

Information about the structure, composition, and operation of the APA program office;

A copy of each current model APA;

Statistics regarding the amount of time to complete new and renewal APAs;

The number of APA applications filed during such year;

The number of APAs executed to date and for the year;

The number of APA renewals issued to date and for the year;

The number of pending APA requests;

The number of pending APA renewals;

The number of APAs executed and pending (including renewals and renewal requests) that are unilateral, bilateral and multilateral, respectively;

The number of APAs revoked or canceled, and the number of withdrawals from the APA program, to date and for the year;

The number of finalized new APAs and renewals by industry;[19] and

General descriptions of:

the nature of the relationships between the related organizations, trades, or businesses covered by APAs;

the related organizations, trades, or businesses whose prices or results are tested to determine compliance with the transfer pricing methodology prescribed in the APA;

the covered transactions and the functions performed and risks assumed by the related organizations, trades or businesses involved;

methodologies used to evaluate tested parties and transactions and the circumstances leading to the use of those methodologies;

critical assumptions;

sources of comparables;

comparable selection criteria and the rationale used in determining such criteria;

the nature of adjustments to comparables and/or tested parties;

the nature of any range agreed to, including information such as whether no range was used and why, whether an inter-quartile range was used, or whether there was a statistical narrowing of the comparables;

adjustment mechanisms provided to rectify results that fall outside of the agreed upon APA range;

the various term lengths for APAs, including rollback years, and the number of APAs with each such term length;

the nature of documentation required; and

approaches for sharing of currency or other risks.

In addition, H.R. 2923 requires the IRS to describe, in each annual report, its efforts to ensure compliance with existing APA agreements. The first report is to cover the period January 1, 1991, through the calendar year including the date of enactment. The Treasury Department cannot include any information in the report which would have been deleted under section 6110(c) if the report were a written determination as defined in section 6110. Additionally, the report cannot include any information which can be associated with or otherwise identify, directly or indirectly, a particular taxpayer. The Secretary is expected to obtain input from taxpayers to ensure proper protection of taxpayer information and, if necessary, utilize its regulatory authority to implement appropriate processes for obtaining this input. For purposes of section 6103, the report requirement is treated as part of Title 26.

While H.R. 2923 statutorily requires an annual report, it is not intended to discourage the Treasury Department from issuing other forms of guidance, such as regulations or revenue rulings, consistent with the confidentiality provisions of the Code.

Effective date.—The provision is effective on the date of enactment; accordingly, no APAs, regardless of whether executed before or after enactment, or related background file documents, can be released to the public after the date of enactment. It requires the Treasury Department to publish the first annual report no later than March 30, 2000.

Senate Amendment

No provision.

Conference Agreement

The conference agreement includes H.R. 2923.

B. Authority to Postpone Certain Tax-Related Deadlines by Reason of Year 2000 Failures

Present Law

There are no specific provisions in present law that would permit the Secretary of the Treasury to postpone tax-related deadlines by reason of Year 2000 (also known as ''Y2K'') failures. The Secretary is, however, permitted to postpone tax-related deadlines for other reasons. For example, the Secretary may specify that certain deadlines are postponed for a period of up to 90 days in the case of a taxpayer determined to be affected by a Presidentially declared disaster. The deadlines that may be postponed are the same as are postponed by reason of service in a combat zone. The provision does not apply for purposes of determining interest on any overpayment or underpayment.

The suspension of time applies to the following acts: (1) filing any return of income, estate, or gift tax (except employment and withholding taxes); (2) payment of any income, estate, or gift tax (except employment and withholding taxes); (3) filing a petition with the Tax Court for a redetermination of deficiency, or for review of a decision rendered by the Tax Court; (4) allowance of a credit or refund of any tax; (5) filing a claim for credit or refund of any tax; (6) bringing suit upon any such claim for credit or refund; (7) assessment of any tax; (8) giving or making any notice or demand for payment of any tax, or with respect to any liability to the United States in respect of any tax; (9) collection of the amount of any liability in respect of any tax; (10) bringing suit by the United States in respect of any liability in respect of any tax; and (11) any other act required or permitted under the internal revenue laws specified in regulations prescribed under section 7508 by the Secretary.

House Bill

No provision, but H.R. 2923, as approved by the Committee on Ways and Means, contains a provision permitting the Secretary to postpone, on a taxpayer-by-taxpayer basis, certain tax-related deadlines for a period of up to 90 days in the case of a taxpayer that the Secretary determines to have been affected by an actual Y2K related failure. In order to be eligible for relief, taxpayers must have made good faith, reasonable efforts to avoid any Y2K related failures. The relief will be similar to that granted under the Presidentially declared disaster and combat zone provisions, except that employment and withholding taxes also are eligible for relief. The relief will permit the abatement of both penalties and interest.

The relief may apply to the following acts: (1) filing of any return of income, estate, or gift tax, including employment and withholding taxes; (2) payment of any income, estate, or gift tax, including employment and withholding taxes; (3) filing a petition with the Tax Court; (4) allowance of a credit or refund of any tax; (5) filing a claim for credit or refund of any tax; (6) bringing suit upon any such claim for credit or refund; (7) assessment of any tax; (8) giving or making any notice or demand for payment of any tax, or with respect to any liability to the United States in respect of any tax; (9) collection of the amount of any liability in respect of any tax; (10) bringing suit by the United States in respect of any liability in respect of any tax; and (11) any other act required or permitted under the internal revenue laws specified or prescribed by the Secretary. The provision is effective on the date of enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement includes the provision in H.R. 2923.

C. Add Certain Vaccines Against Streptococcus Pneumoniae to the List of Taxable Vaccines (secs. 4131 and 4132 of the Code)

Present Law

A manufacturer's excise tax is imposed at the rate of 75 cents per dose (sec. 4131) on the following vaccines recommended for routine administration to children: diphtheria, pertussis, tetanus, measles, mumps, rubella, polio, HIB (haemophilus influenza type B), hepatitis B, varicella (chicken pox), and rotavirus gastroenteritis. The tax applied to any vaccine that is a combination of vaccine components equals 75 cents times the number of components in the combined vaccine.

Amounts equal to net revenues from this excise tax are deposited in the Vaccine Injury Compensation Trust Fund (''Vaccine Trust Fund'') to finance compensation

[19] This information was previously released in IRS Publication 3218, ''IRS Report on Application and Administration of I.R.C. Section 482.''

awards under the Federal Vaccine Injury Compensation Program for individuals who suffer certain injuries following administration of the taxable vaccines. This program provides a substitute Federal, ''no fault'' insurance system for the State-law tort and private liability insurance systems otherwise applicable to vaccine manufacturers and physicians. All persons immunized after September 30, 1988, with covered vaccines must pursue compensation under this Federal program before bringing civil tort actions under State law.

House Bill

No provision. However, H.R. 2923, as approved by the Committee on Ways and Means, adds any conjugate vaccine against streptococcus pneumoniae to the list of taxable vaccines. The bill also changes an incorrect effective date enacted in Public Law 105–277 and makes certain other conforming amendments to expenditure purposes to enable certain payments to be made from the Trust Fund.

In addition, the bill directs the General Accounting Office (''GAO'') to report to the House Committee on Ways and Means and the Senate Committee on Finance on the operation and management of expenditures from the Vaccine Trust Fund and to advise the Committees on the adequacy of the Vaccine Trust Fund to meet future claims under the Federal Vaccine Injury Compensation Program. The GAO is directed to report its findings to the House Committee on Ways and Means and the Senate Committee on Finance not later than December 31, 1999.

Effective date.—The provision is effective for vaccine purchases beginning on the day after the date on which the Centers for Disease Control make final recommendation for routine administration of conjugated streptococcus pneumoniae vaccines to children.

Senate Amendment

No provision. However, S. 1792, as passed by the Senate, contains a provision identical to that of H.R. 2923 except that S. 1792 directs the GAO to report its findings to the House Committee on Ways and Means and the Senate Committee on Finance by January 31, 2000.

Effective date.—The provision is effective for vaccine purchases beginning on the day after the date on which the Centers for Disease Control make final recommendation for routine administration of conjugated streptococcus pneumoniae vaccines to children. The addition of conjugate streptococcus pneumoniae vaccines to the list of taxable vaccines is contingent upon the inclusion in this legislation of the modifications to Public Law 105–277.

Conference Agreement

The conference agreement includes the provision of H.R. 2923 and S. 1792 in adding any conjugate vaccine against streptococcus pneumoniae to the list of taxable vaccines. In addition, the conference agreement follows H.R. 2923 and S. 1792 by changing the effective date enacted in Public Law 105–277 and certain other conforming amendments to expenditure purposes to enable certain payments to be made from the Trust Fund.

The conference report follows S. 1792 by directing that the GAO report its findings to the House Committee on Ways and Means and the Senate Committee on Finance not later than January 31, 2000.

Effective date.—The provision is effective for vaccine sales beginning on the day after the date of enactment. No floor stocks tax is to be collected for amounts held for sale on that date. For sales on or before that date for which delivery is made after such date, the delivery date is deemed to be the sale date. The addition of conjugate streptococcus pneumoniae vaccines to the list of taxable vaccines is contingent upon the inclusion in this legislation of the modifications to Public Law 105–277.

D. Delay Requirement that Registered Motor Fuels Terminals Offer Dyed Fuel as a Condition of Registration (sec. 4121 of the Code)

Present Law

Excise taxes are imposed on highway motor fuels, including gasoline, diesel fuel, and kerosene, to finance the Highway Trust Fund programs. Subject to limited exceptions, these taxes are imposed on all such fuels when they are removed from registered pipeline or barge terminal facilities, with any tax-exemptions being accomplished by means of refunds to consumers of the fuel.[20] One such exception allows removal of diesel fuel without payment of tax if the fuel is destined for a nontaxable use (e.g., use as heating oil) and is indelibly dyed.

Terminal facilities are not permitted to receive and store non-tax-paid motor fuels unless they are registered with the Internal Revenue Service. Under present law, a prerequisite to registration is that if the terminal offers for sale diesel fuel, it must offer both dyed and undyed diesel fuel. Similarly, if the terminal offers for sale kerosene, it must offer both dyed and undyed kerosene. This ''dyed-fuel mandate'' was enacted in 1997, to be effective on July 1, 1998. Subsequently, the effective date was delayed until July 1, 2000.

House Bill

No provision.

Senate Amendment

No provision, but S. 1792, as passed by the Senate, delays the effective date of the dyed-fuel mandate for an additional six months, through December 31, 2000. No other changes are made to the present highway motor fuels excise tax rules.

Conference Agreement

The conference agreement includes S. 1792 with a modification delaying the effective date of the dyeing mandate until January 1, 2002.

E. Provide That Federal Production Payments to Farmers Are Taxable in the Year Received

Present Law

A taxpayer generally is required to include an item in income no later than the time of its actual or constructive receipt, unless such amount properly is accounted for in a different period under the taxpayer's method of accounting. If a taxpayer has an unrestricted right to demand the payment of an amount, the taxpayer is in constructive receipt of that amount whether or not the taxpayer makes the demand and actually receives the payment.

The Federal Agriculture Improvement and Reform Act of 1996 (the ''FAIR Act'') provides for production flexibility contracts between certain eligible owners and producers and the Secretary of Agriculture. These contracts generally cover crop years from 1996 through 2002. Annual payments are made under such contracts at specific times during the Federal government's fiscal year. Section 112(d)(2) of the FAIR Act provides that one-half of each annual payment is to be made on either December 15 or January 15 of the fiscal year, at the option of the recipient.[21] The remaining one-half of the annual payment must be made no later than September 30 of the fiscal year. The Emergency Farm Financial Relief Act of 1998 added section 112(d)(3) to the FAIR Act which provides that all payments for fiscal year 1999 are to be paid at such time or times during fiscal year 1999 as the recipient may specify. Thus, the one-half of the annual amount that would otherwise be required to be paid no later than September 30, 1999 can be specified for payment in calendar year 1998.

These options potentially would have resulted in the constructive receipt (and thus inclusion in income) of the payments to which they relate at the time they could have been exercised, whether or not they were in fact exercised. However, section 2012 of the Tax and Trade Relief Extension Act of 1998 provided that the time a production flexibility contract payment under the FAIR Act properly is includible in income is to be determined without regard to either option, effective for production flexibility contract payments made under the FAIR Act in taxable years ending after December 31, 1995.

House Bill

No provision. However, the conference agreement to H.R. 2488 includes a provision to disregard any unexercised option to accelerate the receipt of any payment under a production flexibility contract which is payable under the FAIR Act, as in effect on the date of enactment of the provision, in determining the taxable year in which such payment is properly included in gross income. Options to accelerate payments that are enacted in the future are covered by this rule, providing the payment to which they relate is mandated by the FAIR Act as in effect on the date of enactment of this Act.

The provision in H.R. 2488 does not delay the inclusion of any amount in gross income beyond the taxable period in which the amount is received.

Effective date.—The provision in H.R. 2488 is effective on the date of enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement includes the provision in the conference agreement to H.R. 2488.

III. REVENUE OFFSET PROVISIONS

A. Modification of Individual Estimated Tax Safe Harbor (sec. 6654 of the Code)

Present Law

Under present law, an individual taxpayer generally is subject to an addition to tax for any underpayment of estimated tax. An individual generally does not have an underpayment of estimated tax if he or she makes timely estimated tax payments at least equal to: (1) 90 percent of the tax shown on the current year's return or (2) 100 percent of the prior year's tax. For taxpayers with a prior year's AGI above $150,000,[22] however, the rule that allows payment of 100 percent of prior year's tax is modified. Those taxpayers with AGI above $150,000 generally must make estimated payments based on either (1) 90 percent of the tax shown on the

[20] Tax is imposed before that point if the motor fuel is transferred (other than in bulk) from a refinery or if the fuel is sold to an unregistered party while still held in the refinery or bulk distribution system (e.g., in a pipeline or terminal facility).

[21] This rule applies to fiscal years after 1996. For fiscal year 1996, this payment was to be made not later than 30 days after the production flexibility contract was entered into.

[22] $75,000 for married taxpayers filing separately.

current year's return or (2) 110 percent of the prior year's tax.

For taxpayers with a prior year's AGI above $150,000, the prior year's tax safe harbor is modified for estimated tax payments made for taxable years through 2002. For such taxpayers making estimated tax payments based on prior year's tax, payments must be made based on 105 percent of prior year's tax for taxable years beginning in 1999, 106 percent of prior year's tax for taxable years beginning in 2000 and 2001, and 112 percent of prior year's tax for taxable years beginning in 2002.

House Bill

No provision, however H.R. 2923, as approved by the Committee on Ways and Means, provides that taxpayers with prior year's AGI above $150,000 who make estimated tax payments based on prior year's tax must do so based on 108.5 percent of prior year's tax for estimated tax payments made for taxable year 2000.

Effective date.—The provision is effective for estimated payments made for taxable years beginning after December 31, 1999, and before January 1, 2001.

Senate Amendment

No provision, however, S. 1792, as passed by the Senate, provides that for taxable years taxpayers with prior year's AGI above $150,000 who make estimated tax payments based on prior year's tax must do so based on 110.5 percent of prior year's tax for estimated tax payments based on prior year's tax must do so based on 112 percent of prior year's tax for estimated tax payments made for taxable year 2004.

Effective date.—The provision is effective for estimated payments made for taxable years beginning after December 31, 1999, and before January 1, 2001.

Conference Agreement

The conference agreement includes the provision in H.R. 2923 and the provision in S. 1792 with modifications. Taxpayers with prior year's AGI above $150,000 who make estimated tax payments based on prior year's tax must do so based on 108.6 percent of prior year's tax for estimated tax payments made for taxable year 2000. Taxpayers with prior year's AGI above $150,000 who make estimated tax payments based on prior year's tax must do so based on 110 percent of prior year's tax for estimated tax payments made for taxable year 2001. The modified safe harbor percentage is not changed for estimated tax payments made for any taxable years other than 2000 and 2001.

Effective date.—The provision is effective for estimated tax payments made for taxable years beginning after December 31, 1999, and before January 1, 2002.

B. Clarify the Tax Treatment of Income and Losses on Derivatives (sec. 1221 of the Code)

Present Law

Capital gain treatment applies to gain on the sale or exchange of a capital asset. Capital assets include property other than (1) stock in trade or other types of assets includible in inventory, (2) property used in a trade or business that is real property or property subject to depreciation, (3) accounts or notes receivable acquired in the ordinary course of a trade or business, (4) certain copyrights (or similar property), and (5) U.S. government publications. Gain or loss on such assets generally is treated as ordinary, rather than capital, gain or loss. Certain other Code sections also treat gains or losses as ordinary. For example, the gains or losses of securities dealers or certain electing commodities dealers or electing traders in securities or commodities that are subject to ''mark-to-market'' accounting are treated as ordinary (sec. 475).

Treasury regulations (which were finalized in 1994) require ordinary character treatment for most business hedges and provide timing rules requiring that gains or losses on hedging transactions be taken into account in a manner that matches the income or loss from the hedged item or items. The regulations apply to hedges that meet a standard of ''risk reduction'' with respect to ordinary property held (or to be held) or certain liabilities incurred (or to be incurred) by the taxpayer and that meet certain identification and other requirements (Treas. Reg. sec. 1.1221–2).

House Bill

No provision.

Senate Amendment

No provision, but S. 1792, as passed by the Senate, adds three categories to the list of assets the gain or loss on which is treated as ordinary (sec. 1221). The new categories are: (1) commodities derivative financial instruments held by commodities derivatives dealers; (2) hedging transactions; and (3) supplies of a type regularly consumed by the taxpayer in the ordinary course of a taxpayer's trade or business. In defining a hedging transaction, S. 1792 generally codifies the approach taken by the Treasury regulations, but modifies the rules. The ''risk reduction'' standard of the regulations is broadened to ''risk management'' with respect to ordinary property held (or to be held) or certain liabilities incurred (or to be incurred), and S. 1792 provides that the definition of a hedging transaction includes a transaction entered into primarily to manage such other risks as the Secretary may prescribe in regulations.

Effective date.—The provision in S. 1792 is effective for any instrument held, acquired or entered into, any transaction entered into, and supplies held or acquired on or after the date of enactment.

Conference Agreement

The conference agreement includes the provision in S. 1792.

C. Expand Reporting of Cancellation of Indebtedness Income (sec. 6050P of the Code)

Present Law

Under section 61(a)(12), a taxpayer's gross income includes income from the discharge of indebtedness. Section 6050P requires ''applicable entities'' to file information returns with the Internal Revenue Service (IRS) regarding any discharge of indebtedness of $600 or more.

The information return must set forth the name, address, and taxpayer identification number of the person whose debt was discharged, the amount of debt discharged, the date on which the debt was discharged, and any other information that the IRS requires to be provided. The information return must be filed in the manner and at the time specified by the IRS. The same information also must be provided to the person whose debt is discharged by January 31 of the year following the discharge.

''Applicable entities'' include: (1) the Federal Deposit Insurance Corporation (FDIC), the Resolution Trust Corporation (RTC), the National Credit Union Administration, and any successor or subunit of any of them; (2) any financial institution (as described in sec. 581 (relating to banks) or sec. 591(a) (relating to savings institutions)); (3) any credit union; (4) any corporation that is a direct or indirect subsidiary of an entity described in (2) or (3) which, by virtue of being affiliated with such entity, is subject to supervision and examination by a Federal or State agency regulating such entities; and (5) an executive, judicial, or legislative agency (as defined in 31 U.S.C. sec. 3701(a)(4)).

Failures to file correct information returns with the IRS or to furnish statements to taxpayers with respect to these discharges of indebtedness are subject to the same general penalty that is imposed with respect to failures to provide other types of information returns. Accordingly, the penalty for failure to furnish statements to taxpayers is generally $50 per failure, subject to a maximum of $100,000 for any calendar year. These penalties are not applicable if the failure is due to reasonable cause and not to willful neglect.

House Bill

No provision.

Senate Amendment

No provision, but S.1792, as passed by the Senate, requires information reporting on indebtedness discharged by any organization a significant trade or business of which is the lending of money (such as finance companies and credit card companies whether or not affiliated with financial institutions).

Effective date.—The provision is effective with respect to discharges of indebtedness after December 31, 1999.

Conference Agreement

The conference agreement includes the provision in S. 1792.

D. Limit Conversion of Character of Income From Constructive Ownership Transactions (new sec. 1260 of the Code)

Present Law

The maximum individual income tax rate on ordinary income and short-term capital gain is 39.6 percent, while the maximum individual income tax rate on long-term capital gain generally is 20 percent. Long-term capital gain means gain from the sale or exchange of a capital asset held more than one year. For this purpose, gain from the termination of a right with respect to property which would be a capital asset in the hands of the taxpayer is treated as capital gain.[23]

A pass-thru entity (such as a partnership) generally is not subject to Federal income tax. Rather, each owner includes its share of a pass-thru entity's income, gain, loss, deduction or credit in its taxable income. Generally, the character of the item is determined at the entity level and flows through to the owners. Thus, for example, the treatment of an item of income by a partnership as ordinary income, short-term capital gain, or long-term capital gain retains its character when reported by each of the partners.

Investors may enter into forward contracts, notional principal contracts, and other similar arrangements with respect to property that provides the investor with the same or similar economic benefits as owning the property directly but with potentially different tax consequences (as to the character and timing of any gain).

House Bill

No provision.

Senate Amendment

No provision, but S. 1792, as passed by the Senate, includes a provision that limits the amount of long-term capital gain a taxpayer could recognize from certain derivative contracts (''constructive ownership transactions'') with respect to certain financial

[23] Section 1234A, as amended by the Taxpayer Relief Act of 1997.

assets. The amount of long-term capital gain is limited to the amount of such gain the taxpayer would have recognized if the taxpayer held the financial asset directly during the term of the derivative contract. Any gain in excess of this amount is treated as ordinary income. An interest charge is imposed on the amount of gain that is treated as ordinary income. The provision does not alter the tax treatment of the long-term capital gain that is not treated as ordinary income.

A taxpayer is treated as having entered into a constructive ownership transaction if the taxpayer (1) holds a long position under a notional principal contract with respect to the financial asset, (2) enters into a forward contract to acquire the financial asset, (3) is the holder of a call option, and the grantor of a put option, with respect to a financial asset, and the options have substantially equal strike prices and substantially contemporaneous maturity dates, or (4) to the extent provided in regulations, enters into one or more transactions, or acquires one or more other positions, that have substantially the same effect of replicating the economic benefits of direct ownership of a financial asset without a significant change in the risk-reward profile with respect to the underlying transaction.[24]

A ''financial asset'' is defined as (1) any equity interest in a pass-thru entity, and (2) to the extent provided in regulations, any debt instrument and any stock in a corporation that is not a pass-thru entity. A ''pass-thru entity'' refers to (1) a regulated investment company, (2) a real estate investment trust, (3) a real estate mortgage investment conduit, (4) an S corporation, (5) a partnership, (6) a trust, (7) a common trust fund, (8) a passive foreign investment company,[25] (9) a foreign personal holding company, and (10) a foreign investment company.

The amount of recharacterized gain is calculated as the excess of the amount of long-term capital gain the taxpayer would have had absent this provision over the ''net underlying long-term capital gain'' attributable to the financial asset. The net underlying long-term capital gain is the amount of net capital gain the taxpayer would have realized if it had acquired the financial asset for its fair market value on the date the constructive ownership transaction was opened and sold the financial asset on the date the transaction was closed (only taking into account gains and losses that would have resulted from a deemed ownership of the financial asset).[26] The long-term capital gains rate on the net underlying long-term capital gain is determined by reference to the individual capital gains rates in section 1(h).

Example 1: On January 1, 2000, Taxpayer enters into a three-year notional principal contract (a constructive ownership transaction) with a securities dealer whereby, on the settlement date, the dealer agrees to pay Taxpayer the amount of any increase in the notional value of an interest in an investment partnership (the financial asset). After three years, the value of the notional principal contract increased by $200,000, of which $150,000 is attributable to ordinary income and net short-term capital gain ($50,000 is attributable to net long-term capital gains). The amount of the net underlying long-term capital gains is $50,000, and the amount of gain that is recharacterized as ordinary income is $150,000 (the excess of $200,000 of long-term gain over the $50,000 of net underlying long-term capital gain).

An interest charge is imposed on the underpayment of tax for each year that the constructive ownership transaction was open. The interest charge is the amount of interest that would be imposed under section 6601 had the recharacterized gain been included in the taxpayer's gross income during the term of the constructive ownership transaction. The recharacterized gain is treated as having accrued such that the gain in each successive year is equal to the gain in the prior year increased by a constant growth rate[27] during the term of the constructive ownership transaction.

Example 2: Same facts as in *example 1,* and assume the applicable Federal rate on December 31, 2002, is six percent. For purposes of calculating the interest charge, Taxpayer must allocate the $150,000 of recharacterized ordinary income to the three year-term of the constructive ownership transaction as follows: $47,116.47 is allocated to year 2000, $49,943.46 is allocated to year 2001, and $52,940.07 is allocated to year 2002.

A taxpayer is treated as holding a long position under a notional principal contract with respect to a financial asset if the person (1) has the right to be paid (or receive credit for) all or substantially all of the investment yield (including appreciation) on the financial asset for a specified period, and (2) is obligated to reimburse (or provide credit) for all or substantially all of any decline in the value of the financial asset. A forward contract is a contract to acquire in the future (or provide or receive credit for the future value of) any financial asset.

If the constructive ownership transaction is closed by reason of taking delivery of the underlying financial asset, the taxpayer is treated as having sold the contract, option, or other position that is part of the transaction for its fair market value on the closing date. However, the amount of gain that is recognized as a result of having taken delivery is limited to the amount of gain that is treated as ordinary income by reason of this provision (with appropriate basis adjustments for such gain).

The provision does not apply to any constructive ownership transaction if all of the positions that are part of the transaction are marked to market under the Code or regulations. The Treasury Department is authorized to prescribe regulations as necessary to carry out the purposes of the provision, including to (1) permit taxpayers to mark to market constructive ownership transactions in lieu of the provision, and (2) exclude certain forward contracts that do not convey substantially all of the economic return with respect to a financial asset.

No inference is intended as to the proper treatment of a constructive ownership transaction entered into prior to the effective date of this provision.

Effective date.—The provision applies to transactions entered into on or after July 12, 1999. For this purpose, a contract, option or any other arrangement that is entered into or exercised on or after July 12, 1999, which extends or otherwise modifies the terms of a transaction entered into prior to such date is treated as a transaction entered into on or after July 12, 1999.

Conference Agreement

The conference agreement includes the provision in S. 1792 with a clarification regarding the effective date. The provision applies to transactions entered into on or after July 12, 1999. For this purpose, it is expected that a contract, option or any other arrangement that is entered into or exercised on or after July 12, 1999, which extends or otherwise modifies the terms of a transaction entered into prior to such date will be treated as a transaction entered into on or after July 12, 1999, unless a party to the transaction other than the taxpayer has, as of July 12, 1999, the exclusive right to extend the terms of the transaction, and the length of such extension does not exceed the first business day following a period of five years from the original termination date under the transaction.

E. Treatment of Excess Pension Assets Used for Retiree Health Benefits (sec. 420 of the Code, and secs. 101, 403, and 408 of ERISA)

Present Law

Defined benefit pension plan assets generally may not revert to an employer prior to the termination of the plan and the satisfaction of all plan liabilities. A reversion prior to plan termination may constitute a prohibited transaction and may result in disqualification of the plan. Certain limitations and procedural requirements apply to a reversion upon plan termination. Any assets that revert to the employer upon plan termination are includible in the gross income of the employer and subject to an excise tax. The excise tax rate, which may be as high as 50 percent of the reversion, varies depending upon whether or not the employer maintains a replacement plan or makes certain benefit increases. Upon plan termination, the accrued benefits of all plan participants are required to be 100–percent vested.

A pension plan may provide medical benefits to retired employees through a section 401(h) account that is a part of such plan. A qualified transfer of excess assets of a defined benefit pension plan (other than a multiemployer plan) into a section 401(h) account that is a part of such plan does not result in plan disqualification and is not treated as a reversion to the employer or a prohibited transaction. Therefore, the transferred assets are not includible in the gross income of the employer and are not subject to the excise tax on reversions.

Qualified transfers are subject to amount and frequency limitations, use requirements, deduction limitations, vesting requirements and minimum benefit requirements. Excess assets transferred in a qualified transfer may not exceed the amount reasonably estimated to be the amount that the employer will pay out of such account during the taxable year of the transfer for qualified current retiree health liabilities. No more than one qualified transfer with respect to any plan may occur in any taxable year.

The transferred assets (and any income thereon) must be used to pay qualified current retiree health liabilities (either directly or through reimbursement) for the taxable year of the transfer. Transferred amounts generally must benefit all pension plan participants, other than key employees, who are entitled upon retirement to receive retiree medical benefits through the section 401(h) account. Retiree health benefits of key employees may not be paid (directly or indirectly) out of transferred assets. Amounts

[24] It is not expected that leverage in a constructive ownership transaction would change the risk-reward profile with respect to the underlying transaction.

[25] For this purpose, a passive foreign investment company includes an investment company that is also a controlled foreign corporation.

[26] A taxpayer must establish the amount of the net underlying long-term capital gain with clear and convincing evidence; otherwise, the amount is deemed to be zero. To the extent that the economic positions of the taxpayer and the counterparty do not equally offset each other, the amount of the net underlying long-term capital gain may be difficult to establish.

[27] The accrual rate is the applicable Federal rate on the day the transaction closed.

not used to pay qualified current retiree health liabilities for the taxable year of the transfer are to be returned at the end of the taxable year to the general assets of the plan. These amounts are not includible in the gross income of the employer, but are treated as an employer reversion and are subject to a 20-percent excise tax.

No deduction is allowed for (1) a qualified transfer of excess pension assets into a section 401(h) account, (2) the payment of qualified current retiree health liabilities out of transferred assets (and any income thereon) or (3) a return of amounts not used to pay qualified current retiree health liabilities to the general assets of the pension plan.

In order for the transfer to be qualified, accrued retirement benefits under the pension plan generally must be 100-percent vested as if the plan terminated immediately before the transfer.

The minimum benefit requirement requires each group health plan under which applicable health benefits are provided to provide substantially the same level of applicable health benefits for the taxable year of the transfer and the following 4 taxable years. The level of benefits that must be maintained is based on benefits provided in the year immediately preceding the taxable year of the transfer. Applicable health benefits are health benefits or coverage that are provided to (1) retirees who, immediately before the transfer, are entitled to receive such benefits upon retirement and who are entitled to pension benefits under the plan and (2) the spouses and dependents of such retirees.

The provision permitting a qualified transfer of excess pension assets to pay qualified current retiree health liabilities expires for taxable years beginning after December 31, 2000.[28]

House Bill

No provision.

Senate Amendment

No provision. However, S. 1792, as passed by the Senate, extends the present-law provision permitting qualified transfers of excess defined benefit pension plan assets to provide retiree health benefits under a section 401(h) account through September 30, 2009.[29] In addition, the present-law minimum benefit requirement is replaced by the minimum cost requirement that applied to qualified transfers before December 9, 1994, to section 401(h) accounts. Therefore, each group health plan or arrangement under which applicable health benefits are provided is required to provide a minimum dollar level of retiree health expenditures for the taxable year of the transfer and the following 4 taxable years. The minimum dollar level is the higher of the applicable employer costs for each of the 2 taxable years immediately preceding the taxable year of the transfer. The applicable employer cost for a taxable year is determined by dividing the employer's qualified current retiree health liabilities by the number of individuals to whom coverage for applicable health benefits was provided during the taxable year.

Effective date.—S. 1792, as passed by the Senate, is effective with respect to qualified transfers of excess defined benefit pension plan assets to section 401(h) accounts after December 31, 2000, and before October 1, 2009. The modification of the minimum benefit requirement is effective with respect to transfers after the date of enactment. In addition, S. 1792 contains a transition rule regarding the minimum cost requirement. Under this rule, an employer must satisfy the minimum benefit requirement with respect to a qualified transfer that occurs after the date of enactment during the portion of the cost maintenance period of such transfer that overlaps the benefit maintenance period of a qualified transfer that occurs on or before the date of enactment. For example, suppose an employer (with a calendar year taxable year) made a qualified transfer in 1998. The minimum benefit requirement must be satisfied for calendar years 1998, 1999, 2000, 2001, and 2002. Suppose the employer also makes a qualified transfer in 2000. Then, the employer is required to satisfy the minimum benefit requirement in 2000, 2001, and 2002, and is required to satisfy the minimum cost requirement in 2003 and 2004.

Conference Agreement

The conference agreement extends the present-law provision permitting qualified transfers of excess defined benefit pension plan assets to provide retiree health benefits under a section 401(h) account through December 31, 2005.[30] The modification of the minimum benefit requirement is effective with respect to transfers after the date of enactment. The Secretary of the Treasury is directed to prescribe such regulations as may be necessary to prevent an employer who significantly reduces retiree health coverage during the cost maintenance period from being treated as satisfying the minimum cost requirement. In addition, the conference agreement contains a transition rule regarding the minimum cost requirement. Under this rule, an employer must satisfy the minimum benefit requirement with respect to a qualified transfer that occurs after the date of enactment during the portion of the cost maintenance period of such transfer that overlaps the benefit maintenance period of a qualified transfer that occurs on or before the date of enactment. For example, suppose an employer (with a calendar year taxable year) made a qualified transfer in 1998. The minimum benefit requirement must be satisfied for calendar years 1998, 1999, 2000, 2001, and 2002. Suppose the employer also makes a qualified transfer in 2000. Then, the employer is required to satisfy the minimum benefit requirement in 2000, 2001, and 2002, and is required to satisfy the minimum cost requirement in 2003 and 2004.

Effective date.—The conference agreement is effective with respect to qualified transfers of excess defined benefit pension plan assets to section 401(h) accounts after December 31, 2000, and before January 1, 2006. The modification of the minimum benefit requirement is effective with respect to transfers after the date of enactment. In addition, the conference agreement contains a transition rule regarding the minimum cost requirement. Under this rule, an employer must satisfy the minimum benefit requirement with respect to a qualified transfer that occurs after the date of enactment during the portion of the cost maintenance period of such transfer that overlaps the benefit maintenance period of a qualified transfer that occurs on or before the date of enactment. For example, suppose an employer (with a calendar year taxable year) made a qualified transfer in 1998. The minimum benefit requirement must be satisfied for calendar years 1998, 1999, 2000, 2001, and 2002. Suppose the employer also makes a qualified transfer in 2000. Then, the employer is required to satisfy the minimum benefit requirement in 2000, 2001, and 2002, and is required to satisfy the minimum cost requirement in 2003 and 2004.

F. Modify Installment Method and Prohibit its Use by Accrual Method Taxpayers (sections 453 and 453A of the Code)

Present Law

An accrual method taxpayer is generally required to recognize income when all the events have occurred that fix the right to the receipt of the income and the amount of the income can be determined with reasonable accuracy. The installment method of accounting provides an exception to this general principle of income recognition by allowing a taxpayer to defer the recognition of income from the disposition of certain property until payment is received. Sales to customers in the ordinary course of business are not eligible for the installment method, except for sales of property that is used or produced in the trade or business of farming and sales of timeshares and residential lots if an election to pay interest under section 453(l)(2)(B)) is made.

A pledge rule provides that if an installment obligation is pledged as security for any indebtedness, the net proceeds[31] of such indebtedness are treated as a payment on the obligation, triggering the recognition of income. Actual payments received on the installment obligation subsequent to the receipt of the loan proceeds are not taken into account until such subsequent payments exceed the loan proceeds that were treated as payments. The pledge rule does not apply to sales of property used or produced in the trade or business of farming, to sales of timeshares and residential lots where the taxpayer elects to pay interest under section 453(l)(2)(B), or to dispositions where the sales price does not exceed $150,000.

An additional rule requires the payment of interest on the deferred tax that is attributable to most large installment sales.

House Bill

No provision.

Senate Amendment

No provision, but S. 1792, as passed by the Senate, generally prohibits the use of the installment method of accounting for dispositions of property that would otherwise be reported for Federal income tax purposes using an accrual method of accounting and modifies the installment sale pledge rule to provide that entering into any arrangement that gives the taxpayer the right to satisfy an obligation with an installment note will be treated in the same manner as the direct pledge of the installment note.

Prohibition on the use of the installment method for accrual method dispositions

S. 1792 generally prohibits the use of the installment method of accounting for dispositions of property that would otherwise

[28] Title I of the Employee Retirement Income Security Act of 1974, as amended (''ERISA''), provides that plan participants, the Secretaries of Treasury and the Department of Labor, the plan administrator, and each employee organization representing plan participants must be notified 60 days before a qualified transfer of excess assets to a retiree health benefits account occurs (ERISA sec. 103(e)). ERISA also provides that a qualified transfer is not a prohibited transaction under ERISA (ERISA sec. 408(b)(13)) or a prohibited reversion of assets to the employer (ERISA sec. 403(c)(1)). For purposes of these provisions, a qualified transfer is generally defined as a transfer pursuant to section 420 of the Internal Revenue Code, as in effect on January 1, 1995.

[29] S. 1792 modifies the corresponding provisions of ERISA.

[30] The conference agreement modifies the corresponding provisions of ERISA.

[31] The net proceeds equal the gross loan proceeds less the direct expenses of obtaining the loan.

be reported for Federal income tax purposes using an accrual method of accounting. The provision does not change present law regarding the availability of the installment method for dispositions of property used or produced in the trade or business of farming. The provision also does not change present law regarding the availability of the installment method for dispositions of timeshares or residential lots if the taxpayer elects to pay interest under section 453(l).

The provision does not change the ability of a cash method taxpayer to use the installment method. For example, a cash method individual owns all of the stock of a closely held accrual method corporation. This individual sells his stock for cash, a ten year note, and a percentage of the gross revenues of the company for next ten years. The provision does not change the ability of this individual to use the installment method in reporting the gain on the sale of the stock.

Modifications to the pledge rule

S. 1792 modifies the pledge rule to provide that entering into any arrangement that gives the taxpayer the right to satisfy an obligation with an installment note will be treated in the same manner as the direct pledge of the installment note. For example, a taxpayer disposes of property for an installment note. The disposition is properly reported using the installment method. The taxpayer only recognizes gain as it receives the deferred payment. However, were the taxpayer to pledge the installment note as security for a loan, it would be required to treat the proceeds of such loan as a payment on the installment note, and recognize the appropriate amount of gain. Under the provision, the taxpayer would also be required to treat the proceeds of a loan as payment on the installment note to the extent the taxpayer had the right to ''put'' or repay the loan by transferring the installment note to the taxpayer's creditor. Other arrangements that have a similar effect would be treated in the same manner.

The modification of the pledge rule applies only to installment sales where the pledge rule of present law applies. Accordingly, the provision does not apply to (1) installment method sales made by a dealer in timeshares and residential lots where the taxpayer elects to pay interest under section 453(l)(2)(B), (2) sales of property used or produced in the trade or business of farming, or (3) dispositions where the sales price does not exceed $150,000, since such sales are not subject to the pledge rule under present law.

Effective date.—The provision is effective for sales or other dispositions entered into on or after the date of enactment.

Conference Agreement

The conference agreement includes the provision in S. 1792.

G. Denial of Charitable Contribution Deduction for Transfers Associated with

Split-dollar Insurance Arrangements (new sec. 501(c)(28) of the Code)

Present Law

Under present law, in computing taxable income, a taxpayer who itemizes deductions generally is allowed to deduct charitable contributions paid during the taxable year. The amount of the deduction allowable for a taxable year with respect to any charitable contribution depends on the type of property contributed, the type of organization to which the property is contributed, and the income of the taxpayer (secs. 170(b) and 170(e)). A charitable contribution is defined to mean a contribution or gift to or for the use of a charitable organization or certain other entities (sec. 170(c)). The term ''contribution or gift'' is not defined by statute, but generally is interpreted to mean a voluntary transfer of money or other property without receipt of adequate consideration and with donative intent. If a taxpayer receives or expects to receive a quid pro quo in exchange for a transfer to charity, the taxpayer may be able to deduct the excess of the amount transferred over the fair market value of any benefit received in return, provided the excess payment is made with the intention of making a gift.[32]

In general, no charitable contribution deduction is allowed for a transfer to charity of less than the taxpayer's entire interest (i.e., a partial interest) in any property (sec. 170(f)(3)). In addition, no deduction is allowed for any contribution of $250 or more unless the taxpayer obtains a contemporaneous written acknowledgment from the donee organization that includes a description and good faith estimate of the value of any goods or services provided by the donee organization to the taxpayer in consideration, whole or part, for the taxpayer's contribution (sec. 170(f)(8)).

House Bill

No provision.

Senate Amendment

Deduction denial

No provision. However, S. 1792, as passed by the Senate, contains a provision[33] that restates present law to provide that no charitable contribution deduction is allowed for purposes of Federal tax, for a transfer to or for the use of an organization described in section 170(c) of the Internal Revenue Code, if in connection with the transfer (1) the organization directly or indirectly pays, or has previously paid, any premium on any ''personal benefit contract'' with respect to the transferor, or (2) there is an understanding or expectation that any person will directly or indirectly pay any premium on any ''personal benefit contract'' with respect to the transferor. It is intended that an organization be considered as indirectly paying premiums if, for example, another person pays premiums on its behalf.

A personal benefit contract with respect to the transferor is any life insurance, annuity, or endowment contract, if any direct or indirect beneficiary under the contract is the transferor, any member of the transferor's family, or any other person (other than a section 170(c) organization) designated by the transferor. For example, such a beneficiary would include a trust having a direct or indirect beneficiary who is the transferor or any member of the transferor's family, and would include an entity that is controlled by the transferor or any member of the transferor's family. It is intended that a beneficiary under the contract include any beneficiary under any side agreement relating to the contract. If a transferor contributes a life insurance contract to a section 170(c) organization and designates one or more section 170(c) organizations as the sole beneficiaries under the contract, generally, it is not intended that the deduction denial rule under the provision apply. If, however, there is an outstanding loan under the contract upon the transfer of the contract, then the transferor is considered as a beneficiary. The fact that a contract also has other direct or indirect beneficiaries (persons who are not the transferor or a family member, or designated by the transferor) does not prevent it from being a personal benefit contract. The provision is not intended to affect situations in which an organization pays premiums under a legitimate fringe benefit plan for employees.

It is intended that a person be considered as an indirect beneficiary under a contract if, for example, the person receives or will receive any economic benefit as a result of amounts paid under or with respect to the contract. For this purpose, as described below, an indirect beneficiary is not intended to include a person that benefits exclusively under a bona fide charitable gift annuity (within the meaning of sec. 501(m)).

In the case of a charitable gift annuity, if the charitable organization purchases an annuity contract issued by an insurance company to fund its obligation to pay the charitable gift annuity, a person receiving payments under the charitable gift annuity is not treated as an indirect beneficiary, provided certain requirements are met. The requirements are that (1) the charitable organization possess all of the incidents of ownership (within the meaning of Treas. Reg. sec. 20.2042–1(c)) under the annuity contract purchased by the charitable organization; (2) the charitable organization be entitled to all the payments under the contract; and (3) the timing and amount of payments under the contract be substantially the same as the timing and amount of payments to each person under the organization's obligation under the charitable gift annuity (as in effect at the time of the transfer to the charitable organization).

Under the provision, an individual's family consists of the individual's grandparents, the grandparents of the individual's spouse, the lineal descendants of such grandparents, and any spouse of such a lineal descendant.

In the case of a charitable gift annuity obligation that is issued under the laws of a State that requires, in order for the charitable gift annuity to be exempt from insurance regulation by that State, that each beneficiary under the charitable gift annuity be named as a beneficiary under an annuity contract issued by an insurance company authorized to transact business in that State, then the foregoing requirements (1) and (2) are treated as if they are met, provided that certain additional requirements are met. The additional requirements are that the State law requirement was in effect on February 8, 1999, each beneficiary under the charitable gift annuity is a bona fide resident of the State at the time the charitable gift annuity was issued, the only persons entitled to payments under the annuity contract issued by the insurance company are persons entitled to payments under the charitable gift annuity when it was issued, and (as required by clause (iii) of subparagraph (D) of the provision) the timing and amount of payments under the annuity contract to each person are substantially the same as the timing and amount of payments to the person under the charitable gift annuity (as in effect at the time of the transfer to the charitable organization).

In the case of a charitable remainder annuity trust or charitable remainder unitrust (as defined in section 664(d)) that holds a life insurance, endowment or annuity contract issued by an insurance company, a person is not treated as an indirect beneficiary under the contract held by the trust, solely by reason of being a recipient of an annuity or

[32] United States v. American Bar Endowment, 477 U.S. 105 (1986). Treas. Reg. sec. 1.170A–1(h).

[33] The provision is similar to H.R. 630, introduced by Mr. Archer and Mr. Rangel (106th Cong., 1st Sess.).

unitrust amount paid by the trust, provided that the trust possesses all of the incidents of ownership under the contract and is entitled to all the payments under such contract. No inference is intended as to the applicability of other provisions of the Code with respect to the acquisition by the trust of a life insurance, endowment or annuity contract, or the appropriateness of such an investment by a charitable remainder trust.

Nothing in the provision is intended to suggest that a life insurance, endowment, or annuity contract would be a personal benefit contract, solely because an individual who is a recipient of an annuity or unitrust amount paid by a charitable remainder annuity trust or charitable remainder unitrust uses such a payment to purchase a life insurance, endowment or annuity contract, and a beneficiary under the contract is the recipient, a member of his or her family, or another person he or she designates.

Excise tax

The provision imposes on any organization described in section 170(c) of the Code an excise tax, equal to the amount of the premiums paid by the organization on any life insurance, annuity, or endowment contract, if the premiums are paid in connection with a transfer for which a deduction is not allowable under the deduction denial rule of the provision (without regard to when the transfer to the charitable organization was made). The excise tax does not apply if all of the direct and indirect beneficiaries under the contract (including any related side agreement) are organizations described in section 170(c). Under the provision, payments are treated as made by the organization, if they are made by any other person pursuant to an understanding or expectation of payment. The excise tax is to be applied taking into account rules ordinarily applicable to excise taxes in chapter 41 or 42 of the Code (e.g., statute of limitation rules).

Reporting

The provision requires that the charitable organization annually report the amount of premiums that is paid during the year and that is subject to the excise tax imposed under the provision, and the name and taxpayer identification number of each beneficiary under the life insurance, annuity or endowment contract to which the premiums relate, as well as other information required by the Secretary of the Treasury. For this purpose, it is intended that a beneficiary include any beneficiary under any side agreement to which the section 170(c) organization is a party (or of which it is otherwise aware). Penalties applicable to returns required under Code section 6033 apply to returns under this reporting requirement. Returns required under this provision are to be furnished at such time and in such manner as the Secretary shall by forms or regulations require.

Regulations

The provision provides for the promulgation of regulations necessary or appropriate to carry out the purposes of the provisions, including regulations to prevent the avoidance of the purposes of the provision. For example, it is intended that regulations prevent avoidance of the purposes of the provision by inappropriate or improper reliance on the limited exceptions provided for certain beneficiaries under bona fide charitable gift annuities and for certain noncharitable recipients of an annuity or unitrust amount paid by a charitable remainder trust.

Effective date

The deduction denial provision applies to transfers after February 8, 1999 (as provided in H.R. 630). The excise tax provision applies to premiums paid after the date of enactment. The reporting provision applies to premiums paid after February 8, 1999 (determined as if the excise tax imposed under the provision applied to premiums paid after that date).

No inference is intended that a charitable contribution deduction is allowed under present law with respect to a charitable split-dollar insurance arrangement. The provision does not change the rules with respect to fraud or criminal or civil penalties under present law; thus, actions constituting fraud or that are subject to penalties under present law would still constitute fraud or be subject to the penalties after enactment of the provision.

Conference Agrement

The conference agreement includes the provision in S. 1792.

H. Distributions by a Partnership to a Corporate Partner of Stock in Another Corporation (sec. 732 of the Code)

Present Law

Present law generally provides that no gain or loss is recognized on the receipt by a corporation of property distributed in complete liquidation of another corporation in which it holds 80 percent of the stock (by vote and value) (sec. 332). The basis of property received by a corporate distributee in the distribution in complete liquidation of the 80–percent-owned subsidiary is a carryover basis, i.e., the same as the basis in the hands of the subsidiary (provided no gain or loss is recognized by the liquidating corporation with respect to the distributed property) (sec. 334(b)).

Present law provides two different rules for determining a partner's basis in distributed property, depending on whether or not the distribution is in liquidation of the partner's interest in the partnership. Generally, a substituted basis rule applies to property distributed to a partner in liquidation. Thus, the basis of property distributed in liquidation of a partner's interest is equal to the partner's adjusted basis in its partnership interest (reduced by any money distributed in the same transaction) (sec. 732(b)).

By contrast, generally, a carryover basis rule applies to property distributed to a partner other than in liquidation of its partnership interest, subject to a cap (sec. 732(a)). Thus, in a non-liquidating distribution, the distributee partner's basis in the property is equal to the partnership's adjusted basis in the property immediately before the distribution, but not to exceed the partner's adjusted basis in its partnership interest (reduced by any money distributed in the same transaction). In a non-liquidating distribution, the partner's basis in its partnership interest is reduced by the amount of the basis to the distributee partner of the property distributed and is reduced by the amount of any money distributed (sec. 733).

If corporate stock is distributed by a partnership to a corporate partner with a low basis in its partnership interest, the basis of the stock is reduced in the hands of the partner so that the stock basis equals the distributee partner's adjusted basis in its partnership interest. No comparable reduction is made in the basis of the corporation's assets, however. The effect of reducing the stock basis can be negated by a subsequent liquidation of the corporation under section 332.[34]

House Bill

No provision.

Senate Amendment

In general

No provision. However, S. 1792, as passed by the Senate, contains a provision that provides for a basis reduction to assets of a corporation, if stock in that corporation is distributed by a partnership to a corporate partner. The reduction applies if, after the distribution, the corporate partner controls the distributed corporation.

Amount of the basis reduction

Under the provision, the amount of the reduction in basis of property of the distributed corporation generally equals the amount of the excess of (1) the partnership's adjusted basis in the stock of the distributed corporation immediately before the distribution, over (2) the corporate partner's basis in that stock immediately after the distribution.

The provision limits the amount of the basis reduction in two respects. First, the amount of the basis reduction may not exceed the amount by which (1) the sum of the aggregate adjusted bases of the property and the amount of money of the distributed corporation exceeds (2) the corporate partner's adjusted basis in the stock of the distributed corporation. Thus, for example, if the distributed corporation has cash of $300 and other property with a basis of $600 and the corporate partner's basis in the stock of the distributed corporation is $400, then the amount of the basis reduction could not exceed $500 (i.e., ($300+$600)—$400 = $500).

Second, the amount of the basis reduction may not exceed the adjusted basis of the property of the distributed corporation. Thus, the basis of property (other than money) of the distributed corporation could not be reduced below zero under the provision, even though the total amount of the basis reduction would otherwise be greater.

The provision provides that the corporate partner recognizes long-term capital gain to the extent the amount of the basis reduction exceeds the basis of the property (other than money) of the distributed corporation. In addition, the corporate partner's adjusted basis in the stock of the distribution is increased in the same amount. For example, if the amount of the basis reduction were $400, and the distributed corporation has money of $200 and other property with an adjusted basis of $300, then the corporate partner would recognize a $100 capital gain under the provision. The corporate partner's basis in the stock of the distributed corporation is also increased by $100 in this example, under the provision.

The basis reduction is allocated among assets of the controlled corporation in accordance with the rules provided under section 732(c).

Partnership distributions resulting in control

The basis reduction generally applies with respect to a partnership distribution of stock if the corporate partner controls the distributed corporation immediately after the distribution or at any time thereafter. For this purpose, the term control means ownership of stock meeting the requirements of section 1504(a)(2) (generally, an 80–percent vote and value requirement).

The provision applies to reduce the basis of any property held by the distributed corporation immediately after the distribution,

[34] In a similar situation involving the purchase of stock of a subsidiary corporation as replacement property following an involuntary conversion, the Code generally requires the basis of the assets held by the subsidiary to be reduced to the extent that the basis of the stock in the replacement corporation itself is reduced (sec. 1033).

or, if the corporate partner does not control the distributed corporation at that time, then at the time the corporate partner first has such control. The provision does not apply to any distribution if the corporate partner does not have control of the distributed corporation immediately after the distribution and establishes that the distribution was not part of a plan or arrangement to acquire control.

For purposes of the provision, if a corporation acquires (other than in a distribution from a partnership) stock the basis of which is determined (by reason of being distributed from a partnership) in whole or in part by reference to section 732(a)(2) or (b), then the corporation is treated as receiving a distribution of stock from a partnership. For example, if a partnership distributes property other than stock (such as real estate) to a corporate partner, and that corporate partner contributes the real estate to another corporation in a section 351 transaction, then the stock received in the section 351 transaction is not treated as distributed by a partnership, and the basis reduction under this provision does not apply. As another example, if a partnership distributes stock to two corporate partners, neither of which have control of the distributed corporation, and the two corporate partners merge and the survivor obtains control of the distributed corporation, the stock of the distributed corporation that is acquired as a result of the merger is treated as received in a partnership distribution; the basis reduction rule of the provision applies.

In the case of tiered corporations, a special rule provides that if the property held by a distributed corporation is stock in a corporation that the distributed corporation controls, then the provision is applied to reduce the basis of the property of that controlled corporation. The provision is also reapplied to any property of any controlled corporation that is stock in a corporation that it controls. Thus, for example, if stock of a controlled corporation is distributed to a corporate partner, and the controlled corporation has a subsidiary, the amount of the basis reduction allocable to stock of the subsidiary is applied again to reduce the basis of the assets of the subsidiary, under the special rule.

The provision also provides for regulations, including regulations to avoid double counting and to prevent the abuse of the purposes of the provision. It is intended that regulations prevent the avoidance of the purposes of the provision through the use of tiered partnerships.

Effective date

The provision is effective for distributions made after July 14, 1999, except that in the case of a corporation that is a partner in a partnership on July 14, 1999, the provision is effective for distributions by that partnership to the corporation after the date of enactment.

Conference Agreement

The conference agreement includes the provision of S. 1792, with a modification to the effective date.

Effective date.—The provision is effective generally for distributions made after July 14, 1999. However, in the case of a corporation that is a partner in a partnership as of July 14, 1999, the provision is effective for any distribution made (or treated as made) to that partner from that partnership after June 30, 2001. In the case of any such distribution after the date of enactment and before July 1, 2001, the rule of the preceding sentence does not apply unless that partner makes an election to have the rule apply to the distribution on the partner's return of Federal income tax for the taxable year in which the distribution occurs.

No inference is intended that distributions that are not subject to the provision achieve a particular tax result under present law, and no inference is intended that enactment of the provision limits the application of tax rules or principles under present or prior law.

I. Treatment of Real Estate Investment Trusts (REITs)

1. Provisions relating to REITs (secs. 852, 856, and 857 of the Code)

Present Law

A real estate investment trust (''REIT'') is an entity that receives most of its income from passive real-estate related investments and that essentially receives pass-through treatment for income that is distributed to shareholders.

If an electing entity meets the requirements for REIT status, the portion of its income that is distributed to the investors each year generally is taxed to the investors without being subjected to a tax at the REIT level. In general, a REIT must derive its income from passive sources and not engage in any active trade or business.

A REIT must satisfy a number of tests on a year by year basis that relate to the entity's (1) organizational structure; (2) source of income; (3) nature of assets; and (4) distribution of income. Under the source-of-income tests, at least 95 percent of its gross income generally must be derived from rents from real property, dividends, interest, and certain other passive sources (the ''95 percent test''). In addition, at least 75 percent of its gross income generally must be from real estate sources, including rents from real property and interest on mortgages secured by real property. For purposes of the 95 and 75 percent tests, qualified income includes amounts received from certain ''foreclosure property,'' treated as such for 3 years after the property is acquired by the REIT in foreclosure after a default (or imminent default) on a lease of such property or on indebtedness which such property secured.

In general, for purposes of the 95 percent and 75 percent tests, rents from real property do not include amounts for services to tenants or for managing or operating real property. However, there are some exceptions. Qualified rents include amounts received for services that are ''customarily furnished or rendered'' in connection with the rental of real property, so long as the services are furnished through an independent contractor from whom the REIT does not derive any income. Amounts received for services that are not ''customarily furnished or rendered'' are not qualified rents.

An independent contractor is defined as a person who does not own, directly or indirectly, more than 35 percent of the shares of the REIT. Also, no more than 35 percent of the total shares of stock of an independent contractor (or of the interests in assets or net profits, if not a corporation) can be owned directly or indirectly by persons owning 35 percent or more of the interests in the REIT. In addition, a REIT cannot derive any income from an independent contractor.

Rents for certain personal property leased in connection with real property are treated as rents from real property if the adjusted basis of the personal property does not exceed 15 percent of the aggregate adjusted bases of the real and the personal property.

Rents from real property do not include amounts received from any corporation if the REIT owns 10 percent or more of the voting power or of the total number of shares of all classes of stock of such corporation. Similarly, in the case of other entities, rents are not qualified if the REIT owns 10 percent of more in the assets or net profits of such person.

At the close of each quarter of the taxable year, at least 75 percent of the value of total REIT assets must be represented by real estate assets, cash and cash items, and Government securities. Also, a REIT cannot own securities (other than Government securities and certain real estate assets) in an amount greater than 25 percent of the value of REIT assets. In addition, it cannot own securities of any one issuer representing more than 5 percent of the total value of REIT assets or more than 10 percent of the voting securities of any corporate issuer. Securities for purposes of these rules are defined by reference to the Investment Company Act of 1940.[35]

Under an exception to the ownership rule, a REIT is permitted to have a wholly owned subsidiary corporation, but the assets and items of income and deduction of such corporation are treated as those of the REIT, and thus can affect the qualification of the REIT under the income and asset tests.

A REIT generally is required to distribute 95 percent of its income before the end of its taxable year, as deductible dividends paid to shareholders. This rule is similar to a rule for regulated investment companies (''RICs'') that requires distribution of 90 percent of income. Both REITS and RICs can make certain ''deficiency dividends'' after the close of the taxable year, and have these treated as made before the end of the year. The regulations applicable to REITS state that a distribution will be treated as a ''deficiency dividend'' (and, thus, as made before the end of the prior taxable year) only to the extent the earnings and profits for that year exceed the amount of distributions actually made during the taxable year.[36]

A REIT that has been or has combined with a C corporation[37] will be disqualified if, as of the end of its taxable year, it has accumulated earnings and profits from a non-REIT year. A similar rule applies to regulated investment companies (''RICs''). In the case of a REIT, any distribution made in order to comply with this requirement is treated as being first from pre-REIT accumulated earnings and profits. RICs do not have a similar ordering rule.

In the case of a RIC, any distribution made within a specified period after determination that the investment company did not qualify as a RIC for the taxable year will be treated as applying to the RIC for the non-RIC year, ''for purposes of applying [the earnings and profits rule that forbids a RIC to have non-RIC earnings and profits] to subsequent taxable years.'' The REIT rules do not specify any particular separate treatment of distributions made after the end of the taxable year for purposes of the earnings and profits rule. Treasury regulations under the REIT provisions state that ''distribution procedures similar to those * * * for regulated investment companies apply to non-REIT

[35] 15 U.S.C. 80a–1 and following. See Code section 856(c)(5)(F).

[36] Treas. Reg. sec. 1.858–1(b)(2).

[37] A ''C corporation'' is a corporation that is subject to taxation under the rules of subchapter C of the Internal Revenue Code, which generally provides for a corporate level tax on corporate income. Thus, a C corporation is not a pass-through entity. Earnings and profits of a C corporation, when distributed to shareholders, are taxed to the shareholders as dividends.

earnings and profits of a real estate investment trust.''[38]

House Bill

No provision.

Senate Amendment

No provision, but S. 1792, as passed by the Senate, provides as follows:

Investment limitations and taxable REIT subsidiaries

General rule.—Under the provision, a REIT generally cannot own more than 10 percent of the total value of securities of a single issuer, in addition to the present law rule that a REIT cannot own more than 10 percent of the outstanding voting securities of a single issuer. In addition, no more than 20 percent of the value of a REIT's assets can be represented by securities of the taxable REIT subsidiaries that are permitted under the bill.

Exception for safe-harbor debt.—For purposes of the new 10–percent value test, securities are generally defined to exclude safe harbor debt owned by a REIT (as defined for purposes of sec. 1361(c)(5)(B)(i) and (ii)) if the issuer is an individual, or if the REIT (and any taxable REIT subsidiary of such REIT) owns no other securities of the issuer. However, in the case of a REIT that owns securities of a partnership, safe harbor debt is excluded from the definition of securities only if the REIT owns at least 20–percent or more of the profits interest in the partnership. The purpose of the partnership rule requiring a 20 percent profits interest is to assure that if the partnership produces income that would be disqualified income to the REIT, the REIT will be treated as receiving a significant portion of that income directly through its partnership interest, even though it also may derive qualified interest income through its safe harbor debt interest.

Exception for taxable REIT subsidiaries.—An exception to the limitations on ownership of securities of a single issuer applies in the case of a ''taxable REIT subsidiary'' that meets certain requirements. To qualify as a taxable REIT subsidiary, both the REIT and the subsidiary corporation must join in an election. In addition, any corporation (other than a REIT or a qualified REIT subsidiary under section 856(i) that does not properly elect with the REIT to be a taxable REIT subsidiary) of which a taxable REIT subsidiary owns, directly or indirectly, more than 35 percent of the vote or value is automatically treated as a taxable REIT subsidiary.

Securities (as defined in the Investment Company Act of 1940) of taxable REIT subsidiaries could not exceed 20 percent of the total value of a REIT's assets.

A taxable REIT subsidiary can engage in certain business activities that under present law could disqualify the REIT because, but for the proposal, the taxable REIT subsidiary's activities and relationship with the REIT could prevent certain income from qualifying as rents from real property. Specifically, the subsidiary can provide services to tenants of REIT property (even if such services were not considered services customarily furnished in connection with the rental of real property), and can manage or operate properties, generally for third parties, without causing amounts received or accrued directly or indirectly by the REIT for such activities to fail to be treated as rents from real property. However, rents paid to a REIT generally are not qualified rents if the REIT owns more than 10 percent of the value, (as well as of the vote) of a corporation paying the rents. The only exceptions are for rents that are paid by taxable REIT subsidiaries and that also meet a limited rental exception (where 90 percent of space is leased to third parties at comparable rents) and an exception for rents from certain lodging facilities (operated by an independent contractor).

However, the subsidiary cannot directly or indirectly operate or manage a lodging or healthcare facility. Nevertheless, it can lease a qualified lodging facility (e.g., a hotel) from the REIT (provided no gambling revenues were derived by the hotel or on its premises); and the rents paid are treated as rents from real property so long as the lodging facility was operated by an independent contractor for a fee. The subsidiary can bear all expenses of operating the facility and receive all the net revenues, minus the independent contractor's fee.

For purposes of the rule that an independent contractor may operate a qualified lodging facility, an independent contractor will qualify so long as, at the time it enters into the management agreement with the taxable REIT subsidiary, it is actively engaged in the trade or business of operating qualified lodging facilities for any person who is not related to the REIT or the taxable REIT subsidiary. The REIT may receive income from such an independent contractor with respect to certain pre-existing leases.

Also, the subsidiary generally cannot provide to any person rights to any brand name under which hotels or healthcare facilities are operated. An exception applies to rights provided to an independent contractor to operate or manage a lodging facility, if the rights are held by the subsidiary as licensee or franchisee, and the lodging facility is owned by the subsidiary or leased to it by the REIT.

Interest paid by a taxable REIT subsidiary to the related REIT is subject to the earnings stripping rules of section 163(j). Thus the taxable REIT subsidiary cannot deduct interest in any year that would exceed 50 percent of the subsidiary's adjusted gross income.

If any amount of interest, rent, or other deductions of the taxable REIT subsidiary for amounts paid to the REIT is determined to be other than at arm's length (''redetermined'' items) , an excise tax of 100 percent is imposed on the portion that was excessive. ''Safe harbors'' are provided for certain rental payments where (1) the amounts are de minimis, (2) there is specified evidence that charges to unrelated parties are substantially comparable, (3) certain charges for services from the taxable REIT subsidiary are separately stated, or (4) the subsidiary's gross income from the service is not less than 150 percent of the subsidiary's direct cost in furnishing the service.

In determining whether rents are arm's length rents, the fact that such rents do not meet the requirements of the specified safe harbors shall not be taken into account. In addition, rent received by a REIT shall not fail to qualify as rents from real property by reason of the fact that all or any portion of such rent is redetermined for purposes of the excise tax.

The Treasury Department is to conduct a study to determine how many taxable REIT subsidiaries are in existence and the aggregate amount of taxes paid by such subsidiaries and shall submit a report to the Congress describing the results of such study.

Health Care REITS

The provision permits a REIT to own and operate a health care facility for at least two years, and treat it as permitted ''foreclosure'' property, if the facility is acquired by the termination or expiration of a lease of the property. Extensions of the 2 year period can be granted.

Conformity with regulated investment company rules

Under the provision, the REIT distribution requirements are modified to conform to the rules for regulated investment companies. Specifically, a REIT is required to distribute only 90 percent, rather than 95 percent, of its income.

Definition of independent contractor

If any class of stock of the REIT or the person being tested as an independent contractor is regularly traded on an established securities market, only persons who directly or indirectly own 5 percent or more of such class of stock shall be counted in determining whether the 35 percent ownership limitations have been exceeded.

Modification of earnings and profits rules for RICs and REITS

The rule allowing a RIC to make a distribution after a determination that it had failed RIC status, and thus meet the requirement of no non-RIC earnings and profits in subsequent years, is modified to clarify that, when the sole reason for the determination is that the RIC had non-RIC earnings and profits in the initial year (i.e. because it was determined not to have distributed all C corporation earnings and profits), the procedure would apply to permit RIC qualification in the initial year to which such determination applied, in addition to subsequent years.

The RIC earnings and profits rules are also modified to provide an ordering rule similar to the REIT rule, treating a distribution to meet the requirement of no non-RIC earnings and profits as coming first from the earliest earnings and profits accumulated in any year for which the RIC did not qualify as a RIC. In addition, the REIT deficiency dividend rules are modified to take account of this ordering rule.

Provision regarding rental income from certain personal property

The provision modifies the present law rule that permits certain rents from personal property to be treated as real estate rental income if such personal property does not exceed 15 percent of the aggregate of real and personal property. The provision replaces the present law comparison of the adjusted bases of properties with a comparison based on fair market values.

Effective date.—The provision is effective for taxable years beginning after December 31, 2000. The provision with respect to modification of earnings and profits rules is effective for distributions after December 31, 2000.

In the case of the provisions relating to permitted ownership of securities of an issuer, special transition rules apply. The new rules forbidding a REIT to own more than 10 percent of the value of securities of a single issuer do not apply to a REIT with respect to securities held directly or indirectly by such REIT on July 12, 1999, or acquired pursuant to the terms of written binding contract in effect on that date and at all times thereafter until the acquisition.

Also, securities received in a tax-free exchange or reorganization, with respect to or in exchange for such grandfathered securities would be grandfathered. The grandfathering of such securities ceases to apply if the REIT acquires additional securities of that issuer after that date, other than pursuant to a binding contract in effect on that

[38] Treas. Reg. sec. 1.857–11(c).

date and at all times thereafter, or in a reorganization with another corporation the securities of which are grandfathered.

This transition also ceases to apply to securities of a corporation as of the first day after July 12, 1999 on which such corporation engages in a substantial new line of business, or acquires any substantial asset, other than pursuant to a binding contract in effect on such date and at all times thereafter, or in a reorganization or transaction in which gain or loss is not recognized by reason of section 1031 or 1033 of the Code. If a corporation makes an election to become a taxable REIT subsidiary, effective before January 1, 2004 and at a time when the REIT's ownership is grandfathered under these rules, the election is treated as a reorganization under section 368(a)(1)(A) of the Code.

The new 10 percent of value limitation for purposes of defining qualified rents is effective for taxable years beginning after December 31, 2000. There is an exception for rents paid under a lease or pursuant to a binding contract in effect on July 12, 1999 and at all times thereafter.

Conference Agreement

The conference agreement includes the provision in S. 1792. The conference agreement clarifies the RIC and REIT earnings and profits ordering rules in the case of a distribution to meet the requirements that there be no non-RIC or non-REIT earnings and profits in any year.

Both the RIC and REIT earnings and profits rules are modified to provide a more specific ordering rule, similar to the present-law REIT rule. The new ordering rule treats a distribution to meet the requirement of no non-RIC or non-REIT earnings and profits as coming, on a first-in, first-out basis, from earnings and profits which, if not distributed, would result in a failure to meet such requirement. Thus, such earnings and profits are deemed distributed first from earnings and profits that would cause such a failure, starting with the earliest RIC or REIT year for which such failure would occur.

2. Modify estimated tax rules for closely held REITs (sec. 6655 of the Code)

Present Law

If a person has a direct interest or a partnership interest in income-producing assets (such as securities generally, or mortgages) that produce income throughout the year, that person's estimated tax payments must reflect the quarterly amounts expected from the asset.

However, a dividend distribution of earnings from a REIT is considered for estimated tax purposes when the dividend is paid. Some corporations have established closely held REITS that hold property (e.g. mortgages) that if held directly by the controlling entity would produce income throughout the year. The REIT may make a single distribution for the year, timed such that it need not be taken into account under the estimated tax rules as early as would be the case if the assets were directly held by the controlling entity. The controlling entity thus defers the payment of estimated taxes.

House Bill

No provision.

Senate Amendment

No provision, but S. 1792, as passed by the Senate, provides that in the case of a REIT that is closely held, any person owning at least 10 percent of the vote or value of the REIT is required to accelerate the recognition of year-end dividends attributable to the closely held REIT, for purposes of such person's estimated tax payments. A closely held REIT is defined as one in which at least 50 percent of the vote or value is owed by five or fewer persons. Attribution rules apply to determine ownership.

No inference is intended regarding the treatment of any transaction prior to the effective date.

Effective date.—The provision is effective for estimated tax payments due on or after November 15, 1999.

Conference Agreement

The conference agreement includes the provision in S. 1792, effective for estimated tax payments due on or after December 15, 1999.

TAX COMPLEXITY ANALYSIS

Section 4022(b) of the Internal Revenue Service Reform and Restructuring Act of 1998 (the ''IRS Reform Act'') requires the Joint Committee on Taxation (in consultation with the Internal Revenue Service and the Department of the Treasury) to provide a tax complexity analysis. The complexity analysis is required for all legislation reported by the House Committee on Ways and Means, the Senate Committee on Finance, or any committee of conference if the legislation includes a provision that directly or indirectly amends the Internal Revenue Code and has widespread applicability to individuals or small businesses.

The staff of the Joint Committee on Taxation has determined that a complexity analysis is not required under section 4022(b) of the IRS Reform Act because the bill contains no provisions that amend the Internal Revenue Code and that have widespread applicability to individuals or small businesses.

ESTIMATED BUDGET EFFECTS OF THE REVENUE PROVISIONS INCLUDED IN THE CONFERENCE AGREEMENT FOR H.R. 1180 [1]

[Fiscal years 2000–2009, in millions of dollars]

Provision	Effective	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2000–2004	2000–2009
The ''Tax Relief Extension Act of 1999''													
I. Extension of Expiring Provisions													
A. Treatment of Nonrefundable Personal Credits Under the Alternative Individual Minimum Tax (through 12/31/01).	tybi 1999	−972	−977	−943	.....	.....	.....	.....	.....	.....	.....	−2,892	−2,892
Research Tax Credit, and Increase AIC Rates by 1 Percentage Point, and Expand to Puerto Rico and the Other Possessions; Delay Claiming of Credit [2] (through 6/30/04).	(3)	.....	−1,661	−4,082	−2,541	−2,242	−1,343	−708	−386	−150	−26	−10,526	−2,892
C. Exemption from Subpart F for Active Financing Income (through 12/31/01).	tyba 12/31/99	−187	−785	−744	.....	.....	.....	.....	.....	.....	.....	−1,716	−1,716
D. Suspension of 100% Net Income Limitation for Marginal Properties (through 12/31/01/).	tyba 12/31/99	−23	−35	−12	.....	.....	.....	.....	.....	.....	.....	−71	−71
E. Work Opportunity Tax Credit (through 12/31/01).	wpoifibwa 6/30/99	−229	−321	−293	−151	−58	−19	−3	.....	.....	.....	−1,051	−1,073
F. Welfare-to-Work Tax Credit (through 12/31/01).	wpoifibwa 6/20/99	−49	−77	−79	−47	−19	−7	−2	.....	.....	.....	−272	−281
G. Extension of Employer Provided Educational Assistance for Undergraduate Courses (through 12/31/01).	cba 5/31/00	−134	−318	−132	.....	.....	.....	.....	.....	.....	.....	−584	−584
H. Extend and Modify Tax Credit for Electricity Produced From Wind and Closed-Loop Biomass Facilities—credit to include electricity produced from poultry waste (through 12/31/01).	(4)	−9	−25	−33	−33	−34	−35	−36	−37	−38	−38	−135	−318
I. Reauthorization of Generalized System of Preferences (through 9/30/01 [5]).	7/1/99	−438	−360	.....	.....	.....	.....	.....	.....	.....	.....	−798	−798
J. Extend Qualified Zone Academy Bond Program (3-year carryforward for 1998 and 1999 authority; 2-year carryforward thereafter) (through 12/31/01).	tybi 2000	−3	−11	−20	−28	−30	−30	−30	−30	−30	−30	−92	−242
K. Extend the $5,000 Credit for First-Time Homebuyers in the District of Columbia (through 12/31/01).	1/1/01	.....	.....	−5	−15	(6)	(6)	(6)	(6)	(6)	(6)	−20	−20
L. Extend Brownfields Environmental Remediation (through 12/31/01).	DOE	11	−43	−59	−20	−2	−1	2	5	6	8	−114	−93
M. Increase Amount of Rum Excise Tax That is Covered Over to Puerto Rico and the U.S. Virgin Islands (from $10.50 per proof gallon to $13.25 per proof gallon) (through 12/31/01) [5] [7].	(8)	−20	−115	−15	.....	.....	.....	.....	.....	.....	.....	−150	−150
Total of Extension of Expiring Provisions	.....	**−2,053**	**−4,733**	**−6,427**	**−2,820**	**−2,385**	**−1,435**	**−777**	**−448**	**−212**	**−86**	**−18,421**	**−150**
II. Other Time-Sensitive Revenue Provisions													
A. Prohibit Disclosure of Advance Pricing Agreements (APAs) and Related Information; Require the IRS to Submit to Congress an Annual Report of Such Agreements.	DOE	No Revenue Effect											

ESTIMATED BUDGET EFFECTS OF THE REVENUE PROVISIONS INCLUDED IN THE CONFERENCE AGREEMENT FOR H.R. 1180 [1]—Continued

[Fiscal years 2000–2009, in millions of dollars]

Provision	Effective	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2000–2004	2000–2009
B. Authority to Postpone Certain Tax-Related Deadlines by Reason of Year 2000 Failures.	DOE	Negligible Revenue Effect											
C. Add the Sreptococcus Pneumoniae Vaccine to the List of Taxable Vaccines in the Federal Vaccine Insurance Program; Study of Program.	sbda DOE	4	7	9	10	10	10	10	10	10	11	39	91
D. Delay the Requirement that Registered Motor Fuels Terminals Offer Dyed Kerosene as a Condition of Registration (through 12/31/01).	DOE	Negligible Revenue Effect											
E. Provide that Federal Farm Production Payments are Taxable in the Year of Receipt.	DOE	Negligible Revenue Effect											
Total of Other Time-Sensitive Revenue Provisions.		**4**	**7**	**9**	**10**	**10**	**10**	**10**	**10**	**10**	**11**	**39**	**91**
III. Revenue Offset Provisions													
A. Modify Individual Estimated Tax Safe Harbor to 108.6% for Tax Year 2000 and 110% for Tax Year 2001.	tyba 12/31/99	1,560	840	−2,400									
B. Clarify the Tax Treatment of Income and Losses from Derivatives.	DOE	(9)	1	1	1	1	1	1	1	1	1	4	9
C. Information Reporting on Cancellation of Indebtedness by Non-Bank Financial Institutions.	coia 12/31/99		7	7	7	7	7	7	7	7	7	28	63
D. Prevent the Conversion of Ordinary Income or Short-Term Capital Gains into Income Eligible for Long-Term Capital Gain Rates.	teio/a 7/12/99	15	45	47	49	51	54	58	62	66	70	207	517
E. Allow Employers to Transfer Excess Defined Benefit Plan Assets to a Special Account for Health Benefits of Retirees (through 12/31/05).	tmi tyba 12/31/00		19	38	39	40	43	23				136	200
F. Repeal Installment Method for Most Accrual Basis Taxpayers; Adjust Pledge Rules.	iso/a DOE	477	677	406	257	72	8	21	35	48	62	1,889	2,063
G. Deny Deduction and Impose Excise Tax With Respect to Charitable Split-Dollar Life Insurance Arrangements.	(10)	Negligible Revenue Effect											
H. Distributions by a Partnership to a Corporate Partner of Stock in Another Corporation.	(11)	2	4	7	10	10	10	10	10	10	10	33	83
I. Real Estate Investment Trust (REIT) Provisions.													
1. Impose 10% vote or value test	tyba 12/31/00		2	8	8	8	9	9	9	10	10	26	73
2. Treatment of income and services provided by taxable REIT subsidiaries, with 20% asset limitation.	tyba 12/31/00		50	131	44	19	−9	−39	−72	−107	−146	244	−129
3. Personal property treatment for determining rents from real property for REITs.	tyba 12/31/00		−1	−1	−1	−1	−1	−1	−1	−1	−1	−3	−7
4. Special foreclosure rule for health care REITs.	tyba 12/31/00	Negligible Revenue Effect											
5. Conformity with RIC 90% distribution rules.	tyba 12/31/00		1	1	1	1	1	1	1	1	1	3	5
6. Clarification of definition of independent operators for REITs.	tyba 12/31/00	Negligible Revenue Effect											
7. Modification of earnings and profits rules.	da 12/31/00	.....	−6	−3	−3	−3	−4	−4	−4	−4	−4	−16	−35
8. Modify estimated tax rules for closely-owned REIT dividends.	epdo/a 12/15/99	40	1	1	1	1	1	1	1	1	1	45	52
Total of Revenue Offset Provisions	.....	**2,094**	**1,640**	**−1,757**	**413**	**206**	**120**	**87**	**49**	**32**	**11**	**2,596**	**2,894**
Net total	.....	**45**	**−3,086**	**−8,175**	**−2,397**	**−2,169**	**−1,305**	**−680**	**−389**	**−170**	**−64**	**−15,786**	**−18,392**

[1] Another Title of H.R. 1180 contains an additional revenue provision that modifies the definition of an eligible foster child for purposes of the earned income credit: Effective—tyba 12/31/99; 2000—2; 2001—36; 2002—38; 2003—38; 2004—39; 2005—40; 2006—41; 2007—42; 2008—43; 2009—43; 2000–04—153; 2000–09—362.

[2] For expenses incurred after 6/30/99 and before 10/1/00, credit cannot be claimed until after 9/30/00. For expenses incurred after 9/30/00 and before 10/1/01, credit cannot be claimed until after 9/30/01.

[3] Extension of credit effective for expenses incurred after 6/30/99; increase in AIC rates effective for taxable years beginning after 6/30/99; expansion of the credit to include U.S. possessions effective for expenditures paid or incurred beginning after 6/30/99.

[4] For wind and closed-loop biomass, provision applies to production from facilities placed in service after 6/30/99 and before 1/1/02; for poultry waste, provision applies to production from facilities placed in service after 12/31/99 and before 1/1/02.

[5] Estimate provided by the Congressional Budget Office.

[6] Loss of less than $500,000.

[7] A special rule applies to the payment of the $2.75 increase in the cover-over rate for periods before 10/1/00.

[8] Effective for rum imported into the United States after 6/30/99.

[9] Gain of less than $500,000.

[10] Effective for transfers made after 2/8/99 and for premiums paid after the date of enactment.

[11] Effective 7/14/99 (except with respect to partnerships in existence on 7/14/99, the provision is effective 6/30/01).

Legend for ''Effective'' column: cba = courses beginning after; coia = cancellation of indebtedness after; da = distributions after; DOE = date of enactment; epdo/a = estimated payments due on or after; iso/a = installment sales on or after; sbda = sales beginning the day after; teio/a = transactions entered into on or after; tmi = transfers made in; tyba = taxable years beginning after; tybi = taxable years beginning in; wpoifibwa = wages paid or incurred for individuals beginning work after.

Note.—Details may not add to totals due to rounding.

Source: Joint Committee on Taxation.

BILL ARCHER,
TOM BLILEY,
DICK ARMEY,
Managers on the Part of the House.

W.V. ROTH, Jr.,
TRENT LOTT,
Managers on the Part of the Senate.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 11 o'clock and 3 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 0305

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. DREIER) at 3 o'clock and 5 minutes a.m.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 3 o'clock and 7 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 0346

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. DREIER) at 3 o'clock and 46 minutes a.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.J. RES. 82, FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 2000, AND H.J. RES. 83, FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 2000

Mr. GOSS, from the Committee on Rules, submitted a privileged report (Rept. No. 106–480) on the resolution (H. Res. 385) providing for consideration of the joint resolution (H.J. Res. 82) making further continuing appropriations for the fiscal year 2000, and for other purposes, and for consideration of the joint resolution (H.J. Res. 83) making further continuing appropriations for the fiscal year 2000, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 3194, CONSOLIDATED APPROPRIATIONS AND DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

Mr. GOSS, from the Committee on Rules, submitted a privileged report (Rept. No. 106–481) on the resolution (H. Res. 386) waiving points of order against the conference report to accompany the bill (H.R. 3194) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 1180, TICKET TO WORK AND WORK INCENTIVES IMPROVEMENT ACT OF 1999

Mr. GOSS, from the Committee on Rules, submitted a privileged report (Rept. No. 106–482) on the resolution (H. Res. 387) waiving points of order against the conference report to accompany the bill (H.R. 1180) to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes, which was referred to the House Calendar and ordered to be printed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MCINTYRE (at the request to Mr. GEPHARDT) for Tuesday, November 16, 1999, on account of family medical reasons.

Mr. WISE (at the request of Mr. GEPHARDT) for today on account of surgery.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. DAVIS of Illinois, for 5 minutes, today.

Mr. MALONEY of Connecticut, for 5 minutes, today.

(The following Members (at the request of Mr. PAUL) to revise and extend their remarks and include extraneous material:)

Mr. PAUL, for 5 minutes, today.

Mr. FOSSELLA, for 5 minutes, today.

Mr. TANCREDO, for 5 minutes, today.

Mr. ROHRABACHER, for 5 minutes, today.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Mrs. MORELLA, for 5 minutes.

ENROLLED JOINT RESOLUTION SIGNED

Mr. THOMAS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res: 80. Joint resolution making further continuing appropriations for the fiscal year 2000, and for other purposes.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res: 80. Joint resolution making further continuing appropriations for the fiscal year 2000, and for other purposes.

ADJOURNMENT

Mr. GOSS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 48 minutes a.m.), the House adjourned until today, Thursday, November 18, 1999, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5390. A letter from the Administrator, Farm Service Agency, Department of Agriculture, transmitting the Department's final rule—Providing Notice to Deliquent Farm Loan Program Borrowers of the Potential for Cross-Servicing (RIN: 0560–AF89) received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5391. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule—Mediterranean Fruit Fly; Removal of Quarantined Area [Docket No. 98–083–7] received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5392. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule—User Fees; Agricultural Quarantine and Inspection Services [Docket No. 98–073–2] (RIN: 0579–AB05) received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5393. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Paraquat; Pesticide Tolerances for Emergency Exemptions [OPP–300949; FRL–6392–9] (RIN: 2070–AB78) received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5394. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to reform the state inspection of meat and poultry in the United States; to the Committee on Agriculture.

5395. A letter from the Acting Director, Defense Procurement, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Comprehensive Small Business Subcontracting Plans [DFARS Case 99–D306] received November 12, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

5396. A letter from the Acting Director, Defense Procurement, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Contract Goal for Small Disadvantaged Business and Certain Institutions of Higher Education [DFARS Case 99–D305] received November 12, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

5397. A letter from the Acting Director, Defense Procurement, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Debarment Investigation and Reports [DFARS Case 99–D013] received November 12, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

5398. A letter from the Acting Director, Defense Procurement, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Subcontracting Goals for Purchases Benefiting People Who Are Blind or Severely Disabled [DFARS Case 99–D304] received November 12, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

5399. A letter from the Secretary of Defense, transmitting the approved retirement

and advancement to the grade of vice admiral of Vice Admiral Daniel T. Oliver; to the Committee on Armed Services.

5400. A letter from the Federal Register Liaison Officer, Regulations and Legislation Division, Department of the Treasury, transmitting the Department's final rule—Safety and Soundness Standards [Docket No. 99–50] (RIN: 1550–AB27) received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

5401. A letter from the Federal Register Liaison Officer, Regulations and Legislation Division, Department of the Treasury, transmitting the Department's final rule—Interagency Guidelines Establishing Year 2000 Standards for Safety and Soundness [Docket No. 99–35] (RIN: 1550–AB27) received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

5402. A letter from the Acting Executive Director, Emergency Oil and Gas Guaranteed Loan Board, transmitting the Board's final rule—Emergency Oil and Gas Guaranteed Loan Program (RIN: 3003–ZA00) received November 10, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

5403. A letter from the Managing Director, Office of the General Counsel, Federal Housing Finance Board, transmitting the Board's final rule—Allocation of Joint and Several Liability on Consolidated Obligations Among the Federal Home Loan Banks [No. 99–51] (RIN: 3069–AA78) received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

5404. A letter from the Director, Executive Office of the President, transmitting Congressional Budget Office and Office of Management and Budget estimates under the Balanced Budget and Emergency Deficit Control Act of 1985, pursuant to Public Law 105—33 section 10205(2) (111 Stat. 703); to the Committee on the Budget.

5405. A letter from the Under Secretary, Food, Nutrition and Consumer Services, Department of Agriculture, transmitting the Department's final rule—National School Lunch Program, School Breakfast Program and Child and Adult Care Food Program: Amendments to the Infant Meal Pattern (RIN: 0584–AB81) received November 12, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5406. A letter from the Director, Corporate Policy and Research Department, Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule—Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing Benefits—received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

5407. A letter from the Environmental Protection Agency, transmitting a report on the Benefits and Costs of the Clean Air Act, 1990 to 2010; to the Committee on Commerce.

5408. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Municipal Waste Combustor State Plan For Designated Facilities and Pollutants: Indiana [IN94–1a; FRL–6476–9] received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5409. A letter from the Secretary of Health and Human Services, transmitting a report on telemedicine; to the Committee on Commerce.

5410. A letter from the Acting Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Air Force's Proposed Letter(s) of Offer and Acceptance (LOA) to Israel for defense articles and services (Transmittal No. 00–12), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

5411. A letter from the Director, Defense Security Assistance Agency, Department of Defense, transmitting a copy of Transmittal No. 00–0A, which relates to the Department of the Army's proposed enhancements or upgrades from the level of sensitivity of technology or capability of defense article(s) previously sold to Singapore, pursuant to 22 U.S.C. 2776(b)(5); to the Committee on International Relations.

5412. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Russia, Ukraine, Norway, United Kingdom, and Cayman Islands [Transmittal No. DTC 124–99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5413. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Canada [Transmittal No. DTC 99–99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5414. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Canada [Transmittal No. DTC 103–99], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5415. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting Copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

5416. A letter from the Assistant Secretary for Administration and Management, Department of Labor, transmitting the Department's A–76 inventory of commercial activities; to the Committee on Government Reform.

5417. A letter from the Chairman, Federal Maritime Commission, transmitting the Annual Inventory of Commercial Activities for 1999; to the Committee on Government Reform.

5418. A letter from the Executive Director for Operations, Nuclear Regulatory Commission, transmitting a copy of the ''Performance of Commercial Activities Inventory''; to the Committee on Government Reform.

5419. A letter from the Executive Director, Securities and Exchange Commission, transmitting the Commission's commercial activities inventory as required under the Federal Activities Inventory Reform Act of 1998; to the Committee on Government Reform.

5420. A letter from the Administrator, Small Business Administration, transmitting the Inventory of Commercial Activities for 1999; to the Committee on Government Reform.

5421. A letter from the Director, Trade and Development Agency, transmitting information on their audit and internal management activities; to the Committee on Government Reform.

5422. A letter from the Independent Counsel, transmitting the fifth annual report for the Office of Independent Counsel, pursuant to 28 U.S.C. 595(a)(2); to the Committee on the Judiciary.

5423. A letter from the Attorney General, transmitting the position of the Department of Justice in the Supreme Court in Dickerson v. United States, No. 99–5525, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5424. A letter from the Program Manager, Bureau of Alcohol, Tobacco and Firearms, transmitting the Bureau's final rule—Implementation of Public Law 104–132, the Antiterrorism and Effective Death Penalty Act of 1996, Relating to the Marking of Plastic Explosives for the Purpose of Detection (96R–029P) received November 8, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5425. A letter from the Assistant Secretary, Civil Works, Department of the Army, transmitting a report on the Tennessee-Tombigbee Waterway Mitigation Project, Alabama and Mississippi; to the Committee on Transportation and Infrastructure.

5426. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations; Sassafras River, Georgetown, MD [CGD05–99–006] (RIN: 2115–AE47) received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5427. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations; Miles River, Easton, MD [CGD05–99–003] (RIN: 2115–AE47) received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5428. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Niantic River, CT [CGD01–99–087] (RIN: 2115–AE47) received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5429. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations; Illinois River, IL [CCGD08–99–014] (RIN: 2115–AE47) received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5430. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Kennebec River, ME [CGD01–98–174] (RIN: 2115–AE47) received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5431. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Hackensack River, Passaic River, NJ [CGD01–99–076] (RIN: 2115–AE47) received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5432. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Pequonnock River, CT [CGD01–99–086] (RIN: 2115–AE47) received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5433. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Regulated Navigation Area; Strait of Juan de Fuca and Adjacent Coastal Waters of Washington; Makah Whale Hunting [CGD 13–98–023] (RIN: 2115–AE84) received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5434. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zones: All Coast Guard and Navy Vessels Involved in Evidence Transport, Narragansett Bay, Davisville Depot, Davisville, Rhode Island [CGD1–99–185] (RIN: 2115–AA97) received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5435. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Annuity Contracts [Revenue Procedure 99–44] received November 16, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5436. A letter from the Secretary of Health and Human Services, transmitting a report on development of a Medical Support Incentive for the Child Support Enforcement program; to the Committee on Ways and Means.

5437. A letter from the Comptroller General, General Accounting Office, transmitting certification that the trustees have paid all claims arising from the American Trader incident, and have established a reserve as required, pursuant to 43 U.S.C. 1653(c)(4); jointly to the Committees on Transportation and Infrastructure and Resources.

5438. A letter from the Assistant Attorney General, Department of Justice, transmitting a draft of proposed legislation to enhance federal law enforcement's ability to combat illegal money laundering; jointly to the Committees on the Judiciary, Commerce, Ways and Means, and Banking and Financial Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BURTON: Committee on Government Reform. H.R. 1827. A bill to improve the economy and efficiency of Government operations by requiring the use of recovery audits by Federal agencies; with amendments (Rept. 106–474). Referred to the Committee of the Whole House on the State of the Union.

Mr. DREIER: Committee on Rules. House Resolution 382. Resolution providing for consideration of motions to suspend the rules (Rept. 106–475). Referred to the House Calendar.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 383. Resolution waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules (Rept. 106–476). Referred to the House Calendar.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1167. A bill to amend the Indian Self-Determination and Education Assistance Act to provide for further self-governance by Indian tribes, and for other purposes; with an amendment (Rept. 106–477). Referred to the Committee of the Whole House on the State of the Union.

Mr. ARCHER: Committee of Conference. Conference report on H.R. 1180. A bill to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes (Rept. 106–478). Ordered to be printed.

Mr. YOUNG of Florida: Committee of Conference. Conference report on H.R. 3194. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes (Rept. 106–479). Ordered to be printed.

Mr. GOSS: Committee on Rules. House Resolution 385. Resolution providing for consideration of the joint resolution (H.J. Res. 82) making further continuing appropriations for the fiscal year 2000, and for other purposes, and for consideration of the joint resolution (H.J. Res. 83) making further continuing appropriations for the fiscal year 2000, and for other purposes (Rept. 106–480). Referred to the House Calendar.

Mr. LINDER: Committee on Rules. House Resolution 386. Resolution waiving points of order against the conference report to accompany the bill (H.R. 3194) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes (Rept. 106–481). Referred to the House Calendar.

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 387. Resolution waiving points of order against the conference report to accompany the bill (H.R. 1180) to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes (Rept. 106–482). Referred to the House Calendar.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 1838. Referral to the Committee on Armed Services extended for a period ending not later than November 18, 1999.

H.R. 3081. Referral to the Committee on Education and the Workforce extended for a period ending not later than November 18, 1999.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. YOUNG of Alaska:

H.R. 3417. A bill to complete the orderly withdrawal of the National Oceanic and Atmospheric Administration from the civil administration of the Pribilof Islands, Alaska; to the Committee on Resources.

By Mr. KANJORSKI (for himself, Ms. KAPTUR, Mr. WAMP, Mr. WHITFIELD, Mrs. BIGGERT, Mr. KLINK, Mr. BROWN of Ohio, Mr. UDALL of Colorado, Mr. BRADY of Pennsylvania, Mr. HOLDEN, and Ms. SLAUGHTER):

H.R. 3418. A bill to establish a compensation program for employees of the Department of Energy, its contractors, subcontractors, and beryllium vendors, who sustained a beryllium-related illness due to the performance of their duty; to establish a compensation program for certain workers at the Paducah, Kentucky, gaseous diffusion plant; to establish a pilot program for examining the possible relationship between workplace exposure to radiation and hazardous materials and illnesses or health conditions, and for other purposes; to the Committee on the Judiciary, and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SHUSTER (for himself, Mr. OBERSTAR, Mr. PETRI, and Mr. RAHALL):

H.R. 3419. A bill to amend title 49, United States Code, to establish the Federal Motor Carrier Safety Administration, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. BILBRAY (for himself, Mr. NORWOOD, Mr. THOMPSON of California, and Mr. BRYANT):

H.R. 3420. A bill to improve the Medicare telemedicine program, to provide grants for the development of telehealth networks, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Florida:

H.R. 3421. A bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2000, and for other purposes; to the Committee on Appropriations.

By Mr. YOUNG of Florida:

H.R. 3422. A bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2000, and for other purposes; to the Committee on Appropriations.

By Mr. YOUNG of Florida:

H.R. 3423. A bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes; to the Committee on Appropriations.

By Mr. YOUNG of Florida:

H.R. 3424. A bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2000, and for other purposes; to the Committee on Appropriations.

By Mr. YOUNG of Florida:

H.R. 3425. A bill making miscellaneous appropriations for the fiscal year ending September 30, 1999, and for other purposes; to the Committee on Appropriations.

By Mr. THOMAS:

H.R. 3426. A bill to amend titles XVIII, XIX, and XXI of the Social Security Act to make corrections and refinements in the Medicare, Medicaid, and State children's health insurance programs, as revised by the Balanced Budget Act of 1997; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of New Jersey (for himself, Ms. MCKINNEY, Mr. GILMAN, and Mr. GEJDENSON):

H.R. 3427. A bill to authorize appropriations for the Department of State for fiscal years 2000 and 2001; to provide for enhanced security at United States diplomatic facilities; to provide for certain arms control, nonproliferation, and other national security measures; to provide for reform of the United Nations, and for other purposes; to the Committee on International Relations.

By Mr. BLUNT:

H.R. 3428. A bill to provide for the modification and implementation of the final rule for the consideration and reform of Federal milk marketing orders, and for other purposes; to the Committee on Agriculture.

By Mr. BARRETT of Nebraska (for himself, Mr. BEREUTER, Mr. LATHAM, and Mr. BILBRAY):

H.R. 3429. A bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to authorize the establishment of a voluntary legal employment authentication program (LEAP) as a successor to the current pilot programs for employment eligibility confirmation; to the Committee on the Judiciary, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. CAPPS:

H.R. 3430. A bill to amend the Public Health Service Act to authorize grants for the prevention of alcoholic beverage consumption by persons who have not attained the legal drinking age; to the Committee on Commerce.

By Mr. ENGEL (for himself, Mr. RUSH, and Ms. JACKSON-LEE of Texas):

H.R. 3431. A bill to reduce restrictions on broadcast ownership and to improve diversity of broadcast ownership; to the Committee on Commerce.

By Mr. JOHN (for himself, Mr. TAUZIN, Mr. BAKER, Mr. MCCRERY, Mr. JEFFERSON, Mr. COOKSEY, Mr. VITTER, Mr. ORTIZ, Mr. BRADY of Texas, Mr. GREEN of Texas, Mr. SMITH of Texas, Mr. QUINN, Mr. PETERSON of Pennsylvania, Mr. REYNOLDS, and Mr. ENGLISH):

H.R. 3432. A bill to direct the Minerals Management Service to grant the State of Louisiana and its lessees a credit in the payment of Federal offshore royalties to satisfy the authorization for compensation contained in the Oil Pollution Act of 1990 for oil and gas drainage in the West Delta field; to the Committee on Resources.

By Mrs. LOWEY:

H.R. 3433. A bill to amend the Public Health Service Act to authorize the Director of the National Institute of Environmental Health Sciences to make grants for the development and operation of research centers regarding environmental factors that may be related to the etiology of breast cancer; to the Committee on Commerce.

By Mrs. LOWEY:

H.R. 3434. A bill to expand the educational and work opportunities of welfare recipients under the program of block grants to States for temporary assistance for needy families; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. METCALF (for himself and Mr. GOODE):

H.R. 3435. A bill to amend the Fair Debt Collection Practices Act to reduce the cost of credit, and for other purposes; to the Committee on Banking and Financial Services.

By Mrs. MORELLA (for herself and Mr. ALLEN):

H.R. 3436. A bill to amend the Internal Revenue Code of 1986 to make the dependent care credit refundable, and for other purposes; to the Committee on Ways and Means.

By Mr. NADLER (for himself and Mrs. LOWEY):

H.R. 3437. A bill to amend the Internal Revenue Code of 1986 to provide for inflation adjustments to the income threshold amounts applicable in determining the portion of Social Security benefits subject to tax; to the Committee on Ways and Means.

By Mr. NADLER (for himself and Mrs. LOWEY):

H.R. 3438. A bill to repeal the 1993 tax increase on Social Security benefits; to the Committee on Ways and Means.

By Mr. OXLEY (for himself, Mrs. CUBIN, Mr. STEARNS, Mr. PALLONE, and Mr. EHRLICH):

H.R. 3439. A bill to prohibit the Federal Communications Commission from establishing rules authorizing the operation of new, low power FM radio stations; to the Committee on Commerce.

By Mr. SCOTT:

H.R. 3440. A bill to provide support for the Booker T. Washington Leadership Institute; to the Committee on Education and the Workforce.

By Mr. STARK:

H.R. 3441. A bill to amend title XVIII of the Social Security Act to require the provision of physical therapy, occupational therapy, speech-language pathology services, and respiratory therapy by a comprehensive outpatient rehabilitation facility (CORF) under the Medicare Program at a single, fixed location; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STENHOLM (for himself, Mr. MINGE, Mr. ANDREWS, Mr. PETERSON of Minnesota, Mr. SANDLIN, Mr. HALL of Texas, Mr. BERRY, Mr. BOYD, and Mr. TANNER):

H.R. 3442. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to provide for the expedited consideration of certain proposed rescissions of budget authority; to the Committee on the Budget, and in addition to the Committees on Rules, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Florida:

H.J. Res. 82. A joint resolution making further continuing appropriations for the fiscal year 2000, and for other purposes; to the Committee on Appropriations.

By Mr. YOUNG of Florida:

H.J. Res. 83. A joint resolution making further continuing appropriations for the fiscal year 2000, and for other purposes; to the Committee on Appropriations.

By Mr. HUNTER (for himself, Mr. BILBRAY, Mr. PACKARD, and Mr. CUNNINGHAM):

H. Con. Res. 232. Concurrent resolution expressing the sense of Congress concerning the safety and well-being of United States citizens injured while traveling in Mexico; to the Committee on International Relations.

By Mrs. MYRICK:

H. Con. Res. 233. Concurrent resolution urging the President to negotiate a new base rights agreement with the Government of Panama in order for United States Armed Forces to be stationed in Panama after December 31, 1999; to the Committee on International Relations, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WELLER (for himself, Mr. ROGAN, Mr. MATSUI, Mr. FOLEY, Mr. MCKEON, Mr. BUYER, Mr. ENGLISH, Mr. BECERRA, Mr. BERMAN, Mr. MCINTYRE, Mrs. BONO, Mr. KUYKENDALL, Mr. HAYES, and Mr. CONDIT):

H. Res. 384. A resolution calling on the United States Trade Representative Charlene Barshefsky to make the issue of runaway film production and cultural content restrictions an issue at the World Trade Organization talks in Seattle; to the Committee on Ways and Means.

By Mr. SALMON (for himself, Mr. PAYNE, Mr. GILMAN, Ms. MILLENDER-MCDONALD, Mr. SCARBOROUGH, Mr. WYNN, Mr. MALONEY of Connecticut, Mr. ROTHMAN, Mr. FOLEY, Mr. SHERMAN, Mr. ROGAN, Mr. PASTOR, Ms. JACKSON-LEE of Texas, Mr. EVANS, Mr. CONYERS, Mr. NEY, Mr. THOMPSON of Mississippi, Mr. METCALF, Mr. SMITH of Washington, Mr. DAVIS of Virginia, Mr. FORD, Mr. BECERRA, Mr. ENGEL, Ms. BROWN of Florida, Mr. SABO, Mr. ABERCROMBIE, Mr. FORBES, Mr. HILLIARD, Mr. WELLER, Mr. HORN, Ms. PRYCE of Ohio, Mrs. MEEK of Florida, Mr. TOWNS, Mr. GUTIERREZ, Mr. CHABOT, Mr. CUMMINGS, Mr. OWENS, Ms. ROS-LEHTINEN, Mr. HASTINGS of Florida, Ms. WATERS, Mrs. CAPPS, Mrs. JOHNSON of Connecticut, Mr. JACKSON of Illinois, Mr. MEEKS of New York, Mrs. CLAYTON, Mr. PASCRELL, Mr. DAVIS of Illinois, and Mr. WATT of North Carolina):

H. Res. 388. A resolution expressing the sense of the House of Representatives with respect to government discrimination in Germany based on religion or belief; to the Committee on International Relations.

By Mr. SALMON (for himself, Mr. GILMAN, Mr. MCDERMOTT, Mr. PAYNE, Mr. PORTER, Mr. SCARBOROUGH, Mr. UDALL of Colorado, Mr. FRANK of Massachusetts, Mr. LANTOS, and Mr. FALEOMAVAEGA):

H. Res. 389. A resolution expressing the sense of the House of Representatives with respect to a dialog between the People's Republic of China and Tibet; to the Committee on International Relations.

By Ms. WATERS (for herself, Mr. TOWNS, Ms. LEE, Mr. SANDERS, and Mr. WYNN):

H. Res. 390. A resolution expressing the sense of the House of Representatives concerning the peace process in Angola; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follwos:

H.R. 65: Mrs. FOWLER.
H.R. 73: Mr. WAMP.
H.R. 125: Ms. STABENOW.
H.R. 218: Mr. SMITH of Texas.
H.R. 220: Mr. SESSIONS.
H.R. 259: Mr. BALDACCI.
H.R. 271: Mr. GILMAN and Mr. KLINK.

H.R. 274: Ms. RIVERS.
H.R. 303: Mr. OXLEY and Mrs. Napolitano.
H.R. 347: Mr. WAMP.
H.R. 353: Ms. LEE and Mr. DIAZ-BALART.
H.R. 357: Mr. KLINK.
H.R. 382: Mr. LAMPSON, Mr. MEEHAN, and Mr. RANGEL.
H.R. 453: Ms. BERKLEY.
H.R. 531: Mr. LATHAM, Mr. HASTINGS of Washington, and Mr. DICKS.
H.R. 532: Mr. SCHAKOWSKY.
H.R. 534: Mrs. BIGGERT and Mr. VITTER.
H.R. 568: Mr. MASCARA.
H.R. 623: Mr. HAYWORTH.
H.R. 670: Mr. ACKERMAN, Mr. WEINER, Mr. MORAN of Virginia, Mr. NETHERCUTT, Mr. PORTER, Mr. SALMON, Mr. SMITH of Michigan, Mr. BECERRA, Ms. BERKLEY, Mr. ORTIZ, Mr. TAYLOR of Mississippi, Ms. WATERS, Mrs. WILSON, Mr. WU, Mr. WISE, Mr. BROWN of Ohio, Ms. NORTON, Mr. EDWARDS, Mr. BENTSEN, Mr. BERMAN, Mrs. BIGGERT, Mr. BLUNT, Mr. DREIER, Mr. FILNER, Mr. GILCHREST, Mr. GANSKE Mr. ISAKSON, Mr. LIPINSKI, Mrs. LOWEY, Mr. NADLER, Mrs. MORELLA, Mr. SABO, Ms. SANCHEZ, Mr. UPTON, Ms. ESHOO, Mrs. MCCARTHY of New York, Mr. LAMPSON, Mr. MEEKS of New York, Mr. KASICH, Mr. SHAYS, Mr. CROWLEY, Mr. DAVIS of Illinois, Mr. DEUTSCH, Mr. HORN, Mrs. JOHNSON of Connecticut, Ms. LEE, Mr. MCDERMOTT, Mr. MALONEY of Connecticut, Ms. MILLENDER-MCDONALD, Mr. PALLONE, Mr. POMEROY, and Mr. ROHRABACHER.
H.R. 714: Mr. FORBES.
H.R. 721: Mr. SKELTON, Mr. TURNER, Mr. ADERHOLT, Mr. CRAMER, Mrs. CLAYTON, and Mr. HILLIARD.
H.R. 728: Mr. SANDLIN and Mr. BERRY.
H.R. 730: Mr. MORAN of Virginia.
H.R. 731: Mr. MCGOVERN.
H.R. 735: Mr. GREEN of Texas, Mr. SUNUNU, and Mr. STUPAK.
H.R. 739: Mr. WATT of North Carolina and Mr. BALDACCI.
H.R. 827: Mr. BALDACCI.
H.R. 872: Mr. HASTINGS of Florida.
H.R. 875: Mr. MEEHAN.
H.R. 984: Mr. BEREUTER.
H.R. 1044: Mr. POMEROY and Mr. ROGERS.
H.R. 1057: Ms. LEE.
H.R. 1082: Mr. VISCLOSKY.
H.R. 1098: Mr. WALDEN of Oregon.
H.R. 1103: Mr. SANDERS.
H.R. 1146: Mr. EVERETT.
H.R. 1216: Mrs. THURMAN, Mr. PASTOR, Mr. GORDON, and Mr. GEJDENSON.
H.R. 1244: Mr. RADANOVICH.
H.R. 1248: Mr. HOLT and Mr. CLEMENT.
H.R. 1271: Mr. GONZALEZ Mr. FATTAH, Mr. HOLT, Ms. RIVERS, Mr. OWENS, and Mr. RUSH.
H.R. 1274: Mr. CUMMINGS.
H.R. 1307: Mr. FROST, Mrs. BIGGERT, and Ms. MCKINNEY.
H.R. 1322: Ms. CARSON.
H.R. 1323: Mr. MCGOVERN.
H.R. 1371: Mrs. MALONEY of New York and Mr. FALEOMAVAEGA.
H.R. 1388: Mr. BENTSEN.
H.R. 1478: Mr. TIERNEY.
H.R. 1483: Mr. KLINK.
H.R. 1495: Mr. BRADY of Pennsylvania.
H.R. 1515: Ms. SANCHEZ, Ms. BERKLEY, and Mr. LUTHER.
H.R. 1525: Ms. ROYBAL-ALLARD.
H.R. 1543: Mr. TURNER.
H.R. 1581: Ms. BERKLEY.
H.R. 1622: Mr. PALLONE.
H.R. 1636: Mr. CUMMINGS.
H.R. 1684: Mr. CUMMINGS.
H.R. 1732: Mr. BECERRA and Ms. KAPTUR.
H.R. 1785: Mr. SANDERS and Mr. BALDACCI.
H.R. 1806: Ms. MCKINNEY, Ms. ROYBAL-ALLARD, Mrs. JONES of Ohio, and Mr. BERRY.
H.R. 1838: Mr. JONES of North Carolina.
H.R. 1841: Ms. BERKLEY.
H.R. 1871: Mr. RANGEL and Mrs. CHRISTENSEN.
H.R. 1885: Mr. GILMAN.
H.R. 1895: Mr. GORDON.
H.R. 1899: Mr. HOEFFEL and Mr. CASTLE.
H.R. 1967: Mr. EVERETT and Mrs. CHRISTENSEN.
H.R. 1983: Mr. FOLEY.
H.R. 2030: Mrs. CAPPS.
H.R. 2170: Mr. POMEROY.
H.R. 2244: Mr. DUNCAN and Mr. SENSENBRENNER.
H.R. 2266: Mr. GUTIERREZ and Mr. KANJORSKI.
H.R. 2282: Ms. HOOLEY of Oregon and Mr. LOBIONDO.
H.R. 2345: Mr. KUCINICH.
H.R. 2362: Mr. STEARNS, Mr. DREIER, Mr. MCCOLLUM, and Mr. PITTS.
H.R. 2363: Mr. CHABOT.
H.R. 2420: Ms. MILLENDER-MCDONALD, Mr. BENTSEN, Mrs. CLAYTON, Mr. ANDREWS, Ms. PRYCE of Ohio, Mr. PHELPS, and Mr. SALMON.
H.R. 2498: Mr. BOYD, Mr. KANJORSKI, Ms. PELOSI, and Mr. RUSH.
H.R. 2512: Ms. BERKLEY.
H.R. 2548: Mr. KLINK.
H.R. 2624: Mr. GREEN of Texas and Mr. LANTOS.
H.R. 2650: Mr. BARCIA.
H.R. 2655: Mr. TAYLOR of North Carolina.
H.R. 2697: Mr. THOMPSON of California.
H.R. 2706: Ms. ESHOO and Mr. PRICE of North Carolina.
H.R. 2709: Mr. BOYD, Mr. BERMAN, Mr. POMEROY, Mr. RAMSTAD, Ms. BALDWIN, Mr. RAHALL, Mr. GUTKNECHT, Mr. KUYKENDALL, Mr. HOYER, and Mr. RILEY.
H.R. 2713: Mr. THOMPSON of Mississippi.
H.R. 2733: Ms. HOOLEY of Oregon, Mr. POMEROY, and Mr. LOBIONDO.
H.R. 2738: Mr. RUSH.
H.R. 2749: Mr. POMEROY.
H.R. 2776: Ms. BALDWIN and Ms. BERKLEY.
H.R. 2790: Mr. WYNN, Mr. PAYNE, Mr. MCNULTY, Mr. HOEFFEL, and Mr. KENNEDY of Rhode Island.
H.R. 2801: Ms. HOOLEY of Oregon.
H.R. 2865: Ms. WOOLSEY and Mr. RANGEL.
H.R. 2867: Mr. PITTS.
H.R. 2878: Ms. LEE.
H.R. 2891: Mr. OXLEY.
H.R. 2892: Mr. EVANS.
H.R. 2895: Mr. RUSH, Mr. MCNULTY, Ms. SLAUGHTER, and Mr. HOEFFEL.
H.R. 2899: Mr. TIERNEY.
H.R. 2900: Mrs. JOHNSON of Connecticut.
H.R. 2902: Mrs. CHRISTENSEN, Mrs. CLAYTON, Mr. DINGELL, Mr. LUTHER, and Mr. ROMERO-BARCELO.
H.R. 2925: Mr. BASS and Mr. KOLBE.
H.R. 2966: Mr. ADERHOLT, Mr. ALLEN, Mr. BRADY of Pennsylvania, Mrs. CLAYTON, Mr. COMBEST, Mrs. CUBIN, Mr. DIXON, Mr. EVERETT, Mr. FLETCHER, Mr. GILCHREST, Mr. GILMAN, Mr. HAYES, Mr. HILL of Montana, Mr. INSLEE, Mr. JENKINS, Mr. JONES of North Carolina, Mrs. KELLY, Mr. LAMPSON, Mr. LANTOS, Mr. LEWIS of Georgia, Mr. LEWIS of Kentucky, Mr. MCINTOSH, Mr. MICA, Mr. NEY, Mr. PAUL, Mr. PRICE of North Carolina, Mr. RODRIGUEZ, Mr. SESSIONS, Mr. SMITH of Washington, Mr. TOWNS, Mr. WICKER, Mrs. WILSON and, Mr. WISE.
H.R. 2969: Mr. BARRETT of Wisconsin and Mr. ENGLISH.
H.R. 2995: Mr. BARCIA.
H.R. 3006: Mr. KUCINICH.
H.R. 3011: Mr. TERRY.
H.R. 3058: Ms. MCKINNEY.
H.R. 3091: Mr. GEPHARDT, Mr. LEWIS of Georgia, Ms. ROS-LEHTINEN, Mr. NEAL of Massachusetts, Mr. MENENDEZ, Mr. CAPUANO, Mr. KLECZKA, Mr. PHELPS, Mr. SHOWS, Mr. DEFAZIO, Mr. ANDREWS, Ms. MCKINNEY, Mr. BISHOP, Mr. SABO, Ms. NORTON, Mr. PALLONE, Mr. OBEY, Mr. NETHERCUTT, Mr. PRICE of North Carolina, Mr. BOSWELL, Mr. LEVIN, Mr. BERRY, Mr. SKELTON, Mr. ROTHMAN, Ms. DANNER, Ms. BERKLEY, Ms. ROYBAL-ALLARD, Mr. MORAN of Virginia, Mr. METCALF, Mr. DAVIS of Illinois, Mr. DEUTSCH, Mr. HOEFFEL, Mr. QUINN, Mr. BAIRD, Mr. BARCIA, Mr. KIND, Mr. VISCLOSKY, Mr. SMITH of Washington, Mr. COYNE, Mr. UDALL of New Mexico, Mr. MATSUI, Mrs. KELLY, Mr. BALDACCI, Mr. SHERWOOD, Mr. DIXON, Mr. BORSKI, and Mr. SNYDER.
H.R. 3099: Mrs. THURMAN.
H.R. 3107: Mr. KLINK, Mr. BENTSEN, and Mrs. MORELLA.
H.R. 3115: Mr. ROGERS.
H.R. 3141: Mr. MALONEY of Connecticut.
H.R. 3158: Mrs. MALONEY of New York and Mrs. CHRISTENSEN.
H.R. 3161: Mr. HOUGHTON.
H.R. 3180: Ms. PRYCE of Ohio and Mr. LUCAS of Kentucky.
H.R. 3192: Mr. BERRY.
H.R. 3235: Ms. MILLENDER-MCDONALD and Mr. GEORGE MILLER of California.
H.R. 3248: Mr. NORWOOD, Mr. WHITFIELD, and Mr. CANADY of Florida.
H.R. 3278: Mr. JONES of North Carolina, and Mr. BURR of North Carolina.
H.R. 3293: Mr. ROGERS and Ms. MILLENDER-MCDONALD.
H.R. 3294: Mr. THORNBERRY.
H.R. 3295: Mr. CONYERS, Mr. BERMAN, Mr. OBERSTAR, Mr. DAVIS of Virginia, and Ms. LOFGREN.
H.R. 3301: Ms. STABENOW, Mr. SANDERS, Mr. FOLEY, Mr. SERRANO, Ms. ROYBAL-ALLARD, and Mr. SHAYS.
H.R. 3319: Mr. ACKERMAN and Mr. RANGEL.
H.R. 3320: Mr. KLECZKA, Ms. MCCARTHY of Missouri, Mr. BLUMENAUER, Mr. SANDERS, Mr. CONYERS, Mr. FATTAH, Mr. MEEHAN, and Mr. COYNE.
H.R. 3324: Mr. THOMPSON of Mississippi, Mr. PASTOR, Mr. HILLIARD, Mr. LEACH, Mr. FARR of California, Mr. PHELPS, and Mr. KAPTUR.
H.R. 3382: Mr. SAXTON, Mr. FRANKS of New Jersey, Mr. SMITH of New Jersey, and Ms. ROS-LEHTINEN.
H.J. Res. 53: Mr. ISAKSON.
H.J. Res. 55: Mr. GEKAS.
H.J. Res. 64: Mr. ROYCE.
H.J. Res. 70: Mrs. MYRICK and Mr. ROHRABACHER.
H.J. Res. 77: Mr. ROGAN, Mr. COLLINS, Mr. HEFLEY, Mr. STUMP, Mr. BAKER, Mr. WAMP, Mr. DUNCAN, Mr. GOODE, Mr. BURTON of Indiana, Mr. TRAFICANT, and Mrs. CUBIN.
H. Con. Res. 38: Mr. PASCRELL, Mr. HOLT, Mrs. ROUKEMA, Mr. ANDREWS, and Mr. ROTHMAN.
H. Con. Res. 62: Mr. DELAHUNT.
H. Con. Res. 74: Mr. LANTOS.
H. Con. Res. 80: Mr. INSLEE.
H. Con. Res. 115: Mr. WATT of North Carolina.
H. Con. Res. 152: Ms. VELÁZQUEZ.
H. Con. Res. 177: Mr. GEORGE MILLER of California, Mr. FALEOMAVAEGA, and Mr. CONYERS.
H. Con. Res. 218: Mr. DAVIS of Illinois, Mr. JACKSON of Illinois, Mr. COSTELLO, Mr. MOORE, Ms. LEE, Ms. BERKLEY, Mr. CLAY, and Mr. HOYER.
H. Con. Res. 220: Ms. ESHOO.
H. Con. Res. 228: Mr. MALONEY of Connecticut, Mr. MANZULLO, and Ms. LOFGREN.
H. Res. 107: Mrs. ROUKEMA, Mrs. MCCARTHY of New York, Ms. BROWN of Florida, Mr. CROWLEY, Mr. TOWNS, Mr. SAWYER, Mr.

EVANS, Mr. ROMERO-BARCELO, and Mr. KUCINICH.

H. Res. 237: Mr. DIAZ-BALART.

H. Res. 238: Ms. HOOLEY of Oregon and Mr. POMEROY.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

67. The SPEAKER presented a petition of the Office of the City Clerk, Syracuse Common Council, relative to Resolution No. 59–R petitioning Congress and the President to enact a ''Jonny Gammage Law'' to protect the public from the illegal and excessive use of force by police officers and eliminate conflicts of interest within local judicial systems; to the Committee on the Judiciary.

68. Also, a petition of the Southern Governors' Association, relative to a resolution petitioning the United States for the speedy passage of legislation enhancing the Caribbean Basin Initiative program to foster the evolution of economic development and trade opportunities in Central America and the Caribbean; to the Committee on Ways and Means.

69. Also, a petition of the Southern Governors' Association, relative to a resolution petitioning Congress and federal agencies regarding U.S. drug interdiction efforts in the Caribbean Basin; jointly to the Committees on the Judiciary and International Relations.

CONFERENCE REPORT ON H.R. 3194, CONSOLIDATED APPROPRIATIONS ACT, 2000

Mr. YOUNG of Florida submitted the following conference report and statement on the bill (H.R. 3194) making consolidated appropriations for the fiscal year ending September 30, 2000, and for other purposes:

CONFERENCE REPORT (H. REPT. 106–479)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3194) ''making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes'', having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the serveral departments, agencies, corporations, and other organizational units of the Government for the fiscal year ending September 30, 2000, and for other purposes, namely:

DIVISION A

DISTRICT OF COLUMBIA APPROPRIATIONS

TITLE I—FISCAL YEAR 2000 APPROPRIATIONS

FEDERAL FUNDS

FEDERAL PAYMENT FOR RESIDENT TUITION SUPPORT

For a Federal payment to the District of Columbia for a program to be administered by the Mayor for District of Columbia resident tuition support, subject to the enactment of authorizing legislation for such program by Congress, $17,000,000, to remain available until expended: Provided, That such funds may be used on behalf of eligible District of Columbia residents to pay an amount based upon the difference between in-State and out-of-State tuition at public institutions of higher education, usable at both public and private institutions of higher education: Provided further, That the awarding of such funds may be prioritized on the basis of a resident's academic merit and such other factors as may be authorized: Provided further, That if the authorized program is a nationwide program, the Mayor may expend up to $17,000,000: Provided further, That if the authorized program is for a limited number of States, the Mayor may expend up to $11,000,000: Provided further, That the District of Columbia may expend funds other than the funds provided under this heading, including local tax revenues and contributions, to support such program.

FEDERAL PAYMENT FOR INCENTIVES FOR ADOPTION OF CHILDREN

For a Federal payment to the District of Columbia to create incentives to promote the adoption of children in the District of Columbia foster care system, $5,000,000: Provided, That such funds shall remain available until September 30, 2001 and shall be used in accordance with a program established by the Mayor and the Council of the District of Columbia and approved by the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That funds provided under this heading may be used to cover the costs to the District of Columbia of providing tax credits to offset the costs incurred by individuals in adopting children in the District of Columbia foster care system and in providing for the health care needs of such children, in accordance with legislation enacted by the District of Columbia government.

FEDERAL PAYMENT TO THE CITIZEN COMPLAINT REVIEW BOARD

For a Federal payment to the District of Columbia for administrative expenses of the Citizen Complaint Review Board, $500,000, to remain available until September 30, 2001.

FEDERAL PAYMENT TO THE DEPARTMENT OF HUMAN SERVICES

For a Federal payment to the Department of Human Services for a mentoring program and for hotline services, $250,000.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA CORRECTIONS TRUSTEE OPERATIONS

For salaries and expenses of the District of Columbia Corrections Trustee, $176,000,000 for the administration and operation of correctional facilities and for the administrative operating costs of the Office of the Corrections Trustee, as authorized by section 11202 of the National Capital Revitalization and Self-Government Improvement Act of 1997 (Public Law 105–33; 111 Stat. 712): Provided, That notwithstanding any other provision of law, funds appropriated in this Act for the District of Columbia Corrections Trustee shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies: Provided further, That in addition to the funds provided under this heading, the District of Columbia Corrections Trustee may use a portion of the interest earned on the Federal payment made to the Trustee under the District of Columbia Appropriations Act, 1998, (not to exceed $4,600,000) to carry out the activities funded under this heading.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA COURTS

For salaries and expenses for the District of Columbia Courts, $99,714,000 to be allocated as follows: for the District of Columbia Court of Appeals, $7,209,000; for the District of Columbia Superior Court, $68,351,000; for the District of Columbia Court System, $16,154,000; and $8,000,000, to remain available until September 30, 2001, for capital improvements for District of Columbia courthouse facilities: Provided, That of the amounts available for operations of the District of Columbia Courts, not to exceed $2,500,000 shall be for the design of an Integrated Justice Information System and that such funds shall be used in accordance with a plan and design developed by the courts and approved by the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the General Services Administration (GSA), said services to include the preparation of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives.

DEFENDER SERVICES IN DISTRICT OF COLUMBIA COURTS

For payments authorized under section 11–2604 and section 11–2605, D.C. Code (relating to representation provided under the District of Columbia Criminal Justice Act), payments for counsel appointed in proceedings in the Family Division of the Superior Court of the District of Columbia under chapter 23 of title 16, D.C. Code, and payments for counsel authorized under section 21–2060, D.C. Code (relating to representation provided under the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986), $33,336,000, to remain available until expended: Provided, That the funds provided in this Act under the heading ''Federal Payment to the District of Columbia Courts'' (other than the $8,000,000 provided under such heading for capital improvements for District of Columbia courthouse facilities) may also be used for payments under this heading: Provided further, That in addition to the funds provided under this heading, the Joint Committee on Judicial Administration in the District of Columbia shall use the interest earned on the Federal payment made to the District of Columbia courts under the District of Columbia Appropriations Act, 1999, together with funds provided in this Act under the heading ''Federal Payment to the District of Columbia Courts'' (other than the $8,000,000 provided under such heading for capital improvements for District of Columbia courthouse facilities), to make payments described under this heading for obligations incurred during fiscal year 1999 if the Comptroller General certifies that the amount of obligations lawfully incurred for such payments during fiscal year 1999 exceeds the obligational authority otherwise available for making such payments: Provided further, That such funds shall be administered by the Joint Committee on Judicial Administration in the District of Columbia: Provided further, That notwithstanding any other provision of law, this appropriation shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the General Services Administration (GSA), said services to include the preparation

of monthly financial reports, copies of which shall be submitted directly by GSA to the President and to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives.

FEDERAL PAYMENT TO THE COURT SERVICES AND OFFENDER SUPERVISION AGENCY FOR THE DISTRICT OF COLUMBIA

For salaries and expenses of the Court Services and Offender Supervision Agency for the District of Columbia, as authorized by the National Capital Revitalization and Self-Government Improvement Act of 1997, (Public Law 105–33; 111 Stat. 712), $93,800,000, of which $58,600,000 shall be for necessary expenses of Parole Revocation, Adult Probation, Offender Supervision, and Sex Offender Registration, to include expenses relating to supervision of adults subject to protection orders or provision of services for or related to such persons; $17,400,000 shall be available to the Public Defender Service; and $17,800,000 shall be available to the Pretrial Services Agency: Provided, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies: Provided further, That of the amounts made available under this heading, $20,492,000 shall be used in support of universal drug screening and testing for those individuals on pretrial, probation, or parole supervision with continued testing, intermediate sanctions, and treatment for those identified in need, of which $7,000,000 shall be for treatment services.

CHILDREN'S NATIONAL MEDICAL CENTER

For a Federal contribution to the Children's National Medical Center in the District of Columbia, $2,500,000 for construction, renovation, and information technology infrastructure costs associated with establishing community pediatric health clinics for high risk children in medically underserved areas of the District of Columbia.

FEDERAL PAYMENT FOR METROPOLITAN POLICE DEPARTMENT

For payment to the Metropolitan Police Department, $1,000,000, for a program to eliminate open air drug trafficking in the District of Columbia: Provided, That the Chief of Police shall provide quarterly reports to the Committees on Appropriations of the Senate and House of Representatives by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the project financed under this heading.

FEDERAL PAYMENT TO THE GENERAL SERVICES ADMINISTRATION

For a Federal payment to the Administrator of General Services for activities carried out as a result of the transfer of the property on which the Lorton Correctional Complex is located to the General Services Administration, $6,700,000, to remain available until expended.

DISTRICT OF COLUMBIA FUNDS

OPERATING EXPENSES

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, $162,356,000 (including $137,134,000 from local funds, $11,670,000 from Federal funds, and $13,552,000 from other funds): Provided, That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for official purposes: Provided further, That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: Provided further, That no revenues from Federal sources shall be used to support the operations or activities of the Statehood Commission and Statehood Compact Commission: Provided further, That the District of Columbia shall identify the sources of funding for Admission to Statehood from its own locally-generated revenues: Provided further, That all employees permanently assigned to work in the Office of the Mayor shall be paid from funds allocated to the Office of the Mayor: Provided further, That, notwithstanding any other provision of law now or hereafter enacted, no Member of the District of Columbia Council eligible to earn a part-time salary of $92,520, exclusive of the Council Chairman, shall be paid a salary of more than $84,635 during fiscal year 2000.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, $190,335,000 (including $52,911,000 from local funds, $84,751,000 from Federal funds, and $52,673,000 from other funds), of which $15,000,000 collected by the District of Columbia in the form of BID tax revenue shall be paid to the respective BIDs pursuant to the Business Improvement Districts Act of 1996 (D.C. Law 11–134; D.C. Code, sec. 1–2271 et seq.), and the Business Improvement Districts Temporary Amendment Act of 1997 (D.C. Law 12–23): Provided, That such funds are available for acquiring services provided by the General Services Administration: Provided further, That Business Improvement Districts shall be exempt from taxes levied by the District of Columbia.

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase or lease of 135 passenger-carrying vehicles for replacement only, including 130 for police-type use and five for fire-type use, without regard to the general purchase price limitation for the current fiscal year, $778,770,000 (including $565,511,000 from local funds, $29,012,000 from Federal funds, and $184,247,000 from other funds): Provided, That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles and the Department of Fire and Emergency Medical Services of the District of Columbia is authorized to replace not to exceed five passenger-carrying vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: Provided further, That not to exceed $500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: Provided further, That the Metropolitan Police Department shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate on efforts to increase efficiency and improve the professionalism in the department: Provided further, That notwithstanding any other provision of law, or Mayor's Order 86–45, issued March 18, 1986, the Metropolitan Police Department's delegated small purchase authority shall be $500,000: Provided further, That the District of Columbia government may not require the Metropolitan Police Department to submit to any other procurement review process, or to obtain the approval of or be restricted in any manner by any official or employee of the District of Columbia government, for purchases that do not exceed $500,000: Provided further, That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services that are performed in emergencies by the National Guard in a militia status and are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: Provided further, That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and the availability of the sums shall be deemed as constituting payment in advance for emergency services involved: Provided further, That the Metropolitan Police Department is authorized to maintain 3,800 sworn officers, with leave for a 50 officer attrition: Provided further, That no more than 15 members of the Metropolitan Police Department shall be detailed or assigned to the Executive Protection Unit, until the Chief of Police submits a recommendation to the Council for its review: Provided further, That $100,000 shall be available for inmates released on medical and geriatric parole: Provided further, That commencing on December 31, 1999, the Metropolitan Police Department shall provide to the Committees on Appropriations of the Senate and House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committee on Government Reform of the House of Representatives, quarterly reports on the status of crime reduction in each of the 83 police service areas established throughout the District of Columbia: Provided further, That up to $700,000 in local funds shall be available for the operations of the Citizen Complaint Review Board.

PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, $867,411,000 (including $721,847,000 from local funds, $120,951,000 from Federal funds, and $24,613,000 from other funds), to be allocated as follows: $713,197,000 (including $600,936,000 from local funds, $106,213,000 from Federal funds, and $6,048,000 from other funds), for the public schools of the District of Columbia; $10,700,000 from local funds for the District of Columbia Teachers' Retirement Fund; $17,000,000 from local funds, previously appropriated in this Act as a Federal payment, for resident tuition support at public and private institutions of higher learning for eligible District of Columbia residents; $27,885,000 from local funds for public charter schools: Provided, That if the entirety of this allocation has not been provided as payments to any public charter schools currently in operation through the per pupil funding formula, the funds shall be available for new public charter schools on a per pupil basis: Provided further, That $480,000 of this amount shall be available to the District of Columbia Public Charter School Board for administrative costs; $72,347,000 (including $40,491,000 from local funds, $13,536,000 from Federal funds, and $18,320,000 from other funds) for the University of the District of Columbia; $24,171,000 (including $23,128,000 from local funds, $798,000 from Federal funds, and $245,000 from other funds) for the Public Library; $2,111,000 (including $1,707,000 from local funds and $404,000 from Federal funds) for the Commission on the Arts and Humanities: Provided further, That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: Provided further, That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for official purposes: Provided further, That none of the funds contained in this Act may be made available to pay the salaries of

any District of Columbia Public School teacher, principal, administrator, official, or employee who knowingly provides false enrollment or attendance information under article II, section 5 of the Act entitled ''An Act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes'', approved February 4, 1925 (D.C. Code, sec. 31–401 et seq.): Provided further, That this appropriation shall not be available to subsidize the education of any nonresident of the District of Columbia at any District of Columbia public elementary and secondary school during fiscal year 2000 unless the nonresident pays tuition to the District of Columbia at a rate that covers 100 percent of the costs incurred by the District of Columbia which are attributable to the education of the nonresident (as established by the Superintendent of the District of Columbia Public Schools): Provided further, That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 2000, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area: Provided further, That the District of Columbia Public Schools shall not spend less than $365,500,000 on local schools through the Weighted Student Formula in fiscal year 2000: Provided further, That notwithstanding any other provision of law, the Chief Financial Officer of the District of Columbia shall apportion from the budget of the District of Columbia Public Schools a sum totaling 5 percent of the total budget to be set aside until the current student count for Public and Charter schools has been completed, and that this amount shall be apportioned between the Public and Charter schools based on their respective student population count: Provided further, That the District of Columbia Public Schools may spend $500,000 to engage in a Schools Without Violence program based on a model developed by the University of North Carolina, located in Greensboro, North Carolina.

HUMAN SUPPORT SERVICES

Human support services, $1,526,361,000 (including $635,373,000 from local funds, $875,814,000 from Federal funds, and $15,174,000 from other funds): Provided, That $25,150,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: Provided further, That a peer review committee shall be established to review medical payments and the type of service received by a disability compensation claimant: Provided further, That the District of Columbia shall not provide free government services such as water, sewer, solid waste disposal or collection, utilities, maintenance, repairs, or similar services to any legally constituted private nonprofit organization, as defined in section 411(5) of the Stewart B. McKinney Homeless Assistance Act (101 Stat. 485; Public Law 100–77; 42 U.S.C. 11371), providing emergency shelter services in the District, if the District would not be qualified to receive reimbursement pursuant to such Act (101 Stat. 485; Public Law 100–77; 42 U.S.C. 11301 et seq.).

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and leasing of passenger-carrying vehicles, $271,395,000 (including $258,341,000 from local funds, $3,099,000 from Federal funds, and $9,955,000 from other funds): Provided, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business.

RECEIVERSHIP PROGRAMS

For all agencies of the District of Columbia government under court ordered receivership, $342,077,000 (including $217,606,000 from local funds, $106,111,000 from Federal funds, and $18,360,000 from other funds).

WORKFORCE INVESTMENTS

For workforce investments, $8,500,000 from local funds, to be transferred by the Mayor of the District of Columbia within the various appropriation headings in this Act for which employees are properly payable.

RESERVE

For a reserve to be established by the Chief Financial Officer of the District of Columbia and the District of Columbia Financial Responsibility and Management Assistance Authority, $150,000,000.

DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY

For the District of Columbia Financial Responsibility and Management Assistance Authority, established by section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (109 Stat. 97; Public Law 104–8), $3,140,000: Provided, That none of the funds contained in this Act may be used to pay any compensation of the Executive Director or General Counsel of the Authority at a rate in excess of the maximum rate of compensation which may be paid to such individual during fiscal year 2000 under section 102 of such Act, as determined by the Comptroller General (as described in GAO letter report B–279095.2).

REPAYMENT OF LOANS AND INTEREST

For payment of principal, interest and certain fees directly resulting from borrowing by the District of Columbia to fund District of Columbia capital projects as authorized by sections 462, 475, and 490 of the District of Columbia Home Rule Act, approved December 24, 1973, as amended, and that funds shall be allocated for expenses associated with the Wilson Building, $328,417,000 from local funds: Provided, That for equipment leases, the Mayor may finance $27,527,000 of equipment cost, plus cost of issuance not to exceed 2 percent of the par amount being financed on a lease purchase basis with a maturity not to exceed 5 years: Provided further, That $5,300,000 is allocated to the Metropolitan Police Department, $3,200,000 for the Fire and Emergency Medical Services Department, $350,000 for the Department of Corrections, $15,949,000 for the Department of Public Works and $2,728,000 for the Public Benefit Corporation.

REPAYMENT OF GENERAL FUND RECOVERY DEBT

For the purpose of eliminating the $331,589,000 general fund accumulated deficit as of September 30, 1990, $38,286,000 from local funds, as authorized by section 461(a) of the District of Columbia Home Rule Act (105 Stat. 540; D.C. Code, sec. 47–321(a)(1)).

PAYMENT OF INTEREST ON SHORT-TERM BORROWING

For payment of interest on short-term borrowing, $9,000,000 from local funds.

CERTIFICATES OF PARTICIPATION

For lease payments in accordance with the Certificates of Participation involving the land site underlying the building located at One Judiciary Square, $7,950,000 from local funds.

OPTICAL AND DENTAL INSURANCE PAYMENTS

For optical and dental insurance payments, $1,295,000 from local funds.

PRODUCTIVITY BANK

The Chief Financial Officer of the District of Columbia, under the direction of the Mayor and the District of Columbia Financial Responsibility and Management Assistance Authority, shall finance projects totaling $20,000,000 in local funds that result in cost savings or additional revenues, by an amount equal to such financing: Provided, That the Mayor shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the projects financed under this heading.

PRODUCTIVITY BANK SAVINGS

The Chief Financial Officer of the District of Columbia, under the direction of the Mayor and the District of Columbia Financial Responsibility and Management Assistance Authority, shall make reductions totaling $20,000,000 in local funds. The reductions are to be allocated to projects funded through the Productivity Bank that produce aggregate cost savings or additional revenues in an amount equal to the Productivity Bank financing: Provided, That the Mayor shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the cost savings or additional revenues funded under this heading.

PROCUREMENT AND MANAGEMENT SAVINGS

The Chief Financial Officer of the District of Columbia, under the direction of the Mayor and the District of Columbia Financial Responsibility and Management Assistance Authority, shall make reductions of $14,457,000 for general supply schedule savings and $7,000,000 for management reform savings, in local funds to one or more of the appropriation headings in this Act: Provided, That the Mayor shall provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate by the 15th calendar day after the end of each quarter beginning December 31, 1999, on the status of the general supply schedule savings and management reform savings projected under this heading.

ENTERPRISE AND OTHER FUNDS

WATER AND SEWER AUTHORITY AND THE WASHINGTON AQUEDUCT

For operation of the Water and Sewer Authority and the Washington Aqueduct, $279,608,000 from other funds (including $236,075,000 for the Water and Sewer Authority and $43,533,000 for the Washington Aqueduct) of which $35,222,000 shall be apportioned and payable to the District's debt service fund for repayment of loans and interest incurred for capital improvement projects.

For construction projects, $197,169,000, as authorized by the Act entitled ''An Act authorizing the laying of watermains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes'' (33 Stat. 244; Public Law 58–140; D.C. Code, sec. 43–1512 et seq.): Provided, That the requirements and restrictions that are applicable to general fund capital improvements projects and set forth in this Act under the Capital Outlay appropriation title shall apply to projects approved under this appropriation title.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriation Act for the fiscal year ending September 30, 1982 (95 Stat. 1174 and 1175; Public Law 97–91), for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers

Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia (D.C. Law 3–172; D.C. Code, sec. 2–2501 et seq. and sec. 22–1516 et seq.), $234,400,000: Provided, That the District of Columbia shall identify the source of funding for this appropriation title from the District's own locally generated revenues: Provided further, That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

SPORTS AND ENTERTAINMENT COMMISSION

For the Sports and Entertainment Commission, $10,846,000 from other funds for expenses incurred by the Armory Board in the exercise of its powers granted by the Act entitled ''An Act To Establish A District of Columbia Armory Board, and for other purposes'' (62 Stat. 339; D.C. Code, sec. 2–301 et seq.) and the District of Columbia Stadium Act of 1957 (71 Stat. 619; Public Law 85–300; D.C. Code, sec. 2–321 et seq.): Provided, That the Mayor shall submit a budget for the Armory Board for the forthcoming fiscal year as required by section 442(b) of the District of Columbia Home Rule Act (87 Stat. 824; Public Law 93–198; D.C. Code, sec. 47–301(b)).

DISTRICT OF COLUMBIA HEALTH AND HOSPITALS PUBLIC BENEFIT CORPORATION

For the District of Columbia Health and Hospitals Public Benefit Corporation, established by D.C. Law 11–212; D.C. Code, sec. 32–262.2, $133,443,000 of which $44,435,000 shall be derived by transfer from the general fund and $89,008,000 from other funds.

DISTRICT OF COLUMBIA RETIREMENT BOARD

For the District of Columbia Retirement Board, established by section 121 of the District of Columbia Retirement Reform Act of 1979 (93 Stat. 866; D.C. Code, sec. 1–711), $9,892,000 from the earnings of the applicable retirement funds to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board: Provided, That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: Provided further, That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an itemized accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report: Provided further, That section 121(c)(1) of the District of Columbia Retirement Reform Act (D.C. Code, sec. 1–711(c)(1)) is amended by striking ''the total amount to which a member may be entitled'' and all that follows and inserting the following: ''the total amount to which a member may be entitled under this subsection during a year (beginning with 1998) may not exceed $5,000, except that in the case of the Chairman of the Board and the Chairman of the Investment Committee of the Board, such amount may not exceed $7,500 (beginning with 2000).''.

CORRECTIONAL INDUSTRIES FUND

For the Correctional Industries Fund, established by the District of Columbia Correctional Industries Establishment Act (78 Stat. 1000; Public Law 88–622), $1,810,000 from other funds.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

For the Washington Convention Center Enterprise Fund, $50,226,000 from other funds.

CAPITAL OUTLAY

(INCLUDING RESCISSIONS)

For construction projects, $1,260,524,000 of which $929,450,000 is from local funds, $54,050,000 is from the highway trust fund, and $277,024,000 is from Federal funds, and a rescission of $41,886,500 from local funds appropriated under this heading in prior fiscal years, for a net amount of $1,218,637,500 to remain available until expended: Provided, That funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: Provided further, That all funds provided by this appropriation title shall be available only for the specific projects and purposes intended: Provided further, That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968 (82 Stat. 827; Public Law 90–495; D.C. Code, sec. 7–134, note), for which funds are provided by this appropriation title, shall expire on September 30, 2001, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 2001: Provided further, That upon expiration of any such project authorization, the funds provided herein for the project shall lapse.

GENERAL PROVISIONS

SEC. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official, and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SEC. 103. Whenever in this Act, an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor.

SEC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: Provided, That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101–7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: Provided, That in the case of the Council of the District of Columbia, funds may be expended with the authorization of the chair of the Council.

SEC. 106. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: Provided, That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947 (70 Stat. 78; Public Law 84–460; D.C. Code, sec. 47–1812.11(c)(3)).

SEC. 107. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982 (D.C. Law 4–101; D.C. Code, sec. 3–205.44), and for the payment of the non-Federal share of funds necessary to qualify for grants under subtitle A of title II of the Violent Crime Control and Law Enforcement Act of 1994.

SEC. 108. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 109. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 110. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the Subcommittee on the District of Columbia of the House Committee on Government Reform, the Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia of the Senate Committee on Governmental Affairs, and the Council of the District of Columbia, or their duly authorized representative.

SEC. 111. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977 (D.C. Law 2–20; D.C. Code, sec. 47–421 et seq.).

SEC. 112. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 113. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: Provided, That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowings and spending progress compared with projections.

SEC. 114. The Mayor shall not borrow any funds for capital projects unless the Mayor has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 115. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 116. None of the funds provided under this Act to the agencies funded by this Act, both Federal and District government agencies, that remain available for obligation or expenditure in fiscal year 2000, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for an agency through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or responsibility center; (3) establishes or changes allocations specifically denied, limited or increased by Congress in this Act; (4) increases funds or personnel by any means for any program, project, or responsibility center for which funds have been denied or restricted; (5) reestablishes through reprogramming any program or project previously deferred through reprogramming; (6) augments existing programs, projects, or responsibility centers through a reprogramming of funds in excess of $1,000,000 or 10 percent, whichever is less; or (7) increases by 20 percent or more personnel assigned to a specific

program, project, or responsibility center; unless the Appropriations Committees of both the Senate and House of Representatives are notified in writing 30 days in advance of any reprogramming as set forth in this section.

SEC. 117. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia government.

SEC. 118. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980 (94 Stat. 1824; Public Law 96–425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: Provided, That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 119. (a) CITY ADMINISTRATOR.—The last sentence of section 422(7) of the District of Columbia Home Rule Act (D.C. Code, sec. 1–242(7)) is amended by striking '', *not to exceed'' and all that follows and inserting a period.*

(b) BOARD OF DIRECTORS OF REDEVELOPMENT LAND AGENCY.—Section 1108(c)(2)(F) of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Code, sec. 1–612.8(c)(2)(F)) is amended to read as follows:

''(F) Redevelopment Land Agency board members shall be paid per diem compensation at a rate established by the Mayor, except that such rate may not exceed the daily equivalent of the annual rate of basic pay for level 15 of the District Schedule for each day (including travel time) during which they are engaged in the actual performance of their duties.''.

SEC. 120. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Law 2–139; D.C. Code, sec. 1–601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Home Rule Act (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(3)), shall apply with respect to the compensation of District of Columbia employees: Provided, That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5, United States Code.

SEC. 121. No later than 30 days after the end of the first quarter of the fiscal year ending September 30, 2000, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 2000 revenue estimates as of the end of the first quarter of fiscal year 2000. These estimates shall be used in the budget request for the fiscal year ending September 30, 2001. The officially revised estimates at midyear shall be used for the midyear report.

SEC. 122. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985 (D.C. Law 6–85; D.C. Code, sec. 1–1183.3), except that the District of Columbia government or any agency thereof may renew or extend sole source contracts for which competition is not feasible or practical: Provided, That the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated rules and procedures and said determination has been reviewed and approved by the District of Columbia Financial Responsibility and Management Assistance Authority.

SEC. 123. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99–177), the term ''program, project, and activity'' shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act, and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: Provided, That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 124. In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99–177), after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: Provided, That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act that are not specifically exempted from sequestration by such Act.

SEC. 125. (a) An entity of the District of Columbia government may accept and use a gift or donation during fiscal year 2000 if—

(1) the Mayor approves the acceptance and use of the gift or donation: Provided, That the Council of the District of Columbia may accept and use gifts without prior approval by the Mayor; and

(2) the entity uses the gift or donation to carry out its authorized functions or duties.

(b) Each entity of the District of Columbia government shall keep accurate and detailed records of the acceptance and use of any gift or donation under subsection (a) of this section, and shall make such records available for audit and public inspection.

(c) For the purposes of this section, the term ''entity of the District of Columbia government'' includes an independent agency of the District of Columbia.

(d) This section shall not apply to the District of Columbia Board of Education, which may, pursuant to the laws and regulations of the District of Columbia, accept and use gifts to the public schools without prior approval by the Mayor.

SEC. 126. None of the Federal funds provided in this Act may be used by the District of Columbia to provide for salaries, expenses, or other costs associated with the offices of United States Senator or United States Representative under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiatives of 1979 (D.C. Law 3–171; D.C. Code, sec. 1–113(d)).

SEC. 127. (a) The University of the District of Columbia shall submit to the Mayor, the District of Columbia Financial Responsibility and Management Assistance Authority and the Council of the District of Columbia no later than 15 calendar days after the end of each quarter a report that sets forth—

(1) current quarter expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections versus budget broken out on the basis of control center, responsibility center, and object class, and for all funds, non-appropriated funds, and capital financing;

(2) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and for all funding sources;

(3) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged, broken out on the basis of control center and responsibility center, and contract identifying codes used by the University of the District of Columbia; payments made in the last quarter and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(4) all reprogramming requests and reports that have been made by the University of the District of Columbia within the last quarter in compliance with applicable law; and

(5) changes made in the last quarter to the organizational structure of the University of the District of Columbia, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

(b) The Mayor, the Authority, and the Council shall provide the Congress by February 1, 2000, a summary, analysis, and recommendations on the information provided in the quarterly reports.

SEC. 128. Funds authorized or previously appropriated to the government of the District of Columbia by this or any other Act to procure the necessary hardware and installation of new software, conversion, testing, and training to improve or replace its financial management system are also available for the acquisition of accounting and financial management services and the leasing of necessary hardware, software or any other related goods or services, as determined by the District of Columbia Financial Responsibility and Management Assistance Authority.

SEC. 129. (a) None of the funds contained in this Act may be made available to pay the fees of an attorney who represents a party who prevails in an action, including an administrative proceeding, brought against the District of Columbia Public Schools under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) if—

(1) the hourly rate of compensation of the attorney exceeds 120 percent of the hourly rate of compensation under section 11–2604(a), District of Columbia Code; or

(2) the maximum amount of compensation of the attorney exceeds 120 percent of the maximum amount of compensation under section 11–2604(b)(1), District of Columbia Code, except that compensation and reimbursement in excess of such maximum may be approved for extended or complex representation in accordance with section 11–2604(c), District of Columbia Code.

(b) Notwithstanding the preceding subsection, if the Mayor, District of Columbia Financial Responsibility and Management Assistance Authority and the Superintendent of the District of Columbia Public Schools concur in a Memorandum of Understanding setting forth a new rate and amount of compensation, then such new rates shall apply in lieu of the rates set forth in the preceding subsection.

SEC. 130. None of the funds appropriated under this Act shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

SEC. 131. None of the funds made available in this Act may be used to implement or enforce the Health Care Benefits Expansion Act of 1992 (D.C. Law 9–114; D.C. Code, sec. 36–1401 et seq.) or to otherwise implement or enforce any system of registration of unmarried, cohabiting couples (whether homosexual, heterosexual, or lesbian), including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples.

SEC. 132. The Superintendent of the District of Columbia Public Schools shall submit to the Congress, the Mayor, the District of Columbia

Financial Responsibility and Management Assistance Authority, and the Council of the District of Columbia no later than 15 calendar days after the end of each quarter a report that sets forth—

(1) current quarter expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections versus budget, broken out on the basis of control center, responsibility center, agency reporting code, and object class, and for all funds, including capital financing;

(2) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and agency reporting code, and for all funding sources;

(3) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged, broken out on the basis of control center, responsibility center, and agency reporting code; and contract identifying codes used by the District of Columbia Public Schools; payments made in the last quarter and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(4) all reprogramming requests and reports that are required to be, and have been, submitted to the Board of Education; and

(5) changes made in the last quarter to the organizational structure of the District of Columbia Public Schools, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

SEC. 133. (a) IN GENERAL.—The Superintendent of the District of Columbia Public Schools and the University of the District of Columbia shall annually compile an accurate and verifiable report on the positions and employees in the public school system and the university, respectively. The annual report shall set forth—

(1) the number of validated schedule A positions in the District of Columbia public schools and the University of the District of Columbia for fiscal year 1999, fiscal year 2000, and thereafter on full-time equivalent basis, including a compilation of all positions by control center, responsibility center, funding source, position type, position title, pay plan, grade, and annual salary; and

(2) a compilation of all employees in the District of Columbia public schools and the University of the District of Columbia as of the preceding December 31, verified as to its accuracy in accordance with the functions that each employee actually performs, by control center, responsibility center, agency reporting code, program (including funding source), activity, location for accounting purposes, job title, grade and classification, annual salary, and position control number.

(b) SUBMISSION.—The annual report required by subsection (a) of this section shall be submitted to the Congress, the Mayor, the District of Columbia Council, the Consensus Commission, and the Authority, not later than February 15 of each year.

SEC. 134. (a) No later than November 1, 1999, or within 30 calendar days after the date of the enactment of this Act, whichever occurs later, and each succeeding year, the Superintendent of the District of Columbia Public Schools and the University of the District of Columbia shall submit to the appropriate congressional committees, the Mayor, the District of Columbia Council, the Consensus Commission, and the District of Columbia Financial Responsibility and Management Assistance Authority, a revised appropriated funds operating budget for the public school system and the University of the District of Columbia for such fiscal year that is in the total amount of the approved appropriation and that realigns budgeted data for personal services and other-than-personal services, respectively, with anticipated actual expenditures.

(b) The revised budget required by subsection (a) of this section shall be submitted in the format of the budget that the Superintendent of the District of Columbia Public Schools and the University of the District of Columbia submit to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia pursuant to section 442 of the District of Columbia Home Rule Act (Public Law 93–198; D.C. Code, sec. 47–301).

SEC. 135. The District of Columbia Financial Responsibility and Management Assistance Authority, acting on behalf of the District of Columbia Public Schools (DCPS) in formulating the DCPS budget, the Board of Trustees of the University of the District of Columbia, the Board of Library Trustees, and the Board of Governors of the University of the District of Columbia School of Law shall vote on and approve the respective annual or revised budgets for such entities before submission to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia in accordance with section 442 of the District of Columbia Home Rule Act (Public Law 93–198; D.C. Code, sec. 47–301), or before submitting their respective budgets directly to the Council.

SEC. 136. (a) CEILING ON TOTAL OPERATING EXPENSES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the total amount appropriated in this Act for operating expenses for the District of Columbia for fiscal year 2000 under the heading ''Division of Expenses'' shall not exceed the lesser of—

(A) the sum of the total revenues of the District of Columbia for such fiscal year; or

(B) $5,515,379,000 (of which $152,753,000 shall be from intra-District funds and $3,113,854,000 shall be from local funds), which amount may be increased by the following:

(i) proceeds of one-time transactions, which are expended for emergency or unanticipated operating or capital needs approved by the District of Columbia Financial Responsibility and Management Assistance Authority; or

(ii) after notification to the Council, additional expenditures which the Chief Financial Officer of the District of Columbia certifies will produce additional revenues during such fiscal year at least equal to 200 percent of such additional expenditures, and that are approved by the Authority.

(2) ENFORCEMENT.—The Chief Financial Officer of the District of Columbia and the Authority shall take such steps as are necessary to assure that the District of Columbia meets the requirements of this section, including the apportioning by the Chief Financial Officer of the appropriations and funds made available to the District during fiscal year 2000, except that the Chief Financial Officer may not reprogram for operating expenses any funds derived from bonds, notes, or other obligations issued for capital projects.

(b) ACCEPTANCE AND USE OF GRANTS NOT INCLUDED IN CEILING.—

(1) IN GENERAL.—Notwithstanding subsection (a), the Mayor, in consultation with the Chief Financial Officer, during a control year, as defined in section 305(4) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (Public Law 104–8; 109 Stat. 152), may accept, obligate, and expend Federal, private, and other grants received by the District government that are not reflected in the amounts appropriated in this Act.

(2) REQUIREMENT OF CHIEF FINANCIAL OFFICER REPORT AND AUTHORITY APPROVAL.—No such Federal, private, or other grant may be accepted, obligated, or expended pursuant to paragraph (1) until—

(A) the Chief Financial Officer of the District of Columbia submits to the Authority a report setting forth detailed information regarding such grant; and

(B) the Authority has reviewed and approved the acceptance, obligation, and expenditure of such grant in accordance with review and approval procedures consistent with the provisions of the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

(3) PROHIBITION ON SPENDING IN ANTICIPATION OF APPROVAL OR RECEIPT.—No amount may be obligated or expended from the general fund or other funds of the District government in anticipation of the approval or receipt of a grant under paragraph (2)(B) of this subsection or in anticipation of the approval or receipt of a Federal, private, or other grant not subject to such paragraph.

(4) QUARTERLY REPORTS.—The Chief Financial Officer of the District of Columbia shall prepare a quarterly report setting forth detailed information regarding all Federal, private, and other grants subject to this subsection. Each such report shall be submitted to the Council of the District of Columbia, and to the Committees on Appropriations of the House of Representatives and the Senate, not later than 15 days after the end of the quarter covered by the report.

(c) REPORT ON EXPENDITURES BY FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY.—Not later than 20 calendar days after the end of each fiscal quarter starting October 1, 1999, the Authority shall submit a report to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Government Reform of the House, and the Committee on Governmental Affairs of the Senate providing an itemized accounting of all non-appropriated funds obligated or expended by the Authority for the quarter. The report shall include information on the date, amount, purpose, and vendor name, and a description of the services or goods provided with respect to the expenditures of such funds.

SEC. 137. If a department or agency of the government of the District of Columbia is under the administration of a court-appointed receiver or other court-appointed official during fiscal year 2000 or any succeeding fiscal year, the receiver or official shall prepare and submit to the Mayor, for inclusion in the annual budget of the District of Columbia for the year, annual estimates of the expenditures and appropriations necessary for the maintenance and operation of the department or agency. All such estimates shall be forwarded by the Mayor to the Council, for its action pursuant to sections 446 and 603(c) of the District of Columbia Home Rule Act, without revision but subject to the Mayor's recommendations. Notwithstanding any provision of the District of Columbia Home Rule Act (87 Stat. 774; Public Law 93–198) the Council may comment or make recommendations concerning such annual estimates but shall have no authority under such Act to revise such estimates.

SEC. 138. (a) Notwithstanding any other provision of law, rule, or regulation, an employee of the District of Columbia public schools shall be—

(1) classified as an Educational Service employee;

(2) placed under the personnel authority of the Board of Education; and

(3) subject to all Board of Education rules.

(b) School-based personnel shall constitute a separate competitive area from nonschool-based personnel who shall not compete with school-based personnel for retention purposes.

SEC. 139. (a) RESTRICTIONS ON USE OF OFFICIAL VEHICLES.—Except as otherwise provided in this section, none of the funds made available by this Act or by any other Act may be used to provide any officer or employee of the District of Columbia with an official vehicle unless the officer or employee uses the vehicle only in the performance of the officer's or employee's official duties. For purposes of this paragraph, the term ''official duties'' does not include travel between the officer's or employee's residence and workplace (except: (1) in the case of an officer or employee of the Metropolitan Police Department who resides in the District of Columbia or is otherwise designated by the Chief of the Department; (2) at the discretion of the Fire Chief, an officer or employee of the District of Columbia Fire and Emergency Medical Services Department who resides in the District of Columbia and is on call 24 hours a day; (3) the Mayor of the District of Columbia; and (4) the Chairman of the Council of the District of Columbia).

(b) INVENTORY OF VEHICLES.—The Chief Financial Officer of the District of Columbia shall submit, by November 15, 1999, an inventory, as of September 30, 1999, of all vehicles owned, leased or operated by the District of Columbia government. The inventory shall include, but not be limited to, the department to which the vehicle is assigned; the year and make of the vehicle; the acquisition date and cost; the general condition of the vehicle; annual operating and maintenance costs; current mileage; and whether the vehicle is allowed to be taken home by a District officer or employee and if so, the officer or employee's title and resident location.

SEC. 140. (a) SOURCE OF PAYMENT FOR EMPLOYEES DETAILED WITHIN GOVERNMENT.—For purposes of determining the amount of funds expended by any entity within the District of Columbia government during fiscal year 2000 and each succeeding fiscal year, any expenditures of the District government attributable to any officer or employee of the District government who provides services which are within the authority and jurisdiction of the entity (including any portion of the compensation paid to the officer or employee attributable to the time spent in providing such services) shall be treated as expenditures made from the entity's budget, without regard to whether the officer or employee is assigned to the entity or otherwise treated as an officer or employee of the entity.

(b) MODIFICATION OF REDUCTION IN FORCE PROCEDURES.—The District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Code, sec. 1–601.1 et seq.), is further amended in section 2408(a) by striking ''1999'' and inserting ''2000''; in subsection (b), by striking ''1999'' and inserting ''2000''; in subsection (i), by striking ''1999'' and inserting ''2000''; and in subsection (k), by striking ''1999'' and inserting ''2000''.

SEC. 141. Notwithstanding any other provision of law, not later than 120 days after the date that a District of Columbia Public Schools (DCPS) student is referred for evaluation or assessment—

(1) the District of Columbia Board of Education, or its successor, and DCPS shall assess or evaluate a student who may have a disability and who may require special education services; and

(2) if a student is classified as having a disability, as defined in section 101(a)(1) of the Individuals with Disabilities Education Act (84 Stat. 175; 20 U.S.C. 1401(a)(1)) or in section 7(8) of the Rehabilitation Act of 1973 (87 Stat. 359; 29 U.S.C. 706(8)), the Board and DCPS shall place that student in an appropriate program of special education services.

SEC. 142. (a) COMPLIANCE WITH BUY AMERICAN ACT.—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 agency of the Federal or District of Columbia government 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. 143. None of the funds contained in this Act may be used for purposes of the annual independent audit of the District of Columbia government (including the District of Columbia Financial Responsibility and Management Assistance Authority) for fiscal year 2000 unless—

(1) the audit is conducted by the Inspector General of the District of Columbia pursuant to section 208(a)(4) of the District of Columbia Procurement Practices Act of 1985 (D.C. Code, sec. 1–1182.8(a)(4)); and

(2) the audit includes a comparison of audited actual year-end results with the revenues submitted in the budget document for such year and the appropriations enacted into law for such year.

SEC. 144. Nothing in this Act shall be construed to authorize any office, agency or entity to expend funds for programs or functions for which a reorganization plan is required but has not been approved by the District of Columbia Financial Responsibility and Management Assistance Authority. Appropriations made by this Act for such programs or functions are conditioned only on the approval by the Authority of the required reorganization plans.

SEC. 145. Notwithstanding any other provision of law, rule, or regulation, the evaluation process and instruments for evaluating District of Columbia Public School employees shall be a non-negotiable item for collective bargaining purposes.

SEC. 146. None of the funds contained in this Act may be used by the District of Columbia Corporation Counsel or any other officer or entity of the District government to provide assistance for any petition drive or civil action which seeks to require Congress to provide for voting representation in Congress for the District of Columbia.

SEC. 147. None of the funds contained in this Act may be used to transfer or confine inmates classified above the medium security level, as defined by the Federal Bureau of Prisons classification instrument, to the Northeast Ohio Correctional Center located in Youngstown, Ohio.

SEC. 148. (a) Section 202(i) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 (Public Law 104–8), as added by section 155 of the District of Columbia Appropriations Act, 1999, is amended to read as follows:

''(j) RESERVE.—

''(1) IN GENERAL.—Beginning with fiscal year 2000, the plan or budget submitted pursuant to this Act shall contain $150,000,000 for a reserve to be established by the Mayor, Council of the District of Columbia, Chief Financial Officer for the District of Columbia, and the District of Columbia Financial Responsibility and Management Assistance Authority.

''(2) CONDITIONS ON USE.—The reserve funds—

''(A) shall only be expended according to criteria established by the Chief Financial Officer and approved by the Mayor, Council of the District of Columbia, and District of Columbia Financial Responsibility and Management Assistance Authority, but, in no case may any of the reserve funds be expended until any other surplus funds have been used;

''(B) shall not be used to fund the agencies of the District of Columbia government under court ordered receivership; and

''(C) shall not be used to fund shortfalls in the projected reductions budgeted in the budget proposed by the District of Columbia government for general supply schedule savings and management reform savings.

''(3) REPORT REQUIREMENT.—The Authority shall notify the Appropriations Committees of both the Senate and House of Representatives in writing 30 days in advance of any expenditure of the reserve funds.''.

(b) Section 202 of such Act (Public Law 104–8), as amended by subsection (a), is further amended by adding at the end the following:

''(k) POSITIVE FUND BALANCE.—

''(1) IN GENERAL.—The District of Columbia shall maintain at the end of a fiscal year an annual positive fund balance in the general fund of not less than 4 percent of the projected general fund expenditures for the following fiscal year.

''(2) EXCESS FUNDS.—Of funds remaining in excess of the amounts required by paragraph (1)—

''(A) not more than 50 percent may be used for authorized non-recurring expenses; and

''(B) not less than 50 percent shall be used to reduce the debt of the District of Columbia.''.

SEC. 149. (a) No later than November 1, 1999, or within 30 calendar days after the date of the enactment of this Act, whichever occurs later, the Chief Financial Officer of the District of Columbia shall submit to the appropriate committees of Congress, the Mayor, and the District of Columbia Financial Responsibility and Management Assistance Authority a revised appropriated funds operating budget for all agencies of the District of Columbia government for such fiscal year that is in the total amount of the approved appropriation and that realigns budgeted data for personal services and other-than-personal-services, respectively, with anticipated actual expenditures.

(b) The revised budget required by subsection (a) of this section shall be submitted in the format of the budget that the District of Columbia government submitted pursuant to section 442 of the District of Columbia Home Rule Act (Public Law 93–198; D.C. Code, sec. 47–301).

SEC. 150. (a) None of the funds contained in this Act may be used for any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.

(b) Any individual or entity who receives any funds contained in this Act and who carries out any program described in subsection (a) shall account for all funds used for such program separately from any funds contained in this Act.

SEC. 151. (a) RESTRICTIONS ON LEASES.—Upon the expiration of the 60-day period that begins on the date of the enactment of this Act, none of the funds contained in this Act may be used to make rental payments under a lease for the use of real property by the District of Columbia government (including any independent agency of the District) unless the lease and an abstract of the lease have been filed (by the District of Columbia or any other party to the lease) with the central office of the Deputy Mayor for Economic Development, in an indexed registry available for public inspection.

(b) ADDITIONAL RESTRICTIONS ON CURRENT LEASES.—

(1) IN GENERAL.—Upon the expiration of the 60-day period that begins on the date of the enactment of this Act, in the case of a lease described in paragraph (3), none of the funds contained in this Act may be used to make rental payments under the lease unless the lease is included in periodic reports submitted by the Mayor and Council of the District of Columbia to the Committees on Appropriations of the House of Representatives and Senate describing for each such lease the following information:

(A) The location of the property involved, the name of the owners of record according to the land records of the District of Columbia, the name of the lessors according to the lease, the rate of payment under the lease, the period of time covered by the lease, and the conditions under which the lease may be terminated.

(B) The extent to which the property is or is not occupied by the District of Columbia government as of the end of the reporting period involved.

(C) If the property is not occupied and utilized by the District government as of the end of the reporting period involved, a plan for occupying and utilizing the property (including construction or renovation work) or a status statement regarding any efforts by the District to terminate or renegotiate the lease.

(2) TIMING OF REPORTS.—The reports described in paragraph (1) shall be submitted for each calendar quarter (beginning with the quarter ending December 31, 1999) not later than 20 days after the end of the quarter involved, plus an initial report submitted not later than 60 days after the date of the enactment of this Act, which shall provide information as of the date of the enactment of this Act.

(3) LEASES DESCRIBED.—A lease described in this paragraph is a lease in effect as of the date of the enactment of this Act for the use of real property by the District of Columbia government (including any independent agency of the District) which is not being occupied by the District government (including any independent agency of the District) as of such date or during the 60-day period which begins on the date of the enactment of this Act.

SEC. 152. (a) MANAGEMENT OF EXISTING DISTRICT GOVERNMENT PROPERTY.—Upon the expiration of the 60-day period that begins on the date of the enactment of this Act, none of the funds contained in this Act may be used to enter into a lease (or to make rental payments under such a lease) for the use of real property by the District of Columbia government (including any independent agency of the District) or to purchase real property for the use of the District of Columbia government (including any independent agency of the District) or to manage real property for the use of the District of Columbia (including any independent agency of the District) unless the following conditions are met:

(1) The Mayor and Council of the District of Columbia certify to the Committees on Appropriations of the House of Representatives and Senate that existing real property available to the District (whether leased or owned by the District government) is not suitable for the purposes intended.

(2) Notwithstanding any other provisions of law, there is made available for sale or lease all real property of the District of Columbia that the Mayor from time-to-time determines is surplus to the needs of the District of Columbia, unless a majority of the members of the Council override the Mayor's determination during the 30-day period which begins on the date the determination is published.

(3) The Mayor and Council implement a program for the periodic survey of all District property to determine if it is surplus to the needs of the District.

(4) The Mayor and Council within 60 days of the date of the enactment of this Act have filed with the Committees on Appropriations of the House of Representatives and Senate, the Committee on Government Reform and Oversight of the House of Representatives, and the Committee on Governmental Affairs of the Senate a report which provides a comprehensive plan for the management of District of Columbia real property assets, and are proceeding with the implementation of the plan.

(b) TERMINATION OF PROVISIONS.—If the District of Columbia enacts legislation to reform the practices and procedures governing the entering into of leases for the use of real property by the District of Columbia government and the disposition of surplus real property of the District government, the provisions of subsection (a) shall cease to be effective upon the effective date of the legislation.

SEC. 153. Section 603(e)(2)(B) of the Student Loan Marketing Association Reorganization Act of 1996 (Public Law 104–208; 110 Stat. 3009–293) is amended—

(1) by inserting ''and public charter'' after ''public''; and

(2) by adding at the end the following: ''Of such amounts and proceeds, $5,000,000 shall be set aside for use as a credit enhancement fund for public charter schools in the District of Columbia, with the administration of the fund (including the making of loans) to be carried out by the Mayor through a committee consisting of three individuals appointed by the Mayor of the District of Columbia and two individuals appointed by the Public Charter School Board established under section 2214 of the District of Columbia School Reform Act of 1995.''.

SEC. 154. The Mayor, District of Columbia Financial Responsibility and Management Assistance Authority, and the Superintendent of Schools shall implement a process to dispose of excess public school real property within 90 days of the enactment of this Act.

SEC. 155. Section 2003 of the District of Columbia School Reform Act of 1995 (Public Law 104–134; D.C. Code, sec. 31–2851) is amended by striking ''during the period'' and ''and ending 5 years after such date.''.

SEC. 156. Section 2206(c) of the District of Columbia School Reform Act of 1995 (Public Law 104–134; D.C. Code, sec. 31–2853.16(c)) is amended by adding at the end the following: '', except that a preference in admission may be given to an applicant who is a sibling of a student already attending or selected for admission to the public charter school in which the applicant is seeking enrollment.''.

SEC. 157. (a) TRANSFER OF FUNDS.—There is hereby transferred from the District of Columbia Financial Responsibility and Management Assistance Authority (hereafter referred to as the ''Authority'') to the District of Columbia the sum of $18,000,000 for severance payments to individuals separated from employment during fiscal year 2000 (under such terms and conditions as the Mayor considers appropriate), expanded contracting authority of the Mayor, and the implementation of a system of managed competition among public and private providers of goods and services by and on behalf of the District of Columbia: Provided, That such funds shall be used only in accordance with a plan agreed to by the Council and the Mayor and approved by the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That the Authority and the Mayor shall coordinate the spending of funds for this program so that continuous progress is made. The Authority shall release said funds, on a quarterly basis, to reimburse such expenses, so long as the Authority certifies that the expenses reduce re-occurring future costs at an annual ratio of at least 2 to 1 relative to the funds provided, and that the program is in accordance with the best practices of municipal government.

(b) SOURCE OF FUNDS.—The amount transferred under subsection (a) shall be derived from interest earned on accounts held by the Authority on behalf of the District of Columbia.

SEC. 158. (a) IN GENERAL.—The District of Columbia Financial Responsibility and Management Assistance Authority (hereafter referred to as the ''Authority''), working with the Commonwealth of Virginia and the Director of the National Park Service, shall carry out a project to complete all design requirements and all requirements for compliance with the National Environmental Policy Act for the construction of expanded lane capacity for the Fourteenth Street Bridge.

(b) SOURCE OF FUNDS; TRANSFER.—For purposes of carrying out the project under subsection (a), there is hereby transferred to the Authority from the District of Columbia dedicated highway fund established pursuant to section 3(a) of the District of Columbia Emergency Highway Relief Act (Public Law 104–21; D.C. Code, sec. 7–134.2(a)) an amount not to exceed $5,000,000.

SEC. 159. (a) IN GENERAL.—The Mayor of the District of Columbia shall carry out through the Army Corps of Engineers, an Anacostia River environmental cleanup program.

(b) SOURCE OF FUNDS.—There are hereby transferred to the Mayor from the escrow account held by the District of Columbia Financial Responsibility and Management Assistance Authority pursuant to section 134 of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–552), for infrastructure needs of the District of Columbia, $5,000,000.

SEC. 160. (a) PROHIBITING PAYMENT OF ADMINISTRATIVE COSTS FROM FUND.—Section 16(e) of the Victims of Violent Crime Compensation Act of 1996 (D.C. Code, sec. 3–435(e)) is amended—

(1) by striking ''and administrative costs necessary to carry out this chapter''; and

(2) by striking the period at the end and inserting the following: '', and no monies in the Fund may be used for any other purpose.''.

(b) MAINTENANCE OF FUND IN TREASURY OF THE UNITED STATES.—

(1) IN GENERAL.—Section 16(a) of such Act (D.C. Code, sec. 3–435(a)) is amended by striking the second sentence and inserting the following: ''The Fund shall be maintained as a separate fund in the Treasury of the United States. All amounts deposited to the credit of the Fund are appropriated without fiscal year limitation to make payments as authorized under subsection (e).''.

(2) CONFORMING AMENDMENT.—Section 16 of such Act (D.C. Code, sec. 3–435) is amended by striking subsection (d).

(c) DEPOSIT OF OTHER FEES AND RECEIPTS INTO FUND.—Section 16(c) of such Act (D.C. Code, sec. 3–435(c)) is amended by inserting after ''1997,'' the second place it appears the following: ''any other fines, fees, penalties, or assessments that the Court determines necessary to carry out the purposes of the Fund,''.

(d) ANNUAL TRANSFER OF UNOBLIGATED BALANCES TO MISCELLANEOUS RECEIPTS OF TREASURY.—Section 16 of such Act (D.C. Code, sec. 3–435), as amended by subsection (b)(2), is further amended by inserting after subsection (c) the following new subsection:

''(d) Any unobligated balance existing in the Fund in excess of $250,000 as of the end of each fiscal year (beginning with fiscal year 2000) shall be transferred to miscellaneous receipts of the Treasury of the United States not later than 30 days after the end of the fiscal year.''.

(e) RATIFICATION OF PAYMENTS AND DEPOSITS.—Any payments made from or deposits made to the Crime Victims Compensation Fund on or after April 9, 1997 are hereby ratified, to the extent such payments and deposits are authorized under the Victims of Violent Crime Compensation Act of 1996 (D.C. Code, sec. 3–421 et seq.), as amended by this section.

SEC. 161. CERTIFICATION.—None of the funds contained in this Act may be used after the expiration of the 60-day period that begins on the date of the enactment of this Act to pay the salary of any chief financial officer of any office of the District of Columbia government (including any independent agency of the District) who has not filed a certification with the Mayor and the Chief Financial Officer of the District of Columbia that the officer understands the duties and restrictions applicable to the officer and their agency as a result of this Act.

SEC. 162. The proposed budget of the government of the District of Columbia for fiscal year 2001 that is submitted by the District to Congress shall specify potential adjustments that might become necessary in the event that the management savings achieved by the District during the year do not meet the level of management savings projected by the District under the proposed budget.

SEC. 163. In submitting any document showing the budget for an office of the District of Columbia government (including an independent agency of the District) that contains a category of activities labeled as ''other'', ''miscellaneous'', or a similar general, nondescriptive term, the document shall include a description of the types of activities covered in the category and a detailed breakdown of the amount allocated for each such activity.

SEC. 164. (a) AUTHORIZING CORPS OF ENGINEERS TO PERFORM REPAIRS AND IMPROVEMENTS.—In using the funds made available under this Act for carrying out improvements to the Southwest Waterfront in the District of Columbia (including upgrading marina dock pilings and paving and restoring walkways in the marina and fish market areas) for the portions of Federal property in the Southwest quadrant of the District of Columbia within Lots 847 and 848, a portion of Lot 846, and the unassessed Federal real property adjacent to Lot 848 in Square 473, any entity of the District of Columbia government (including the District of Columbia Financial Responsibility and Management Assistance Authority or its designee) may place orders for engineering and construction and related services with the Chief of Engineers of the United States Army Corps of Engineers. The Chief of Engineers may accept such orders on a reimbursable basis and may provide any part of such services by contract. In providing such services, the Chief of Engineers shall follow the Federal Acquisition Regulations and the implementing Department of Defense regulations.

(b) TIMING FOR AVAILABILITY OF FUNDS UNDER 1999 ACT.—

(1) IN GENERAL.—The District of Columbia Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–124) is amended in the item relating to ''FEDERAL FUNDS—FEDERAL PAYMENT FOR WATERFRONT IMPROVEMENTS''—

(A) by striking ''existing lessees'' the first place it appears and inserting ''existing lessees of the Marina''; and

(B) by striking ''the existing lessees'' the second place it appears and inserting ''such lessees''.

(2) EFFECTIVE DATE.—This subsection shall take effect as if included in the District of Columbia Appropriations Act, 1999.

(c) ADDITIONAL FUNDING FOR IMPROVEMENTS CARRIED OUT THROUGH CORPS OF ENGINEERS.—

(1) IN GENERAL.—There is hereby transferred from the District of Columbia Financial Responsibility and Management Assistance Authority to the Mayor the sum of $3,000,000 for carrying out the improvements described in subsection (a) through the Chief of Engineers of the United States Army Corps of Engineers.

(2) SOURCE OF FUNDS.—The funds transferred under paragraph (1) shall be derived from the escrow account held by the District of Columbia Financial Responsibility and Management Assistance Authority pursuant to section 134 of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–552), for infrastructure needs of the District of Columbia.

(d) QUARTERLY REPORTS ON PROJECT.—The Mayor shall submit reports to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate on the status of the improvements described in subsection (a) for each calendar quarter occurring until the improvements are completed.

SEC. 165. It is the sense of the Congress that the District of Columbia should not impose or take into consideration any height, square footage, set-back, or other construction or zoning requirements in authorizing the issuance of industrial revenue bonds for a project of the American National Red Cross at 2025 E Street Northwest, Washington, D.C., in as much as this project is subject to approval of the National Capital Planning Commission and the Commission of Fine Arts pursuant to section 11 of the joint resolution entitled ''Joint Resolution to grant authority for the erection of a permanent building for the American National Red Cross, District of Columbia Chapter, Washington, District of Columbia'', approved July 1, 1947 (Public Law 100–637; 36 U.S.C. 300108 note).

SEC. 166. (a) PERMITTING COURT SERVICES AND OFFENDER SUPERVISION AGENCY TO CARRY OUT SEX OFFENDER REGISTRATION.—Section 11233(c) of the National Capital Revitalization and Self-Government Improvement Act of 1997 (D.C. Code, sec. 24–1233(c)) is amended by adding at the end the following new paragraph:

''(5) SEX OFFENDER REGISTRATION.—The Agency shall carry out sex offender registration functions in the District of Columbia, and shall have the authority to exercise all powers and functions relating to sex offender registration that are granted to the Agency under any District of Columbia law.''.

(b) AUTHORITY DURING TRANSITION TO FULL OPERATION OF AGENCY.—

(1) AUTHORITY OF PRETRIAL SERVICES, PAROLE, ADULT PROBATION AND OFFENDER SUPERVISION TRUSTEE.—Notwithstanding section 11232(b)(1) of the National Capital Revitalization and Self-Government Improvement Act of 1997 (D.C. Code, sec. 24–1232(b)(1)), the Pretrial Services, Parole, Adult Probation and Offender Supervision Trustee appointed under section 11232(a) of such Act (hereafter referred to as the ''Trustee'') shall, in accordance with section 11232 of such Act, exercise the powers and functions of the Court Services and Offender Supervision Agency for the District of Columbia (hereafter referred to as the ''Agency'') relating to sex offender registration (as granted to the Agency under any District of Columbia law) only upon the Trustee's certification that the Trustee is able to assume such powers and functions.

(2) AUTHORITY OF METROPOLITAN POLICE DEPARTMENT.—During the period that begins on the date of the enactment of the Sex Offender Registration Emergency Act of 1999 and ends on the date the Trustee makes the certification described in paragraph (1), the Metropolitan Police Department of the District of Columbia shall have the authority to carry out any powers and functions relating to sex offender registration that are granted to the Agency or to the Trustee under any District of Columbia law.

SEC. 167. (a) None of the funds contained in this Act may be used to enact or carry out any law, rule, or regulation to legalize or otherwise reduce penalties associated with the possession, use, or distribution of any schedule I substance under the Controlled Substances Act (21 U.S.C. 802) or any tetrahydrocannabinols derivative.

(b) The Legalization of Marijuana for Medical Treatment Initiative of 1998, also known as Initiative 59, approved by the electors of the District of Columbia on November 3, 1998, shall not take effect.

SEC. 168. (a) IN GENERAL.—There is hereby transferred from the District of Columbia Financial Responsibility and Management Assistance Authority (hereinafter referred to as the ''Authority'') to the District of Columbia the sum of $5,000,000 for the Mayor, in consultation with the Council of the District of Columbia, to provide offsets against local taxes for a commercial revitalization program, such program to be available in enterprise zones and low and moderate income areas in the District of Columbia: Provided, That in carrying out such a program, the Mayor shall use Federal commercial revitalization proposals introduced in Congress as a guideline.

(b) SOURCE OF FUNDS.—The amount transferred under subsection (a) shall be derived from interest earned on accounts held by the Authority on behalf of the District of Columbia.

(c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Mayor shall report to the Committees on Appropriations of the Senate and House of Representatives on the progress made in carrying out the commercial revitalization program.

SEC. 169. Section 456 of the District of Columbia Home Rule Act (section 47–231 et seq. of the D.C. Code, as added by the Federal Payment Reauthorization Act of 1994 (Public Law 103–373)) is amended—

(1) in subsection (a)(1), by striking ''District of Columbia Financial Responsibility and Management Assistance Authority'' and inserting ''Mayor''; and

(2) in subsection (b)(1), by striking ''Authority'' and inserting ''Mayor''.

SEC. 170. (a) FINDINGS.—The Congress finds the following:

(1) The District of Columbia has recently witnessed a spate of senseless killings of innocent citizens caught in the crossfire of shootings. A Justice Department crime victimization survey found that while the city saw a decline in the homicide rate between 1996 and 1997, the rate was the highest among a dozen cities and more than double the second highest city.

(2) The District of Columbia has not made adequate funding available to fight drug abuse in recent years, and the city has not deployed its resources as effectively as possible. In fiscal year 1998, $20,900,000 was spent on publicly funded drug treatment in the District compared to $29,000,000 in fiscal year 1993. The District's Addiction and Prevention and Recovery Agency currently has only 2,200 treatment slots, a 50 percent drop from 1994, with more than 1,100 people on waiting lists.

(3) The District of Columbia has seen a rash of inmate escapes from halfway houses. According to Department of Corrections records, between October 21, 1998 and January 19, 1999, 376

of the 1,125 inmates assigned to halfway houses walked away. Nearly 280 of the 376 escapees were awaiting trial including two charged with murder.

(4) The District of Columbia public schools system faces serious challenges in correcting chronic problems, particularly long-standing deficiencies in providing special education services to the 1 in 10 District students needing program benefits, including backlogged assessments, and repeated failure to meet a compliance agreement on special education reached with the Department of Education.

(5) Deficiencies in the delivery of basic public services from cleaning streets to waiting time at Department of Motor Vehicles to a rat population estimated earlier this year to exceed the human population have generated considerable public frustration.

(6) Last year, the District of Columbia forfeited millions of dollars in Federal grants after Federal auditors determined that several agencies exceeded grant restrictions and in other instances, failed to spend funds before the grants expired.

(7) Findings of a 1999 report by the Annie E. Casey Foundation that measured the well-being of children reflected that, with one exception, the District ranked worst in the United States in every category from infant mortality to the rate of teenage births to statistics chronicling child poverty.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that in considering the District of Columbia's fiscal year 2001 budget, the Congress will take into consideration progress or lack of progress in addressing the following issues:

(1) Crime, including the homicide rate, implementation of community policing, the number of police officers on local beats, and the closing down of open-air drug markets.

(2) Access to drug abuse treatment, including the number of treatment slots, the number of people served, the number of people on waiting lists, and the effectiveness of treatment programs.

(3) Management of parolees and pretrial violent offenders, including the number of halfway house escapes and steps taken to improve monitoring and supervision of halfway house residents to reduce the number of escapes.

(4) Education, including access to special education services and student achievement.

(5) Improvement in basic city services, including rat control and abatement.

(6) Application for and management of Federal grants.

(7) Indicators of child well-being.

SEC. 171. The Mayor, prior to using Federal Medicaid payments to Disproportionate Share Hospitals to serve a small number of childless adults, should consider the recommendations of the Health Care Development Commission that has been appointed by the Council of the District of Columbia to review this program, and consult and report to Congress on the use of these funds.

SEC. 172. GAO STUDY OF DISTRICT OF COLUMBIA CRIMINAL JUSTICE SYSTEM. Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall—

(1) conduct a study of the law enforcement, court, prison, probation, parole, and other components of the criminal justice system of the District of Columbia, in order to identify the components most in need of additional resources, including financial, personnel, and management resources; and

(2) submit to Congress a report on the results of the study under paragraph (1).

SEC. 173. Nothing in this Act bars the District of Columbia Corporation Counsel from reviewing or commenting on briefs in private lawsuits, or from consulting with officials of the District government regarding such lawsuits.

SEC. 174. WIRELESS COMMUNICATIONS.—(a) IN GENERAL.—Not later than 7 days after the date of the enactment of this Act, the Secretary of the Interior, acting through the Director of the National Park Service, shall—

(1) implement the notice of decision approved by the National Capital Regional Director, dated April 7, 1999, including the provisions of the notice of decision concerning the issuance of right-of-way permits at market rates; and

(2) expend such sums as are necessary to carry out paragraph (1).

(b) ANTENNA APPLICATIONS.—

(1) IN GENERAL.—Not later than 120 days after the receipt of an application, a Federal agency that receives an application submitted after the enactment of this Act to locate a wireless communications antenna on Federal property in the District of Columbia or surrounding area over which the Federal agency exercises control shall take final action on the application, including action on the issuance of right-of-way permits at market rates.

(2) EXISTING LAW.—Nothing in this subsection shall be construed to affect the applicability of existing laws regarding—

(A) judicial review under chapter 7 of title 5, United States Code (the Administrative Procedure Act), and the Communications Act of 1934;

(B) the National Environmental Policy Act, the National Historic Preservation Act and other applicable Federal statutes; and

(C) the authority of a State or local government or instrumentality thereof, including the District of Columbia, in the placement, construction, and modification of personal wireless service facilities.

SEC. 175. (a)(1) The first paragraph under the heading ''Community Development Block Grants'' in title II of H.R. 2684 (Public Law 106–74) is amended by inserting after ''National American Indian Housing Council,'' the following: ''$4,000,000 shall be available as a grant for the Special Olympics in Anchorage, Alaska to develop the Ben Boeke Arena and Hilltop Ski Area,''; and

(2) The paragraph that includes the words ''Economic Development Initiative (EDI)'' under the heading ''Community Development Block Grants'' in title II of H.R. 2684 (Public Law 106–74) is amended by striking ''$240,000,000'' and inserting ''$243,500,000''.

(b) The statement of the managers of the committee of conference accompanying H.R. 2684 is deemed to be amended under the heading ''Community Development Block Grants'' to include in the description of targeted economic development initiatives the following:

''—$1,000,000 for the New Jersey Community Development Corporation for the construction of the New Jersey Community Development Corporation's Transportation Opportunity Center;

''—$750,000 for South Dakota State University in Brookings, South Dakota for the development of a performing arts center;

''—$925,000 for the Florida Association of Counties for a Rural Capacity Building Pilot Project in Tallahassee, Florida;

''—$500,000 for the Osceola County Agriculture Center for construction of a new and expanded agriculture center in Osceola County, Florida;

''—$1,000,000 for the University of Syracuse in Syracuse, New York for electrical infrastructure improvements.''; and the current descriptions are amended as follows:

''—$1,700,000 to the City of Miami, Florida for the development of a Homeownership Zone to assist residents displaced by the demolition of public housing in the Model City area;'' is amended to read as follows:

''—$1,700,000 to Miami-Dade County, Florida for an economic development project at the Opalocka Neighborhood Center;'';

''—$250,000 to the Arizona Science Center in Yuma, Arizona for its after-school program for inner-city youth;'' is amended to read as follows:

''—$250,000 to the Arizona Science Center in Phoenix, Arizona for its after-school program for inner-city youth;'';

''—$200,000 to the Schuylkill County Fire Fighters Association for a smoke-maze building on the grounds of the firefighters facility in Morea, Pennsylvania;'' is amended to read as follows:

''—$200,000 to the Schuylkill County Fire Fighters Association for a smoke-maze building and other facilities and improvements on the grounds of the firefighters facility in Morea, Pennsylvania;''.

(c) Notwithstanding any other provision of law, the $2,000,000 made available pursuant to Public Law 105–276 for Pittsburgh, Pennsylvania to redevelop the Sun Co./LTV Steel Site in Hazelwood, Pennsylvania is available to the Department of Economic Development in Allegheny County, Pennsylvania for the development of a technology based project in the county.

(d) Insert the following new sections at the end of the administrative provisions in title II of H.R. 2684 (Public Law 106–74):

''FHA MULTIFAMILY MORTGAGE CREDIT DEMONSTRATION

''SEC. 226. Section 542 of the Housing and Community Development Act of 1992 is amended—

''(1) in subsection (b)(5) by striking 'during fiscal year 1999' and inserting 'in each of the fiscal years 1999 and 2000'; and

''(2) in the first sentence of subsection (c)(4) by striking 'during fiscal year 1999' and inserting 'in each of fiscal years 1999 and 2000'.

''DRUG ELIMINATION PROGRAM

''SEC. 227. (a) Section 5126(4) of the Public and Assisted Housing Drug Elimination Act of 1990 is amended—

''(1) in subparagraph (B), by inserting after '1965;' the following: 'or';

''(2) in subparagraph (C), by striking '1937: or' and inserting '1937.'; and

''(3) by striking subparagraph (D).

''(b) The amendments made by subsection (a) shall be construed to have taken effect on October 21, 1998.''.

(e) The current description in the statement of the managers of the committee of conference accompanying H.R. 2684 (Public Law 106–74; House Report No. 106–379) under the heading ''Community Development Block Grants'' in title II is amended as follows:

''—$500,000 to the City of Citrus Heights, California for the revitalization of the Sunrise Mall;'' is amended to read as follows:

''—$500,000 to the City of Citrus Heights, California for the revitalization of the Sunrise Marketplace;''.

(f) The Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000 (Public Law 106–74) is amended under the heading ''Corporation for National and Community Service, National and Community Service Programs Operating Expenses'' in title III by striking ''to remain available until September 30, 2000'' and inserting ''to remain available until September 30, 2001''.

(g) The statement of the managers of the committee of conference accompanying H.R. 2684 (Public Law 106–74; House Report No. 106–379) is deemed to be amended in the matter related to targeted economic development initiatives under the heading ''Community Development Block Grants'' by reducing by $100,000 the amount available to the University of Maryland in College Park, Maryland for the renovation of the James McGregor Burn Academy of Leadership, and by adding the following item:

''—$100,000 to St. Mary's College in Maryland for the St. Mary's River Project;''.

SEC. 176. GEORGETOWN WATERFRONT PARK FUND. (a) IN GENERAL.—The District of Columbia Appropriations Act, 1999 (Public Law 105–277; 112 Stat. 2681–123) is amended in the item relating to ''FEDERAL FUNDS—Federal Payment to the Georgetown Waterfront Park Fund'' by striking the colon and inserting '', to remain available until expended:''.

(b) EFFECTIVE DATE.—This section shall take effect as if included in the District of Columbia Appropriations Act, 1999.

This title may be cited as the ''District of Columbia Appropriations Act, 2000''.

TITLE II—TAX REDUCTION

SEC. 201. COMMENDING REDUCTION OF TAXES BY DISTRICT OF COLUMBIA. The Congress commends the District of Columbia for its action to reduce taxes, and ratifies D.C. Act 13–110 (commonly known as the Service Improvement and Fiscal Year 2000 Budget Support Act of 1999).

SEC. 202. RULE OF CONSTRUCTION. Nothing in this title may be construed to limit the ability of the Council of the District of Columbia to amend or repeal any provision of law described in this title.

DIVISION B

SEC. 1000. (a). The provisions of the following bills are hereby enacted into law:

(1) H.R. 3421 of the 106th Congress, as introduced on November 17, 1999;

(2) H.R. 3422 of the 106th Congress, as introduced on November 17, 1999;

(3) H.R. 3423 of the 106th Congress, as introduced on November 17, 1999;

(4) H.R. 3424 of the 106th Congress, as introduced on November 17, 1999;

(5) H.R. 3425 of the 106th Congress, as introduced on November 17, 1999;

(6) H.R. 3426 of the 106th Congress, as introduced on November 17, 1999;

(7) H.R. 3427 of the 106th Congress, as introduced on November 17, 1999;

(8) H.R. 3428 of the 106th Congress, as introduced on November 17, 1999; and

(9) S. 1948 of the 106th Congress, as introduced on November 17, 1999.

(b) In publishing the Act in slip form and in the United States Statutes at Large pursuant to section 112, of title 1, United States Code, the Archivist of the United States shall include after the date of approval at the end appendixes setting forth the texts of the bills referred to in subsection (a) of this section.

SEC. 1001. PAYGO ADJUSTMENTS. (a) Notwithstanding Rule 3 of the Budget Scorekeeping Guidelines set forth in the Joint Explanatory Statement of the committee of conference accompanying Conference Report No. 105–217, legislation enacted in this division by reference in the paragraphs after paragraph 4 of subsection 1000(a) that would have been estimated by the Office of Management and Budget as changing direct spending or receipts under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 were it included in an Act other than an appropriations Act shall be treated as direct spending or receipts legislation as appropriate, under section 252 of the Balanced Budget and Emergency Control Act of 1985, but shall be subject to subsection (b).

(b) The Director of the Office of Management and Budget shall not make any estimates of changes in direct spending outlays and receipts under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 for any fiscal year resulting from enactment of the legislation referenced in the paragraphs after paragraph 4 of subsection 1000(a) of this division.

(c) On January 3, 2000, the Director of the Office of Management and Budget shall change any balances of direct spending and receipts legislation for any fiscal year under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 to zero.

Amend the title so as to read ''An Act making consolidated appropriations for the fiscal year ending September 30, 2000, and for other purposes.''.

And the Senate agree to the same.

BILL YOUNG.
JERRY LEWIS.
Managers on the Part of the House.

TED STEVENS.
PETE DOMENICI.
KAY BAILEY HUTCHISON.
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3194) making appropriations for the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The composition of this conference agreement includes more than the District of Columbia Appropriations Act for fiscal year 2000. While the House version of H.R. 3194 and the Senate amendment in the nature of a substitute dealt only with District of Columbia appropriations, the conference report was expanded to include appropriations for other departments and agencies as well as some authorizing legislation. These appropriations are included in Division B.

Since the conference agreement is expanded to include matters beyond those relating to the District of Columbia appropriations, the title of the bill is amended to reflect this.

DIVISION A

DISTRICT OF COLUMBIA APPROPRIATIONS

The Division A portion of this joint explanatory statement includes more than a description of the resolution of the differences between the House and Senate versions of H.R. 3194. It also provides a fuller description of the matter not in disagreement between the two Houses. Since H.R. 2587 and H.R. 3064, previous District of Columbia Appropriations Acts for fiscal year 2000, were vetoed, the conferees have expanded this statement to provide an explanation of the additional matter in these bills that was not changed in H.R. 3194 as guidance in implementing this conference agreement.

A description of the resolution of the differences between the House and Senate on H.R. 3194 follows next.

GENERAL STATEMENT

BLUE PLAINS WASTE WATER TREATMENT PLANT

The conferees are concerned over recent reports about serious safety problems relating to hazardous chemical storage and handling at the Blue Plains Waste Water Treatment Plant, especially in Chlorine Building I. In 1998 the District of Columbia Water and Sewer Authority reported that the chlorine facility's ''control systems are outdated and marginally adequate.'' To reduce the risk to human health and the environment, the Water and Sewer Authority is directed to undertake immediately the design study of an alternate disinfection facility that will discontinue use of liquid chlorine and to report back to the Congress with its findings by December 31, 2000. In addition, the Water and Sewer Authority is directed to accelerate the construction schedule of the alternate disinfection facility, with the goal of completing the new facility by December 31, 2002, instead of the end of 2005 as called for in the Water and Sewer Authority's Water and Sewer Facilities Master Plan of 1998.

INFRASTRUCTURE FUND

The FY 1999 Omnibus Consolidated and Emergency Supplemental Appropriations Act (Public Law 105–277) provided $50,000,000 primarily for the repair and maintenance of roads, highways, bridges and transit in the District. The conferees are concerned that a tentative plan submitted to Congress, as required by the FY 1999 conference agreement, includes funding for certain projects that do not appear to fulfill the basic intent of the appropriation, which is to improve the deteriorated infrastructure of the District. The projects in question would expend over $6,000,000 (or more than 10 percent of the appropriation) for millennium year activities and program support functions. The conferees request that the DC Financial Responsibility and Management Assistance Authority submit a revised spending plan to Congress within 30 days of enactment of this Act that focuses on repair and maintenance of roads, highways, bridges and transit in the District. The conferees note that the FY 1999 Omnibus Consolidated and Emergency Supplemental Appropriations Act also provided $25,000,000 in Federal funds for economic development planning, project development, capital investments, loans, grants, administrative expenses and other purposes. With the District's infrastructure being in a state of disrepair, the conferees believe the $50,000,000 in the infrastructure fund should be used exclusively for infrastructure repairs and maintenance, and the $25,000,000 for economic development should be used for economic development purposes.

FEDERAL FUNDS

DEFENDER SERVICES IN DISTRICT OF COLUMBIA COURTS

The conference action clarifies that interest earned on the FY 1999 Federal payment to the District of Columbia courts is required to be used to make payments under this heading for fiscal years 1999 and 2000. The availability of this additional amount is contingent on a certification by the Comptroller General. The Courts have reported that they anticipate a shortfall of ''approximately $1,000,000'' in fiscal year 1999 for the Criminal Justice Act program.

FEDERAL PAYMENT TO THE GENERAL SERVICES ADMINISTRATION

The conference action appropriates $6,700,000 for environmental clean-up costs near three proposed public schools that are to be constructed in southern Fairfax County on land currently occupied by the Lorton Correctional Complex which is scheduled to be closed.

DISTRICT OF COLUMBIA FUNDS

PRODUCTIVITY BANK SAVINGS

The conference agreement inserts the word ''aggregate'' in the second sentence under this heading to clarify the cost savings or additional revenues to be derived. This language allows the District to finance projects from the Productivity Bank even if each project does not generate cost savings or additional revenues dollar-for-dollar as long as

the total amount of projects generate an ''aggregate'' amount of savings for the Productivity Bank Savings equal to the total amount spent from the Productivity Bank.

GENERAL PROVISIONS

The conference action continues the prohibition in section 150 on using Federal or local funds to support needle exchange programs, but without the prohibition on privately-funded programs. The conference action also inserts a new subsection (b) that requires those who carry out a needle exchange program and who receive any funds in this Act to account for all funds used for needle exchange programs separately from any funds contained in this Act.

Section 157 in both the House and Senate versions of H.R. 3194 (as well as the conference agreements on H.R. 2587 and H.R. 3064) includes $18,000,000 for severance and payments toward the Management Supervisory Service (MSS) program. MSS will provide increases in pay for those employees who sever themselves from career status and move into the MSS program. This classification allows for the termination of managers who do not achieve agreed upon performance outcomes. A portion of the money may be used as bonus pay for Compensation I and II employees, prior to implementing pay-for-performance plans, depending upon a plan agreed upon by the Mayor, the DC Financial Responsibility and Management Assistance Authority, the City Council and the Chief Financial Officer.

The conference action inserts a new section 175 that amends the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000 (Public Law 106–74), by making certain technical corrections and adding language reflecting the intent of the conferees on that Act. Language is included in the bill which provides for the availability of funds for the National and Community Service Programs Operating and Expenses account until September 30, 2001. Public Law 106–74, which contains the appropriation for this account, inadvertently provided for the funding to remain available only until September 30, 2000. In the past this account has been available for two years and this technical correction reinstates that policy.

The conference action inserts a new section 176 that allows $1,000,000 in Federal funds for the Georgetown Waterfront Park Fund, initially appropriated in the FY 1999 DC Appropriations Act (Public Law 105–277), to remain available until expended.

PRIOR CONFERENCE AGREEMENTS ON H.R. 2587 AND H.R. 3064

What follows next is a description of the resolution of selected differences between the House and Senate on the District of Columbia Appropriations Acts for fiscal year 2000 as contained in H.R. 2587 and H.R. 3064, that were vetoed. Even though there were differences between the House and Senate versions of H.R. 2587 and H.R. 3064, the resolution of nearly all of these differences was incorporated as identical text in the House-passed version and the Senate amendment to H.R. 3194. A description of the resolution of these differences is included in this conference agreement because an understanding of them is important to the overall implementation of this Act.

The conference agreement on H.R. 3194 incorporates some of the provisions of both the House and Senate versions of H.R. 2587 and H.R. 3064. The language and allocations set forth in House Report 106–249 and Senate Report 106–88 are to be complied with unless specifically addressed in the accompanying bill and statement of the managers to the contrary. The agreement herein, while repeating some report language for emphasis, does not negate the language referenced above unless expressly provided. General provisions which were identical in the House and Senate passed versions of H.R. 2587 and not changed in H.R. 3064 or H.R. 3194 and that are unchanged by this conference agreement are approved unless provided to the contrary herein.

TITLE I—FISCAL YEAR 2000 APPROPRIATIONS

FEDERAL FUNDS

FEDERAL PAYMENT FOR RESIDENT TUITION SUPPORT

Appropriates $17,000,000 as proposed by the House and the Senate and makes modifications specifying that the entire $17,000,000 will be available if the authorized program is a nationwide program and $11,000,000 will be available if the program is for a limited number of States. The language also allows the District to use local tax revenues for this program.

FEDERAL PAYMENT FOR INCENTIVES FOR ADOPTION OF CHILDREN

Appropriates $5,000,000 instead of $8,500,000 as proposed by the House and includes language allowing the funds to be used for local tax credits to offset costs incurred by individuals in adopting children in the District's foster care system and for health care needs of the children in accordance with legislation to be enacted by the District government.

FEDERAL PAYMENT TO THE CITIZEN COMPLAINT REVIEW BOARD

Appropriates $500,000 instead of $1,200,000 as proposed by the House. This amount together with $700,000 in local funds will provide a total of $1,200,000 for the Board's operations in fiscal year 2000. The conferees recognize the importance of an independent review body to act as a forum for the review and resolution of complaints against officers of the Metropolitan Police Department and special officers employed by the District of Columbia. The conferees also request that the Mayor's office provide a comprehensive plan for the use of the Civilian Complaint Review Board. The plan/report should contain information about the problems of the previous review board and what will be done to avoid these problems with the new board.

FEDERAL PAYMENT TO THE DEPARTMENT OF HUMAN SERVICES

Appropriates $250,000 for a mentoring program and for hotline services as proposed by the House.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA CORRECTIONS TRUSTEE OPERATIONS

Appropriates $176,000,000 as proposed by the Senate instead of $183,000,000 as proposed by the House and includes language allowing the Corrections Trustee to use interest earnings of up to $4,600,000 to assist the Trustee with the sharp, rather unexpected increase in the overall inmate population.

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA COURTS

Appropriates $99,714,000 instead of $100,714,000 as proposed by the House and $136,440,000 as proposed by the Senate. The reduction below the House allowance reflects the $1,000,000 in the capital program as proposed by the Senate.

Courts' budget.—The conferees request that budget information submitted by the Courts with their FY 2001 and future budgets include grants and reimbursements from all other sources so that information on total resources available to the courts will be available.

DEFENDER SERVICES IN THE DISTRICT OF COLUMBIA COURTS

Appropriates $33,336,000 as proposed by the House and includes language proposed by the Senate requiring monthly financial reports.

FEDERAL PAYMENT TO THE COURT SERVICES AND OFFENDER SUPERVISION AGENCY FOR THE DISTRICT OF COLUMBIA

Appropriates $93,800,000 instead of $105,500,000 as proposed by the House and $80,300,000 as proposed by the Senate. The increase above the Senate allowance includes $7,000,000 for increased drug testing and treatment and $6,500,000 for additional parole and probation officers instead of $13,200,000 and $10,000,000, respectively, as proposed by the House.

CHILDREN'S NATIONAL MEDICAL CENTER

Appropriates $2,500,000 for Children's National Medical Center instead of $3,500,000 as proposed by the House.

FEDERAL PAYMENT FOR METROPOLITAN POLICE DEPARTMENT

Appropriates $1,000,000 for the Metropolitan Police as proposed by the Senate. The conferees recognize the devastating problems caused by illegal drug use and fully support this program to eliminate open air drug trafficking in all four quadrants of the District of Columbia. The conferees have included language requiring quarterly reports to the Congress on all four quadrants. The reports should include, at a minimum, the amounts expended, the number of personnel involved, and the overall results and effectiveness of the open air drug program in eliminating the drug trafficking problem.

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

COUNCIL OF THE DISTRICT OF COLUMBIA

The conference action on H.R. 3064 inserts a proviso as proposed by the Senate concerning the salary of members of the Council of the District of Columbia.

OFFICE OF THE CHIEF TECHNOLOGY OFFICER

The conferees are concerned that the District's child support system is not Y2K compliant. The conferees have been advised that the Office of Corporation Counsel is responsible for developing, operating, and maintaining this system which is used by the District's courts to collect child support payments from absentee parents, disburse payments to custodial parents, and account for these activities. The conferees urge the District's Chief Technology Officer to provide the Office of Corporation Counsel with the necessary support to ensure that: (1) The system is promptly remediated and tested, and (2) a business continuity and contingency plan that includes a Courts' child support functions is in place. The conferees request a report on this matter by November 1, 1999.

PUBLIC SAFETY AND JUSTICE

Appropriates $778,770,000 including $565,511,000 from local funds and $184,247,000 from other funds instead of $785,670,000 including $565,411,000 from local funds and $191,247,000 from other funds as proposed by the House and $778,470,000 including $565,211,000 from local funds and $184,247,000 from other funds as proposed by the Senate. The increase of $300,000 above the Senate allowance will provide a total of $1,200,000 for the Citizen Complaint Review Board consisting of $500,000 in Federal funds and

$700,000 in local funds instead of a total of $900,000 in local funds as proposed by the Senate.

The conference action retains the proviso that caps the number of police officers assigned to the Mayor's security detail at 15 as proposed by the House.

The conference action includes a proviso that allows up to $700,000 in local funds for the Citizen Complaint Review Board instead of $900,000 in local funds as proposed by the Senate.

FIRE DEPARTMENT

The conferees recommend that the Fire and Emergency Medical Services Department conduct a study about the need for placement of automated external defibrillators in Federal buildings.

PUBLIC EDUCATION SYSTEM

The conference action includes the proviso proposed by the Senate concerning the Weighted Student Formula and the setting aside of five percent of the total budget which is to be apportioned when the current student count for public and charter schools has been completed. The conference action also includes a proviso proposed by the Senate allowing $500,000 for a Schools Without Violence program.

The conferees to H.R. 3064 are aware of the Values First program that is designed to bring character education to the District's public elementary schools. The conferees are aware that ten schools now have such a program. The conferees encourage the public school system to continue to expand the Values First program and expend the funds necessary to implement this program on a broader basis.

HUMAN SUPPORT SERVICES

Appropriates $1,526,361,000 including $635,373,000 from local funds as proposed by the House instead of $1,526,111,000 including $635,123,000 as proposed by the Senate.

PUBLIC WORKS

The conference action deletes the proviso earmarking funds as proposed by the Senate.

RECEIVERSHIP PROGRAMS

Appropriates $342,077,000 including $217,606,000 from local funds instead of $345,577,000 including $221,106,000 from local funds as proposed by the House and $337,077,000 including $212,606,000 from local funds as proposed by the Senate.

RESERVE

The conference action deletes the proviso concerning expenditure criteria as proposed by the Senate.

DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY

The conference action retains the proviso concerning the cap on the salary levels of the Executive Director and the General Counsel as proposed by the House.

PRODUCTIVITY BANK

The conference action retains the proviso requiring quarterly reports as proposed by the House.

PROCUREMENT AND MANAGEMENT SAVINGS

The conference action restores the proviso requiring quarterly reports as proposed by the House and deletes the proviso requiring Council approval of a resolution authorizing management reform savings proposed by the Senate.

D.C. RETIREMENT BOARD

The conference action amends the cap on the compensation of the Chairman of the Board and the Chairman of the Investment Committee of the Board to $7,500 instead of $10,000 as proposed by the House.

CAPITAL OUTLAY

The conference action revises the first paragraph for clarity as proposed by the House.

SUMMARY TABLE OF CONFERENCE RECOMMENDATIONS BY AGENCY AND FY 2000 FINANCIAL PLAN

A summary table showing the Federal appropriations by account and the allocation of District funds by agency or office under each appropriation heading for fiscal year 1999, the fiscal year 2000 request, the House and Senate recommendations, and the conference allowance, and the fiscal year 2000 Financial Plan which is the starting point for the independent auditor's comparison with actual year-end results as required by section 143 of the bill follow:

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SUMMARY

FY 2000 D. C. APPROPRIATIONS BILL

	House Bill		Senate Bill		Conference	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
TITLE I						
FEDERAL FUNDS						
Federal Payment for Resident Tuition Support	0	17,000,000	0	17,000,000	0	17,000,000
Federal Payment for Incentives for Adoption of Children	0	8,500,000	0	0	0	5,000,000
Federal Payment to the Citizen Complaint Review Board	0	1,200,000	0	0	0	500,000
Federal Payment to the Department of Human Services	0	250,000		0	0	250,000
Federal Payment to the District of Columbia Corrections Trustee Operations	0	183,000,000	0	176,000,000	0	176,000,000
Federal Payment to the District of Columbia Courts	0	100,714,000	0	136,440,000	0	99,714,000
Defender Services in District of Columbia Courts	0	33,336,000	0	0	0	33,336,000
Federal Payment to the Court Services and Offender Supervision Agency for the District of Columbia	0	105,500,000	0	80,300,000	0	93,800,000
Children's National Medical Center	0	3,500,000	0	0	0	2,500,000
Federal Payment for Metropolitan Police Department	0	0	0	1,000,000	0	1,000,000
Federal Payment to General Services Administration — Lorton Correctional Complex	0	0	0	0	0	6,700,000
Total, Title I, Federal funds to the District of Columbia	**0**	**453,000,000**	**0**	**410,740,000**	**0**	**435,800,000**

	House Bill		Senate Bill		Conference	
	FTEs	Amount	FTEs	Amount	FTEs	Amount
DISTRICT OF COLUMBIA FUNDS						
Operating expenses:						
Governmental Direction and Support	2,297	162,356,000	2,297	162,356,000	2,297	167,356,000
Economic Development and Regulation	1,439	190,335,000	1,439	190,335,000	1,439	190,335,000
Public Safety and Justice	9,264	785,670,000	9,264	778,470,000	9,264	778,770,000
Public Education System	11,359	867,411,000	11,359	867,411,000	11,359	867,411,000
Human Support Services	3,742	1,526,361,000	3,742	1,526,111,000	3,742	1,526,361,000
Public Works	1,686	271,395,000	1,686	271,395,000	1,686	271,395,000
Receivership Programs	2,755	345,577,000	2,755	337,077,000	2,755	342,077,000
Workforce Investments	0	8,500,000	0	8,500,000	0	8,500,000
Buyouts and Other Management Reforms	0	20,000,000	0	0	0	18,000,000
Reserve	0	150,000,000	0	150,000,000	0	150,000,000
D.C. Financial Responsibility and Management Assistance Authority	33	3,140,000	33	3,140,000	33	3,140,000
Repayment of Loans and Interest	0	328,417,000	0	328,417,000	0	328,417,000
Repayment of General Fund Recovery Debt	0	38,286,000	0	38,286,000	0	38,286,000
Payment of Interest on Short-Term Borrowing	0	9,000,000	0	9,000,000	0	9,000,000
Certificates of Participation	0	7,950,000	0	7,950,000	0	7,950,000
Optical and Dental Payments	0	1,295,000	0	1,295,000	0	1,295,000
Productivity Bank	0	20,000,000	0	20,000,000	0	20,000,000
Productivity Bank Savings	0	(20,000,000)	0	(20,000,000)	0	(20,000,000)
Procurement and Management Savings	0	(21,457,000)	0	(21,457,000)		(21,457,000)
Water and Sewer Enterprise Fund	0	279,608,000	0	279,608,000	0	279,608,000
Lottery and Charitable Games Enterprise Fund	100	234,400,000	100	234,400,000	100	234,400,000
Sports and Entertainment Commission	0	10,846,000	0	10,846,000	0	10,846,000
D.C. General Hospital (Public Benefit Corporation)	0	89,008,000	0	89,008,000	0	89,008,000
D.C. Retirement Board	13	9,892,000	13	9,892,000	13	9,892,000
Correctional Industries Fund	31	1,810,000	31	1,810,000	31	1,810,000
Washington Convention Center Enterprise Fund	0	50,226,000	0	50,226,000	0	50,226,000

GOVERNMENTAL DIRECTION AND SUPPORT

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Council of the District of Columbia	9,388,000	10,477,000	10,477,000	10,477,000	10,477,000
Office of the District of Columbia Auditor	1,048,000	1,183,000	1,183,000	1,183,000	1,183,000
Advisory Neighborhood Commissions	0	623,000	623,000	623,000	623,000
Office of the Mayor	2,256,000	4,207,000	4,207,000	4,207,000	9,207,000 1/
Office of the Secretary	2,146,000	1,816,000	1,816,000	1,816,000	1,816,000
Office of Communications	350,000	0	0	0	0
Office of Intergovernmental Relations	1,271,000	0	0	0	0
Office of the City Administrator	926,000	25,132,000	12,821,000	12,821,000	12,821,000
Office of Personnel	8,963,000	10,445,000	10,445,000	10,445,000	10,445,000
Human Resource Development	0	3,766,000	3,766,000	3,766,000	3,766,000
Office of Finance and Resource Management	0	778,000	778,000	778,000	778,000
Office of Contracts and Procurement	17,080,000	14,150,000	14,150,000	14,150,000	14,150,000
Office of the Chief Technology Officer	14,924,000	3,740,000	3,740,000	3,740,000	3,740,000
Office of Property Management	9,445,000	9,152,000	9,152,000	9,152,000	9,152,000
Contract Appeals Board	603,000	687,000	687,000	687,000	687,000
Board of Elections and Ethics	2,954,000	3,238,000	3,238,000	3,238,000	3,238,000
Office of Campaign Finance	920,000	978,000	978,000	978,000	978,000
Public Employee Relations Board	559,000	632,000	632,000	632,000	632,000
Office of Employee Appeals	1,213,000	1,337,000	1,337,000	1,337,000	1,337,000
Metropolitan Washington Council of Governments	374,000	367,000	367,000	367,000	367,000
Office of Inspector General	7,430,000	6,827,000	6,827,000	6,827,000	6,827,000
Chief Financial Officer	82,294,000	75,132,000	75,132,000	75,132,000	75,132,000
Total, Governmental Direction and Support	164,144,000	174,667,000	162,356,000	162,356,000	167,356,000

ECONOMIC DEVELOPMENT AND REGULATION

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Business Services and Economic Development	18,640,000	22,515,000	22,515,000	22,515,000	22,515,000
Office of Zoning	956,000	1,275,000	1,275,000	1,275,000	1,275,000
Department of Housing and Community Development	55,509,000	56,739,000	56,739,000	56,739,000	56,739,000
Housing Authority	2,080,000	0	0	0	0
Department of Employment Services	56,804,000	63,690,000	63,690,000	63,690,000	63,690,000
Board of Appeals and Review	203,000	240,000	240,000	240,000	240,000
Board of Real Property Assessments and Appeals	293,000	291,000	291,000	291,000	291,000
Department of Consumer and Regulatory	24,554,000	27,125,000	27,125,000	27,125,000	27,125,000
Office of Banking and Financial Institutions	0	870,000	870,000	870,000	870,000
Public Service Commission	0	5,327,000	5,327,000	5,327,000	5,327,000
Office of People's Counsel	0	2,823,000	2,823,000	2,823,000	2,823,000
Department of Insurance and Securities Regulation	0	6,990,000	6,990,000	6,990,000	6,990,000
Office of Cable Television and Telecommunications	0	2,450,000	2,450,000	2,450,000	2,450,000
Total, Economic Development and Regulation	159,039,000	190,335,000	190,335,000	190,335,000	190,335,000
Plus Intra-District Funds	3,634,000	3,136,000	3,136,000	3,136,000	3,136,000
Total	162,673,000	193,471,000	193,471,000	193,471,000	193,471,000

PUBLIC SAFETY AND JUSTICE

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Metropolitan Police Department	296,854,000	301,774,000	300,574,000	301,574,000	301,574,000
Fire and Emergency Medical Services Department	104,806,000	111,870,000	111,870,000	0 111,870,000	111,870,000
Police and Fire Retirement System	35,100,000	39,900,000	39,900,000	39,900,000	39,900,000
Office of the Corporation Counsel	39,835,000	46,425,000	46,425,000	46,425,000	46,425,000
Settlements and Judgments	19,700,000	26,900,000	26,900,000	26,900,000	26,900,000
Department of Corrections	254,857,000	245,577,000	252,577,000	245,577,000	245,577,000
National Guard	1,783,000	1,748,000	1,748,000	1,748,000	1,748,000
Office of Emergency Preparedness	2,627,000	2,641,000	2,641,000	2,641,000	2,641,000
Commission on Judicial Disabilities and Tenure	138,000	143,000	143,000	143,000	143,000
Judicial Nomination Commission	86,000	85,000	85,000	85,000	85,000
Office of Citizen Complaint Review	0	900,000	2,100,000	900,000	1,200,000
Advisory Commission on Sentencing	0	707,000	707,000	707,000	707,000
Total, Public Safety and Justice	755,786,000	778,670,000	785,670,000	778,470,000	778,770,000
Plus Intra-District funds	10,500,000	5,726,000	5,726,000	5,726,000	5,726,000
Total	766,286,000	784,396,000	791,396,000	784,196,000	784,496,000

PUBLIC EDUCATION SYSTEM

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Board of Education (Public Schools)	644,805,000	713,197,000	713,197,000	713,197,000	713,197,000
D.C. Resident Tuition System	0	0	17,000,000	17,000,000	17,000,000
Teachers' Retirement System	27,857,000	10,700,000	10,700,000	10,700,000	10,700,000
Public Charter Schools	18,600,000	27,885,000	27,885,000	27,885,000	27,885,000
University of the District of Columbia	72,088,000	72,347,000	72,347,000	72,347,000	72,347,000
Public Library	23,419,000	24,171,000	24,171,000	24,171,000	24,171,000
Commission on the Arts and Humanities	2,187,000	2,111,000	2,111,000	2,111,000	2,111,000
Total, Public Education System	788,956,000	850,411,000	867,411,000	867,411,000	867,411,000
Plus Intra-District funds	12,791,000	13,768,000	13,768,000	13,768,000	13,768,000
Total	801,747,000	864,179,000	881,179,000	881,179,000	881,179,000

HUMAN SUPPORT SERVICES

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Department of Human Development	391,416,000	393,441,000	393,691,000	393,441,000	393,691,000
Department of Health	996,080,000	1,004,113,000	1,004,113,000	1,004,113,000	1,004,113,000
Department of Recreation and Parks	24,119,000	26,196,000	26,196,000	26,196,000	26,196,000
Office on Aging	17,616,000	18,616,000	18,616,000	18,616,000	18,616,000
Public Benefit Corporation Subsidy	46,835,000	44,435,000	44,435,000	44,435,000	44,435,000
Unemployment Compensation Fund	10,678,000	7,200,000	7,200,000	7,200,000	7,200,000
Disability Compensation Fund	21,089,000	25,150,000	25,150,000	25,150,000	25,150,000
Department of Human Rights	1,044,000	1,106,000	1,221,000	1,221,000	1,221,000
Office on Latino Affairs	655,000	880,000	880,000	880,000	880,000
D.C. Energy Office	5,219,000	4,859,000	4,859,000	4,859,000	4,859,000
Total, Human Support Services	1,514,751,000	1,525,996,000	1,526,361,000	1,526,111,000	1,526,361,000
Plus Intra-District funds	7,232,000	6,568,000	6,568,000	6,568,000	6,568,000
Total	1,521,983,000	1,532,564,000	1,532,929,000	1,532,679,000	1,532,929,000

PUBLIC WORKS

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Department of Public Works	118,281,000	106,209,000	106,209,000	106,209,000	106,209,000
Department of Motor Vehicles	12,065,000	25,393,000	25,393,000	25,393,000	25,393,000
Taxicab Commission	716,000	730,000	730,000	730,000	730,000
Washington Metropolitan Area Transit Commission	81,000	81,000	81,000	81,000	81,000
Washington Metropolitan Area Transit Authority (Metro)	132,319,000	135,532,000	135,532,000	135,532,000	135,532,000
School Transit Subsidy	3,450,000	3,450,000	3,450,000	3,450,000	3,450,000
Total, Public Works	266,912,000	271,395,000	271,395,000	271,395,000	271,395,000
Plus Intra-District funds	22,274,000	19,382,000	19,382,000	19,382,000	19,382,000
Total	289,186,000	290,777,000	290,777,000	290,777,000	290,777,000

RECEIVERSHIPS

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Child and Family Services Agency	107,131,000	119,355,000	119,355,000	119,355,000	119,355,000
Incentives for Adoption of Children	0	0	8,500,000	0	5,000,000
Commission on Mental Health Services	198,548,000	204,422,000	204,422,000	204,422,000	204,422,000
Corrections Medical Receiver	13,300,000	13,300,000	13,300,000	13,300,000	13,300,000
Total, Receivership Programs	318,979,000	337,077,000	345,577,000	337,077,000	342,077,000
Plus Intra-District funds	0	1,200,000	1,200,000	1,200,000	1,200,000
Total	318,979,000	338,277,000	346,777,000	338,277,000	343,277,000

OTHER

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Workforce Investment	0	8,500,000	8,500,000	8,500,000	8,500,000
Buyouts and Other Management Reforms	0	0	20,000,000	0	18,000,000
Reserve	0	150,000,000	150,000,000	150,000,000	150,000,000
D.C. Financial Responsibility and Management Assistance Authority	7,840,000	3,140,000	3,140,000	3,140,000	3,140,000
Total, Other	7,840,000	161,640,000	181,640,000	161,640,000	179,640,000

1/ General Provisions, Sec. 157.

FINANCING AND OTHER

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Washington Convention Center Transfer Payment	5,400,000	0	0	0	0
Repayment of Loans and Interest	382,170,000	328,417,000	328,417,000	328,417,000	328,417,000
Repayment of General Fund Deficit	38,453,000	38,286,000	38,286,000	38,286,000	38,286,000
Interest on Short-Term Borrowing	11,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Certificate of Participation	7,926,000	7,950,000	7,950,000	7,950,000	7,950,000
Human Resources Development	6,674,000	0	0	0	0
Optical and Dental Payments	0	1,295,000	1,295,000	1,295,000	1,295,000
Productivity Bank	0	20,000,000	20,000,000	20,000,000	20,000,000
Productivity Bank Savings	0	(20,000,000)	(20,000,000)	(20,000,000)	(20,000,000)
Total, Financing and Other Uses	451,623,000	384,948,000	384,948,000	384,948,000	384,948,000

PROCUREMENT AND MANAGEMENT SAVINGS

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Management Reform and Productivity Savings	(10,000,000)	(7,000,000)	(7,000,000)	(7,000,000)	(7,000,000)
General Supply Schedule Savings	0	(14,457,000)	(14,457,000)	(14,457,000)	(14,457,000)
Total, Procurement and Management Savings	(10,000,000)	(21,457,000)	(21,457,000)	(21,457,000)	(21,457,000)

ENTERPRISE AND OTHER

Agency/Activity	FY 1999 Approved	FY 2000 Request	House Recom-mendation	Senate Recom-mendation	Conference Allowance
Water and Sewer Authority	239,493,000	236,075,000	236,075,000	236,075,000	236,075,000
Washington Aqueduct	33,821,000	43,533,000	43,533,000	43,533,000	43,533,000
Total, Water and Sewer Enterprise Fund	273,314,000	279,608,000	279,608,000	279,608,000	279,608,000
Lottery and Charitable Games Board	225,200,000	234,400,000	234,400,000	234,400,000	234,400,000
Office of Cable Television and Telecommunications	2,108,000	0	0	0	0
Public Service Commission	5,026,000	0	0	0	0
Office of People's Counsel	2,501,000	0	0	0	0
Department of Insurance and Securities Regulation	7,001,000	0	0	0	0
Office of Banking and Financial Institutions	640,000	0	0	0	0
Sports and Entertainment Commission	8,751,000	10,846,000	10,846,000	10,846,000	10,846,000
Public Benefit Corporation	66,764,000	89,008,000	89,008,000	89,008,000	89,008,000
Retirement Board	18,202,000	9,892,000	9,892,000	9,892,000	9,892,000
Correctional Industries Fund	3,332,000	1,810,000	1,810,000	1,810,000	1,810,000
Washington Convention Center Authority	48,139,000	50,226,000	50,226,000	50,226,000	50,226,000
Total, Enterprise Funds	660,978,000	675,790,000	675,790,000	675,790,000	675,790,000
Plus Intra-District funds	36,685,000	70,177,000	70,177,000	70,177,000	70,177,000
Total	697,663,000	745,967,000	745,967,000	745,967,000	745,967,000

Conf(1)
8/4/99

GOVERNMENT OF THE DISTRICT OF COLUMBIA
AS APPROVED BY CONFERENCE ACTION, AUGUST 4, 1999
TOTAL ESTIMATED RESOURCES AVAILABLE TO THE DISTRICT OF COLUMBIA, FISCAL YEAR 2000
(Amount in Thousands)

	Code	Local Funds		Federal Grants		Private & Other		Subtotal FY 2000		Intra-District		FY 2000 Total Resources	
		FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Governmental Direction and Support:													
Council of the District of Columbia	AB	153	10,471	0	0	0	6	153	10,477	0	0	153	10,477
Office of the D.C. Auditor	AC	14	1,183	0	0	0	0	14	1,183	0	0	14	1,183
Advisory Neighborhood Commissions	DX	0	623	0	0	0	0	0	623	0	0	0	623
Office of the Mayor	AA	67	4,207	0	0	0	5,000 1/	67	9,207	0	0	67	9,207
Office of the Secretary	BA	25	1,737	0	0	2	79	27	1,816	0	0	27	1,816
Office of the City Administrator	AE	36	2,064	17	10,757	0	0	53	12,821	4	246	57	13,067
Office of Personnel	BE	126	9,204	0	0	21	1,241	147	10,445	24	1,179	171	11,624
Human Resource Development	HD	10	3,766	0	0	0	0	10	3,766	0	0	10	3,766
Office of Finance and Resource Management	AS	11	778	0	0	0	0	11	778	12	1,205	23	1,983
Office of Contracting and Procurement	PO	223	14,150	0	0	0	0	223	14,150	0	0	223	14,150
Office of the Chief Technology Officer	TO	42	3,740	0	0	0	0	42	3,740	13	1,771	55	5,511
Office of Property Management	AM	77	7,229	0	0	2	1,923	79	9,152	199	21,956	278	31,108
Contract Appeals Board	AF	6	687	0	0	0	0	6	687	0	0	6	687
Board of Elections and Ethics	DL	50	3,238	0	0	0	0	50	3,238	0	0	50	3,238
Office of Campaign Finance	CJ	15	978	0	0	0	0	15	978	0	0	15	978
Public Employee Relations Board	CG	4	632	0	0	0	0	4	632	0	0	4	632
Office of Employee Appeals	CH	15	1,337	0	0	0	0	15	1,337	0	0	15	1,337
Metropolitan Washington Council of Governments	EA	0	367	0	0	0	0	0	367	0	0	0	367
Office of Inspector General	AD	60	6,827	0	0	0	0	60	6,827	0	0	60	6,827
Office of the Chief Financial Officer	AT	919	63,916	5	913	41	10,303	965	75,132	104	6,439	1,069	81,571
Total, Governmental Direction and Support		1,853	137,134	22	11,670	66	18,552	1,941	167,356	356	32,796	2,297	200,152
Economic Development and Regulation:													
Business Services & Economic Development	EB	55	7,515	0	0	0	15,000	55	22,515	0	0	55	22,515
Office of Zoning	BJ	16	1,275	0	0	0	0	16	1,275	0	0	16	1,275
Department of Housing & Community Development	DB	7	3,889	125	48,388	0	4,462	132	56,739		1,200	132	57,939
Department of Employment Services	CF	71	11,489	391	35,867	174	16,334	636	63,690	0	0	636	63,690
Board of Appeals and Review	DK	3	240	0	0	0	0	3	240	0	0	3	240
Board of Real Property Assessments and Appeals	DA	3	291	0	0	0	0	3	291	0	0	3	291
Department of Consumer and Regulatory Affairs	CR	373	25,523	4	392	6	1,210	383	27,125	0	1,500	383	28,625
Office of Banking and Financial Institutions	BI	5	381	0	0	5	489	10	870	0	0	10	870
Public Service Commission	DH	0	0	2	104	56	5,223	58	5,327	0	0	58	5,327
Office of People's Counsel	DJ	0	0	0	0	28	2,823	28	2,823	0	0	28	2,823
Department of Insurance and Securities Regulation	SR	0	0	0	0	89	6,990	89	6,990	0	0	89	6,990
Office of Cable Television and Telecommunications	CT	11	2,308	0	0	3	142	14	2,450	12	436	26	2,886
Total, Economic Development and Regulation		544	52,911	522	84,751	361	52,673	1,427	190,335	12	3,136	1,439	193,471

	Code	Local Funds FTE	Local Funds Amount	Federal Grants FTE	Federal Grants Amount	Private & Other FTE	Private & Other Amount	Subtotal FY 2000 FTE	Subtotal FY 2000 Amount	Intra-District FTE	Intra-District Amount	FY 2000 Total Resources FTE	FY 2000 Total Resources Amount
Public Safety and Justice:													
Metropolitan Police Department	FA	4,622	282,792	24	13,695	0	5,087	4,646	301,574	2	3,454	4,648	305,028
Fire and Emergency Medical Services Department	FB	1,828	111,861	0	0	0	9	1,828	111,870	0	72	1,828	111,942
Police and Fire Retirement System	FD	0	39,900	0	0	0	0	0	39,900	0	0	0	39,900
Office of the Corporation Counsel	CB	297	28,801	180	13,554	12	4,070	489	46,425	24	1,900	513	48,325
Settlement and Judgments	ZH	0	26,900	0	0	0	0	0	26,900	0	0	0	26,900
Department of Corrections	FL	979	69,696	0	800	1,197	175,081	2,176	245,577	0	300	2,176	245,877
National Guard	FK	30	1,748	0	0	0	0	30	1,748	0	0	30	1,748
Office of Emergency Preparedness	BN	26	1,678	13	963	0	0	39	2,641	0	0	39	2,641
Commission on Judicial Disabilities and Tenure	DQ	2	143	0	0	0	0	2	143	0	0	2	143
Judicial Nomination Commission	DV	1	85	0	0	0	0	1	85	0	0	1	85
Office of Citizen Complaint Review	FH	21	1,200	0	0	0	0	21	1,200	0	0	21	1,200
Advisory Commission on Sentencing	FZ	6	707	0	0	0	0	6	707	0	0	6	707
Total, Public Safety and Justice		7,812	565,511	217	29,012	1,209	184,247	9,238	778,770	26	5,726	9,264	784,496
Public Education System:													
Public Schools	GA	8,864	600,936	869	106,213	77	6,048	9,810	713,197	33	4,091	9,843	717,288
D.C. Resident Tuition Support		0	17,000	0	0	0	0	0	17,000	0	0	0	17,000
Teachers' Retirement System	GX	0	10,700	0	0	0	0	0	10,700	0	0	0	10,700
Public Charter Schools	GC	0	27,885	0	0	0	0	0	27,885	0	0	0	27,885
University of the District of Columbia	GF	581	40,491	167	13,536	189	18,320	937	72,347	162	9,677	1,099	82,024
Public Library	CE	400	23,128	8	798	0	245	408	24,171	0	0	408	24,171
Commission on the Arts and Humanities	BX	2	1,707	7	404	0	0	9	2,111	0	0	9	2,111
Total, Public Education System		9,847	721,847	1,051	120,951	266	24,613	11,164	867,411	195	13,768	11,359	881,179
Human Support Services:													
Department of Human Development	JA	821	199,643	1,126	189,742	7	4,306	1,954	393,691	27	1,653	1,981	395,344
Department of Health	HC	363	319,720	689	676,115	53	8,278	1,105	1,004,113	2	183	1,107	1,004,296
Department of Recreation and Parks	HA	477	24,029	0	34	19	2,133	496	26,196	93	3,954	589	30,150
Office on Aging	BY	14	13,316	9	5,300	0	0	23	18,616	3	648	26	19,264
Public Benefit Corporation Subsidy	JC	0	44,435	0	0	0	0	0	44,435	0	0	0	44,435
Unemployment Compensation Fund	BH	0	7,200	0	0	0	0	0	7,200	0	0	0	7,200
Disability Compensation Fund	BG	0	25,150	0	0	0	0	0	25,150	0	100	0	25,250
Office of Human Rights	HM	16	1,000	0	221	0	0	16	1,221	0	0	16	1,221
Office on Latino Affairs	BZ	4	880	0	0	0	0	4	880	0	30	4	910
Energy Office	JF	0	0	13	4,402	6	457	19	4,859	0	0	19	4,859
Total, Human Support Services		1,695	635,373	1,837	875,814	85	15,174	3,617	1,526,361	125	6,568	3,742	1,532,929

	Code	Local Funds FTE	Local Funds Amount	Federal Grants FTE	Federal Grants Amount	Private & Other FTE	Private & Other Amount	Subtotal FY 2000 FTE	Subtotal FY 2000 Amount	Intra-District FTE	Intra-District Amount	FY 2000 Total Resources FTE	FY 2000 Total Resources Amount
Public Works:													
Department of Public Works	KA	1,044	96,646	14	3,099	47	6,464	1,105	106,209	267	18,872	1,372	125,081
Department of Motor Vehicles	KV	191	22,336	0	0	66	3,057	257	25,393	48	510	305	25,903
Taxicab Commission	TC	6	296	0	0	3	434	9	730	0	0	9	730
Washington Metropolitan Area Transit Commission	KC	0	81	0	0	0	0	0	81	0	0	0	81
Washington Metropolitan Area Transit Authority	KE	0	135,532	0	0	0	0	0	135,532	0	0	0	135,532
School Transit Subsidy	KD	0	3,450	0	0	0	0	0	3,450	0	0	0	3,450
Total, Public Works		1,241	258,341	14	3,099	116	9,955	1,371	271,395	315	19,382	1,686	290,777
Receivership Programs:													
Child and Family Services Agency	RL	321	75,556	196	43,799	0	0	517	119,355	0	1,200	517	120,555
Incentives for Adoption of Children		0	5,000	0	0	0	0	0	5,000	0	0	0	5,000
Commission on Mental Health Services	RM	1,568	123,750	660	62,312	0	18,360	2,228	204,422	0	0	2,228	204,422
Corrections Medical Receiver	RR	10	13,300	0	0	0	0	10	13,300	0	0	10	13,300
Total, Receivership Programs		1,899	217,606	856	106,111	0	18,360	2,755	342,077	0	1,200	2,755	343,277
Workforce Investments	UP	0	8,500	0	0	0	0	0	8,500	0	0	0	8,500
Buyouts and Other Management Reforms		0	0	0	0	0	18,000 2/	0	18,000	0	0	0	18,000
Reserve	RD	0	150,000	0	0	0	0	0	150,000	0	0	0	150,000
D.C. Financial Responsibility and Management Assistance Authority	XB	33	3,140	0	0	0	0	33	3,140	0	0	33	3,140
Financing and Other:													
Repayment of Loans and Interest	DS	0	328,417	0	0	0	0	0	328,417	0	0	0	328,417
Repayment of General Fund Deficit	ZD	0	38,286	0	0	0	0	0	38,286	0	0	0	38,286
Interest on Short-Term Borrowing	ZA	0	9,000	0	0	0	0	0	9,000	0	0	0	9,000
Certificate of Participation	CP	0	7,950	0	0	0	0	0	7,950	0	0	0	7,950
Optical and Dental Insurance Payments	DI	0	1,295	0	0	0	0	0	1,295	0	0	0	1,295
Productivity Bank	PB	0	20,000	0	0	0	0	0	20,000	0	0	0	20,000
Productivity Savings	PY	0	(20,000)	0	0	0	0	0	(20,000)	0	0	0	(20,000)
Total, Financing and Other		0	384,948	0	0	0	0	0	384,948	0	0	0	384,948
Procurement and Management Savings:													
General Supply Schedule Savings	PS	0	(14,457)	0	0	0	0	0	(14,457)	0	0	0	(14,457)
Management Reform Savings	PC	0	(7,000)	0	0	0	0	0	(7,000)	0	0	0	(7,000)
Total, Procurement and Management Savings		0	(21,457)	0	0	0	0	0	(21,457)	0	0	0	(21,457)
Total, General Fund - Operating Expenses		**24,924**	**3,113,854**	**4,519**	**1,231,408**	**2,103**	**341,574**	**31,546**	**4,686,836**	**1,029**	**82,576**	**32,575**	**4,769,412**

	Code	Local Funds FTE	Local Funds Amount	Federal Grants FTE	Federal Grants Amount	Private & Other FTE	Private & Other Amount	Subtotal FY 2000 FTE	Subtotal FY 2000 Amount	Intra-District FTE	Intra-District Amount	FY 2000 Total Resources FTE	FY 2000 Total Resources Amount
Enterprise Funds:													
Water and Sewer Authority	LA	0	0	0	0	0	236,075	0	236,075	0	0	0	236,075
Washington Aqueduct	LB	0	0	0	0	0	43,533	0	43,533	0	0	0	43,533
Total, Water and Sewer Fund		0	0	0	0	0	279,608	0	279,608	0	0	0	279,608
Lottery and Charitable Games Board	DC	0	0	0	0	100	234,400	100	234,400	0	0	100	234,400
Sports and Entertainment Commission	SC	0	0	0	0	0	10,846	0	10,846	0	0	0	10,846
Public Benefit Corporation	JB	0	0	0	0	0	89,008	0	89,008	0	66,327	0	155,335
Retirement Board	DY	0	0	0	0	13	9,892	13	9,892	0	0	13	9,892
Correctional Industries Fund	FP	0	0	0	0	8	1,810	8	1,810	23	3,850	31	5,660
Washington Convention Center	ES	0	0	0	0	0	50,226	0	50,226	0	0	0	50,226
Total, Enterprise and Other Funds		0	0	0	0	121	675,790	121	675,790	23	70,177	144	745,967
Total, Operating Expenses		24,924	3,113,854	4,519	1,231,408	2,224	1,017,364	31,667	5,362,626	1,052	152,753	32,719	5,515,379
Capital Outlay													
General Fund		0	941,614	0	277,024	0	0	0	1,218,638	0	0	0	1,218,638
Water and Sewer		0	0	0	0	0	197,169	0	197,169	0	0	0	197,169
Total, Capital Outlay		0	941,614	0	277,024	0	197,169	0	1,415,807	0	0	0	1,415,807
GRAND TOTAL		24,924	4,055,468	4,519	1,508,432	2,224	1,214,533	31,667	6,778,433	1,052	152,753	32,719	6,931,186

1/ Above table includes $5,000,000 for Office of the Mayor provided under section 168 of the General Provisions.

2/ Above table includes $18,000,000 for Buyouts and Other Management Reforms provided under section 157 of the General Provisions.

	Local funds	Grants and other revenue	Gross funds
Other financing uses:			
Debt service			
Principal and interest	383,653	0	383,653
Other financing uses:			
D.C. General	44,435	0	44,435
University of the District of Columbia	40,491	31,856	72,347
Subtotal, other financing uses	468,579	31,856	500,435
Total, general fund expenditures	3,113,854	1,572,982	4,686,836
Surplus/(Deficit)	246	0	246
Enterprise fund data:			
Enterprise fund revenues:			
Water and Sewer Authority	0	236,075	236,075
Washington Aqueduct	0	43,533	43,533
D.C. Lottery and Charitable Games Board	0	234,400	234,400
Sports and Entertainment Commission	0	10,846	10,846
Public Benefit Corporation	0	89,008	89,008
D.C. Retirement Board	0	9,892	9,892
Correctional Industries	0	1,810	1,810
Washington Convention Center Authority	0	50,226	50,226
Total, enterprise fund revenue	0	675,790	675,790
Enterprise fund expenditures:			
Water and Sewer Authority	0	236,075	236,075
Washington Aqueduct	0	43,533	43,533
D.C. Lottery and Charitable Games Board	0	234,400	234,400
Sports and Entertainment Commission	0	10,846	10,846
Public Benefit Corporation	0	89,008	89,008
D.C. Retirement Board	0	9,892	9,892
Correctional Industries	0	1,810	1,810
Washington Convention Center Authority	0	50,226	50,226
Total, enterprise expenditures	0	675,790	675,790
Total, revenues versus expenditures	0	0	0
Total, operating revenues	3,114,100	2,248,772	5,362,872
Total, operating expenditures	3,113,854	2,248,772	5,362,626
Revenue versus expenditures	246	0	246

Fiscal Year 2000 Financial Plans
(In thousands of dollars)

	Local funds	Grants and other revenue	Gross funds
Revenue:			
Local sources, current authority:			
Property taxes	693,700	0	693,700
Sales taxes	620,000	0	620,000
Income taxes	1,185,100		1,185,100
Other taxes	348,500	0	348,500
Licenses, permits	48,498	0	48,498
Fines, forfeitures	56,771	0	56,771
Service charges	34,173	0	34,173
Miscellaneous	93,558	318,574	412,132
Tax Parity Act	(58,950)	0	(58,950)
Subtotal, local revenues	3,021,350	318,574	3,339,924
Federal sources:			
Federal payment	23,750	0	23,750
Grants	0	1,231,408	1,231,408
Subtotal, Federal sources	23,750	1,231,408	1,255,158
Other financing sources:			
Transfer Interest Income from Control Board	0	23,000	23,000
Lottery transfer	69,000	0	69,000
Subtotal, other financing sources	69,000	23,000	92,000
Total, general fund revenues	3,114,100	1,572,982	4,687,082
Expenditures:			
Current operating:			
Governmental Direction and Support	137,134	30,222	167,356
Economic Development and Regulation	52,911	137,424	190,335
Public Safety and Justice	565,511	213,259	778,770
Public Education System	681,356	113,708	795,064
Human Support Services	590,938	890,988	1,481,926
Public Works	258,341	13,054	271,395
Receiverships	217,606	124,471	342,077
Financial Authority	3,140	0	3,140
Nonunion pay increase	8,500	0	8,500
Buyouts and Other Management Reforms	0	18,000	18,000
Optical and Dental Benefits	1,295	0	1,295
Reserve	150,000	0	150,000
Productivity Bank	20,000	0	20,000
Productivity Savings	(20,000)	0	(20,000)
Management Reform and Productivity Savings	(7,000)	0	(7,000)
General Supply Schedule Savings	(14,457)	0	(14,457)
Subtotal, current operating	2,645,275	1,541,126	4,186,401

GENERAL PROVISIONS

The conference action changes several section numbers for sequential purposes and makes technical revisions in certain citations. Unless noted otherwise, the conference action refers to H.R. 2587.

The conference action restores section 117 of the House bill prohibiting the use of Federal funds for a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia government.

The conference action approves section 119 of the House bill in lieu of section 118 of the Senate bill concerning the cap on the salary of the City Administrator and the per diem compensation to the directors of the Redevelopment Land Agency.

The conference action approves section 127 of the Senate bill (new section 128) concerning financial management services.

The conference action on H.R. 3064 inserts a new subsection (b) in section 129 as proposed by the Senate that allows an increase in payments to attorneys representing special education students if the Mayor, control board, and Superintendent of Public Schools concur in a Memorandum of Understanding setting forth the increase.

The conference action revises the ceiling on operating expenses in section 135 (new section 136) to $5,515,379,000 including $3,113,854,000 from local funds instead of $5,522,779,000 including $3,117,254,000 as proposed by the House and $5,486,829,000 including $3,108,304,000 as proposed by the Senate.

The conference action deletes subsection (d) of section 135 of the House bill concerning the application of excess revenues as proposed by the Senate.

The conference action deletes section 137 of the House bill concerning a report on public school openings as proposed by the Senate.

The conference action requires the inventory of motor vehicles required by section 139 of the House bill and 138 of the Senate bill (new section 139) to be submitted by the Chief Financial Officer as proposed by the House instead of by the Mayor as proposed by the Senate.

The conference action restores section 142 of the House bill concerning the Compliance with Buy American Act.

The conference action deletes section 141 of the Senate bill concerning certain real property in the District of Columbia. The language was made permanent in Public Law 105–277.

The conference action deletes the date referenced in section 146 of the Senate bill concerning the correctional facility in Youngstown, Ohio as proposed by the Senate (new section 147).

The conference action approves section 148 of the Senate bill concerning a reserve and positive fund balance for the District of Columbia. The conferees believe that the reserve fund will now serve as a true ''rainy day'' fund. Further, the conferees have now required the District to maintain a budget surplus of not less than 4 percent. Any funds in excess of this level could be used for debt reduction and non-recurring expenses. The conferees believe that this combination of reforms will provide the District with a stable financial situation that will in time reduce the District's debt and lead to an improved bond rating.

The conference action on H.R. 3064 revises section 151 concerning the monitoring of real property leases entered into by the District government.

The conference action on H.R. 3064 revises section 152 concerning new leases and purchases of real property by the District government.

The conference action deletes section 151 of the House bill which prohibits the use of Federal funds for legalizing marijuana or reducing penalties. Section 168 of the House bill (new section 167) prohibits Federal and local funds for legalizing marijuana or reducing penalties.

The conference action restores section 154 of the House bill (new section 153) concerning public charter school construction and repair funds and amends the language to provide $5,000,000 for a credit enhancement fund.

The conference action deletes section 154 of the Senate bill concerning termination of parole for illegal drug use.

The conference action restores section 156 of the House bill (new section 155) concerning the authorization period for public charter schools.

The conference action restores section 157 of the House bill (new section 156) concerning sibling preference at public charter schools.

The conference action restores section 158 of the House bill (new section 157) concerning buyouts and management reforms and provides $18,000,000 instead of $20,000,000 as proposed by the House. The conference action also inserts a proviso concerning the spending and release of the funds.

The conference action restores section 159 of the House bill (new section 158) concerning the 14th Street Bridge and provides $5,000,000 instead of $7,500,000 as proposed by the House. The conference action also changes the source of funds from the infrastructure fund to the District's highway trust fund. The conferees direct that responsibility for this project along with these funds be transferred to the Federal Highway Administration for execution.

The conference action restores section 160 of the House bill (new section 159) concerning the Anacostia River environmental cleanup.

The conference action restores section 161 of the House bill (new section 160) concerning the Crime Victims Compensation Fund and amends the language so that funds are retained each year to pay crime victims at the beginning of the next year. The conference action also inserts language that ratifies payments and deposits to conform with the Revitalization Act (Public Law 105–33).

The conference action restores section 162 of the House bill (new section 161) requiring the chief financial officers of the District of Columbia government to certify that they understand the duties and restrictions required by this Act.

The conference action restores section 163 of the House bill (new section 162) requiring the fiscal year 2001 budget to specify potential adjustments that might be necessary if the proposed management savings are not achieved.

The conference action restores section 164 of the House bill (new section 163) requiring descriptions of certain budget categories.

The conference action restores section 165 of the House bill (new section 164) concerning improvements to the Southwest Waterfront in the District and modifies the language to provide flexibility for the Mayor in executing new 30-year leases with the existing lessee or their successors at the Municipal Fish Wharf and the Washington Marina.

The conference action restores section 166 of the House bill (new section 165) expressing the sense of Congress concerning the American National Red Cross project at 2025 E Street Northwest.

The conference action restores section 167 of the House bill (new section 166) concerning sex offender registration.

The conference action restores section 168 of the House bill (new section 167) prohibiting the use of funds to legalize marijuana or reduce penalties.

The conference action retains and amends section 149 of the Senate bill (new section 168) providing $5,000,000 to offset local taxes for a commercial revitalization program in enterprise zones and low and moderate income areas in the District of Columbia. The conferees believe that the Commercial Revitalization program will be an important tool for the city to improve blighted neighborhoods in the District of Columbia. The conferees believe it is important to bring new commercial enterprises into neglected areas of the city. The conferees direct the District to review Congressional proposals on this issue in order to use the funds effectively.

The conference action inserts section 151 of the Senate bill (new section 170) concerning quality-of-life issues and changes the findings from a sense of the Senate to a sense of the Congress.

The conference action inserts section 152 of the Senate bill (new section 171) concerning the use of Federal Medicaid payments to Disproportionate Share Hospitals.

The conference action inserts section 153 of the Senate bill (new section 172) concerning a study by the General Accounting Office of the District's criminal justice system. The conferees request that this be a comprehensive study of all components of the criminal justice system including law enforcement, courts, corrections, probation, and parole. The report should include recommendations for improving the performance of the overall system as well as the individual agencies and programs.

The conference action on H.R. 3064 inserts a new section 173 as proposed by the Senate that allows the DC Corporation Counsel to review and comment on briefs in private lawsuits and to consult with officials of the District government regarding such lawsuits.

The conference action on H.R. 3064 inserts a new section 174 as proposed by the Senate concerning wireless communication and antenna applications. The language recommended by the conferees requires the National Park Service to implement the notice of decision approved by the National Capital Regional Director, dated April 7, 1999, including the issuance of right-of-way permits, within 7 days of the enactment of this Act. Concerning future applications for siting on Federal land, the responsible Federal agency is directed to take final action to approve or deny each application, including action on the issuance of right-of-way permits at market rates, within 120 days of the receipt of such application. This 120-day directive does not change or eliminate the obligation that the responsible Federal agency must comply with existing laws.

TITLE II—TAX REDUCTION

The conference action restores Title II—Tax Reduction commending the District of Columbia for its action to reduce taxes and ratifying the District's Service Improvement and Fiscal Year 2000 Budget Support Act of 1999 as proposed by the House.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2000 recommended by the Committee of Conference, with comparisons to the fiscal year 1999 amount, the 2000 budget estimates, and the House and Senate bills for 2000 follow:

Federal Funds:	
New budget (obligational) authority, fiscal year 1999 ...	683,639,000

Budget estimates of new (obligational) authority, fiscal year 2000	393,740,000
House bill, fiscal year 2000	429,100,000
Senate bill, fiscal year 2000	429,100,000
Conference agreement, fiscal year 2000	436,800,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1999	−246,839,000
Budget estimates of new (obligations) authority, fiscal year 2000	+43,060,000
House bill, fiscal year 2000	+7,700,000
Senate bill, fiscal year 2000	+7,700,000
District of Columbia funds:	
New Budget (obligational) authority, fiscal year 1999	*6,790,168,737*
Budget estimates of new (obligational) authority, fiscal year 2000	*6,745,278,500*
House bill, fiscal year 2000	*6,778,432,500*
Senate bill, fiscal year 2000	*6,778,432,500*
Conference agreement, fiscal year 2000	*6,778,432,500*
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1999	*−11,736,237*
Budget estimates of new (obligations) authority, fiscal year 2000	*+33,154,000*
House bill, fiscal year 2000	.....
Senate bill, fiscal year 2000	.....

DIVISION B

Division B of the conference agreement includes a section (section 1000) that enacts several bills by reference. Section 1001 of this Division includes language that would apply PAYGO scorekeeping rules to several of the bills enacted by reference even though these bills would be enacted in an appropriations bill.

Text of those bills and explanatory statements for them follow:

The conference agreement would enact the provisions of H.R. 3421 as introduced on November 17, 1999. The text of that bill follows:

A BILL Making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2000, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2000, and for other purposes, namely:

TITLE I—DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the administration of the Department of Justice, $79,328,000, of which not to exceed $3,317,000 is for the Facilities Program 2000, to remain available until expended: Provided, That not to exceed 43 permanent positions and 44 full-time equivalent workyears and $8,136,000 shall be expended for the Department Leadership Program exclusive of augmentation that occurred in these offices in fiscal year 1999: Provided further, That not to exceed 41 permanent positions and 48 full-time equivalent workyears and $4,811,000 shall be expended for the Offices of Legislative Affairs and Public Affairs: Provided further, That the latter two aforementioned offices may utilize non-reimbursable details of career employees within the caps described in the aforementioned proviso: Provided further, That the Attorney General is authorized to transfer, under such terms and conditions as the Attorney General shall specify, forfeited real or personal property of limited or marginal value, as such value is determined by guidelines established by the Attorney General, to a State or local government agency, or its designated contractor or transferee, for use to support drug abuse treatment, drug and crime prevention and education, housing, job skills, and other community-based public health and safety programs: Provided further, That any transfer under the preceding proviso shall not create or confer any private right of action in any person against the United States, and shall be treated as a reprogramming under section 605 of this Act.

JOINT AUTOMATED BOOKING SYSTEM

For expenses necessary for the nationwide deployment of a Joint Automated Booking System, $1,800,000, to remain available until expended.

NARROWBAND COMMUNICATIONS

For the costs of conversion to narrowband communications as mandated by section 104 of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 903(d)(1)), $10,625,000, to remain available until expended.

COUNTERTERRORISM FUND

For necessary expenses, as determined by the Attorney General, $10,000,000, to remain available until expended, to reimburse any Department of Justice organization for: (1) the costs incurred in reestablishing 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: Provided, That any Federal agency may be reimbursed for the costs of detaining in foreign countries individuals accused of acts of terrorism that violate the laws of the United States: Provided further, That funds provided under this paragraph shall be available only after the Attorney General notifies the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 605 of this Act.

TELECOMMUNICATIONS CARRIER COMPLIANCE FUND

For payments authorized by section 109 of the Communications Assistance for Law Enforcement Act (47 U.S.C. 1008), $15,000,000, to remain available until expended.

ADMINISTRATIVE REVIEW AND APPEALS

For expenses necessary for the administration of pardon and clemency petitions and immigration related activities, $98,136,000.

In addition, $50,363,000, for such purposes, to remain available until expended, to be derived from the Violent Crime Reduction Trust Fund.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $40,275,000; including not to exceed $10,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; and for the acquisition, lease, maintenance, and operation of motor vehicles, without regard to the general purchase price limitation for the current fiscal year: Provided, That not less than $40,000 shall be transferred to and administered by the Department of Justice Wireless Management Office for the costs of conversion to narrowband communications and for the operations and maintenance of legacy Land Mobile Radio systems.

UNITED STATES PAROLE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the United States Parole Commission as authorized by law, $8,527,000.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including not to exceed $20,000 for expenses of collecting evidence, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; and rent of private or Government-owned space in the District of Columbia, $357,016,000; of which not to exceed $10,000,000 for litigation support contracts shall remain available until expended: Provided, That of the funds available in this appropriation, not to exceed $36,666,000 shall remain available until expended for office automation systems for the legal divisions covered by this appropriation, and for the United States Attorneys, the Antitrust Division, and offices funded through ''Salaries and Expenses'', General Administration: Provided further, That of the amount appropriated under this heading $582,000 shall be transferred to, and merged with, funds available to the Presidential Advisory Commission on Holocaust Assets in the United States and shall be made available for the same purposes for which such funds are available: Provided further, That of the total amount appropriated, not to exceed $1,000 shall be available to the United States National Central Bureau, INTERPOL, for official reception and representation expenses.

In addition, $147,929,000, to be derived from the Violent Crime Reduction Trust Fund, to remain available until expended for such purposes.

In addition, for reimbursement of expenses of the Department of Justice associated with processing cases under the National Childhood Vaccine Injury Act of 1986, as amended, not to exceed $4,028,000, to be appropriated from the Vaccine Injury Compensation Trust Fund.

SALARIES AND EXPENSES, ANTITRUST DIVISION

For expenses necessary for the enforcement of antitrust and kindred laws, $81,850,000: Provided, That, notwithstanding section 3302(b) of title 31, United States Code, not to exceed $81,850,000 of offsetting collections derived from fees collected in fiscal year 2000 for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18a) shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: Provided further, That the sum herein appropriated from the general fund shall be reduced as such offsetting collections are received during fiscal year 2000, so as to result in a final fiscal year 2000 appropriation from the general fund estimated at not more than $0.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For necessary expenses of the Offices of the United States Attorneys, including inter-governmental and cooperative agreements,

$1,161,957,000; of which not to exceed $2,500,000 shall be available until September 30, 2001, for: (1) training personnel in debt collection; (2) locating debtors and their property; (3) paying the net costs of selling property; and (4) tracking debts owed to the United States Government: Provided, That of the total amount appropriated, not to exceed $8,000 shall be available for official reception and representation expenses: Provided further, That not to exceed $10,000,000 of those funds available for automated litigation support contracts shall remain available until expended: Provided further, That not to exceed $2,500,000 for the operation of the National Advocacy Center shall remain available until expended: Provided further, That not to exceed $1,000,000 shall remain available until expended for the expansion of existing Violent Crime Task Forces in United States Attorneys Offices into demonstration projects, including inter-governmental, inter-local, cooperative, and task-force agreements, however denominated, and contracts with State and local prosecutorial and law enforcement agencies engaged in the investigation and prosecution of violent crimes: Provided further, That, in addition to reimbursable full-time equivalent workyears available to the Offices of the United States Attorneys, not to exceed 9,120 positions and 9,398 full-time equivalent workyears shall be supported from the funds appropriated in this Act for the United States Attorneys.

UNITED STATES TRUSTEE SYSTEM FUND

For necessary expenses of the United States Trustee Program, as authorized by 28 U.S.C. 589a(a), $112,775,000, to remain available until expended and to be derived from the United States Trustee System Fund: Provided, That, notwithstanding any other provision of law, deposits to the Fund shall be available in such amounts as may be necessary to pay refunds due depositors: Provided further, That, notwithstanding any other provision of law, $112,775,000 of offsetting collections derived from fees collected pursuant to 28 U.S.C. 589a(b) shall be retained and used for necessary expenses in this appropriation and remain available until expended: Provided further, That the sum herein appropriated from the Fund shall be reduced as such offsetting collections are received during fiscal year 2000, so as to result in a final fiscal year 2000 appropriation from the Fund estimated at $0: Provided further, That 28 U.S.C. 589a is amended by striking ''and'' in subsection (b)(7); by striking the period in subsection (b)(8) and inserting ''; and''; and by adding a new paragraph as follows: ''(9) interest earned on Fund investment.''.

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

For expenses necessary to carry out the activities of the Foreign Claims Settlement Commission, including services as authorized by 5 U.S.C. 3109, $1,175,000.

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

For necessary expenses of the United States Marshals Service; including the acquisition, lease, maintenance, and operation of vehicles, and the purchase of passenger motor vehicles for police-type use, without regard to the general purchase price limitation for the current fiscal year, $333,745,000, as authorized by 28 U.S.C. 561(i); of which not to exceed $6,000 shall be available for official reception and representation expenses; of which not to exceed $4,000,000 for development, implementation, maintenance and support, and training for an automated prisoner information system shall remain available until expended; and of which not less than $2,762,000 shall be for the costs of conversion to narrowband communications and for the operations and maintenance of legacy Land Mobile Radio systems: Provided, That such amount shall be transferred to and administered by the Department of Justice Wireless Management Office.

In addition, $209,620,000, for such purposes, to remain available until expended, to be derived from the Violent Crime Reduction Trust Fund.

CONSTRUCTION

For planning, constructing, renovating, equipping, and maintaining United States Marshals Service prisoner-holding space in United States courthouses and Federal buildings, including the renovation and expansion of prisoner movement areas, elevators, and sallyports, $6,000,000, to remain available until expended.

JUSTICE PRISONER AND ALIEN TRANSPORTATION SYSTEM FUND, UNITED STATES MARSHALS SERVICE

Beginning in fiscal year 2000 and thereafter, payment shall be made from the Justice Prisoner and Alien Transportation System Fund for necessary expenses related to the scheduling and transportation of United States prisoners and illegal and criminal aliens in the custody of the United States Marshals Service, as authorized in 18 U.S.C. 4013, including, without limitation, salaries and expenses, operations, and the acquisition, lease, and maintenance of aircraft and support facilities: Provided, That the Fund shall be reimbursed or credited with advance payments from amounts available to the Department of Justice, other Federal agencies, and other sources at rates that will recover the expenses of Fund operations, including, without limitation, accrual of annual leave and depreciation of plant and equipment of the Fund: Provided further, That proceeds from the disposal of Fund aircraft shall be credited to the Fund: Provided further, That amounts in the Fund shall be available without fiscal year limitation, and may be used for operating equipment lease agreements that do not exceed 5 years.

FEDERAL PRISONER DETENTION

For expenses, related to United States prisoners in the custody of the United States Marshals Service as authorized in 18 U.S.C. 4013, but not including expenses otherwise provided for in appropriations available to the Attorney General, $525,000,000, as authorized by 28 U.S.C. 561(i), to remain available until expended.

FEES AND EXPENSES OF WITNESSES

For expenses, mileage, compensation, and per diems of witnesses, for expenses of contracts for the procurement and supervision of expert witnesses, for private counsel expenses, and for per diems in lieu of subsistence, as authorized by law, including advances, $95,000,000, to remain available until expended; of which not to exceed $6,000,000 may be made available for planning, construction, renovations, maintenance, remodeling, and repair of buildings, and the purchase of equipment incident thereto, for protected witness safesites; and of which not to exceed $1,000,000 may be made available for the purchase and maintenance of armored vehicles for transportation of protected witnesses.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, $7,199,000 and, in addition, up to $1,000,000 of funds made available to the Department of Justice in this Act may be transferred by the Attorney General to this account: Provided, That notwithstanding any other provision of law, upon a determination by the Attorney General that emergent circumstances require additional funding for conflict prevention and resolution activities of the Community Relations Service, the Attorney General may transfer such amounts to the Community Relations Service, from available appropriations for the current fiscal year for the Department of Justice, as may be necessary to respond to such circumstances: Provided further, That any transfer pursuant to the previous proviso shall be treated as a reprogramming under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

ASSETS FORFEITURE FUND

For expenses authorized by 28 U.S.C. 524(c)(1)(A)(ii), (B), (F), and (G), as amended, $23,000,000, to be derived from the Department of Justice Assets Forfeiture Fund.

RADIATION EXPOSURE COMPENSATION

ADMINISTRATIVE EXPENSES

For necessary administrative expenses in accordance with the Radiation Exposure Compensation Act, $2,000,000.

PAYMENT TO RADIATION EXPOSURE COMPENSATION TRUST FUND

For payments to the Radiation Exposure Compensation Trust Fund, $3,200,000.

INTERAGENCY LAW ENFORCEMENT

INTERAGENCY CRIME AND DRUG ENFORCEMENT

For necessary expenses for the detection, investigation, and prosecution of individuals involved in organized crime drug trafficking not otherwise provided for, to include inter-governmental agreements with State and local law enforcement agencies engaged in the investigation and prosecution of individuals involved in organized crime drug trafficking, $316,792,000, of which $50,000,000 shall remain available until expended: Provided, That any amounts obligated from appropriations under this heading may be used under authorities available to the organizations reimbursed from this appropriation: Provided further, That any unobligated balances remaining available at the end of the fiscal year shall revert to the Attorney General for reallocation among participating organizations in succeeding fiscal years, subject to the reprogramming procedures described in section 605 of this Act.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For necessary expenses of the Federal Bureau of Investigation for detection, investigation, and prosecution of crimes against the United States; including purchase for police-type use of not to exceed 1,236 passenger motor vehicles, of which 1,142 will be for replacement only, without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance, and operation of aircraft; and not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General, $2,337,015,000; of which not to exceed $50,000,000 for automated data processing and telecommunications and technical investigative equipment and not to exceed $1,000,000 for undercover operations shall remain available until September 30, 2001; of which not less than $292,473,000 shall be for counterterrorism investigations, foreign counterintelligence, and other activities related to our national security; of which not to exceed $10,000,000 is authorized to be made available for making advances for expenses arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to violent crime, terrorism, organized crime, and drug investigations; and of which not less than $50,000,000 shall be for the costs of conversion to narrowband communications, and for the operations and maintenance of legacy Land Mobile Radio systems: Provided, That such amount shall be transferred to and administered by the Department of Justice Wireless Management Office: Provided further, That not to exceed $45,000 shall be available for official

reception and representation expenses: Provided further, That no funds in this Act may be used to provide ballistics imaging equipment to any State or local authority which has obtained similar equipment through a Federal grant or subsidy unless the State or local authority agrees to return that equipment or to repay that grant or subsidy to the Federal Government.

In addition, $752,853,000 for such purposes, to remain available until expended, to be derived from the Violent Crime Reduction Trust Fund, as authorized by the Violent Crime Control and Law Enforcement Act of 1994, as amended, and the Antiterrorism and Effective Death Penalty Act of 1996.

CONSTRUCTION

For necessary expenses to construct or acquire buildings and sites by purchase, or as otherwise authorized by law (including equipment for such buildings); conversion and extension of federally-owned buildings; and preliminary planning and design of projects, $1,287,000, to remain available until expended.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; expenses for conducting drug education and training programs, including travel and related expenses for participants in such programs and the distribution of items of token value that promote the goals of such programs; purchase of not to exceed 1,358 passenger motor vehicles, of which 1,079 will be for replacement only, for police-type use without regard to the general purchase price limitation for the current fiscal year; and acquisition, lease, maintenance, and operation of aircraft, $933,000,000, of which not to exceed $1,800,000 for research shall remain available until expended, and of which not to exceed $4,000,000 for purchase of evidence and payments for information, not to exceed $10,000,000 for contracting for automated data processing and telecommunications equipment, and not to exceed $2,000,000 for laboratory equipment, $4,000,000 for technical equipment, and $2,000,000 for aircraft replacement retrofit and parts, shall remain available until September 30, 2001; of which not to exceed $50,000 shall be available for official reception and representation expenses; and of which not less than $20,733,000 shall be for the costs of conversion to narrowband communications and for the operations and maintenance of legacy Land Mobile Radio systems: Provided, That such amount shall be transferred to and administered by the Department of Justice Wireless Management Office.

In addition, $343,250,000, for such purposes, to remain available until expended, to be derived from the Violent Crime Reduction Trust Fund.

CONSTRUCTION

For necessary expenses to construct or acquire buildings and sites by purchase, or as otherwise authorized by law (including equipment for such buildings); conversion and extension of federally-owned buildings; and preliminary planning and design of projects, $5,500,000, to remain available until expended.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

For expenses necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, as follows:

ENFORCEMENT AND BORDER AFFAIRS

For salaries and expenses for the Border Patrol program, the detention and deportation program, the intelligence program, the investigations program, and the inspections program, including not to exceed $50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of, and to be accounted for solely under the certificate of, the Attorney General; purchase for police-type use (not to exceed 3,075 passenger motor vehicles, of which 2,266 are for replacement only), without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; research related to immigration enforcement; for protecting and maintaining the integrity of the borders of the United States including, without limitation, equipping, maintaining, and making improvements to the infrastructure; and for the care and housing of Federal detainees held in the joint Immigration and Naturalization Service and United States Marshals Service's Buffalo Detention Facility, $1,107,429,000; of which not to exceed $10,000,000 shall be available for costs associated with the training program for basic officer training, and $5,000,000 is for payments or advances arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to immigration; of which not to exceed $5,000,000 is to fund or reimburse other Federal agencies for the costs associated with the care, maintenance, and repatriation of smuggled illegal aliens; and of which not less than $18,510,000 shall be for the costs of conversion to narrowband communications and for the operations and maintenance of legacy Land Mobile Radio systems: Provided, That such amount shall be transferred to and administered by the Department of Justice Wireless Management Office: Provided further, That none of the funds available to the Immigration and Naturalization Service shall be available to pay any employee overtime pay in an amount in excess of $30,000 during the calendar year beginning January 1, 2000: Provided further, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: Provided further, That none of the funds provided in this or any other Act shall be used for the continued operation of the San Clemente and Temecula checkpoints unless the checkpoints are open and traffic is being checked on a continuous 24-hour basis.

CITIZENSHIP AND BENEFITS, IMMIGRATION SUPPORT AND PROGRAM DIRECTION

For all programs of the Immigration and Naturalization Service not included under the heading ''Enforcement and Border Affairs'', $535,011,000, of which not to exceed $400,000 for research shall remain available until expended: Provided, That not to exceed $5,000 shall be available for official reception and representation expenses: Provided further, That the Attorney General may transfer any funds appropriated under this heading and the heading ''Enforcement and Border Affairs'' between said appropriations notwithstanding any percentage transfer limitations imposed under this appropriation Act and may direct such fees as are collected by the Immigration and Naturalization Service to the activities funded under this heading and the heading ''Enforcement and Border Affairs'' for performance of the functions for which the fees legally may be expended: Provided further, That not to exceed 40 permanent positions and 40 full-time equivalent workyears and $4,150,000 shall be expended for the Offices of Legislative Affairs and Public Affairs: Provided further, That the latter two aforementioned offices shall not be augmented by personnel details, temporary transfers of personnel on either a reimbursable or non-reimbursable basis, or any other type of formal or informal transfer or reimbursement of personnel or funds on either a temporary or long-term basis: Provided further, That the number of positions filled through non-career appointment at the Immigration and Naturalization Service, for which funding is provided in this Act or is otherwise made available to the Immigration and Naturalization Service, shall not exceed four permanent positions and four full-time equivalent workyears: Provided further, That none of the funds available to the Immigration and Naturalization Service shall be used to pay any employee overtime pay in an amount in excess of $30,000 during the calendar year beginning January 1, 2000: Provided further, That funds may be used, without limitation, for equipping, maintaining, and making improvements to the infrastructure and the purchase of vehicles for police-type use within the limits of the Enforcement and Border Affairs appropriation: Provided further, That, notwithstanding any other provision of law, during fiscal year 2000, the Attorney General is authorized and directed to impose disciplinary action, including termination of employment, pursuant to policies and procedures applicable to employees of the Federal Bureau of Investigation, for any employee of the Immigration and Naturalization Service who violates policies and procedures set forth by the Department of Justice relative to the granting of citizenship or who willfully deceives the Congress or department leadership on any matter.

VIOLENT CRIME REDUCTION PROGRAMS

In addition, $1,267,225,000, for such purposes, to remain available until expended, to be derived from the Violent Crime Reduction Trust Fund: Provided, That the Attorney General may use the transfer authority provided under the heading ''Citizenship and Benefits, Immigration Support and Program Direction'' to provide funds to any program of the Immigration and Naturalization Service that heretofore has been funded by the Violent Crime Reduction Trust Fund.

CONSTRUCTION

For planning, construction, renovation, equipping, and maintenance of buildings and facilities necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, not otherwise provided for, $99,664,000, to remain available until expended: Provided, That no funds shall be available for the site acquisition, design, or construction of any Border Patrol checkpoint in the Tucson sector.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including purchase (not to exceed 708, of which 602 are for replacement only) and hire of law enforcement and passenger motor vehicles, and for the provision of technical assistance and advice on corrections related issues to foreign governments, $3,089,110,000; of which not less than $500,000 shall be transferred to and administered by the Department of Justice Wireless Management Office for the costs of conversion to narrowband communications and for the operations and maintenance of legacy Land Mobile Radio systems: Provided, That the Attorney General may transfer to the Health Resources and Services Administration such amounts as may be necessary for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions: Provided further, That the Director of the Federal Prison System (FPS), where necessary, may enter into contracts with a fiscal agent/fiscal intermediary claims processor to determine the amounts payable to persons who, on behalf of FPS, furnish health services to individuals committed to the custody of FPS: Provided further, That not to

exceed $6,000 shall be available for official reception and representation expenses: Provided further, That not to exceed $90,000,000 shall remain available for necessary operations until September 30, 2001: Provided further, That, of the amounts provided for Contract Confinement, not to exceed $20,000,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements, and other expenses authorized by section 501(c) of the Refugee Education Assistance Act of 1980, as amended, for the care and security in the United States of Cuban and Haitian entrants: Provided further, That, notwithstanding section 4(d) of the Service Contract Act of 1965 (41 U.S.C. 353(d)), FPS may enter into contracts and other agreements with private entities for periods of not to exceed 3 years and seven additional option years for the confinement of Federal prisoners.

In addition, $22,524,000, for such purposes, to remain available until expended, to be derived from the Violent Crime Reduction Trust Fund.

BUILDINGS AND FACILITIES

For planning, acquisition of sites and construction of new facilities; leasing the Oklahoma City Airport Trust Facility; purchase and acquisition of facilities and remodeling, and equipping of such facilities for penal and correctional use, including all necessary expenses incident thereto, by contract or force account; and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, $556,791,000, to remain available until expended, of which not to exceed $14,074,000 shall be available to construct areas for inmate work programs: Provided, That labor of United States prisoners may be used for work performed under this appropriation: Provided further, That not to exceed 10 percent of the funds appropriated to ''Buildings and Facilities'' in this or any other Act may be transferred to ''Salaries and Expenses'', Federal Prison System, upon notification by the Attorney General to the Committees on Appropriations of the House of Representatives and the Senate in compliance with provisions set forth in section 605 of this Act.

FEDERAL PRISON INDUSTRIES, INCORPORATED

The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase of (not to exceed five for replacement only) and hire of passenger motor vehicles.

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL PRISON INDUSTRIES, INCORPORATED

Not to exceed $3,429,000 of the funds of the corporation shall be available for its administrative expenses, and for services as authorized by 5 U.S.C. 3109, to be computed on an accrual basis to be determined in accordance with the corporation's current prescribed accounting system, and such amounts shall be exclusive of depreciation, payment of claims, and expenditures which the said accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

For grants, contracts, cooperative agreements, and other assistance authorized by title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (''the 1968 Act''), and the Missing Children's Assistance Act, as amended, including salaries and expenses in connection therewith, and with the Victims of Crime Act of 1984, as amended, $155,611,000, to remain available until expended, as authorized by section 1001 of title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended by Public Law 102–534 (106 Stat. 3524).

In addition, for grants, cooperative agreements, and other assistance authorized by sections 819, 821, and 822 of the Antiterrorism and Effective Death Penalty Act of 1996, $152,000,000, to remain available until expended.

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For assistance authorized by the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322), as amended (''the 1994 Act''), $1,634,500,000 to remain available until expended; of which $523,000,000 shall be for Local Law Enforcement Block Grants, pursuant to H.R. 728 as passed by the House of Representatives on February 14, 1995, except that for purposes of this Act, the Commonwealth of Puerto Rico shall be considered a ''unit of local government'' as well as a ''State'', for the purposes set forth in paragraphs (A), (B), (D), (F), and (I) of section 101(a)(2) of H.R. 728 and for establishing crime prevention programs involving cooperation between community residents and law enforcement personnel in order to control, detect, or investigate crime or the prosecution of criminals: Provided, That no funds provided under this heading may be used as matching funds for any other Federal grant program: Provided further, That $50,000,000 of this amount shall be for Boys and Girls Clubs in public housing facilities and other areas in cooperation with State and local law enforcement: Provided further, That funds may also be used to defray the costs of indemnification insurance for law enforcement officers: Provided further, That $20,000,000 shall be available to carry out section 102(2) of H.R. 728; of which $420,000,000 shall be for the State Criminal Alien Assistance Program, as authorized by section 242(j) of the Immigration and Nationality Act, as amended; of which $686,500,000 shall be for Violent Offender Incarceration and Truth in Sentencing Incentive Grants pursuant to subtitle A of title II of the 1994 Act, of which $165,000,000 shall be available for payments to States for incarceration of criminal aliens, of which $25,000,000 shall be available for the Cooperative Agreement Program, and of which $34,000,000 shall be reserved by the Attorney General for fiscal year 2000 under section 20109(a) of subtitle A of title II of the 1994 Act; and of which $5,000,000 shall be for the Tribal Courts Initiative.

VIOLENT CRIME REDUCTION PROGRAMS, STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

For assistance (including amounts for administrative costs for management and administration, which amounts shall be transferred to and merged with the ''Justice Assistance'' account) authorized by the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322), as amended (''the 1994 Act''); the Omnibus Crime Control and Safe Streets Act of 1968, as amended (''the 1968 Act''); and the Victims of Child Abuse Act of 1990, as amended (''the 1990 Act''), $1,194,450,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund; of which $552,000,000 shall be for grants, contracts, cooperative agreements, and other assistance authorized by part E of title I of the 1968 Act, for State and Local Narcotics Control and Justice Assistance Improvements, notwithstanding the provisions of section 511 of said Act, as authorized by section 1001 of title I of said Act, as amended by Public Law 102–534 (106 Stat. 3524), of which $52,000,000 shall be available to carry out the provisions of chapter A of subpart 2 of part E of title I of said Act, for discretionary grants under the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs; of which $10,000,000 shall be for the Court Appointed Special Advocate Program, as authorized by section 218 of the 1990 Act; of which $2,000,000 shall be for Child Abuse Training Programs for Judicial Personnel and Practitioners, as authorized by section 224 of the 1990 Act; of which $206,750,000 shall be for Grants to Combat Violence Against Women, to States, units of local government, and Indian tribal governments, as authorized by section 1001(a)(18) of the 1968 Act, including $28,000,000 which shall be used exclusively for the purpose of strengthening civil legal assistance programs for victims of domestic violence: Provided, That, of these funds, $5,200,000 shall be provided to the National Institute of Justice for research and evaluation of violence against women, $1,196,000 shall be provided to the Office of the United States Attorney for the District of Columbia for domestic violence programs in D.C. Superior Court, $10,000,000 which shall be used exclusively for violence on college campuses, and $10,000,000 shall be available to the Office of Juvenile Justice and Delinquency Prevention for the Safe Start Program, to be administered as authorized by part C of the Juvenile Justice and Delinquency Act of 1974, as amended; of which $34,000,000 shall be for Grants to Encourage Arrest Policies to States, units of local government, and Indian tribal governments, as authorized by section 1001(a)(19) of the 1968 Act; of which $25,000,000 shall be for Rural Domestic Violence and Child Abuse Enforcement Assistance Grants, as authorized by section 40295 of the 1994 Act; of which $5,000,000 shall be for training programs to assist probation and parole officers who work with released sex offenders, as authorized by section 40152(c) of the 1994 Act, and for local demonstration projects; of which $1,000,000 shall be for grants for televised testimony, as authorized by section 1001(a)(7) of the 1968 Act; of which $63,000,000 shall be for grants for residential substance abuse treatment for State prisoners, as authorized by section 1001(a)(17) of the 1968 Act; of which $900,000 shall be for the Missing Alzheimer's Disease Patient Alert Program, as authorized by section 240001(c) of the 1994 Act; of which $1,300,000 shall be for Motor Vehicle Theft Prevention Programs, as authorized by section 220002(h) of the 1994 Act; of which $40,000,000 shall be for Drug Courts, as authorized by title V of the 1994 Act; of which $1,500,000 shall be for Law Enforcement Family Support Programs, as authorized by section 1001(a)(21) of the 1968 Act; of which $2,000,000 shall be for public awareness programs addressing marketing scams aimed at senior citizens, as authorized by section 250005(3) of the 1994 Act; and of which $250,000,000 shall be for Juvenile Accountability Incentive Block Grants, except that such funds shall be subject to the same terms and conditions as set forth in the provisions under this heading for this program in Public Law 105–119, but all references in such provisions to 1998 shall be deemed to refer instead to 2000: Provided further, That funds made available in fiscal year 2000 under subpart 1 of part E of title I of the 1968 Act may be obligated for programs to assist States in the litigation processing of death penalty Federal habeas corpus petitions and for drug testing initiatives: Provided further, That, if a unit of local government uses any of the funds made available under this title to increase the number of law enforcement officers, the unit of local

government will achieve a net gain in the number of law enforcement officers who perform nonadministrative public safety service.

WEED AND SEED PROGRAM FUND

For necessary expenses, including salaries and related expenses of the Executive Office for Weed and Seed, to implement ''Weed and Seed'' program activities, $33,500,000, to remain available until expended, for inter-governmental agreements, including grants, cooperative agreements, and contracts, with State and local law enforcement agencies engaged in the investigation and prosecution of violent crimes and drug offenses in ''Weed and Seed'' designated communities, and for either reimbursements or transfers to appropriation accounts of the Department of Justice and other Federal agencies which shall be specified by the Attorney General to execute the ''Weed and Seed'' program strategy: Provided, That funds designated by Congress through language for other Department of Justice appropriation accounts for ''Weed and Seed'' program activities shall be managed and executed by the Attorney General through the Executive Office for Weed and Seed: Provided further, That the Attorney General may direct the use of other Department of Justice funds and personnel in support of ''Weed and Seed'' program activities only after the Attorney General notifies the Committees on Appropriations of the House of Representatives and the Senate in accordance with section 605 of this Act.

COMMUNITY ORIENTED POLICING SERVICES

For activities authorized by the Violent Crime Control and Law Enforcement Act of 1994, Public Law 103–322 (''the 1994 Act'') (including administrative costs), $595,000,000, to remain available until expended, including $45,000,000 which shall be derived from the Violent Crime Reduction Trust Fund; of which $130,000,000 shall be available to the Office of Justice Programs to carry out section 102 of the Crime Identification Technology Act of 1998 (42 U.S.C. 14601), of which $35,000,000 is for grants to upgrade criminal records, as authorized by section 106(b) of the Brady Handgun Violence Prevention Act of 1993, as amended, and section 4(b) of the National Child Protection Act of 1993, of which $15,000,000 is for the National Institute of Justice to develop school safety technologies, and of which $30,000,000 shall be for State and local DNA laboratories as authorized by section 1001(a)(22) of the 1968 Act, as well as for improvements to the State and local forensic laboratory general forensic science capabilities and to reduce their DNA convicted offender database sample backlog; of which $419,325,000 is for Public Safety and Community Policing Grants pursuant to title I of the 1994 Act, of which $180,000,000 shall be available for school resource officers; of which $35,675,000 shall be used for policing initiatives to combat methamphetamine production and trafficking and to enhance policing initiatives in drug ''hot spots''; and of which $10,000,000 shall be used for the Community Prosecutors Program: Provided, That of the amount provided for Public Safety and Community Policing Grants, not to exceed $29,825,000 shall be expended for program management and administration: Provided further, That of the unobligated balances available in this program, $210,000,000 shall be used for innovative community policing programs, of which $100,000,000 shall be used for a law enforcement technology program, $25,000,000 shall be used for the Matching Grant Program for Law Enforcement Armor Vests pursuant to section 2501 of part Y of the Omnibus Crime Control and Safe Streets Act of 1968 (''the 1968 Act''), as amended, $30,000,000 shall be used for Police Corps education, training, and service as set forth in sections 200101–200113 of the 1994 Act, $40,000,000 shall be available to improve tribal law enforcement including equipment and training, and $15,000,000 shall be used to combat violence in schools.

JUVENILE JUSTICE PROGRAMS

For grants, contracts, cooperative agreements, and other assistance authorized by the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, (''the Act''), including salaries and expenses in connection therewith to be transferred to and merged with the appropriations for Justice Assistance, $269,097,000, to remain available until expended, as authorized by section 299 of part I of title II and section 506 of title V of the Act, as amended by Public Law 102–586, of which: (1) notwithstanding any other provision of law, $6,847,000 shall be available for expenses authorized by part A of title II of the Act, $89,000,000 shall be available for expenses authorized by part B of title II of the Act, and $42,750,000 shall be available for expenses authorized by part C of title II of the Act: Provided, That $26,500,000 of the amounts provided for part B of title II of the Act, as amended, is for the purpose of providing additional formula grants under part B to States that provide assurances to the Administrator that the State has in effect (or will have in effect no later than 1 year after date of application) policies and programs, that ensure that juveniles are subject to accountability-based sanctions for every act for which they are adjudicated delinquent; (2) $12,000,000 shall be available for expenses authorized by sections 281 and 282 of part D of title II of the Act for prevention and treatment programs relating to juvenile gangs; (3) $10,000,000 shall be available for expenses authorized by section 285 of part E of title II of the Act; (4) $13,500,000 shall be available for expenses authorized by part G of title II of the Act for juvenile mentoring programs; and (5) $95,000,000 shall be available for expenses authorized by title V of the Act for incentive grants for local delinquency prevention programs; of which $12,500,000 shall be for delinquency prevention, control, and system improvement programs for tribal youth; of which $25,000,000 shall be available for grants of $360,000 to each State and $6,640,000 shall be available for discretionary grants to States, for programs and activities to enforce State laws prohibiting the sale of alcoholic beverages to minors or the purchase or consumption of alcoholic beverages by minors, prevention and reduction of consumption of alcoholic beverages by minors, and for technical assistance and training; and of which $15,000,000 shall be available for the Safe Schools Initiative: Provided further, That upon the enactment of reauthorization legislation for Juvenile Justice Programs under the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, funding provisions in this Act shall from that date be subject to the provisions of that legislation and any provisions in this Act that are inconsistent with that legislation shall no longer have effect: Provided further, That of amounts made available under the Juvenile Justice Programs of the Office of Justice Programs to carry out part B (relating to Federal Assistance for State and Local Programs), subpart II of part C (relating to Special Emphasis Prevention and Treatment Programs), part D (relating to Gang-Free Schools and Communities and Community-Based Gang Intervention), part E (relating to State Challenge Activities), and part G (relating to Mentoring) of title II of the Juvenile Justice and Delinquency Prevention Act of 1974, and to carry out the At-Risk Children's Program under title V of that Act, not more than 10 percent of each such amount may be used for research, evaluation, and statistics activities designed to benefit the programs or activities authorized under the appropriate part or title, and not more than 2 percent of each such amount may be used for training and technical assistance activities designed to benefit the programs or activities authorized under that part or title.

In addition, for grants, contracts, cooperative agreements, and other assistance, $11,000,000 to remain available until expended, for developing, testing, and demonstrating programs designed to reduce drug use among juveniles.

In addition, for grants, contracts, cooperative agreements, and other assistance authorized by the Victims of Child Abuse Act of 1990, as amended, $7,000,000, to remain available until expended, as authorized by section 214B of the Act.

PUBLIC SAFETY OFFICERS BENEFITS

To remain available until expended, for payments authorized by part L of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796), as amended, such sums as are necessary, as authorized by section 6093 of Public Law 100–690 (102 Stat. 4339–4340).

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

SEC. 101. In addition to amounts otherwise made available in this title for official reception and representation expenses, a total of not to exceed $45,000 from funds appropriated to the Department of Justice in this title shall be available to the Attorney General for official reception and representation expenses in accordance with distributions, procedures, and regulations established by the Attorney General.

SEC. 102. Authorities contained in the Department of Justice Appropriation Authorization Act, Fiscal Year 1980 (Public Law 96–132; 93 Stat. 1040 (1979)), as amended, shall remain in effect until the termination date of this Act or until the effective date of a Department of Justice Appropriation Authorization Act, whichever is earlier.

SEC. 103. None of the funds appropriated by this title shall be available to pay for an abortion, except where the life of the mother would be endangered if the fetus were carried to term, or in the case of rape: Provided, That should this prohibition be declared unconstitutional by a court of competent jurisdiction, this section shall be null and void.

SEC. 104. None of the funds appropriated under this title shall be used to require any person to perform, or facilitate in any way the performance of, any abortion.

SEC. 105. Nothing in the preceding section shall remove the obligation of the Director of the Bureau of Prisons to provide escort services necessary for a female inmate to receive such service outside the Federal facility: Provided, That nothing in this section in any way diminishes the effect of section 104 intended to address the philosophical beliefs of individual employees of the Bureau of Prisons.

SEC. 106. Notwithstanding any other provision of law, not to exceed $10,000,000 of the funds made available in this Act may be used to establish and publicize a program under which publicly advertised, extraordinary rewards may be paid, which shall not be subject to spending limitations contained in sections 3059 and 3072 of title 18, United States Code: Provided, That any reward of $100,000 or more, up to a maximum of $2,000,000, may not be made without the personal approval of the President or the Attorney General and such approval may not be delegated.

SEC. 107. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of Justice in this Act, including those derived from the Violent Crime Reduction Trust Fund, may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: Provided, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605

of this Act and shall not be available for obligation except in compliance with the procedures set forth in that section.

SEC. 108. (a) Notwithstanding any other provision of law, for fiscal year 2000, the Assistant Attorney General for the Office of Justice Programs of the Department of Justice—

(1) may make grants, or enter into cooperative agreements and contracts, for the Office of Justice Programs and the component organizations of that Office; and

(2) shall have final authority over all grants, cooperative agreements and contracts made, or entered into, for the Office of Justice Programs and the component organizations of that Office, except for grants made under the provisions of sections 201, 202, 301, and 302 of the Omnibus Crime Control and Safe Streets Act of 1968, as amended; and sections 204(b)(3), 241(e)(1), 243(a)(1), 243(a)(14) and 287A(3) of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended.

(b) Notwithstanding any other provision of law, effective August 1, 2000, all functions of the Director of the Bureau of Justice Assistance, other than those enumerated in the Omnibus Crime Control and Safe Streets Act, as amended, 42 U.S.C. 3742(3) through (6), are transferred to the Assistant Attorney General for the Office of Justice Programs.

SEC. 109. Sections 115 and 127 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999 (as contained in section 101(b) of division A of Public Law 105–277) shall apply to fiscal year 2000 and thereafter.

SEC. 110. Hereafter, for payments of judgments against the United States and compromise settlements of claims in suits against the United States arising from the Financial Institutions Reform, Recovery and Enforcement Act and its implementation, such sums as may be necessary, to remain available until expended: Provided, That the foregoing authority is available solely for payment of judgments and compromise settlements: Provided further, That payment of litigation expenses is available under existing authority and will continue to be made available as set forth in the Memorandum of Understanding between the Federal Deposit Insurance Corporation and the Department of Justice, dated October 2, 1998.

SEC. 111. Section 507 of title 28, United States Code, is amended by adding a new subsection (c) as follows:

''(c) Notwithstanding the provisions of section 901 of title 31, United States Code, the Assistant Attorney General for Administration shall be the Chief Financial Officer of the Department of Justice.''.

SEC. 112. Section 3024 of the Emergency Supplemental Appropriations Act, 1999 (Public Law 106–31) shall apply for fiscal year 2000.

SEC. 113. Effective 30 days after the enactment of this Act, section 1930(a)(1) of title 28, United States Code, is amended in paragraph (1) by striking ''$130'' and inserting ''$155''; section 589a of title 28, United States Code, is amended in subsection (b)(1) by striking ''23.08 percent'' and inserting ''27.42 percent''; and section 406(b) of Public Law 101–162 (103 Stat. 1016), as amended (28 U.S.C. 1931 note), is further amended by striking ''30.76 percent'' and inserting ''33.87 percent''.

SEC. 114. Section 4006 of title 18, United States Code, is amended—

(1) by striking ''The Attorney General'' and inserting the followinE: ''(a) IN GENERAL.—The Attorney General''; and

(2) by adding at the end the followinE:

''(b) HEALTH CARE ITEMS AND SERVICES.—

''(1) IN GENERAL.—Payment for costs incurred for the provision of health care items and services for individuals in the custody of the United States Marshals Service and the Immigration and Naturalization Service shall not exceed the lesser of the amount that would be paid for the provision of similar health care items and services under—

''(A) the Medicare program under title XVIII of the Social Security Act; or

''(B) the Medicaid program under title XIX of such Act of the State in which the services were provided.

''(2) FULL AND FINAL PAYMENT.—Any payment for a health care item or service made pursuant to this subsection, shall be deemed to be full and final payment.''.

SEC. 115. (a) None of the funds made available by this or any other Act may be used to pay premium pay under title 5, United States Code, sections 5542–5549, to any individual employed as an attorney, including an Assistant United States Attorney, in the Department of Justice for any work performed on or after the date of the enactment of this Act.

(b) Notwithstanding any other provision of law, neither the United States nor any individual or entity acting on its behalf shall be liable for premium pay under title 5, United States Code, sections 5542–5549, for any work performed on or after the date of the enactment of this Act by any individual employed as an attorney in the Department of Justice, including an Assistant United States Attorney.

SEC. 116. Section 113 of the Department of Justice Appropriations Act, 1999 (section 101(b) of division A of Public Law 105–277), as amended by section 3028 of the Emergency Supplemental Appropriations Act, 1999 (Public Law 106–31), is further amended by striking the first comma and inserting ''for fiscal year 2000 and hereafter,''.

SEC. 117. Section 203(b)(2)(B) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(2)(B)) is amended to read as follows:

''(B)(i) Subject to clause (ii), the Attorney General may, when the Attorney General deems it to be in the national interest, waive the requirements of subparagraph (A) that an alien's services in the sciences, arts, professions, or business be sought by an employer in the United States.

''(ii)(I) The Attorney General shall grant a national interest waiver pursuant to clause (i) on behalf of any alien physician with respect to whom a petition for preference classification has been filed under subparagraph (A) if—

''(aa) the alien physician agrees to work full time as a physician in an area or areas designated by the Secretary of Health and Human Services as having a shortage of health care professionals or at a health care facility under the jurisdiction of the Secretary of Veterans Affairs; and

''(bb) a Federal agency or a department of public health in any State has previously determined that the alien physician's work in such an area or at such facility was in the public interest.

''(II) No permanent resident visa may be issued to an alien physician described in subclause (I) by the Secretary of State under section 204(b), and the Attorney General may not adjust the status of such an alien physician from that of a nonimmigrant alien to that of a permanent resident alien under section 245, until such time as the alien has worked full time as a physician for an aggregate of 5 years (not including the time served in the status of an alien described in section 101(a)(15)(J)), in an area or areas designated by the Secretary of Health and Human Services as having a shortage of health care professionals or at a health care facility under the jurisdiction of the Secretary of Veterans Affairs.

''(III) Nothing in this subparagraph may be construed to prevent the filing of a petition with the Attorney General for classification under section 204(a), or the filing of an application for adjustment of status under section 245, by an alien physician described in subclause (I) prior to the date by which such alien physician has completed the service described in subclause (II).

''(IV) The requirements of this subsection do not affect waivers on behalf of alien physicians approved under section 203(b)(2)(B) before the enactment date of this subsection. In the case of a physician for whom an application for a waiver was filed under section 203(b)(2)(B) prior to November 1, 1998, the Attorney General shall grant a national interest waiver pursuant to section 203(b)(2)(B) except that the alien is required to have worked full time as a physician for an aggregate of 3 years (not including time served in the status of an alien described in section 101(a)(15)(J)) before a visa can be issued to the alien under section 204(b) or the status of the alien is adjusted to permanent resident under section 245.''.

SEC. 118. Section 286(q)(1)(A) of the Immigration and Nationality Act of 1953 (8 U.S.C. 1356(q)(1)(A)), as amended, is further amended—

(1) by striking clause (ii);

(2) by redesignating clause (iii) as (ii); and

(3) by striking '', until September 30, 2000,'' in clause (iv) and redesignating that clause as (iii).

SEC. 119. Section 1402(d) of the Victims of Crime Act of 1984 (42 U.S.C. 10601(d)) is amended—

(1) by striking paragraph (5);

(2) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(3) by adding a new paragraph (3), as follows:

''(3) Of the sums remaining in the Fund in any particular fiscal year after compliance with paragraph (2), such sums as may be necessary shall be available for the United States Attorneys Offices to improve services for the benefit of crime victims in the Federal criminal justice system.''.

SEC. 120. Public Law 103–322, the Violent Crime Control and Law Enforcement Act of 1994, subtitle C, section 210304, Index to Facilitate Law Enforcement Exchange of DNA Identification Information (42 U.S.C. 14132), is amended as follows:

(1) in subsection (a)(2), by striking ''and'';

(2) in subsection (a)(3), by striking the period and inserting ''; and'' after ''remains''; and

(3) by adding after subsection (a)(3) the following new subsection:

''(4) analyses of DNA samples voluntarily contributed from relatives of missing persons.''.

SEC. 121. (a) Subsection (b)(1) of section 227 of the Victims of Child Abuse Act of 1990 (42 U.S.C. 13032) is amended by inserting after ''such facts or circumstances'' the followinE: ''to the Cyber Tip Line at the National Center for Missing and Exploited Children, which shall forward that report''.

(b) Subsection (b)(2) of that section is amended by striking ''made'' and inserting ''forwarded''.

This title may be cited as the ''Department of Justice Appropriations Act, 2000''.

TITLE II—DEPARTMENT OF COMMERCE AND RELATED AGENCIES

TRADE AND INFRASTRUCTURE DEVELOPMENT

RELATED AGENCIES

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, $25,635,000, of which $1,000,000 shall remain available until expended: Provided, That not to exceed $98,000 shall be available for official reception and representation expenses.

INTERNATIONAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles, and services as authorized by 5 U.S.C. 3109, and not to exceed $2,500 for official reception and representation expenses, $44,495,000, to remain available until expended.

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for international trade activities of the Department of Commerce provided for by law, and engaging in trade promotional activities abroad, including expenses of grants and cooperative agreements for the purpose of promoting exports of United States firms, without regard to 44 U.S.C. 3702 and 3703; full medical coverage for dependent members of immediate families of employees stationed overseas and employees temporarily posted overseas; travel and transportation of employees of the United States and Foreign Commercial Service between two points abroad, without regard to 49 U.S.C. 1517; employment of Americans and aliens by contract for services; rental of space abroad for periods not exceeding 10 years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $327,000 for official representation expenses abroad; purchase of passenger motor vehicles for official use abroad, not to exceed $30,000 per vehicle; obtain insurance on official motor vehicles; and rent tie lines and teletype equipment, $311,503,000, to remain available until expended, of which $3,000,000 is to be derived from fees to be retained and used by the International Trade Administration, notwithstanding 31 U.S.C. 3302: Provided, That of the $313,503,000 provided for in direct obligations (of which $308,503,000 is appropriated from the general fund, $3,000,000 is derived from fee collections, and $2,000,000 is derived from unobligated balances and deobligations from prior years), $62,376,000 shall be for Trade Development, $19,755,000 shall be for Market Access and Compliance, $32,473,000 shall be for the Import Administration, $186,693,000 shall be for the United States and Foreign Commercial Service, and $12,206,000 shall be for Executive Direction and Administration: Provided further, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities without regard to section 5412 of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 4912); and that for the purpose of this Act, contributions under the provisions of the Mutual Educational and Cultural Exchange Act shall include payment for assessments for services provided as part of these activities.

EXPORT ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for export administration and national security activities of the Department of Commerce, including costs associated with the performance of export administration field activities both domestically and abroad; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $15,000 for official representation expenses abroad; awards of compensation to informers under the Export Administration Act of 1979, and as authorized by 22 U.S.C. 401(b); purchase of passenger motor vehicles for official use and motor vehicles for law enforcement use with special requirement vehicles eligible for purchase without regard to any price limitation otherwise established by law, $54,038,000, to remain available until expended, of which $1,877,000 shall be for inspections and other activities related to national security: Provided, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities: Provided further, That payments and contributions collected and accepted for materials or services provided as part of such activities may be retained for use in covering the cost of such activities, and for providing information to the public with respect to the export administration and national security activities of the Department of Commerce and other export control programs of the United States and other governments: Provided further, That no funds may be obligated or expended for processing licenses for the export of satellites of United States origin (including commercial satellites and satellite components) to the People's Republic of China, unless, at least 15 days in advance, the Committees on Appropriations of the House of Representatives and the Senate and other appropriate committees of the Congress are notified of such proposed action.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For grants for economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, and for trade adjustment assistance, $361,879,000 to be made available until expended.

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, $26,500,000: Provided, That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977.

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

For necessary expenses of the Department of Commerce in fostering, promoting, and developing minority business enterprise, including expenses of grants, contracts, and other agreements with public or private organizations, $27,314,000.

ECONOMIC AND INFORMATION INFRASTRUCTURE

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, of economic and statistical analysis programs of the Department of Commerce, $49,499,000, to remain available until September 30, 2001.

BUREAU OF THE CENSUS

SALARIES AND EXPENSES

For expenses necessary for collecting, compiling, analyzing, preparing, and publishing statistics, provided for by law, $140,000,000.

PERIODIC CENSUSES AND PROGRAMS

For necessary expenses to conduct the decennial census, $4,476,253,000 to remain available until expended: of which $20,240,000 is for Program Development and Management; of which $194,623,000 is for Data Content and Products; of which $3,449,952,000 is for Field Data Collection and Support Systems; of which $43,663,000 is for Address List Development; of which $477,379,000 is for Automated Data Processing and Telecommunications Support; of which $15,988,000 is for Testing and Evaluation; of which $71,416,000 is for activities related to Puerto Rico, the Virgin Islands and Pacific Areas; of which $199,492,000 is for Marketing, Communications and Partnerships activities; and of which $3,500,000 is for the Census Monitoring Board, as authorized by section 210 of Public Law 105–119: Provided, That the entire amount shall be available only to the extent that an official budget request, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That for purposes of reprogramming among the amounts set forth in the preceding part of this paragraph, the notification requirements of section 605 shall be three days, and the reprogramming obligation or expenditure threshold designated in section 605(b) shall be $1,000,000 or 10 percent, whichever is less.

In addition, for expenses to collect and publish statistics for other periodic censuses and programs provided for by law, $142,320,000, to remain available until expended.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, as provided for by law, of the National Telecommunications and Information Administration (NTIA), $10,975,000, to remain available until expended: Provided, That, notwithstanding 31 U.S.C. 1535(d), the Secretary of Commerce shall charge Federal agencies for costs incurred in spectrum management, analysis, and operations, and related services and such fees shall be retained and used as offsetting collections for costs of such spectrum services, to remain available until expended: Provided further, That hereafter, notwithstanding any other provision of law, NTIA shall not authorize spectrum use or provide any spectrum functions pursuant to the National Telecommunications and Information Administration Organization Act, 47 U.S.C. 902–903, to any Federal entity without reimbursement as required by NTIA for such spectrum management costs, and Federal entities withholding payment of such cost shall not use spectrum: Provided further, That the Secretary of Commerce is authorized to retain and use as offsetting collections all funds transferred, or previously transferred, from other Government agencies for all costs incurred in telecommunications research, engineering, and related activities by the Institute for Telecommunication Sciences of NTIA, in furtherance of its assigned functions under this paragraph, and such funds received from other Government agencies shall remain available until expended.

PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND CONSTRUCTION

For grants authorized by section 392 of the Communications Act of 1934, as amended, $26,500,000, to remain available until expended as authorized by section 391 of the Act, as amended: Provided, That not to exceed $1,800,000 shall be available for program administration as authorized by section 391 of the Act: Provided further, That notwithstanding the provisions of section 391 of the Act, the prior year unobligated balances may be made available for grants for projects for which applications have been submitted and approved during any fiscal year: Provided further, That, hereafter, notwithstanding any other provision of law, the Pan-Pacific Education and Communication Experiments by Satellite (PEACESAT)

Program is eligible to compete for Public Telecommunications Facilities, Planning and Construction funds.

INFORMATION INFRASTRUCTURE GRANTS

For grants authorized by section 392 of the Communications Act of 1934, as amended, $15,500,000, to remain available until expended as authorized by section 391 of the Act, as amended: Provided, That not to exceed $3,000,000 shall be available for program administration and other support activities as authorized by section 391: Provided further, That, of the funds appropriated herein, not to exceed 5 percent may be available for telecommunications research activities for projects related directly to the development of a national information infrastructure: Provided further, That, notwithstanding the requirements of sections 392(a) and 392(c) of the Act, these funds may be used for the planning and construction of telecommunications networks for the provision of educational, cultural, health care, public information, public safety, or other social services: Provided further, That notwithstanding any other provision of law, no entity that receives telecommunications services at preferential rates under section 254(h) of the Act (47 U.S.C. 254(h)) or receives assistance under the regional information sharing systems grant program of the Department of Justice under part M of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796h) may use funds under a grant under this heading to cover any costs of the entity that would otherwise be covered by such preferential rates or such assistance, as the case may be.

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Patent and Trademark Office provided for by law, including defense of suits instituted against the Commissioner of Patents and Trademarks, $755,000,000, to remain available until expended: Provided, That of this amount, $755,000,000 shall be derived from offsetting collections assessed and collected pursuant to 15 U.S.C. 1113 and 35 U.S.C. 41 and 376, and shall be retained and used for necessary expenses in this appropriation: Provided further, That the sum herein appropriated from the general fund shall be reduced as such offsetting collections are received during fiscal year 2000, so as to result in a final fiscal year 2000 appropriation from the general fund estimated at $0: Provided further, That, during fiscal year 2000, should the total amount of offsetting fee collections be less than $755,000,000, the total amounts available to the Patent and Trademark Office shall be reduced accordingly: Provided further, That any amount received in excess of $755,000,000 in fiscal year 2000 shall remain available until expended: Provided further, That of the amount in excess of $755,000,000 referred to in the previous proviso, $229,000,000 shall not be available for obligation until October 1, 2000: Provided further, That not to exceed $116,000,000 from fees collected in fiscal year 1999 shall be made available for obligation in fiscal year 2000.

SCIENCE AND TECHNOLOGY

TECHNOLOGY ADMINISTRATION

UNDER SECRETARY FOR TECHNOLOGY/OFFICE OF TECHNOLOGY POLICY

SALARIES AND EXPENSES

For necessary expenses for the Undersecretary for Technology/Office of Technology Policy, $7,972,000.

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

For necessary expenses of the National Institute of Standards and Technology, $283,132,000, to remain available until expended, of which not to exceed $282,000 may be transferred to the ''Working Capital Fund''.

INDUSTRIAL TECHNOLOGY SERVICES

For necessary expenses of the Manufacturing Extension Partnership of the National Institute of Standards and Technology, $104,836,000, to remain available until expended.

In addition, for necessary expenses of the Advanced Technology Program of the National Institute of Standards and Technology, $142,600,000, to remain available until expended, of which not to exceed $50,700,000 shall be available for the award of new grants, and of which not to exceed $500,000 may be transferred to the ''Working Capital Fund''.

CONSTRUCTION OF RESEARCH FACILITIES

For construction of new research facilities, including architectural and engineering design, and for renovation of existing facilities, not otherwise provided for the National Institute of Standards and Technology, as authorized by 15 U.S.C. 278c–278e, $108,414,000, to remain available until expended: Provided, That of the amounts provided under this heading, $84,916,000 shall be available for obligation and expenditure only after submission of a plan for the expenditure of these funds, in accordance with section 605 of this Act.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration, including maintenance, operation, and hire of aircraft; grants, contracts, or other payments to nonprofit organizations for the purposes of conducting activities pursuant to cooperative agreements; and relocation of facilities as authorized by 33 U.S.C. 883i, $1,688,189,000, to remain available until expended: Provided, That fees and donations received by the National Ocean Service for the management of the national marine sanctuaries may be retained and used for the salaries and expenses associated with those activities, notwithstanding 31 U.S.C. 3302: Provided further, That in addition, $68,000,000 shall be derived by transfer from the fund entitled ''Promote and Develop Fishery Products and Research Pertaining to American Fisheries'': Provided further, That grants to States pursuant to sections 306 and 306A of the Coastal Zone Management Act of 1972, as amended, shall not exceed $2,000,000: Provided further, That not to exceed $31,439,000 shall be expended for Executive Direction and Administration, which consists of the Offices of the Undersecretary, the Executive Secretariat, Policy and Strategic Planning, International Affairs, Legislative Affairs, Public Affairs, Sustainable Development, the Chief Scientist, and the General Counsel: Provided further, That the aforementioned offices, excluding the Office of the General Counsel, shall not be augmented by personnel details, temporary transfers of personnel on either a reimbursable or nonreimbursable basis or any other type of formal or informal transfer or reimbursement of personnel or funds on either a temporary or long-term basis above the level of 33 personnel: Provided further, That no general administrative charge shall be applied against any assigned activity included in this Act and, further, that any direct administrative expenses applied against assigned activities shall be limited to 5 percent of the funds provided for that assigned activity: Provided further, That of the amount made available under this heading for the National Marine Fisheries Services Pacific Salmon Treaty Program, $10,000,000 is appropriated for a Southern Boundary and Transboundary Rivers Restoration Fund, subject to express authorization.

In addition, for necessary retired pay expenses under the Retired Serviceman's Family Protection and Survivor Benefits Plan, and for payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C. ch. 55), such sums as may be necessary.

PROCUREMENT, ACQUISITION AND CONSTRUCTION

(INCLUDING TRANSFERS OF FUNDS)

For procurement, acquisition and construction of capital assets, including alteration and modification costs, of the National Oceanic and Atmospheric Administration, $596,067,000, to remain available until expended: Provided, That unexpended balances of amounts previously made available in the ''Operations, Research, and Facilities'' account for activities funded under this heading may be transferred to and merged with this account, to remain available until expended for the purposes for which the funds were originally appropriated.

PACIFIC COASTAL SALMON RECOVERY

For necessary expenses associated with the restoration of Pacific salmon populations and the implementation of the 1999 Pacific Salmon Treaty Agreement between the United States and Canada, $58,000,000.

COASTAL ZONE MANAGEMENT FUND

Of amounts collected pursuant to section 308 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1456a), not to exceed $4,000,000, for purposes set forth in sections 308(b)(2)(A), 308(b)(2)(B)(v), and 315(e) of such Act.

PROMOTE AND DEVELOP FISHERY PRODUCTS AND RESEARCH PERTAINING TO AMERICAN FISHERIES

FISHERIES PROMOTIONAL FUND

(RESCISSION)

All unobligated balances available in the Fisheries Promotional Fund are rescinded: Provided, That all obligated balances are transferred to the ''Operations, Research, and Facilities'' account.

FISHERMEN'S CONTINGENCY FUND

For carrying out the provisions of title IV of Public Law 95–372, not to exceed $953,000, to be derived from receipts collected pursuant to that Act, to remain available until expended.

FOREIGN FISHING OBSERVER FUND

For expenses necessary to carry out the provisions of the Atlantic Tunas Convention Act of 1975, as amended (Public Law 96–339), the Magnuson-Stevens Fishery Conservation and Management Act of 1976, as amended (Public Law 100–627), and the American Fisheries Promotion Act (Public Law 96–561), to be derived from the fees imposed under the foreign fishery observer program authorized by these Acts, not to exceed $189,000, to remain available until expended.

FISHERIES FINANCE PROGRAM ACCOUNT

For the cost of direct loans, $338,000, as authorized by the Merchant Marine Act of 1936, as amended: 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 none of the funds made available under this heading may be used for direct loans for any new fishing vessel that will increase the harvesting capacity in any United States fishery.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of Commerce provided for by law, including not to exceed $3,000 for official entertainment, $31,500,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5

U.S.C. App. 1–11, as amended by Public Law 100–504), $20,000,000.

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

SEC. 201. During the current fiscal year, applicable appropriations and funds made available to the Department of Commerce by this Act shall be available for the activities specified in the Act of October 26, 1949 (15 U.S.C. 1514), to the extent and in the manner prescribed by the Act, and, notwithstanding 31 U.S.C. 3324, may be used for advanced payments not otherwise authorized only upon the certification of officials designated by the Secretary of Commerce that such payments are in the public interest.

SEC. 202. During the current fiscal year, appropriations made available to the Department of Commerce by this Act for salaries and expenses shall be available for hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344; services as authorized by 5 U.S.C. 3109; and uniforms or allowances therefore, as authorized by law (5 U.S.C. 5901–5902).

SEC. 203. None of the funds made available by this Act may be used to support the hurricane reconnaissance aircraft and activities that are under the control of the United States Air Force or the United States Air Force Reserve.

SEC. 204. None of the funds provided in this or any previous Act, or hereinafter made available to the Department of Commerce, shall be available to reimburse the Unemployment Trust Fund or any other fund or account of the Treasury to pay for any expenses authorized by section 8501 of title 5, United States Code, for services performed by individuals appointed to temporary positions within the Bureau of the Census for purposes relating to the decennial censuses of population.

SEC. 205. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of Commerce in this Act may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: Provided, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 206. (a) Should legislation be enacted to dismantle or reorganize the Department of Commerce, or any portion thereof, the Secretary of Commerce, no later than 90 days thereafter, shall submit to the Committees on Appropriations of the House of Representatives and the Senate a plan for transferring funds provided in this Act to the appropriate successor organizations: Provided, That the plan shall include a proposal for transferring or rescinding funds appropriated herein for agencies or programs terminated under such legislation: Provided further, That such plan shall be transmitted in accordance with section 605 of this Act.

(b) The Secretary of Commerce or the appropriate head of any successor organization(s) may use any available funds to carry out legislation dismantling or reorganizing the Department of Commerce, or any portion thereof, to cover the costs of actions relating to the abolishment, reorganization, or transfer of functions and any related personnel action, including voluntary separation incentives if authorized by such legislation: Provided, That the authority to transfer funds between appropriations accounts that may be necessary to carry out this section is provided in addition to authorities included under section 205 of this Act: Provided further, That use of funds to carry out this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 207. Any costs incurred by a department or agency funded under this title resulting from personnel actions taken in response to funding reductions included in this title or from actions taken for the care and protection of loan collateral or grant property shall be absorbed within the total budgetary resources available to such department or agency: Provided, That the authority to transfer funds between appropriations accounts as may be necessary to carry out this section is provided in addition to authorities included elsewhere in this Act: Provided further, That use of funds to carry out this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 208. The Secretary of Commerce may award contracts for hydrographic, geodetic, and photogrammetric surveying and mapping services in accordance with title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 541 et seq.).

SEC. 209. The Secretary of Commerce may use the Commerce franchise fund for expenses and equipment necessary for the maintenance and operation of such administrative services as the Secretary determines may be performed more advantageously as central services, pursuant to section 403 of Public Law 103–356: Provided, That any inventories, equipment, and other assets pertaining to the services to be provided by such fund, either on hand or on order, less the related liabilities or unpaid obligations, and any appropriations made for the purpose of providing capital shall be used to capitalize such fund: Provided further, That such fund shall be paid in advance from funds available to the department and other Federal agencies for which such centralized services are performed, at rates which will return in full all expenses of operation, including accrued leave, depreciation of fund plant and equipment, amortization of automated data processing (ADP) software and systems (either acquired or donated), and an amount necessary to maintain a reasonable operating reserve, as determined by the Secretary: Provided further, That such fund shall provide services on a competitive basis: Provided further, That an amount not to exceed 4 percent of the total annual income to such fund may be retained in the fund for fiscal year 2000 and each fiscal year thereafter, to remain available until expended, to be used for the acquisition of capital equipment, and for the improvement and implementation of department financial management, ADP, and other support systems: Provided further, That such amounts retained in the fund for fiscal year 2000 and each fiscal year thereafter shall be available for obligation and expenditure only in accordance with section 605 of this Act: Provided further, That no later than 30 days after the end of each fiscal year, amounts in excess of this reserve limitation shall be deposited as miscellaneous receipts in the Treasury: Provided further, That such franchise fund pilot program shall terminate pursuant to section 403(f) of Public Law 103–356.

SEC. 210. Section 302(a)(1)(A) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1852(a)(1)(A)) is amended—

(1) by striking ''17'' and inserting ''18''; and

(2) by striking ''11'' and inserting ''12''.

SEC. 211. Notwithstanding any other provision of law, of the amounts made available elsewhere in this title to the ''National Institute of Standards and Technology, Construction of Research Facilities'', $2,000,000 is appropriated to the Institute at Saint Anselm College, $700,000 is appropriated to the New Hampshire State Library, and $9,000,000 is appropriated to fund a cooperative agreement with the Medical University of South Carolina.

This title may be cited as the ''Department of Commerce and Related Agencies Appropriations Act, 2000''.

TITLE III—THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

SALARIES AND EXPENSES

For expenses necessary for the operation of the Supreme Court, as required by law, excluding care of the building and grounds, including purchase or hire, driving, maintenance, and operation of an automobile for the Chief Justice, not to exceed $10,000 for the purpose of transporting Associate Justices, and hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344; not to exceed $10,000 for official reception and representation expenses; and for miscellaneous expenses, to be expended as the Chief Justice may approve, $35,492,000.

CARE OF THE BUILDING AND GROUNDS

For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon the Architect by the Act approved May 7, 1934 (40 U.S.C. 13a–13b), $8,002,000, of which $5,101,000 shall remain available until expended.

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SALARIES AND EXPENSES

For salaries of the chief judge, judges, and other officers and employees, and for necessary expenses of the court, as authorized by law, $16,797,000.

UNITED STATES COURT OF INTERNATIONAL TRADE

SALARIES AND EXPENSES

For salaries of the chief judge and eight judges, salaries of the officers and employees of the court, services as authorized by 5 U.S.C. 3109, and necessary expenses of the court, as authorized by law, $11,957,000.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

For the salaries of circuit and district judges (including judges of the territorial courts of the United States), justices and judges retired from office or from regular active service, judges of the United States Court of Federal Claims, bankruptcy judges, magistrate judges, and all other officers and employees of the Federal Judiciary not otherwise specifically provided for, and necessary expenses of the courts, as authorized by law, $2,958,138,000 (including the purchase of firearms and ammunition); of which not to exceed $13,454,000 shall remain available until expended for space alteration projects; and of which not to exceed $10,000,000 shall remain available until expended for furniture and furnishings related to new space alteration and construction projects.

In addition, for activities of the Federal Judiciary as authorized by law, $156,539,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, as authorized by section 190001(a) of Public Law 103–322, and sections 818 and 823 of Public Law 104–132.

In addition, for expenses of the United States Court of Federal Claims associated with processing cases under the National Childhood Vaccine Injury Act of 1986, not to exceed $2,515,000, to be appropriated from the Vaccine Injury Compensation Trust Fund.

DEFENDER SERVICES

For the operation of Federal Public Defender and Community Defender organizations; the compensation and reimbursement of expenses of attorneys appointed to represent persons under the Criminal Justice Act of 1964, as amended;

the compensation and reimbursement of expenses of persons furnishing investigative, expert and other services under the Criminal Justice Act of 1964 (18 U.S.C. 3006A(e)); the compensation (in accordance with Criminal Justice Act maximums) and reimbursement of expenses of attorneys appointed to assist the court in criminal cases where the defendant has waived representation by counsel; the compensation and reimbursement of travel expenses of guardians ad litem acting on behalf of financially eligible minor or incompetent offenders in connection with transfers from the United States to foreign countries with which the United States has a treaty for the execution of penal sentences; and the compensation of attorneys appointed to represent jurors in civil actions for the protection of their employment, as authorized by 28 U.S.C. 1875(d), $358,848,000, to remain available until expended as authorized by 18 U.S.C. 3006A(i).

In addition, for activities of the Federal Judiciary as authorized by law, $26,247,000, to remain available until expended, which shall be derived from the Violent Crime Reduction Trust Fund, as authorized by section 19001(a) of Public Law 103–322, and sections 818 and 823 of Public Law 104–132.

FEES OF JURORS AND COMMISSIONERS

For fees and expenses of jurors as authorized by 28 U.S.C. 1871 and 1876; compensation of jury commissioners as authorized by 28 U.S.C. 1863; and compensation of commissioners appointed in condemnation cases pursuant to rule 71A(h) of the Federal Rules of Civil Procedure (28 U.S.C. Appendix Rule 71A(h)), $60,918,000, to remain available until expended: Provided, That the compensation of land commissioners shall not exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code.

COURT SECURITY

For necessary expenses, not otherwise provided for, incident to the procurement, installation, and maintenance of security equipment and protective services for the United States Courts in courtrooms and adjacent areas, including building ingress-egress control, inspection of packages, directed security patrols, and other similar activities as authorized by section 1010 of the Judicial Improvement and Access to Justice Act (Public Law 100–702), $193,028,000, of which not to exceed $10,000,000 shall remain available until expended for security systems, to be expended directly or transferred to the United States Marshals Service, which shall be responsible for administering elements of the Judicial Security Program consistent with standards or guidelines agreed to by the Director of the Administrative Office of the United States Courts and the Attorney General.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

For necessary expenses of the Administrative Office of the United States Courts as authorized by law, including travel as authorized by 31 U.S.C. 1345, hire of a passenger motor vehicle as authorized by 31 U.S.C. 1343(b), advertising and rent in the District of Columbia and elsewhere, $55,000,000, of which not to exceed $8,500 is authorized for official reception and representation expenses.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Judicial Center, as authorized by Public Law 90–219, $18,000,000; of which $1,800,000 shall remain available through September 30, 2001, to provide education and training to Federal court personnel; and of which not to exceed $1,000 is authorized for official reception and representation expenses.

JUDICIAL RETIREMENT FUNDS

PAYMENT TO JUDICIARY TRUST FUNDS

For payment to the Judicial Officers' Retirement Fund, as authorized by 28 U.S.C. 377(o), $29,500,000; to the Judicial Survivors' Annuities Fund, as authorized by 28 U.S.C. 376(c), $8,000,000; and to the United States Court of Federal Claims Judges' Retirement Fund, as authorized by 28 U.S.C. 178(l), $2,200,000.

UNITED STATES SENTENCING COMMISSION

SALARIES AND EXPENSES

For the salaries and expenses necessary to carry out the provisions of chapter 58 of title 28, United States Code, $8,500,000, of which not to exceed $1,000 is authorized for official reception and representation expenses.

GENERAL PROVISIONS—THE JUDICIARY

SEC. 301. Appropriations and authorizations made in this title which are available for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

SEC. 302. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Judiciary in this Act may be transferred between such appropriations, but no such appropriation, except ''Courts of Appeals, District Courts, and Other Judicial Services, Defender Services'' and ''Courts of Appeals, District Courts, and Other Judicial Services, Fees of Jurors and Commissioners'', shall be increased by more than 10 percent by any such transfers: Provided, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 303. Notwithstanding any other provision of law, the salaries and expenses appropriation for district courts, courts of appeals, and other judicial services shall be available for official reception and representation expenses of the Judicial Conference of the United States: Provided, That such available funds shall not exceed $11,000 and shall be administered by the Director of the Administrative Office of the United States Courts in the capacity as Secretary of the Judicial Conference.

SEC. 304. Pursuant to section 140 of Public Law 97–92, Justices and judges of the United States are authorized during fiscal year 2000, to receive a salary adjustment in accordance with 28 U.S.C. 461: Provided, That $9,611,000 is appropriated for salary adjustments pursuant to this section and such funds shall be transferred to and merged with appropriations in title III of this Act.

SEC. 305. Section 604(a)(5) of title 28, United States Code, is amended by adding before the semicolon at the end thereof the following: '', and, notwithstanding any other provision of law, pay on behalf of Justices and judges of the United States appointed to hold office during good behavior, aged 65 or over, any increases in the cost of Federal Employees' Group Life Insurance imposed after April 24, 1999, including any expenses generated by such payments, as authorized by the Judicial Conference of the United States''.

SEC. 306. The second paragraph of section 112(c) of title 28, United States Code, is amended to read ''Court for the Eastern District shall be held at Brooklyn, Hauppauge, Hempstead (including the village of Uniondale), and Central Islip.''.

SEC. 307. Pursuant to the requirements of section 156(d) of title 28, United States Code, Congress hereby approves the consolidation of the Office of the Bankruptcy Clerk with the Office of the District Clerk of Court in the Southern District of West Virginia.

SEC. 308. (a) IN GENERAL.—Section 3006A(d)(4)(D)(vi) of title 18, United States Code, is amended by adding after the word ''require'' the following: '', except that the amount of the fees shall not be considered a reason justifying any limited disclosure under section 3006A(d)(4) of title 18, United States Code''.

(b) EFFECTIVE DATE.—This section shall apply to all disclosures made under section 3006A(d) of title 18, United States Code, related to any criminal trial or appeal involving a sentence of death where the underlying alleged criminal conduct took place on or after April 19, 1995.

SEC. 309. (a) The President shall appoint, by and with the advice and consent of the Senate—

(1) three additional district judges for the district of Arizona;

(2) four additional district judges for the middle district of Florida; and

(3) two additional district judges for the district of Nevada.

(b) In order that the table contained in section 133 of title 28, United States Code, will reflect the changes in the total number of permanent district judgeships authorized as a result of subsection (a) of this section—

(1) the item relating to Arizona in such table is amended to read as follows:

''Arizona ..... 11'';

(2) the item relating to Florida in such table is amended to read as follows:

''Florida:
Northern 4
Middle 15
Southern ..... 16'';

and

(3) the item relating to Nevada in such table is amended to read as follows:

''Nevada ..... 6''.

(c) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, including such sums as may be necessary to provide appropriate space and facilities for the judicial positions created by this section.

This title may be cited as ''The Judiciary Appropriations Act, 2000''.

TITLE IV—DEPARTMENT OF STATE AND RELATED AGENCY

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

For necessary expenses of the Department of State and the Foreign Service not otherwise provided for, including expenses authorized by the State Department Basic Authorities Act of 1956, as amended, the Mutual Educational and Cultural Exchange Act of 1961, as amended, and the United States Information and Educational Exchange Act of 1948, as amended, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed $700,000 of this appropriation), as authorized by section 801 of such Act; expenses authorized by section 9 of the Act of August 31, 1964, as amended; representation to certain international organizations in which the United States participates pursuant to treaties, ratified pursuant to the advice and consent of the Senate, or specific Acts of Congress; arms control, nonproliferation and disarmanent activities as authorized by the Arms Control and Disarmament Act of September 26, 1961, as amended; acquisition by exchange or purchase of passenger motor vehicles as authorized by law; and for expenses of general administration, $2,569,825,000: Provided, That, of the amount made available under this heading, not to exceed $4,000,000 may be transferred to, and merged with, funds in the ''Emergencies in the Diplomatic and Consular Service'' appropriations account, to be available only for emergency evacuations and terrorism rewards: Provided further, That, of the amount made available under this heading, not to exceed $4,500,000

may be transferred to, and merged with, funds in the ''International Broadcasting Operations'' appropriations account only to avoid reductions in force at the Voice of America, subject to the reprogramming procedures described in section 605 of this Act: Provided further, That, in fiscal year 2000, all receipts collected from individuals for assistance in the preparation and filing of an affidavit of support pursuant to section 213A of the Immigration and Nationality Act shall be deposited into this account as an offsetting collection and shall remain available until expended: Provided further, That of the amount made available under this heading, $236,291,000 shall be available only for public diplomacy international information programs: Provided further, That of the amount made available under this heading, $500,000 shall be available only for the National Law Center for Inter-American Free Trade: Provided further, That of the amount made available under this heading, $2,500,000 shall be available only for overseas continuing language education: Provided further, That of the amount made available under this heading, not to exceed $1,162,000 shall be available for transfer to the Presidential Advisory Commission on Holocaust Assets in the United States: Provided further, That any amount transferred pursuant to the previous proviso shall not result in a total amount transferred to the Commission from all Federal sources that exceeds the authorized amount: Provided further, That notwithstanding section 140(a)(5), and the second sentence of section 140(a)(3), of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995, fees may be collected during fiscal years 2000 and 2001, under the authority of section 140(a)(1) of that Act: Provided further, That all fees collected under the preceding proviso shall be deposited in fiscal years 2000 and 2001 as an offsetting collection to appropriations made under this heading to recover costs as set forth under section 140(a)(2) of that Act and shall remain available until expended: Provided further, That of the amount made available under this heading, $10,000,000 is appropriated for a Northern Boundary and Transboundary Rivers Restoration Fund: Provided further, That of the amount made available under this heading, not less than $9,000,000 shall be available for the Office of Defense Trade Controls.

In addition, not to exceed $1,252,000 shall be derived from fees collected from other executive agencies for lease or use of facilities located at the International Center in accordance with section 4 of the International Center Act, as amended; in addition, as authorized by section 5 of such Act, $490,000, to be derived from the reserve authorized by that section, to be used for the purposes set out in that section; in addition, as authorized by section 810 of the United States Information and Educational Exchange Act, not to exceed $6,000,000, to remain available until expended, may be credited to this appropriation from fees or other payments received from English teaching, library, motion pictures, and publication programs, and from fees from educational advising and counseling, and exchange visitor programs; and, in addition, not to exceed $15,000, which shall be derived from reimbursements, surcharges, and fees for use of Blair House facilities in accordance with section 46 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2718(a)).

In addition, for the costs of worldwide security upgrades, $254,000,000, to remain available until expended.

CAPITAL INVESTMENT FUND

For necessary expenses of the Capital Investment Fund, $80,000,000, to remain available until expended, as authorized in Public Law 103–236: Provided, That section 135(e) of Public Law 103–236 shall not apply to funds available under this heading.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App.), $27,495,000, notwithstanding section 209(a)(1) of the Foreign Service Act of 1980, as amended (Public Law 96–465), as it relates to post inspections.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

For expenses of educational and cultural exchange programs, as authorized by the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), and Reorganization Plan No. 2 of 1977, as amended (91 Stat. 1636), $205,000,000, to remain available until expended as authorized by section 105 of such Act of 1961 (22 U.S.C. 2455): Provided, That not to exceed $800,000, to remain available until expended, may be credited to this appropriation from fees or other payments received from or in connection with English teaching and educational advising and counseling programs as authorized by section 810 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1475e).

REPRESENTATION ALLOWANCES

For representation allowances as authorized by section 905 of the Foreign Service Act of 1980, as amended (22 U.S.C. 4085), $5,850,000.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

For expenses, not otherwise provided, to enable the Secretary of State to provide for extraordinary protective services in accordance with the provisions of section 214 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4314) and 3 U.S.C. 208, $8,100,000, to remain available until September 30, 2001.

SECURITY AND MAINTENANCE OF UNITED STATES MISSIONS

For necessary expenses for carrying out the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292–300), preserving, maintaining, repairing, and planning for, buildings that are owned or directly leased by the Department of State, renovating, in addition to funds otherwise available, the Main State Building, and carrying out the Diplomatic Security Construction Program as authorized by title IV of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (22 U.S.C. 4851), $428,561,000, to remain available until expended as authorized by section 24(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(c)), of which not to exceed $25,000 may be used for representation as authorized by section 905 of the Foreign Service Act of 1980, as amended (22 U.S.C. 4085): Provided, That none of the funds appropriated in this paragraph shall be available for acquisition of furniture and furnishings and generators for other departments and agencies.

In addition, for the costs of worldwide security upgrades, $313,617,000, to remain available until expended.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforeseen emergencies arising in the Diplomatic and Consular Service pursuant to the requirement of 31 U.S.C. 3526(e), and as authorized by section 804(3) of the United States Information and Educational Exchange Act of 1948, as amended, $5,500,000, to remain available until expended as authorized by section 24(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(c)), of which not to exceed $1,000,000 may be transferred to and merged with the Repatriation Loans Program Account, subject to the same terms and conditions.

REPATRIATION LOANS PROGRAM ACCOUNT

For the cost of direct loans, $593,000, as authorized by section 4 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2671): 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. In addition, for administrative expenses necessary to carry out the direct loan program, $607,000, which may be transferred to and merged with the Diplomatic and Consular Programs account under Administration of Foreign Affairs.

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

For necessary expenses to carry out the Taiwan Relations Act, Public Law 96–8, $15,375,000.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the Foreign Service Retirement and Disability Fund, as authorized by law, $128,541,000.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties, ratified pursuant to the advice and consent of the Senate, conventions or specific Acts of Congress, $885,203,000: Provided, That any payment of arrearages under this title shall be directed toward special activities that are mutually agreed upon by the United States and the respective international organization: Provided further, That none of the funds appropriated in this paragraph shall be available for a United States contribution to an international organization for the United States share of interest costs made known to the United States Government by such organization for loans incurred on or after October 1, 1984, through external borrowings: Provided further, That funds appropriated under this paragraph may be obligated and expended to pay the full United States assessment to the civil budget of the North Atlantic Treaty Organization.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For necessary expenses to pay assessed and other expenses of international peacekeeping activities directed to the maintenance or restoration of international peace and security, $500,000,000, of which not to exceed $20,000,000 shall remain available until September 30, 2001: Provided, That none of the funds made available under this Act shall be obligated or expended for any new or expanded United Nations peacekeeping mission unless, at least 15 days in advance of voting for the new or expanded mission in the United Nations Security Council (or in an emergency, as far in advance as is practicable): (1) the Committees on Appropriations of the House of Representatives and the Senate and other appropriate committees of the Congress are notified of the estimated cost and length of the mission, the vital national interest that will be served, and the planned exit strategy; and (2) a reprogramming of funds pursuant to section 605 of this Act is submitted, and the procedures therein followed, setting forth the source of funds that will be used to pay for the cost of the new or expanded mission: Provided further, That funds shall be available for peacekeeping expenses only upon a certification by the Secretary of State to the appropriate committees of the Congress that American manufacturers and suppliers are being given opportunities to provide equipment, services, and material for United Nations peacekeeping activities equal to those being given to foreign manufacturers and suppliers: Provided further, That none of the funds made available under this heading are available to pay the United States share of the cost of court monitoring that is part of any United Nations peacekeeping mission.

ARREARAGE PAYMENTS

For an additional amount for payment of arrearages to meet obligations of authorized membership in international multilateral organizations, and to pay assessed expenses of international peacekeeping activities, $244,000,000, to remain available until expended: Provided, That none of the funds appropriated or otherwise made available under this heading for payment of arrearages may be obligated or expended until such time as the share of the total of all assessed contributions for any designated specialized agency of the United Nations does not exceed 22 percent for any single member of the agency, and the designated specialized agencies have achieved zero nominal growth in their biennium budgets for 2000–2001 from the 1998–1999 biennium budget levels of the respective agencies: Provided futher, That, notwithstanding the preceding proviso, an additional amount, not to exceed $107,000,000, which is owed by the United Nations to the United States as a reimbursement, including any reimbursement under the Foreign Assistance Act of 1961 or the United Nations Participation Act of 1945, that was owed to the United States before the date of the enactment of this Act shall be applied or used, without fiscal year limitations, to reduce any amount owed by the United States to the United Nations.

INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, to meet obligations of the United States arising under treaties, or specific Acts of Congress, as follows:

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

For necessary expenses for the United States Section of the International Boundary and Water Commission, United States and Mexico, and to comply with laws applicable to the United States Section, including not to exceed $6,000 for representation; as follows:

SALARIES AND EXPENSES

For salaries and expenses, not otherwise provided for, $19,551,000.

CONSTRUCTION

For detailed plan preparation and construction of authorized projects, $5,939,000, to remain available until expended, as authorized by section 24(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(c)).

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for the International Joint Commission and the International Boundary Commission, United States and Canada, as authorized by treaties between the United States and Canada or Great Britain, and for the Border Environment Cooperation Commission as authorized by Public Law 103–182, $5,733,000, of which not to exceed $9,000 shall be available for representation expenses incurred by the International Joint Commission.

INTERNATIONAL FISHERIES COMMISSIONS

For necessary expenses for international fisheries commissions, not otherwise provided for, as authorized by law, $15,549,000: Provided, That the United States' share of such expenses may be advanced to the respective commissions, pursuant to 31 U.S.C. 3324.

OTHER

PAYMENT TO THE ASIA FOUNDATION

For a grant to the Asia Foundation, as authorized by section 501 of Public Law 101–246, $8,250,000, to remain available until expended, as authorized by section 24(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(c)).

EISENHOWER EXCHANGE FELLOWSHIP PROGRAM TRUST FUND

For necessary expenses of Eisenhower Exchange Fellowships, Incorporated, as authorized by sections 4 and 5 of the Eisenhower Exchange Fellowship Act of 1990 (20 U.S.C. 5204–5205), all interest and earnings accruing to the Eisenhower Exchange Fellowship Program Trust Fund on or before September 30, 2000, to remain available until expended: Provided, That none of the funds appropriated herein shall be used to pay any salary or other compensation, or to enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376; or for purposes which are not in accordance with OMB Circulars A–110 (Uniform Administrative Requirements) and A–122 (Cost Principles for Non-profit Organizations), including the restrictions on compensation for personal services.

ISRAELI ARAB SCHOLARSHIP PROGRAM

For necessary expenses of the Israeli Arab Scholarship Program as authorized by section 214 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (22 U.S.C. 2452), all interest and earnings accruing to the Israeli Arab Scholarship Fund on or before September 30, 2000, to remain available until expended.

EAST-WEST CENTER

To enable the Secretary of State to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960 (22 U.S.C. 2054–2057), by grant to the Center for Cultural and Technical Interchange Between East and West in the State of Hawaii, $12,500,000: Provided, That none of the funds appropriated herein shall be used to pay any salary, or enter into any contract providing for the payment thereof, in excess of the rate authorized by 5 U.S.C. 5376.

NORTH/SOUTH CENTER

To enable the Secretary of State to provide for carrying out the provisions of the North/South Center Act of 1991 (22 U.S.C. 2075), by grant to an educational institution in Florida known as the North/South Center, $1,750,000, to remain available until expended.

NATIONAL ENDOWMENT FOR DEMOCRACY

For grants made by the Department of State to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act, $31,000,000 to remain available until expended.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

For expenses necessary to enable the Broadcasting Board of Governors, as authorized by the United States Information and Educational Exchange Act of 1948, as amended, the United States International Broadcasting Act of 1994, as amended, Reorganization Plan No. 2 of 1977, as amended, and the Foreign Affairs Reform and Restructuring Act of 1998, to carry out international communication activities, $388,421,000, of which not to exceed $16,000 may be used for official receptions within the United States as authorized by section 804(3) of such Act of 1948 (22 U.S.C. 1747(3)), not to exceed $35,000 may be used for representation abroad as authorized by section 302 of such Act of 1948 (22 U.S.C. 1452) and section 905 of the Foreign Service Act of 1980 (22 U.S.C. 4085), and not to exceed $39,000 may be used for official reception and representation expenses of Radio Free Europe/Radio Liberty; and in addition, notwithstanding any other provision of law, not to exceed $2,000,000 in receipts from advertising and revenue from business ventures, not to exceed $500,000 in receipts from cooperating international organizations, and not to exceed $1,000,000 in receipts from privatization efforts of the Voice of America and the International Broadcasting Bureau, to remain available until expended for carrying out authorized purposes.

BROADCASTING TO CUBA

For expenses necessary to enable the Broadcasting Board of Governors to carry out the Radio Broadcasting to Cuba Act, as amended, the Television Broadcasting to Cuba Act, and the International Broadcasting Act of 1994, and the Foreign Affairs Reform and Restructuring Act of 1998, including the purchase, rent, construction, and improvement of facilities for radio and television transmission and reception, and purchase and installation of necessary equipment for radio and television transmission and reception, $22,095,000, to remain available until expended: Provided, That funds may be used to purchase or lease, maintain, and operate such aircraft (including aerostats) as may be required to house and operate necessary television broadcasting equipment.

BROADCASTING CAPITAL IMPROVEMENTS

For the purchase, rent, construction, and improvement of facilities for radio transmission and reception, and purchase and installation of necessary equipment for radio and television transmission and reception as authorized by section 801 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1471), $11,258,000, to remain available until expended, as authorized by section 704(a) of such Act of 1948 (22 U.S.C. 1477b(a)).

GENERAL PROVISIONS—DEPARTMENT OF STATE AND RELATED AGENCY

SEC. 401. Funds appropriated under this title shall be available, except as otherwise provided, for allowances and differentials as authorized by subchapter 59 of title 5, United States Code; for services as authorized by 5 U.S.C. 3109; and hire of passenger transportation pursuant to 31 U.S.C. 1343(b).

SEC. 402. Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Department of State in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: Provided, That not to exceed 5 percent of any appropriation made available for the current fiscal year for the Broadcasting Board of Governors in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfers: Provided further, That any transfer pursuant to this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 403. The Secretary of State is authorized to administer summer travel and work programs without regard to preplacement requirements.

SEC. 404. Beginning in fiscal year 2000 and thereafter, section 410(a) of the Department of State and Related Agencies Appropriations Act, 1999, as included in Public Law 105–277, shall be in effect.

SEC. 405. None of the funds made available in this Act may be used by the Department of State or the Broadcasting Board of Governors to provide equipment, technical support, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation.

SEC. 406. None of the funds appropriated or otherwise made available in this Act for the United Nations may be used by the United Nations for the promulgation or enforcement of any treaty, resolution, or regulation authorizing the United Nations, or any of its specialized agencies or affiliated organizations, to tax any aspect of the Internet.

SEC. 407. Funds appropriated by this Act for the Broadcasting Board of Governors and the Department of State may be obligated and expended notwithstanding section 313 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995, section 309(g) of the International Broadcasting Act of 1994, and section 15 of the State Department Basic Authorities Act of 1956.

This title may be cited as the ''Department of State and Related Agency Appropriations Act, 2000''.

TITLE V—RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

MARITIME SECURITY PROGRAM

For necessary expenses to maintain and preserve a U.S.-flag merchant fleet to serve the national security needs of the United States, $96,200,000, to remain available until expended.

OPERATIONS AND TRAINING

For necessary expenses of operations and training activities authorized by law, $72,073,000.

MARITIME GUARANTEED LOAN (TITLE XI) PROGRAM ACCOUNT

For the cost of guaranteed loans, as authorized by the Merchant Marine Act, 1936, $6,000,000, to remain available until expended: 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, as amended: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $1,000,000,000.

In addition, for administrative expenses to carry out the guaranteed loan program, not to exceed $3,809,000, which shall be transferred to and merged with the appropriation for Operations and Training.

ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION

Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration, and payments received therefore shall be credited to the appropriation charged with the cost thereof: Provided, That rental payments under any such lease, contract, or occupancy for items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act or in any prior appropriation Act.

COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

SALARIES AND EXPENSES

For expenses for the Commission for the Preservation of America's Heritage Abroad, $490,000, as authorized by section 1303 of Public Law 99–83.

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

For necessary expenses of the Commission on Civil Rights, including hire of passenger motor vehicles, $8,900,000: Provided, That not to exceed $50,000 may be used to employ consultants: Provided further, That none of the funds appropriated in this paragraph shall be used to employ in excess of four full-time individuals under Schedule C of the Excepted Service exclusive of one special assistant for each Commissioner: Provided further, That none of the funds appropriated in this paragraph shall be used to reimburse Commissioners for more than 75 billable days, with the exception of the chairperson, who is permitted 125 billable days.

ADVISORY COMMISSION ON ELECTRONIC COMMERCE

SALARIES AND EXPENSES

For the necessary expenses of the Advisory Commission on Electronic Commerce, as authorized by Public Law 105–277, $1,400,000.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

For necessary expenses of the Commission on Security and Cooperation in Europe, as authorized by Public Law 94–304, $1,182,000, to remain available until expended as authorized by section 3 of Public Law 99–7.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Equal Employment Opportunity Commission as authorized by title VII of the Civil Rights Act of 1964, as amended (29 U.S.C. 206(d) and 621–634), the Americans with Disabilities Act of 1990, and the Civil Rights Act of 1991, including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles as authorized by 31 U.S.C. 1343(b); non-monetary awards to private citizens; and not to exceed $29,000,000 for payments to State and local enforcement agencies for services to the Commission pursuant to title VII of the Civil Rights Act of 1964, as amended, sections 6 and 14 of the Age Discrimination in Employment Act, the Americans with Disabilities Act of 1990, and the Civil Rights Act of 1991, $282,000,000: Provided, That the Commission is authorized to make available for official reception and representation expenses not to exceed $2,500 from available funds.

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by 5 U.S.C. 5901–5902; not to exceed $600,000 for land and structure; not to exceed $500,000 for improvement and care of grounds and repair to buildings; not to exceed $4,000 for official reception and representation expenses; purchase (not to exceed 16) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109, $210,000,000, of which not to exceed $300,000 shall remain available until September 30, 2001, for research and policy studies: Provided, That $185,754,000 of offsetting collections shall be assessed and collected pursuant to section 9 of title I of the Communications Act of 1934, as amended, and shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: Provided further, That the sum herein appropriated shall be reduced as such offsetting collections are received during fiscal year 2000 so as to result in a final fiscal year 2000 appropriation estimated at $24,246,000: Provided further, That any offsetting collections received in excess of $185,754,000 in fiscal year 2000 shall remain available until expended, but shall not be available for obligation until October 1, 2000.

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Maritime Commission as authorized by section 201(d) of the Merchant Marine Act, 1936, as amended (46 U.S.C. App. 1111), including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles as authorized by 31 U.S.C. 1343(b); and uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902, $14,150,000: Provided, That not to exceed $2,000 shall be available for official reception and representation expenses.

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed $2,000 for official reception and representation expenses, $104,024,000: Provided, That not to exceed $300,000 shall be available for use to contract with a person or persons for collection services in accordance with the terms of 31 U.S.C. 3718, as amended: Provided further, That, notwithstanding section 3302(b) of title 31, United States Code, not to exceed $104,024,000 of offsetting collections derived from fees collected for premerger notification filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (15 U.S.C. 18(a)) shall be retained and used for necessary expenses in this appropriation, and shall remain available until expended: Provided further, That the sum herein appropriated from the general fund shall be reduced as such offsetting collections are received during fiscal year 2000, so as to result in a final fiscal year 2000 appropriation from the general fund estimated at not more than $0, to remain available until expended: Provided further, That none of the funds made available to the Federal Trade Commission shall be available for obligation for expenses authorized by section 151 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (Public Law 102–242; 105 Stat. 2282–2285).

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, $305,000,000, of which $289,000,000 is for basic field programs and required independent audits; $2,100,000 is for the Office of Inspector General, of which such amounts as may be necessary may be used to conduct additional audits of recipients; $8,900,000 is for management and administration; and $5,000,000 is for client self help and information technology.

ADMINISTRATIVE PROVISION—LEGAL SERVICES CORPORATION

None of the funds appropriated in this Act to the Legal Services Corporation shall be expended for any purpose prohibited or limited by, or contrary to any of the provisions of, sections 501, 502, 503, 504, 505, and 506 of Public Law 105–119, and all funds appropriated in this Act to the Legal Services Corporation shall be subject to the same terms and conditions set forth in such sections, except that all references in sections 502 and 503 to 1997 and 1998 shall be deemed to refer instead to 1999 and 2000, respectively.

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Marine Mammal Commission as authorized by title II of Public Law 92–522, as amended, $1,270,000.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, the rental of space (to include multiple year leases) in the District of Columbia and elsewhere, and not to exceed $3,000 for official reception and representation expenses, $173,800,000 from fees collected in fiscal year 2000 to remain available until expended, and from fees collected in fiscal year 1998, $194,000,000, to remain available until expended; of which not to exceed $10,000 may be

used toward funding a permanent secretariat for the International Organization of Securities Commissions; and of which not to exceed $100,000 shall be available for expenses for consultations and meetings hosted by the Commission with foreign governmental and other regulatory officials, members of their delegations, appropriate representatives and staff to exchange views concerning developments relating to securities matters, development and implementation of cooperation agreements concerning securities matters and provision of technical assistance for the development of foreign securities markets, such expenses to include necessary logistic and administrative expenses and the expenses of Commission staff and foreign invitees in attendance at such consultations and meetings including: (1) such incidental expenses as meals taken in the course of such attendance; (2) any travel and transportation to or from such meetings; and (3) any other related lodging or subsistence: Provided, That fees and charges authorized by sections 6(b)(4) of the Securities Act of 1933 (15 U.S.C. 77f(b)(4)) and 31(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78ee(d)) shall be credited to this account as offsetting collections.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the Small Business Administration as authorized by Public Law 105–135, including hire of passenger motor vehicles as authorized by 31 U.S.C. 1343 and 1344, and not to exceed $3,500 for official reception and representation expenses, $282,300,000: Provided, That the Administrator is authorized to charge fees to cover the cost of publications developed by the Small Business Administration, and certain loan servicing activities: Provided further, That, notwithstanding 31 U.S.C. 3302, revenues received from all such activities shall be credited to this account, to be available for carrying out these purposes without further appropriations: Provided further, That $84,500,000 shall be available to fund grants for performance in fiscal year 2000 or fiscal year 2001 as authorized by section 21 of the Small Business Act, as amended.

In addition, for the costs of programs related to the New Markets Venture Capitol Program, $10,500,000, of which $1,500,000 shall be for BusinessLINC, and of which $9,000,000 shall be for technical assistance: Provided, That the funds appropriated under this paragraph shall not be available for obligation until the New Markets Venture Capitol Program is authorized by subsequent legislation.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended (5 U.S.C. App.), $11,000,000.

BUSINESS LOANS PROGRAM ACCOUNT

For the cost of guaranteed loans, $137,800,000, as authorized by 15 U.S.C. 631 note or subsequently authorized for the New Markets Venture Capital program, of which $45,000,000 shall remain available until September 30, 2001: Provided, That of the total provided, $6,000,000 shall be available only for the cost of guaranteed loans under the New Markets Venture Capitol program and shall become available for obligation only upon authorization of such program by the enactment of subsequent legislation in fiscal year 2000: Provided further, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: Provided further, That during fiscal year 2000, commitments to guarantee loans under section 503 of the Small Business Investment Act of 1958, as amended, shall not exceed the amount of financings authorized under section 20(e)(1)(B)(ii) of the Small Business Act, as amended: Provided further, That during fiscal year 2000, commitments for general business loans authorized under section 7(a) of the Small Business Act, as amended, shall not exceed $10,000,000,000 without prior notification of the Committees on Appropriations of the House of Representatives and Senate in accordance with section 605 of this Act: Provided further, That during fiscal year 2000, commitments to guarantee loans under section 303(b) of the Small Business Investment Act of 1958, as amended, shall not exceed the amount of guarantees of debentures authorized under section 20(e)(1)(C)(ii) of the Small Business Act, as amended.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, $129,000,000, which may be transferred to and merged with the appropriations for Salaries and Expenses.

DISASTER LOANS PROGRAM ACCOUNT

For the cost of direct loans authorized by section 7(b) of the Small Business Act, as amended, $140,400,000 to remain available until expended: 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, as amended.

In addition, for administrative expenses to carry out the direct loan program, $136,000,000, which may be transferred to and merged with appropriations for Salaries and Expenses, of which $500,000 is for the Office of Inspector General of the Small Business Administration for audits and reviews of disaster loans and the disaster loan program and shall be transferred to and merged with appropriations for the Office of Inspector General: Provided, That any amount in excess of $20,000,000 to be transferred to and merged with appropriations for Salaries and Expenses for indirect administrative expenses shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

ADMINISTRATIVE PROVISION—SMALL BUSINESS ADMINISTRATION

Not to exceed 5 percent of any appropriation made available for the current fiscal year for the Small Business Administration in this Act may be transferred between such appropriations, but no such appropriation shall be increased by more than 10 percent by any such transfers: Provided, That any transfer pursuant to this paragraph shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

For necessary expenses of the State Justice Institute, as authorized by the State Justice Institute Authorization Act of 1992 (Public Law 102–572; 106 Stat. 4515–4516), $6,850,000, to remain available until expended: Provided, That not to exceed $2,500 shall be available for official reception and representation expenses.

TITLE VI—GENERAL PROVISIONS

SEC. 601. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 602. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 603. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 604. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of each provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

SEC. 605. (a) None of the funds provided under this Act, or provided under previous appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 2000, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions, or activities presently performed by Federal employees; unless the Appropriations Committees of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

(b) None of the funds provided under this Act, or provided under previous appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 2000, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $500,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Appropriations Committees of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

SEC. 606. None of the funds made available in this Act may be used for the construction, repair (other than emergency repair), overhaul, conversion, or modernization of vessels for the National Oceanic and Atmospheric Administration in shipyards located outside of the United States.

SEC. 607. (a) 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 in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) 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. 608. None of the funds made available in this Act may be used to implement, administer, or enforce any guidelines of the Equal Employment Opportunity Commission covering harassment based on religion, when it is made known to the Federal entity or official to which such funds are made available that such guidelines do not differ in any respect from the proposed guidelines published by the Commission on October 1, 1993 (58 Fed. Reg. 51266).

SEC. 609. None of the funds made available by this Act may be used for any United Nations undertaking when it is made known to the Federal official having authority to obligate or expend such funds: (1) that the United Nations undertaking is a peacekeeping mission; (2) that such undertaking will involve United States Armed Forces under the command or operational control of a foreign national; and (3) that the President's military advisors have not submitted to the President a recommendation that such involvement is in the national security interests of the United States and the President has not submitted to the Congress such a recommendation.

SEC. 610. (a) None of the funds appropriated or otherwise made available by this Act shall be expended for any purpose for which appropriations are prohibited by section 609 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999.

(b) The requirements in subparagraphs (A) and (B) of section 609 of that Act shall continue to apply during fiscal year 2000.

SEC. 611. Notwithstanding any other provision of law, not more than 20 percent of the amount allocated to any account from an appropriation made by this Act that is available for obligation only in the current fiscal year may be obligated during the last 2 months of the fiscal year unless the Committees on Appropriations of the House of Representatives and the Senate are notified prior to such obligation in accordance with section 605 of this Act: Provided, That this section shall not apply to the obligation of funds under grant programs.

SEC. 612. None of the funds made available in this Act shall be used to provide the following amenities or personal comforts in the Federal prison system—

(1) in-cell television viewing except for prisoners who are segregated from the general prison population for their own safety;

(2) the viewing of R, X, and NC–17 rated movies, through whatever medium presented;

(3) any instruction (live or through broadcasts) or training equipment for boxing, wrestling, judo, karate, or other martial art, or any bodybuilding or weightlifting equipment of any sort;

(4) possession of in-cell coffee pots, hot plates or heating elements; or

(5) the use or possession of any electric or electronic musical instrument.

SEC. 613. None of the funds made available in title II for the National Oceanic and Atmospheric Administration (NOAA) under the headings ''Operations, Research, and Facilities'' and ''Procurement, Acquisition and Construction'' may be used to implement sections 603, 604, and 605 of Public Law 102–567: Provided, That NOAA may develop a modernization plan for its fisheries research vessels that takes fully into account opportunities for contracting for fisheries surveys.

SEC. 614. Any costs incurred by a department or agency funded under this Act resulting from personnel actions taken in response to funding reductions included in this Act shall be absorbed within the total budgetary resources available to such department or agency: Provided, That the authority to transfer funds between appropriations accounts as may be necessary to carry out this section is provided in addition to authorities included elsewhere in this Act: Provided further, That use of funds to carry out this section shall be treated as a reprogramming of funds under section 605 of this Act and shall not be available for obligation or expenditure except in compliance with the procedures set forth in that section.

SEC. 615. None of the funds made available in this Act to the Federal Bureau of Prisons may be used to distribute or make available any commercially published information or material to a prisoner when it is made known to the Federal official having authority to obligate or expend such funds that such information or material is sexually explicit or features nudity.

SEC. 616. Of the funds appropriated in this Act under the heading ''Office of Justice Programs—State and Local Law Enforcement Assistance'', not more than 90 percent of the amount to be awarded to an entity under the Local Law Enforcement Block Grant shall be made available to such an entity when it is made known to the Federal official having authority to obligate or expend such funds that the entity that employs a public safety officer (as such term is defined in section 1204 of title I of the Omnibus Crime Control and Safe Streets Act of 1968) does not provide such a public safety officer who retires or is separated from service due to injury suffered as the direct and proximate result of a personal injury sustained in the line of duty while responding to an emergency situation or a hot pursuit (as such terms are defined by State law) with the same or better level of health insurance benefits at the time of retirement or separation as they received while on duty.

SEC. 617. None of the funds provided by this Act shall be available to promote the sale or export of tobacco or tobacco products, or to seek the reduction or removal by any foreign country of restrictions on the marketing of tobacco or tobacco products, except for restrictions which are not applied equally to all tobacco or tobacco products of the same type.

SEC. 618. (a) None of the funds appropriated or otherwise made available by this Act shall be expended for any purpose for which appropriations are prohibited by section 616 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999.

(b) Subsection (a)(1) of section 616 of that Act is amended—

(1) by striking ''and'' after ''Gonzalez''; and

(2) by inserting before the semicolon at the end of the subsection, '', Jean-Yvon Toussaint, and Jimmy Lalanne''.

(c) The requirements in subsections (b) and (c) of section 616 of that Act shall continue to apply during fiscal year 2000.

SEC. 619. None of the funds appropriated pursuant to this Act or any other provision of law may be used for: (1) the implementation of any tax or fee in connection with the implementation of 18 U.S.C. 922(t); and (2) any system to implement 18 U.S.C. 922(t) that does not require and result in the destruction of any identifying information submitted by or on behalf of any person who has been determined not to be prohibited from owning a firearm.

SEC. 620. Notwithstanding any other provision of law, amounts deposited in the Fund established under 42 U.S.C. 10601 in fiscal year 1999 in excess of $500,000,000 shall not be available for obligation until October 1, 2000.

SEC. 621. None of the funds appropriated by this Act shall be used to propose or issue rules, regulations, decrees, or orders for the purpose of implementation, or in preparation for implementation, of the Kyoto Protocol which was adopted on December 11, 1997, in Kyoto, Japan at the Third Conference of the Parties to the United Nations Framework Convention on Climate Change, which has not been submitted to the Senate for advice and consent to ratification pursuant to article II, section 2, clause 2, of the United States Constitution, and which has not entered into force pursuant to article 25 of the Protocol.

SEC. 622. For an additional amount for ''Small Business Administration, Salaries and Expenses'', $30,000,000, of which $2,500,000 shall be available for a grant to the NTTC at Wheeling Jesuit University to continue the outreach program to assist small business development; $2,000,000 shall be available for a grant for Western Carolina University to develop a facility to assist in small business and rural economic development; $3,000,000 shall be available for a grant to the Bronx Museum of the Arts, New York, to develop a facility; $750,000 shall be available for a grant to Soundview Community in Action for a technology access and business improvement project; $2,500,000 shall be available for a grant for the City of Hazard, Kentucky for a Center for Rural Law Enforcement Technology and Training; $1,000,000 shall be available for a grant to the State University of New York to develop a facility and operate the Institute of Entrepreneurship for small business and workforce development; $1,000,000 shall be available for a grant for Pikeville College, School of Osteopathic Medicine for a telemedicine and medical education network; $1,000,000 shall be available for a grant to Operation Hope in Maywood, California for a business incubator project; $1,900,000 shall be available for a grant to the Southern Kentucky Tourism Development Association to develop a facility for regional tourism promotion; $1,000,000 shall be available for a grant to the Southern Kentucky Economic Development Corporation to support a science and technology business loan fund; $500,000 shall be available for a grant for the Moundsville Economic Development Council to work in conjunction with the Office of Law Enforcement Technology Commercialization for the establishment of the National Corrections and Law Enforcement Training and Technology Center, and for infrastructure improvements associated with this initiative; $8,550,000 shall be available for a grant to Somerset Community College to develop a facility to support workforce development and skills training; $200,000 shall be available for a grant for the Vandalia Heritage Foundation to fulfill its charter purposes; $2,000,000 shall be available for a grant for the Illinois Coalition to establish and operate a national demonstration project in the DuPage County Research Park providing one-stop access for technology startup businesses; $200,000 shall be available for a grant to Rural Enterprises, Inc., in Durant, Oklahoma to support a resource center for rural businesses; $500,000 shall be available for a grant for the City of Chicago to establish and operate a program for technology-based business growth; $500,000 shall be available for a grant for the Illinois Department of Commerce and Community Affairs to develop strategic plans for technology-based business growth; $200,000 shall be available for a grant to the Long Island Bay Shore Aquarium to develop a facility; $150,000 shall be available for a grant to Miami-Dade Community College for an Entrepreneurial Education Center; $300,000 shall be available for a grant for the Western Massachusetts Enterprise Fund for a microenterprise loan program; and $250,000 shall be available for a grant for the Johnstown Area Regional Industries Center to develop a small business incubator facility.

SEC. 623. (a) NORTHERN FUND AND SOUTHERN FUND.—

(1) As provided in the June 30, 1999, Agreement of the United States and Canada on the Treaty Between the Government of the United States and the Government of Canada Concerning Pacific Salmon, 1985 (hereafter referred to as the ''1999 Pacific Salmon Treaty Agreement'') there are hereby established a Northern Boundary and Transboundary Rivers Restoration and Enhancement Fund (hereafter referred to as the ''Northern Fund'') and a Southern Boundary Restoration and Enhancement Fund (hereafter referred to as the ''Southern Fund'') to be held by the Pacific Salmon Commission. The Northern Fund and Southern Fund shall be invested in interest bearing accounts, bonds, securities, or other investments in order to achieve the highest annual yield consistent with protecting the principal of each Fund. The Northern Fund and Southern Fund shall receive $10,000,000 and $10,000,000 respectively, of the amounts authorized by this section. Income from investments made pursuant to this paragraph shall be available until expended, without appropriation or fiscal year limitation, for programs and activities relating to salmon restoration and enhancement, salmon research, the conservation of salmon habitat, and implementation of the Pacific Salmon Treaty and related agreements. Amounts provided by grants under this subsection may be held in interest bearing accounts prior to the disbursement of such funds for program purposes, and any interest earned may be retained for program purposes without further appropriation. The Northern Fund and Southern Fund are subject to the laws governing Federal appropriations and funds and to unrestricted circulars of the Office of Management and Budget. Recipients of amounts from either Fund shall keep separate accounts and such records as are reasonably necessary to disclose the use of the funds as well as to facilitate effective audits.

(2) FUND MANAGEMENT.—

(A) As provided in the 1999 Pacific Salmon Treaty Agreement, amounts made available from the Northern Fund pursuant to paragraph (1) shall be administered by a Northern Fund Committee, which shall be comprised of three representatives of the Government of Canada, and three representatives of the United States. The three United States representatives shall be the United States Commissioner and Alternate Commissioner appointed (or designated) from a list submitted by the Governor of Alaska for appointment to the Pacific Salmon Commission and the Regional Administrator of the National Marine Fisheries Service for the Alaska Region. Only programs and activities consistent with the purposes in paragraph (1) which affect the geographic area from Cape Caution, Canada to Cape Suckling, Alaska may be approved for funding by the Northern Fund Committee.

(B) As provided in the 1999 Pacific Salmon Treaty Agreement, amounts made available from the Southern Fund pursuant to paragraph (1) shall be administered by a Southern Fund Committee, which shall be comprised of three representatives of Canada and three representatives of the United States. The United States representatives shall be appointed by the Secretary of Commerce: one shall be selected from a list of three qualified individuals submitted by the Governors of the States of Washington and Oregon; one shall be selected from a list of three qualified individuals submitted by the treaty Indian tribes (as defined by the Secretary of Commerce); and one shall be the Regional Administrator of the National Marine Fisheries Service for the Northwest Region. Only programs and activities consistent with the purposes in paragraph (1) which affect the geographic area south of Cape Caution, Canada may be approved for funding by the Southern Fund Committee.

(b) PACIFIC SALMON TREATY IMPLEMENTATION.—(1) None of the funds authorized by this section for implementation of the 1999 Pacific Salmon Treaty Agreement shall be made available until each of the following conditions to the 1999 Pacific Salmon Treaty Agreement has been fulfilled—

(A) stipulations are revised and court orders requested as set forth in the letter of understanding of the United States negotiators dated June 22, 1999. If such orders are not requested by December 31, 1999, this condition shall be considered unfulfilled; and

(B) a determination is made that—

(i) the entry by the United States into the 1999 Pacific Salmon Treaty Agreement;

(ii) the conduct of the Alaskan fisheries pursuant to the 1999 Pacific Salmon Treaty Agreement, without further clarification or modification of the management regimes contained therein; and

(iii) the decision by the North Pacific Fisheries Management Council to continue to defer its management authority over salmon to the State of Alaska

are not likely to cause jeopardy to, or adversely modify designated critical habitat of, any salmonid species listed under Public Law 93–205, as amended, in any fishery subject to the Pacific Salmon Treaty.

(2) If the requests for orders in subparagraph (1)(A) are withdrawn after December 31, 1999, or if such orders are not entered by March 1, 2000, amounts in the Northern Fund and the Southern Fund shall be transferred to the general fund of the United States Treasury.

(3) During the term of the 1999 Pacific Salmon Treaty Agreement, the Secretary of Commerce shall determine whether Southern United States fisheries are likely to cause jeopardy to, or adversely modify designated critical habitat of, any salmonid species listed under Public Law 93–205, as amended, before the Secretary of Commerce may initiate or reinitiate consultation on Alaska fisheries under such Act.

(4) During the term of the 1999 Pacific Salmon Treaty Agreement, the Secretary of Commerce may not initiate or reinitiate consultation on Alaska fisheries under section 7 of Public Law 93–205, as amended, until—

(A) the Pacific Salmon Commission has had a reasonable opportunity to implement the provisions of the 1999 Pacific Salmon Treaty Agreement, including the harvest responses pursuant to Paragraph 9, Chapter 3 of Annex IV to the Pacific Salmon Treaty; and

(B) he determines, in consultation with the United States Section of the Pacific Salmon Commission, that implementation actions under the 1999 Agreement will not return escapements as expeditiously as possible to maximum sustainable yield or other biologically-based escapement objectives agreed to by the Pacific Salmon Commission.

(5) The Secretary of Commerce shall notify the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Resources of the House of Representatives of his intent to initiate or reinitiate consultation on Alaska fisheries.

(6)(A) For purposes of this section, ''Alaska fisheries'' means all directed Pacific salmon fisheries off the coast of Alaska that are subject to the Pacific Salmon Treaty.

(B) For purposes of this section, ''Southern United States fisheries'' means all directed Pacific salmon fisheries in Washington, Oregon, and the Snake River basin of Idaho that are subject to the Pacific Salmon Treaty.

(c) IMPROVED SALMON MANAGEMENT.—Section 3(g) of Public Law 99–5, as amended, is amended—

(1) in paragraph (1) by striking ''The'' and inserting in lieu thereof ''Except as provided in paragraph (2), the'';

(2) by inserting after paragraph (1) the following new paragraph:

''(2) A decision of the United States Section with respect to any salmon fishery regime covered by Chapter 1 or 2 (except paragraph 4 of Chapter 2) of Annex IV to the Pacific Salmon Treaty of 1985 shall be taken upon the affirmative vote of the United States Commissioner appointed from the list submitted by the Governor of Alaska pursuant to subsection (a). A decision of the United States Section with respect to any salmon fishery regime covered by Chapters 4, 5 (except paragraph 2(b) of Chapter 5), or 6 of the Pacific Salmon Treaty of 1985 shall be taken upon the affirmative vote of both the United States Commissioner appointed from the list submitted by the Governors of Washington and Oregon pursuant to subsection (a) and the United States Commissioner appointed from the list submitted by the treaty Indian tribes of the States of Idaho, Oregon, or Washington pursuant to subsection (a). Before a decision of the United States Section is made under this paragraph, the voting Commissioner or Commissioners shall consult with the Commissioner who is an official of the United States Government under subsection (a)''; and

(3) by renumbering the existing paragraphs.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) For capitalizing the Northern Fund and the Southern Fund, there is authorized to be appropriated in fiscal year 2000, $20,000,000.

(2) For salmon habitat restoration, salmon stock enhancement, salmon research, and implementation of the 1999 Pacific Salmon Treaty Agreement and related agreements, there is authorized to be appropriated in fiscal year 2000, $50,000,000 to the States of California, Oregon, Washington, and Alaska. The State of Alaska may allocate a portion of any funds it receives under this subsection to eligible activities outside Alaska.

(3) For salmon habitat restoration, salmon stock enhancement, salmon research, and implementation of the 1999 Pacific Salmon Treaty Agreement and related agreements, there is authorized to be appropriated $6,000,000 in fiscal year 2000 to the Pacific Coastal tribes (as defined by the Secretary of Commerce) and $2,000,000 in fiscal year 2000 to the Columbia River tribes (as defined by the Secretary of Commerce).

Funds appropriated to the States under the authority of this section shall be subject to a 25 percent non-Federal match requirement. In addition, not more than 3 percent of such funds shall be available for administrative expenses, with the exception of funds used in Washington State for the Forest and Fish Agreement.

SEC. 624. Funds made available under Public Law 105–277 for costs associated with implementation of the American Fisheries Act of 1998 (division C, title II, of Public Law 105–277) for vessel documentation activities shall remain available until expended.

SEC. 625. Effective as of October 1, 1999, section 635 of Public Law 106–58 is amended—

(1) in subsection (b)(2), by inserting ''the carrier for'' after ''if''; and

(2) in subsection (c), by inserting ''or otherwise provide for'' after ''to prescribe''.

SEC. 626. None of the funds made available to the Department of Justice in this Act may be used to discriminate against or denigrate the religious or moral beliefs of students who participate in programs for which financial assistance is provided from those funds, or of the parents or legal guardians of such students.

SEC. 627. None of the funds appropriated in this Act shall be available for the purpose of granting either immigrant or nonimmigrant visas, or both, consistent with the Secretary's determination under section 243(d) of the Immigration and Nationality Act, to citizens, subjects, nationals, or residents of countries that

the Attorney General has determined deny or unreasonably delay accepting the return of citizens, subjects, nationals, or residents under that section.

SEC. 628. None of the funds made available to the Department of Justice in this Act may be used for the purpose of transporting an individual who is a prisoner pursuant to conviction for crime under State or Federal law and is classified as a maximum or high security prisoner, other than to a prison or other facility certified by the Federal Bureau of Prisons as appropriately secure for housing such a prisoner.

SEC. 629. Beginning 60 days from the date of the enactment of this Act, none of the funds appropriated or otherwise made available by this Act may be made available for the participation by delegates of the United States to the Standing Consultative Commission unless the President certifies and so reports to the Committees on Appropriations that the United States Government is not implementing the Memorandum of Understanding Relating to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the limitation of Anti-Ballistic Missile Systems of May 26, 1972, entered into in New York on September 26, 1997, by the United States, Russia, Kazakhstan, Belarus, and Ukraine, or until the Senate provides its advice and consent to the Memorandum of Understanding.

SEC. 630. None of the funds made available in this Act may be used for any activity in support of adding or maintaining any World Heritage Site in the United States on the List of World Heritage in Danger as maintained under the Convention Concerning the Protection of the World Cultural and Natural Heritage.

TITLE VII—RESCISSIONS

DEPARTMENT OF JUSTICE

DRUG ENFORCEMENT ADMINISTRATION

DRUG DIVERSION CONTROL FEE ACCOUNT

(RESCISSION)

Amounts otherwise available for obligation in fiscal year 2000 for the Drug Diversion Control Fee Account are reduced by $35,000,000.

IMMIGRATION AND NATURALIZATION SERVICE

IMMIGRATION EMERGENCY FUND

(RESCISSION)

Of the unobligated balances available under this heading, $1,137,000 are rescinded.

DEPARTMENT OF STATE AND RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

(RESCISSION)

Of the unobligated balances available under this heading, $15,516,000 are rescinded.

RELATED AGENCIES

SMALL BUSINESS ADMINISTRATION

BUSINESS LOANS PROGRAM ACCOUNT

(RESCISSION)

Of the unobligated balances available under this heading, $13,100,000 are rescinded.

This Act may be cited as the ''Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2000''.

Following is explanatory language on H.R. 3421, as introduced on November 17, 1999.

The conferees on H.R. 3194 agree with the matter inserted in this division of this conference agreement and the following description of this matter. This matter was developed through negotiations on the differences in H.R. 2670, the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2000, by members of the subcommittees of both House and Senate with jurisdiction over H.R. 2670.

H.R. 2670 was vetoed. The format of the statement of the managers for this division is, in general, a repetition of the statement of the managers for the vetoed conference report with modifications to reflect the changes to teh vetoed bill. References in the following statement to appropriations amounts or other items proposed by the House bill or Senate amendment refer only to those amounts and items recommended in the House-passed and Senate-passed versions of H.R. 2670. Any reference to appropriations amounts or other items included in the conference agreement reflects the final agreement on H.R. 3194.

TITLE I—DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes $79,328,000 for General Administration as proposed in the House bill, instead of $82,485,000 as proposed in the Senate bill. The conference agreement assumes requested increases for reimbursable workyears for the Office of Information and Privacy as proposed in the House and Senate reports, and for the Justice Management Division as proposed in the House report. No additional funding has been provided for additional positions for the Office of Intelligence and Policy Review.

Within the total amount provided, the conference agreement includes $8,136,000 for the Department Leadership Program as proposed in both the House and Senate bills. In addition, the conference agreement includes a provision which retains the limitation on the Department Leadership Program to the level of augmentation that occurred in these offices in fiscal year 1999.

The conference agreement also includes a provision that provides 41 permanent positions and 48 full-time equivalent workyears and $4,811,000 for the Offices of Legislative Affairs and Public Affairs, modified to allow the use of non-reimbursable career detailees as proposed in the Senate bill. The House bill contained a similar provision, but did not allow for the use of non-reimbursable detailees.

The conference agreement includes a provision that provides the Attorney General the authority to transfer forfeited property of limited value to a State or local government or its designee for certain community-based programs, subject to reprogramming requirements, as proposed in the House bill. The Senate bill did not contain this provision.

The House report language with respect to the Department of Justice's actions to expeditiously protect the constitutional rights of all individuals is adopted by reference. In addition, the conferees concur with the direction included in the House report regarding comprehensive budget and financial reviews of Departmental components. The conferees expect the Attorney General to complete these reviews no later than January 15, 2000, and to provide a report to the Committees on Appropriations no later than February 15, 2000, on the results of these reviews and any recommendations for improvements in the budget and financial management practices of Departmental components.

JOINT AUTOMATED BOOKING SYSTEM

The conference agreement includes $1,800,000 as a separate account for the Joint Automated Booking System (JABS) program, instead of $6,000,000 as proposed in the Senate bill. The House bill did not provide a separate appropriation for JABS. A direct appropriation is provided to fund the Departmental program office established to run this program. In addition, should funding be available from Super Surplus funds under the Assets Forfeiture Fund, the Attorney General is expected to make available up to $4,200,000 for JABS development and deployment activities. The Senate report language regarding centralized funding for this program is adopted by reference.

NARROWBAND COMMUNICATIONS

The conference agreement includes $115,941,000 for narrowband communications conversion activities, instead of $125,370,000 as proposed in the House bill, and $20,000,000 as proposed in the Senate bill. Of this amount, $10,625,000 is provided as a direct appropriation, $92,545,000 is provided through transfers from Departmental components, and $12,771,000 is provided from Super Surplus balances in the Assets Forfeiture Fund, should funds be available. The Senate bill proposed a direct appropriation of $20,000,000, and the House bill provided no direct appropriation but instead made funds available through transfers from Departmental components and Super Surplus balances from the Assets Forfeiture Fund.

Within the amount provided, $10,625,000 is to support the Wireless Management Office (WMO), including systems planning and pilot tests, and $105,316,000 is for wireless replacement activities, and operations and maintenance of legacy systems. The conferees expect the Department of Justice to move forward with the Department-wide consolidated, regional, interagency strategy developed by the WMO, and have therefore centralized all funding for narrowband communications activities under the WMO. The conferees expect the WMO to submit to the Committees on Appropriations no later than February 15, 2000, a status report on implementation of this plan. The conference agreement adopts the recommendations included in the House and Senate reports regarding the fiscal year 2001 budget submission for narrowband activities, and the House report language regarding the transfer of unobligated balances to the WMO.

The conference agreement does not include language proposed in the Senate bill allowing funds to be transferred to any Department of Justice organization upon approval by the Attorney General, subject to reprogramming procedures. The House bill contained no similar provision.

COUNTERTERRORISM FUND

The conference agreement includes $10,000,000 for the Counterterrorism Fund as proposed in the House bill, instead of $27,000,000 as proposed in the Senate bill. When combined with $22,340,581 in prior year carryover, a total of $32,340,581 will be available in the Fund in fiscal year 2000 to cover unanticipated, extraordinary expenses incurred as a result of a terrorist threat or incident. The conferees reiterate the concerns expressed in both the House and Senate reports regarding the use of the Fund, and expect that the Fund will be used only for unanticipated, extraordinary expenses which cannot reasonably be accommodated within an agency's regular budget. The Attorney General is required to notify the Committees on Appropriations in accordance with section 605 of this Act, prior to the obligation of any funds from this account.

The conference agreement adopts the direction included in the House and Senate reports regarding the National Domestic Preparedness Office. The House and Senate report language regarding funding for cyberterrorism and related activities, and

the Senate report language regarding the development of a Continuity of Government comprehensive emergency plan is also adopted by reference. The Senate report language regarding the involvement of State and local governments in the annual update of the comprehensive counterterrorism and technology crime plan is adopted by reference.

The conference agreement does not include language proposed in the Senate bill allowing the Fund to be used for the costs of conducting assessments of Federal agencies and facilities. The House bill did not contain this provision.

TELECOMMUNICATIONS CARRIER COMPLIANCE FUND

The conference agreement includes $15,000,000, as proposed in both the House and Senate bills, for the Telecommunications Carrier Compliance program to reimburse equipment manufacturers and telecommunications carriers and providers of telecommunications services for implementation of the Communications Assistance for Law Enforcement Act of 1994 (CALEA).

ADMINISTRATIVE REVIEW AND APPEALS

The conference agreement includes $148,499,000 for Administrative Review and Appeals, instead of $134,563,000 as proposed in the House bill and $89,978,000 as proposed in the Senate bill, of which $50,363,000 is provided from the Violent Crime Reduction Trust Fund. Of the total amount provided, $146,899,000 is for the Executive Office for Immigration Review (EOIR) and $1,600,000 is for the Office of the Pardon Attorney.

The conferees direct the Executive Office for Immigration Review to provide the following: (1) beginning on March 1, 2000, semi-annual reports on the number of immigration judges and Board of Immigration Appeals members; the number of cases pending and the number of cases completed before each body for each 6-month period; and the number of cases completed by type of completion (order of removal, termination, administratively closed, or relief granted) for those cases in each 6–month period; and (2) by April 1, 2000, a report, which should include consultation with the Immigration and Naturalization Service and the private bar, on the feasibility of electronic filing of documents, such as Notices to Appear, applications for relief, Notices of Appeal, and briefs, with the Offices of Immigration Judges and with the Board of Immigration Review.

OFFICE OF INSPECTOR GENERAL

The conference agreement includes $40,275,000 for the Office of Inspector General, instead of $42,475,000 as proposed in the House bill, and $32,049,000 as proposed in the Senate bill.

The conference agreement does not include requested bill language which was included in the House bill, but not in the Senate bill, to use 0.2 percent of Violent Crime Reduction Trust Funds to audit grant programs within the Department. The conference agreement includes requested language relating to motor vehicles, which was in the House bill but not in the Senate bill. The conference agreement includes bill language designating a portion of funds to be used for narrowband conversion activities and transfers these funds to the Department of Justice Wireless Management Office.

The conferees are deeply concerned that Department employees accused of wrongdoing are not enjoying the swift justice that is every citizen's right. Though the Inspector General has made some progress in working down its backlog of ''non-judicial cases'', including special investigations, there are still far too many investigations that have stretched as long as 60 months without action or resolution. The conferees direct that all cases opened before April 1, 1999 shall be resolved not later than 60 days after the date of enactment of this Act in one of the following ways: (1) referral to the U.S. Attorneys for prosecution, (2) referral to the appropriate component for administrative punishment, (3) transmittal of a letter to the appropriate component for inclusion in the personnel jacket of the accused indicating case closure based upon a lack of evidence, or (4) transmittal of a letter to an appropriate component for inclusion in the personnel jacket of the accused indicating case closure based upon exoneration.

The conferees understand that there may be extenuating circumstances for certain extraordinary cases which may not allow for compliance with this requirement. In such instances, the Office of Inspector General shall report in an appropriate manner, so as not to jeopardize the pending investigation, to the Committees on Appropriations, the status and anticipated completion date for these cases. This report shall be submitted no later than 90 days after the date of enactment and shall be updated on a semi-annual basis.

UNITED STATES PAROLE COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $8,527,000 for the U.S. Parole Commission, instead of $7,380,000 as proposed in the House bill and $7,176,000 as proposed in the Senate bill.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

The conference agreement includes $504,945,000 for General Legal Activities instead of $503,620,000 as proposed in the House bill, and $485,000,000 as proposed in the Senate bill, of which $147,929,000 is provided from the Violent Crime Reduction Trust Fund (VCRTF) as proposed in the House bill. Of this amount, $582,000 is to be transferred to the Presidential Advisory Commission on Holocaust Assets in the United States.

Except for amounts provided to the Civil Rights Division the conference agreement includes no other program increases for this account, but instead has provided base adjustments proportionately distributed among the divisions. The distribution of funding included in the conference agreement is as follows:

Office of the Solicitor General	$6,770,000
Tax Division	67,200,000
Criminal Division	104,477,000
Civil Division	147,616,000
Environment and Natural Resources	65,209,000
Office of Legal Counsel	4,698,000
Civil Rights Division	82,150,000
Interpol—USNCB	7,360,000
Legal Activities Office Automation	18,571,000
Office of Dispute Resolution	312,000
Total	504,363,000

The conference agreement allows $36,666,000 to remain available until expended for office automation costs, instead of $55,166,000 as proposed in the Senate bill, and $18,166,000 as proposed in the House bill. The conference agreement adopts the Senate position that no funds are provided for the Joint Center for Strategic and Environmental Enforcement, and by reference adopts the House report language regarding extradition tracking systems.

THE NATIONAL CHILDHOOD VACCINE INJURY ACT

The conference agreement includes a reimbursement of $4,028,000 for fiscal year 2000 from the Vaccine Injury Compensation Trust Fund to the Department of Justice, as proposed in the Senate bill, instead of $3,424,000 as proposed in the House bill.

SALARIES AND EXPENSES, ANTITRUST DIVISION

The conference agreement provides $110,000,000 for the Antitrust Division, instead of $112,318,000 as proposed in the Senate bill, and $105,167,000 as proposed in the House bill. The conference agreement assumes that of the amount provided, $81,850,000 will be derived from fees collected in fiscal year 2000, and $28,150,000 will be derived from estimated unobligated fee collections available from 1999 and prior years, resulting in a net direct appropriation of $0. It is intended that any excess fee collections shall remain available for the Antitrust Division in future years.

The conferees are aware that the Division is facing increased requirements related to electronic data storage, data processing, and automated litigation support which have impacted the ability of the Antitrust Division to maintain its current base operating level. Therefore, the conference agreement has included sufficient funding to address these requirements to enable the Division to maintain the current operating level.

The conference agreement includes language proposed in the Senate bill making technical corrections to code citations.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

The conference agreement includes $1,161,957,000 for the U.S. Attorneys as proposed in the House bill, instead of $1,089,478,000 as proposed in the Senate bill, all of which is a direct appropriation, instead of $500,000,000 from the Violent Crime Reduction Trust Fund (VCRTF) as proposed in the Senate bill.

The conference agreement provides a net increase of $60,755,000 for adjustments to base as follows: $69,944,000 is provided for annualization of the 96 positions provided in fiscal year 1999, as well as other pay and inflationary costs, offset by $9,189,000 in base decreases attributable to savings from the direction included in the Senate report regarding unstaffed offices, the provision of funding for the victims witness coordinator and advocate program from the Crime Victims Fund, and other non-recurring requirements.

The conference agreement also includes the following program increases:

Firearms Prosecutions.—The conference agreement provides $7,125,000 to continue and expand intensive firearms prosecution projects to enforce Federal laws designed to keep firearms out of the hands of criminals and to enhance existing law enforcement efforts. The conferees direct the Executive Office of US Attorneys (EOUSA) to submit a spending plan to the Committees on Appropriations no later than December 1, 1999. This spending plan shall give priority consideration to the needs of those areas referenced in the Senate-passed bill, as well as other areas with high incidences of firearms violations.

Legal Education.—The conference agreement provides a program increase of $2,300,000 to establish a distance learning facility at the National Advocacy Center (NAC) in accordance with the direction included in the Senate report. When combined with $15,015,000 included within base resources, as requested in the budget, a total

of $17,315,000 is included under this account for legal education at the National Advocacy Center (NAC).

Courtroom Technology.—The conference agreement provides $1,399,000 for technology demonstration projects, with priority given to the locations referred to in the Senate report.

In addition, $1,000,000 is included from within base resources to continue a violent crime task force demonstration project to investigate and prosecute perpetrators of Internet sexual exploitation of children, to be administered under the auspices of Operation Streetsweeper, as proposed in the Senate bill.

The conference agreement does not adopt the recommendations included in the Senate report regarding term appointments, civil defensive litigation, or child support enforcement.

In addition to identical provisions that were included in both the House and Senate bills, the conference agreement includes the following provisions: (1) providing for 9,120 positions and 9,398 workyears for the U.S. Attorneys, instead of 9,044 positions and 9,360 workyears as proposed in the House bill, and 9,044 positions and 9,312 workyears as proposed in the Senate bill; (2) allowing not to exceed $2,500,000 for debt collection activities to remain available for two years as proposed in the House bill; and (3) allowing not to exceed $2,500,000 for the National Advocacy Center and $1,000,000 for violent crime task forces to remain available until expended as proposed in the Senate bill. The conference agreement does not include language proposed in the Senate bill designating funding for civil defensive litigation, allowing the transfer of up to $20,000,000 from this account to the Federal Prisoner Detention account, and designating funding for certain task force activities.

UNITED STATES TRUSTEE SYSTEM FUND

The conference agreement provides $112,775,000 in budget authority for the U.S. Trustees, of which $106,775,000 is derived from fiscal year 2000 offsetting fee collections, and $6,000,000 is derived from interest earned on Fund investments, instead of $112,775,000 in budget authority and fiscal year 2000 offsetting fee collections as proposed in the Senate bill, and $114,248,000 in budget authority, of which $108,248,000 is derived from fiscal year 2000 offsetting fee collections and $6,000,000 in interest earnings as proposed in the House bill.

The conference agreement assumes that $9,319,000 in prior year carryover will be available to the U.S. Trustees in fiscal year 2000, providing a total operating level of $122,094,000, the full amount necessary to maintain the current operating level of 1,128 positions and 1,059 workyears. The conferees remind the U.S. Trustees that amounts collected or otherwise available in excess of the total operating level assumed in the conference agreement are subject to section 605 of this Act. In addition, the conferees adopt by reference the Senate report language on the National Advocacy Center (NAC). The conferees direct the U.S. Trustees to report to the Committees on Appropriations no later than December 31, 1999, on the planned number and type of bankruptcy classes to be conducted at the NAC.

The conference agreement includes a provision as proposed in the House bill to allow interest earned on Fund investment to be used for expenses in this appropriation. The Senate bill did not contain this provision.

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

The conference agreement provides $1,175,000 for the Foreign Claims Settlement Commission, as requested and as provided in both the House and Senate bills, and assumes funding in accordance with both the House and Senate bills.

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

The conference agreement includes $543,365,000 for the U.S. Marshals Service Salaries and Expenses account, instead of $538,909,000 as proposed in the House bill and $547,253,000 as proposed in the Senate bill. Of this amount, the conference agreement provides that $209,620,000 will be derived from the Violent Crime Reduction Trust Fund (VCRTF) as proposed in the House bill, instead of $138,000,000 as proposed in the Senate bill.

The amount included in the conference agreement includes a $29,832,000 net increase for inflationary and other base adjustments, including $1,600,000 to continue and expand the Marshals Service's subscriptions to credit bureau and personal and commercial property on-line services. The conferees remain seriously concerned about the Marshals Service's inability to accurately project its funding requirements and effectively manage the resources provided. Therefore, the conference agreement adopts by reference the language and direction included in the House report regarding budget and financial management practices.

In addition, the conference agreement includes $20,424,000 in program increases for the following: (1) $4,003,000 (56 positions and 28 workyears) for courthouse security personnel related to activation of new courthouses opening in fiscal year 2000; (2) $2,600,000 for electronic surveillance unit equipment; and (3) $13,821,000 for courthouse security equipment, of which $9,000,000 is to be derived from the Working Capital Fund, to be provided for newly opening courthouses as follows:

USMS Courthouse Security Equipment

[In thousands of dollars]

Omaha, NE	$1,000
Hammond, IN	866
Covington, KY	161
London, KY	275
Montgomery, AL	1,130
Tucson, AZ	846
Phoenix, AZ	861
Charleston, SC	379
Albany, NY	478
Los Angeles, CA	256
Sioux City, IA	264
Agana, Guam	781
Islip, NY	1,669
St. Louis, MO	1,754
Las Vegas, NV	900
Riverside, CA	436
Corpus Christi, TX	1,000
Charleston, WV	100
Pocatello, ID	15
Albuquerque, NM	200
Kansas City, MO	450
Total, USMS Security Equipment	13,821

The conferees expect the Marshals Service to give priority to those facilities scheduled to come on line in the first half of fiscal year 2000, and expect to be notified in accordance with section 605 of this Act prior to any deviation from the above distribution.

The conference agreement does not include a provision proposed in the Senate bill requiring a judge to submit a written request to the Attorney General for approval prior to the service of process by a Marshals Service employee. The conferees are aware of concerns regarding the impact that service of process duties is having on the Marshals Service. Therefore, the conferees direct the Attorney General and the Marshals Service to work with the Administrative Office of the Courts to study alternatives for service of process in certain cases in which no law enforcement presence is required, and to report back to the Committees on Appropriations no later than February 1, 2000, on the impact of such alternatives on the Marshals Service and the Federal Courts.

In addition, the conferees concur with the recommendation included in the Senate report regarding the reallocation of personnel resulting from the defederalization of District of Columbia Superior Court operations. Should defederalization occur, the Marshals Service is directed to notify the Committees of such reallocation in accordance with section 605 of this Act.

The conference agreement does not include language proposed in the Senate bill which limits the use of contract officers and limits the use of employees of the Marshals Service to serve process.

CONSTRUCTION

The conference agreement includes $6,000,000 in direct appropriations for the U.S. Marshals Service Construction account instead of $9,632,000 as proposed in the Senate bill, and $4,600,000 as proposed in the House bill. An additional $2,600,000 is to be provided for this account should funds be available from Super Surplus balances in the Assets Forfeiture Fund. The conference agreement includes the following distribution of funds:

USMS Construction

[In thousands of dollars]

Fairbanks, AK	$300
Prescott, AZ	125
Atlanta, GA	368
Moscow, ID	185
Rockford, IL	250
Louisville, KY	350
Detroit, MI	515
Las Cruces, NM	275
Greensboro, NC	725
Muskogee, OK	650
Pittsburgh, PA	550
Charleston, SC	725
Florence, SC	300
Spartanburg, SC	400
Columbia, TN	250
Beaumont, TX	450
Sherman, TX	850
Cheyenne, WY	500
Security Specialists/Construction Engineers	832
Total, Construction	8,600

The conferees expect to be notified in accordance with section 605 of this Act prior to any deviation from the above distribution.

JUSTICE PRISONER AND ALIEN TRANSPORTATION SYSTEM FUND

The conference report includes requested language permanently establishing a revolving fund for the operation of the Justice Prisoner and Alien Transportation System (JPATS), as provided in both the House and Senate bills. The conference agreement does not include direct funding of $9,000,000 proposed in the Senate bill to pay for Marshals Service payments to the JPATS revolving fund. The conferees expect the Marshals Service to adequately budget for its own requirements for prisoner movements within its own base budget under the Salaries and

Expenses account, as is the practice for all other agencies, and have addressed the Marshals Service's needs under that account.

The conference agreement adopts the direction included in the House and Senate reports regarding full cost recovery, the direction included in the House report regarding system enhancements, and the direction included in the Senate report regarding surplus Department of Defense aircraft.

The conference agreement does not include language amending the definition of public aircraft with respect to JPATS activities, which was proposed in the Senate bill.

FEDERAL PRISONER DETENTION

The conference agreement provides $525,000,000 for Federal Prisoner Detention as proposed in the House bill, instead of $500,000,000 as proposed in the Senate bill, which is a $100,000,000 increase over the fiscal year 1999 level. This amount, combined with approximately $14,000,000 in carryover, will provide total funding of $539,000,000 in fiscal year 2000. The conferees remain extremely concerned about the inability of the Marshals Service to accurately project and manage the resources provided under this account. While the conferees appreciate the difficulty in projecting funding requirements, the wide fluctuations which have occurred in recent years are unacceptable. Given the conferees' continued concern about the ability of the Marshals Service to provide accurate cost projections, the recommendation includes the amount of funding identified as necessary to detain the current average population, adjusted for anticipated increases in jail day costs, as well as allows for additional growth in the detainee population. A general provision has also been included elsewhere in this title, as requested, addressing medical services costs, which should result in savings to the program. Should additional funding be required, the conferees would be willing to entertain a reprogramming in accordance with Section 605 of this Act. In addition, the conference agreement adopts the direction included in the Senate report requiring quarterly reports on cost savings initiatives, as well as a report on sentencing delays.

FEES AND EXPENSES OF WITNESSES

The conference agreement includes $95,000,000 for Fees and Expenses of Witnesses as proposed in the House bill, instead of $110,000,000 as proposed in the Senate bill. The conference agreement does not include a provision allowing up to $15,000,000 to be transferred from this account to the Federal Prisoner Detention account, which was proposed in the Senate bill.

COMMUNITY RELATIONS SERVICE

The conference agreement includes $7,199,000 for the Community Relations Service, as proposed in both the House and Senate bills. In addition, the conference agreement includes a provision allowing the Attorney General to transfer up to $1,000,000 of funds available to the Department of Justice to this program, as proposed in the House bill. The Attorney General is expected to report to the Committees on Appropriations of the House and Senate if this transfer authority is exercised. In addition, a provision is included allowing the Attorney General to transfer additional resources, subject to reprogramming procedures, upon a determination that emergent circumstances warrant additional funding, as proposed in the House bill. The Senate bill did not include either transfer provision.

ASSETS FORFEITURE FUND

The conference agreement provides $23,000,000 for the Assets Forfeiture Fund as proposed in Senate bill, instead of no funding as proposed in the House bill.

RADIATION EXPOSURE COMPENSATION

ADMINISTRATIVE EXPENSES

The conference agreement recommends $2,000,000 for fiscal year 2000, the full amount requested, the same amount proposed in both the House and Senate bills, and in accordance with the House and Senate bills.

PAYMENT TO RADIATION COMPENSATION EXPOSURE TRUST FUND

The conference agreement provides $3,200,000 in direct appropriations and assumes prior year carryover funding of $7,800,000 for total of $11,000,000 for the Compensation Trust Fund.

The Administration's fiscal year 2000 request was predicated on the passage of legislation that increased both the amount of payments to qualifying individuals and the number of categories of claimants. The proposed legislation has not been acted on and future passage is uncertain. The conferees are concerned that the Administration has expanded the number of claimants through the issuing of regulations when Congress has not chosen to do so through the normal legislative process. The conferees have provided adequate funding to cover the payments of the three categories of claimants currently provided for in statute. No additional funding is provided to cover the claims of individuals provided for by 29 CFR Part 79.

INTERAGENCY LAW ENFORCEMENT

INTERAGENCY CRIME AND DRUG ENFORCEMENT

The conference agreement includes a total of $316,792,000 for Interagency Crime and Drug Enforcement (ICDE) as proposed in the House bill, instead of $304,014,000 as proposed in the Senate bill. The distribution of funding provided is as follows:

Reimbursements by Agency

[In thousands of dollars]

Drug Enforcement Administration	$104,000
Federal Bureau of Investigation	108,544
Immigration and Naturalization Service	15,300
Marshals Service	1,900
U.S. Attorneys	83,300
Criminal Division	790
Tax Division	1,344
Administrative Office	1,614
Total	316,792

The conferees continue to believe that a dedicated, focused effort is needed for this activity. Therefore, the conference agreement adopts the approach included in both the House and Senate bills to continue funding for Department of Justice components' participation in ICDE activities as a separate appropriations account, instead of providing funding directly to individual components as proposed in the President's budget. The conferees recognize that in order to be truly successful, all participants must remain committed to the program, and the program must be implemented as efficiently as possible. The conferees direct the Department of Justice to conduct a comprehensive review of the program and provide a report to the Committees on Appropriations no later than January 15, 2000, with any recommendations to improve the program.

The conference agreement includes language allowing up to $50,000,000 to remain available until expended as proposed in the House bill, instead of $20,000,000 as proposed in the Senate bill.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

The conference agreement includes $3,089,868,000 for the Federal Bureau of Investigation (FBI) Salaries and Expenses account as proposed in the House bill, instead of $2,973,292,000 as proposed in the Senate bill, of which $752,853,000 is provided from the Violent Crime Reduction Trust Fund (VCRTF) as recommended in the House bill, instead of $280,501,000 as recommended in the Senate bill. In addition, the conference agreement provides that not less than $292,473,000 shall be used for counterterrorism investigations, foreign counterintelligence, and other activities related to national security as proposed in the House bill, instead of $260,000,000 as proposed in the Senate bill. This statement of managers reflects the agreement of the conferees on how the funds provided in the conference report are to be spent.

The conference agreement includes a net increase of $100,836,000 for adjustments to base, as follows: increases totaling $182,935,000 for costs associated with the annualization of new positions provided in fiscal year 1999, the 2000 pay raise, increased rent, continued direct funding of the National Instant Check System, and other inflationary adjustments; offset by decreases totaling $82,099,000 for non-recurring costs associated with the completion of the Integrated Automated Fingerprint Identification System (IAFIS) and one-time equipment purchases provided for in fiscal year 1999, the transfer of the State Identification grants program to the Office of Justice Programs, the rebaselining of certain programs to match actual expenditures, and reductions for vehicle and furniture purchases. In addition, the conference agreement includes program increases totaling $7,484,000, which are described below:

National Infrastructure Protection/Computer Intrusion.—The conference agreement adopts the direction included in the Senate report requiring the conversion of 95 part-time positions for Computer Analysis Response Teams (CART) to 62 full-time positions, which will enable the FBI to increase its total effort by 20%. The conferees believe that the complexity of computer forensic examinations necessitates a cadre of personnel dedicated to this activity, which can provide the necessary investigative support to field offices, and expect the FBI to deploy these personnel in a manner which maximizes coverage and support to field offices. To ensure that these teams can effectively respond to the needs of the field, a program increase of $3,399,000 has been provided for training, equipment, supplies and technology upgrades for these teams. The conferees direct the FBI to submit a spending plan to the Committees on Appropriations prior to the release of these funds. In addition, the conferees expect the FBI to comply with the direction included in the Senate report regarding the adequacy of examiner training, and the development of a master plan regarding current and planned capabilities to combat computer crime and intrusion.

In addition, the conference agreement provides a total of $18,596,000 for the National Infrastructure Protection Center (NIPC), of which $1,250,000 is for a cybercrime partnership with the Thayer School of Engineering, as proposed in the Senate report. This amount, when combined with $2,069,436 in carryover funding, will provide a total of $20,880,032 for the NIPC in fiscal year 2000, approximately the same level of funding available in fiscal year 1999, adjusted for costs associated with certain non-recurring requirements. It has come to the conferees' attention that concerns have been expressed regarding the adequacy of staffing levels at

the NIPC. The conferees are concerned that the current FBI on-board staffing level at the NIPC is only at 80% of its authorized and funded level, and other agency participation is only at 70% of the authorized level. The conferees direct the FBI to provide a report to the Committees no later than December 1, 1999, on the actions it is taking to rectify this situation.

Mitochondrial DNA.—The conference agreement includes a program increase of $2,835,000 (5 positions and 3 workyears) for the development of the use of mitochondrial DNA to assist in the identification of missing persons, as proposed in the Senate report.

Criminal Justice Services.—The conference agreement includes a total of $212,566,000 for the Criminal Justice Information Services Division (CJIS), which includes the National Instant Check System (NICS), an increase of $81,500,000 above the request. Of this amount, $70,235,000 is for NICS, including $2,500,000 to be funded from prior year carryover, and $142,331,000 is for non-NICS activities, including $11,265,000 for an operations and maintenance shortfall affecting the Integrated Automated Fingerprint Identification System (IAFIS) and the National Crime Information Center (NCIC).

The fiscal year 2000 budget for the FBI included no direct funding for the NICS, and instead proposed to finance the costs of this system through a user fee. The conference agreement includes a provision under Title VI of this Act which prohibits the FBI from charging a fee for NICS checks, and instead provides funding to the FBI for its costs in operating the NICS.

Indian Country Law Enforcement.—The conferees share the concerns expressed in the Senate report regarding sexual assaults on Indian reservations. The conferees direct the FBI to reallocate not less than 25 agents to existing DOJ offices nearest to the Indian reservations identified in the Senate report. The conferees assume these agents will serve as part of multi-agency task forces dedicated to addressing this problem. While the conferees do not intend for this to be a permanent redirection of FBI resources, the conferees expect the FBI to implement this direction in the most cost effective manner possible. Therefore, the conferees direct the FBI to submit an implementation plan to the Committees on Appropriations no later than December 1, 1999, and to provide a report on the success of its investigative efforts not later than June 1, 2000.

Information Sharing Initiative (ISI).—The conference agreement does not include program increases for ISI. Within the total amount available to the FBI, $20,000,000 is available from fiscal year 2000 base funding, and $60,000,000 is available from unobligated balances from fiscal year 1999. The Bureau is again directed not to obligate any of these funds until approval by the Committees of an ISI plan.

The conferees reiterate the concerns expressed in the House report regarding the FBI's information technology initiatives. The FBI is expected to comply with the direction included in the House report regarding the submission of an Information Technology report, and is directed to provide this report to the Committees on Appropriations no later than November 1, 1999, and an updated report as part of the fiscal year 2001 budget submission.

National Domestic Preparedness Office (NDPO).—The FBI is considered the lead agency for crisis management; the Federal Emergency Management Agency (FEMA) is considered the lead agency for consequence management; and various other Federal agencies share additional responsibilities in the event of a terrorist attack. In the past, there has been no coordinated effort to prepare State and local governments to respond to terrorist incidents. The Department of Justice has proposed the establishment of an interagency National Domestic Preparedness Office (NDPO) to coordinate Federal assistance programs for State and local first responders, provide a single point of contact among Federal programs, and create a national standard for domestic preparedness, thereby improving the responsiveness of Federal domestic preparedness programs, while reducing duplication of effort. The conferees approve the Department's request to create the NDPO and direct the Department of Justice to submit to the Committees no later than December 15, 1999, the final blueprint for this office. Within the total amount available to the FBI, up to $6,000,000 may be used to provide funding for the NDPO in fiscal year 2000, subject to the submission of a reprogramming in accordance with section 605 of this Act. Further, the conferees expect the five-year interagency counterterrorism plan, which is to be submitted to the Committees no later than March 1, 2000, to identify and incorporate the NDPO's role and function.

Other.—From within the total amount provided under this account, the FBI is directed to provide not less than $5,204,000 to maintain the Crimes Against Children initiative as recommended in the Senate report. In addition, not less than $1,500,000 and 11 positions are to be provided to continue the Housing Fraud initiative as recommended in the House report. The conferees are concerned about the delay in fully implementing the Housing Fraud initiative provided for in fiscal year 1999, and expect the FBI to take all necessary actions to fully implement this initiative and report back to the Committees on Appropriations no later than December 1, 1999, on its actions.

The Senate report language regarding intelligence collection management officers, background checks for school bus drivers, the Northern New Mexico anti-drug initiative, and continued collaboration with the Southwest Surety Institute is adopted by reference. The conference agreement also adopts by reference the House report language regarding the National Integrated Ballistics Information Network (NIBIN).

In addition to identical provisions that were included in both the House and Senate bills, the conference agreement includes provisions, modified from language proposed in the House bill, authorizing the purchase of not to exceed 1,236 passenger motor vehicles, and designating $50,000,000 for narrowband communications activities to be transferred to the Department of Justice Wireless Management Office. The Senate bill did not include provisions on these matters. The conference agreement also includes language allowing up to $45,000 to be used for official reception and representation expenses as proposed in the House bill, instead of $65,000 as proposed in the Senate bill, and contains statutory citations under the Violent Crime Reduction Trust Fund proposed in the House bill, which were not included in the Senate bill.

The conference agreement does not include language proposed in the Senate bill regarding the independent program office dedicated to the automation of fingerprint identification services, nor is language included limiting the total number of positions and workyears available to the FBI in fiscal year 2000. The House bill did not include similar provisions on these matters. However, the conferees are concerned about the continued variances between the FBI's funded and actual staffing levels. Therefore, the conferees direct the FBI to provide quarterly reports to the Committees on Appropriations which delineate the funded and the actual agent and non-agent staffing level for each decision unit, with the first report to be provided no later than December 1, 1999.

CONSTRUCTION

The conference agreement includes $1,287,000 in direct appropriations for construction for the Federal Bureau of Investigation (FBI), as provided for in the House bill, instead of $10,287,000 as proposed in the Senate bill. The agreement includes the funding necessary to continue necessary improvements and maintenance at the FBI Academy.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes $1,276,250,000 for the Drug Enforcement Administration (DEA) Salaries and Expenses account as proposed in the House bill, instead of $1,217,646,000 as proposed in the Senate bill, of which $343,250,000 is provided from the Violent Crime Reduction Trust Fund (VCRTF), instead of $344,250,000 as proposed in the House bill, and $419,459,000 as proposed in the Senate bill. In addition, $80,330,000 is derived from the Diversion Control Fund for diversion control activities. This statement of managers reflects the agreement of the conferees on how the funds provided in the conference report are to be spent.

Budget and Financial Management.—The conferees share the concerns expressed in both the House and Senate reports regarding DEA's budget and financial management practices, including DEA's failure to comply with section 605 of the appropriations Acts, resulting in resources being expended in a manner inconsistent with the appropriations Acts. As a result of these concerns, a comprehensive review was conducted by the Department of Justice and DEA, and a report was provided to the Committees on Appropriations on July 8, 1999, which recommended a series of management reforms to be implemented by DEA and included a revised budget submission for fiscal year 2000. The conferees expect DEA to expeditiously implement all management reforms recommended in that report. Further, the conference agreement has used the revised budget submission as the basis for funding provided for fiscal year 2000. The following table represents funding provided under this account:

DEA SALARIES AND EXPENSES

[Dollars in thousands]

Activity	Pos.	FTE	Amount
Enforcement:			
Domestic enforcement	2,195	2,134	$377,008
Foreign cooperative investigation	730	689	200,678
Drug and chemical diversion	142	143	14,598
State and local task forces	1,678	1,675	233,073
Subtotal	4,745	4,641	825,357
Investigative Support:			
Intelligence	883	900	106,133
Laboratory services	381	378	42,833
Training	99	98	19,861
RETO	355	353	101,783
ADP	131	129	96,994
Subtotal	1,849	1,858	367,604
Management and administration	857	849	83,289

DEA SALARIES AND EXPENSES—Continued

[Dollars in thousands]

Activity	Pos.	FTE	Amount
Total, DEA	7,451	7,348	1,276,250

DEA is reminded that any deviation from the above distribution is subject to the reprogramming requirements of section 605 of this Act.

The conference agreement provides a net increase of $20,312,000 for pay and other inflationary costs to maintain current operations, as follows: increases totaling $50,220,000 for costs associated with annualization of 617 new positions provided in fiscal year 1999, the 2000 pay raise, increased rent, and other inflationary increases; offset by decreases totaling $29,908,000 for costs associated with one-time and non-recurring equipment purchases and other items provided for in fiscal year 1999, and a general reduction in administrative overhead.

In addition, the conference agreement includes program increases totaling $41,925,000, as follows:

Caribbean Initiative.—The conference agreement includes a total of $5,500,000 (17 positions, including 11 agents) to augment the Caribbean Initiative funded in fiscal years 1998 and 1999, as follows:

—$1,900,000 within Domestic Enforcement for 17 positions and 9 workyears for new agents and support in Puerto Rico;

—$500,000 within Domestic Enforcement to address law enforcement retention efforts in Puerto Rico, including the development of a community liaison office and center to provide assistance to Department of Justice employees and their families;

—$3,100,000 within Research, Engineering, Test and Operations (RETO) to purchase four MWIR airborne thermal imaging systems and eight installation kits for UH–60 aircraft to support multi-agency operations in the Bahamas and North Caribbean. The conferees expect these aircraft to be configured like the US Customs Service UH–60 counter-drug aircraft to enhance interoperability.

The conferees direct DEA to provide quarterly status reports on the implementation of these initiatives. Further, the conference agreement adopts by reference the House report language regarding requirements related to the Caribbean.

Source Country/International Strategy.—Within the amount provided for Foreign Cooperative Investigations, the conference agreement includes program increases totaling $5,000,000 (19 positions, including 8 agents) to enhance staffing in Central and South America, as follows:

—$1,500,000 for 6 positions, including 2 agents, to enhance staffing in Panama (3 positions, including 2 agents), Nicaragua (1 position), and Belize (2 positions); and

—$3,500,000 for 13 positions, including 6 agents, to enhance staffing in Argentina (2 positions, including 1 agent), Brazil (3 positions, including 2 agents); Chile (2 positions, including 1 agent); Peru (2 positions); and Venezuela (4 positions, including 2 agents).

The conferees are aware of concerns expressed regarding the adequacy of non-agent personnel in source countries, resulting in agent resources being used to perform functions more efficiently performed by non-agent personnel. Therefore, the conference agreement has included additional non-agent positions to address this problem. The conferees urge the DEA to review the adequacy of non-agent personnel in source countries to ensure that adequate support is provided. DEA is expected to provide quarterly reports on investigative and non-investigative workyears and funding, by type, within source and transit countries, including the Caribbean, delineated by country and function, with the first report to be provided not later than November 15, 1999.

Domestic Enhancements.—The conference agreement includes program increases totaling $10,700,000 for domestic counter-drug activities, exclusive of the Caribbean Initiative. Included are the following program increases:

—$4,600,000 within Domestic Enforcement for 25 positions (15 agents) and 13 workyears for Regional Enforcement Teams (RETS), to provide a total of $17,400,000 for RETS in fiscal year 2000. The conferees expect the additional personnel and resources provided to be dedicated to locations in the Western United States as determined by DEA, and to focus primarily on the methamphetamine problem in that geographic region;

—$2,800,000 within State and Local Task Forces for 20 positions (12 agents) and 10 workyears for Mobile Enforcement Teams (METS), to provide a total of $53,900,000 for METS in fiscal year 2000. The conferees expect the additional personnel and resources provided to be dedicated to locations as determined by DEA, and to focus primarily on the problems of black tar heroin and methamphetamines;

—$1,500,000 within State and Local Task Forces for State and local methamphetamine training, as recommended in the Senate report;

—$1,000,000 within Domestic Enforcement for Drug Demand Reduction programs, as recommended in the House report;

—$400,000 within Domestic Enforcement for black tar heroin and methamphetamine enforcement along the Southwest border to address this problem in cooperation with other Federal law enforcement agencies, with particular emphasis on the illegal drug trafficking problem in Northern New Mexico;

—$400,000 within State and Local Task Forces for support for methamphetamine enforcement in Iowa, as directed in the Senate report.

In addition, DEA is expected to comply with the direction included in the House report regarding DEA's continued participation in the HIDTA program, and support for DEA's newly established office in Madisonville, Kentucky. DEA is also expected to comply with the direction included in the Senate report regarding Operation Pipeline.

Investigative Support Requirements.—The conference agreement includes $20,725,000 to address critical infrastructure needs, as follows:

—$7,725,000 within RETO to consolidate and enhance DEA's electronic surveillance capabilities to support multi-agency, multi-jurisdictional investigations;

—$13,000,000 within ADP to accelerate the completion of Phase II of FIREBIRD to December 2001. This amount will provide a total of $44,890,000 in fiscal year 2000 for FIREBIRD, of which $37,490,000 is to be for deployment only, and $7,400,000 is for operations and maintenance (O&M) of the system, the full amount requested in the budget. Should additional funds be required for O&M, the Committees would be willing to entertain a reprogramming in accordance with section 605 of the Act. The conferees share the concerns expressed in the House report regarding this program, and direct DEA to provide a full program plan for completion of Phase II of FIREBIRD, including deployment and O&M costs, to the Committees on Appropriations not later than December 1, 1999, and to provide quarterly status reports thereafter on deployment and O&M, delineated by location and function.

Drug Diversion Control Fee Account.—The conference agreement provides $80,330,000 for DEA's Drug Diversion Control Program, including $3,260,000 in adjustments to base and program increases, as requested. In addition, the Senate report language regarding development of electronic reporting and records systems is adopted by reference. The conference agreement assumes that the level of balances in the Fee Account are sufficient to fully support diversion control programs in fiscal year 2000. As was the case in fiscal year 1999, no funds are provided in the DEA Salaries and Expenses appropriation for this account in fiscal year 2000.

CONSTRUCTION

The conference agreement includes $5,500,000 in direct appropriations for construction for the Drug Enforcement Administration (DEA) as proposed in the Senate bill, instead of $8,000,000 as proposed in the House bill.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

The conference agreement includes $2,909,665,000 for the salaries and expenses of the Immigration and Naturalization Service (INS), instead of $2,932,266,000 as provided in the House bill, and $2,570,164,000 as provided in the Senate bill, of which $1,267,225,000 is from the Violent Crime Reduction Trust Fund, instead of $1,311,225,000 as proposed in the House bill and $873,000,000 as proposed in the Senate bill. In addition to the amounts appropriated, the conference agreement assumes that $1,269,597,000 will be available from offsetting fee collections instead of $1,285,475,000 as proposed by the House and $1,290,162,000 as proposed by the Senate. Thus, including resources provided under construction, the conference agreement provides a total operating level of $4,260,416,000 for INS, instead of $4,289,231,000 as proposed by the House and $3,999,290,000 as proposed by the Senate. This statement of managers reflects the agreement of the conferees on how the funds provided in the conference report are to be spent.

Base adjustments.—The conference agreement provides $54,740,000 for base restoration, instead of the requested $55,830,000, and provides $7,112,000 for the annualization of the fiscal year 1999 pay raise, instead of the requested $14,961,000, the remaining amount of which has already been paid in the current fiscal year. Additionally, the conference agreement includes $30,000,000 for the annualization of the Working Capital Fund base transfer, $3,794,000 for the National Archives records project, and $1,090,000 of the base restoration for fiscal year 1999 adjustments to base which are funded in the Examinations Fee account, since sufficient funds are available. The conference agreement does not include $11,240,000 for the Interagency Crime and Drug Enforcement funds, which are provided in a separate account or $20,000,000 for the annualization of border patrol agents not hired. The conference agreement does not include the transfers to the Examinations Fee account, H–1b account, or the breached bond/detention account, as proposed by the Senate report.

INS Organization and Management.—The conference agreement includes the concerns expressed in the House report that a lack of resources is no longer an acceptable response to INS's inability to adequately address its

mission responsibilities. The conference agreement includes the establishment of clearer chains of command—one for enforcement activities and one for service to noncitizens—as one step towards making the INS a more efficient, accountable, and effective agency, as proposed in both the House and Senate reports. Consistent with the concept of separating immigration enforcement from service, the conference agreement continues to provide for a separation of funds, as in fiscal year 1999 and in the House bill. The conference agreement includes the separation of funds into two accounts, as requested and as proposed in the House bill: Enforcement and Border Affairs, and Citizenship and Benefits, Immigration Support and Program Direction. INS enforcement funds are placed under the Enforcement and Border Affairs account. All immigration-related benefits and naturalization, support and program resources are placed under the Citizenship and Benefits, Immigration Support and Program Direction account. Neither account includes revenues generated in various fee accounts to fund program activities in both enforcement and functions, which are in addition to the appropriated funds and are discussed below. Funds for INS construction projects continue to fall within the INS construction account.

The conference agreement includes bill language which provides authority for the Attorney General to transfer funds from one account to another in order to ensure that funds are properly aligned. Such transfers may occur notwithstanding any transfer limitations imposed under this Act but such transfers are still subject to the reprogramming requirements under Section 605 of this Act. It is expected that any request for transfer of funds will remain within the activities under those headings.

The conference agreement includes $1,107,429,000 for Enforcement and Border Affairs, $535,011,000 for Citizenship and Benefits, Immigration Support and Program Direction, and $1,267,225,000 from the Violent Crime Reduction Trust Fund.

The Enforcement and Border Affairs account is comprised of the following amounts: $922,224,000 for existing base activities for Border Patrol, Investigations, Detention and Deportation, and Intelligence; less $11,240,000 for the Interagency Crime and Drug Enforcement funds, which are provided in a separate account, less $20,000,000 for the annualization of border patrol agents not hired and less $7,555,000 for part of the fiscal year 1999 annualized pay raise, the remaining amount of which has already been paid in the current fiscal year.

The Citizenship and Benefits, Immigration Support and Program Direction account includes $539,099,000 (plus VCRTF funds) for the existing activities of citizenship and benefits, immigration support, and management and administration; less $294,000 of the annualized fiscal year 1999 pay raise which has already been paid within the current year, and less $3,794,000 for archives and records, which are now funded within the Examinations Fee account. The requested $30,000,000 base restoration and the $1,090,000 base restoration for fiscal year 1999 adjustments to base need not be funded in the Salaries and Expenses base since sufficient funds are available within the Examinations Fee account. None of these amounts include offsetting fees, which are used to fund both enforcement and service functions.

Border Control.—The conference agreement includes $50,000,000 for 1,000 new border patrol agents and 475 FTEs, of which $1,500,000 is for border patrol recruitment devices, such as language proficiency bonuses, recruitment bonuses, and costs for improved recruitment outreach programs, including the possibility of expanding testing capabilities and other hiring steps, as described in the Senate report, and the establishment of an Office of Border Patrol Recruitment and Retention, as described in the Senate report, including the submission of recommendations on pay and benefits. Owing to INS's failure to hire 1,000 border patrol agents in fiscal year 1999, INS may provide a recruiting bonus to new agents hired after January 1, 2000. Should the INS be unable to recruit the required agents by June 1, 2000, the only other allowable purpose to which the $48,500,000 may be put is an increase in pay for non-supervisory agents who have served at a GS–9 level for more than one year. The Committees on Appropriations expect to be notified prior to the use of funds for a pay raise.

The conference report also includes $22,000,000 for additional border patrol equipment and technology, to be funded from existing base resources for information resource management, as follows: $9,350,000 for infrared night vision scopes; $6,375,000 for night vision goggles; $4,050,000 for pocket scopes; and $2,225,000 for laser aiming modules and infrared target pointers/illuminators. Additionally, the conference agreement includes $3,000,000, funded from the existing base for information resource management, for the Law Enforcement Support Center, as described in the Senate report.

The conference agreement includes the following reports on border-related activities and technologies: (1) hand-held night-vision binocular report by March 1, 2000, as in the House report; (2) night vision obligation report by December 15, 1999, as in the House report; (3) all-light, all-weather ground surveillance capability report by March 1, 2000, as in the House report; (4) border patrol hiring and spending plan for fiscal year 1999 by September 15, 1999, as in the House report; (5) report on the situation in the Tucson sector by October 1, 1999, as in the House report; (6) fiscal year 1999 border patrol aviation final report; and (7) a feasibility report on the participation of the Tucson sector in the ambulance reimbursement program by January 15, 2000. All overdue reports are still expected to be submitted to the Committees. The conferees are aware of a recently filed lawsuit against the INS and the Army Corps of Engineers challenging the major drug interdiction effort known as Operation Rio Grande and its impact on the environment. The conferees are concerned about the potential adverse effects that this suit may have on drug interdiction efforts. The conferees, therefore, direct the Department of Justice, within 30 days of enactment, to provide the House and Senate Appropriations Committees with a report on the status of this lawsuit.

IAFIS/IDENT.—The conferees direct the Assistant Attorney General for Administration to submit a plan by November 1, 1999, to integrate the INS IDENT and the FBI IAFIS systems. This plan should address Congressional concerns that the current environment does not provide other Federal, State and local law enforcement agencies with access to fingerprint identification information captured by INS Border Patrol agents, nor does it provide the Border Patrol with the full benefit of FBI criminal history records when searching criminal histories of persons apprehended at the border.

The conferees direct that the following studies be undertaken: a system design effort; a joint INS–FBI criminality study, involving a matching of IDENT recidivist records against the Criminal Master File; a study to determine the operational impact of 10-printing apprehended illegal crossers at the border; and an engineering proposal for the first phase to determine the validity of the systems development costs that have been estimated by the FBI. These studies will provide the data necessary to project accurate costs for the remainder of the development and implementation. The conferees expect that the Justice Management Division will oversee the integration effort and that all existing INS base funds for IDENT will be controlled by the Assistant Attorney General for Administration. The Assistant Attorney General for Administration shall submit to the Committees a proposed spending plan on the use of existing base funds available for IDENT for these studies and other related expenditures no later than December 15, 1999.

Deployment of border patrol resources.—The conference agreement directs the INS to continue its consultation with the Committees on Appropriations of both the House and Senate before deployment of new border patrol agents included in this conference agreement. In recognition of the increased problems in and around El Centro, California; Tucson, Arizona; the Southeastern states; and around the Northern border, as described in both the House and Senate reports, the conferees expect that the proposed deployment plan submitted to the Committees by INS will include an appropriate distribution to address these needs.

Interior enforcement.—The conference agreement includes $5,000,000 in additional funding within existing resources to continue and to expand the local jail program pursuant to Public Law 105–141. The conferees direct the INS to staff the Anaheim City Jail portion of this program with trained INS personnel on a full-time basis, especially the portions of the day or night when the greatest number of individuals are incarcerated prior to arraignment.

The conference agreement includes the following reports: (1) by January 15, 2000, a report on possible new quick response teams (QRTs), as described in the House report; (2) by November 30, 1999, the revised interior enforcement plan, as described in the House report; and (3) by January 15, 2000, the local jail program status report, as described in the House report.

Detention.—The conference agreement provides $200,000,000 for additional detention space for detaining criminal and illegal aliens, as described in the House report, of which $174,000,000 is in direct appropriations and $26,000,000 is from recoveries from the Violent Crime Reduction Trust Fund for fiscal year 1995. This amount is $30,000,000 less than the budget request and is funded from direct appropriations instead of the requested combination of appropriated funds, reinstatement of Section 245(i), transfer of funds from the Crime Victims Fund and a reallocation of funds within the account. The conference agreement continues funding for the $80,000,000 for detention provided in fiscal year 1999 supplemental appropriations and provides an additional 1,216 new beds for a total of approximately 18,535 detention beds in fiscal year 2000, and provides 176 additional detention and deportation staff to support these beds and $4,000,000 and 10 positions to begin implementation of standards at detention facilities.

The conference agreement includes the concerns raised in the House report about

the INS's ability to plan for, request in a timely fashion, and manage sufficient detention space. Accordingly, the conference agreement includes the following reports: (1) by September 1, 1999, recommendations by the Attorney General on a Department-wide strategy on detention, as described in the House report; (2) by January 15, 2000, a detailed assessment of INS's current and projected detention needs for the next 3 years, as described in both the House and Senate reports, and including possible supplemental detention locations such as Etowah County Detention Center near Atlanta and Tallahatchie County prison in Tutwiler, a hiring plan for the additional detention and deportation personnel, and a proposal for the expansion of the number of juvenile detention beds; (3) by December 1, 1999, a report on the detention needs and costs associated with Operation Vanguard, as described in the House report; and (4) by March 1, 2000, a feasibility study and implementation plan for utilizing the Justice Prisoner and Alien Transportation System for a greater number of deportations. All overdue reports are still expected to be submitted to the Committees.

Naturalization.—The conference agreement includes full funding to continue the fiscal year 1999 Backlog Reduction Action Teams (BRAT) and accompanying resources during fiscal year 2000. The conference agreement includes the concerns raised in the House report about recently-discovered naturalization cases processed during the Citizenship USA initiative and requests a report on these cases by March 1, 2000, as described in the House report.

Institutional Removal Program.—The conferees assume that, in the implementation of the Institutional Removal Program (IRP), priority is given to violent offenders and those arrested for drug violations. The conferees direct the INS, in consultation with the Executive Office of Immigration Review, to report to the Committees on Appropriations on IRP caseload, by case type, for fiscal years 1997–1999. If the IRP caseload does not give priority to aliens imprisoned for serious violent felonies or drug trafficking, the INS is directed to explain why and to outline the steps it will take to focus IRP efforts on the most dangerous incarcerated aliens. The report shall be delivered not later than March 31, 2000.

Other.—In spite of the direction in the fiscal year 1999 supplemental appropriations Act to promptly submit all previously requested and overdue reports, the INS has failed to do so. Therefore, the conference agreement again includes the direction to INS to submit all outstanding reports to the Committees no later than November 1, 1999. The conference agreement also includes the following items: (1) Senate report language on special agent deployments aimed at forcing the INS to execute directives contained in both the fiscal year 1999 INS deployment plan and the conference report; (2) Senate direction to INS on assessment of staffing along the U.S.-Canadian border; and (3) Senate direction for INS-proposed periodic visits to the upper Shenandoah Valley.

OFFSETTING FEE COLLECTIONS

The conference agreement assumes $1,269,597,000 will be available from offsetting fee collections, instead of $1,285,475,000 as proposed by the House and $1,290,162,000 as proposed by the Senate, to support activities related to the legal admission of persons into the United States. These activities are entirely funded by fees paid by persons who are either traveling internationally or are applying for immigration benefits. The following levels are recommended:

Immigration Examinations Fees.—The conference agreement assumes $708,500,000 of spending from Immigration Examinations Fee account resources, instead of $712,800,000 as proposed by both the House and Senate. This is an increase of $19,921,000 over fiscal year 1999 and is due to an increase in the estimate of the number of applications that will be received in fiscal year 2000. The conference agreement assumes that the requested $3,794,000 for archives and records, the requested $30,000,000 for base restoration, and the requested $1,090,000 base for fiscal year 1999 adjustments to base are funded in this account, and not in the Salaries and Expenses, Citizenship and Benefits, Immigration Support and Program Direction account, since sufficient funds are available.

The conference agreement includes full funding to continue the fiscal year 1999 Backlog Reduction Action Teams (BRAT) and accompanying resources for fiscal year 2000. The agreement also continues funding for the implementation of a telephone customer service center to assist applicants for immigration benefits, for the indexing and conversion of INS microfilm images and for the records centralization initiative, and all projects which were funded in fiscal year 1999. The conferees have a strong interest in and supported in fiscal year 1999 the INS effort to modernize its records program, that is fundamental to improved services and enforcement activities. INS is therefore directed to fully fund the records centralization and redesign activities in Harrisonburg, VA and Lee Summit, MO and provide a progress report on records centralization to the Committee on Appropriations no later than January 15, 2000.

The agreement does not include the transfer to the Executive Office for Immigration Review, as proposed by the Senate report.

Inspections User Fee.—The conference agreement includes $446,151,000 of spending from offsetting collections in this account, the same amount proposed in both the House and Senate reports, and does not assume the addition of any new or increased fees on airline or cruise ship passengers. The recommendation does not include $9,918,000 for ''re-evaluation of receipts'' nor $888,000 for a portion of the annualization of 1999 pay raise which has already been paid in the current fiscal year. The agreement includes the data collection pilot program at J.F. Kennedy airport, as described in the House report, and the resulting report, to be submitted to the Committees no later than August 1, 2000, as well as the directive to submit certain documents by September 31, 1999, as described in the House report. The agreement does not include the transfer from the inspections user fee, as proposed in the Senate report.

Land border inspections fees.—The conference agreement includes $1,548,000 in spending from the Land Border Inspection Fund, a decrease of $1,727,000 under the current year due to lower projected receipts. The current revenues generated in this account are from Dedicated Commuter Lanes in Blaine and Port Roberts, Washington, Detroit Tunnel and Ambassador Bridge, Michigan, and Otay Mesa, California and from Automated Permit Ports that provide prescreened local border residents' border crossing privileges by means of automated inspections. The conference agreement includes the report on the feasibility of adding a secure electronic network for travelers rapid inspection program for dedicated commuter lanes at San Luis, Arizona by March 1, 2000, as described in the House report.

Immigration Breached Bond/Detention account.—The conference agreement includes $110,423,000 in spending from the Breached Bond/Detention account, instead of $117,501,000 in the House report and $127,771,000 in the Senate report, a decrease in $66,527,000 from fiscal year 1999 due to a decrease in revenue and $6,477,000 below the request. The level of spending assumed in the conference agreement is based on estimated revenues in this account totaling $55,683,000, which includes revenue projected for fiscal year 1999 and assumes the availability of funds from penalty fees from applications under 245(i) of the Immigration and Nationality Act, which expired on January 14, 1998. The conference agreement assumes $54,740,000 of expenses for alien detention costs provided under the salaries and expenses account for base restoration. The agreement does not include the base transfer to the breached bond/detention account, as proposed by the Senate report.

Immigration Enforcement Fines.—The conference agreement includes $1,850,000 in spending from Immigration Enforcement fines, instead of $1,303,000 assumed in both the House and Senate. The increase is due to new projections of carryover from fiscal year 1999 that will be available in fiscal year 2000.

H–1B fees.—The conference agreement includes $1,125,000 in spending from the new H–1B fee account, the amount requested and the amount proposed in both the House and Senate. This new account supports the processing of applications for H–1B temporary workers. The agreement does not include the transfer to this account, as proposed by the Senate report.

Other.—The conference agreement includes bill language, similar to that included in previous appropriations Acts, which provides: (1) up to $50,000 to meet unforeseen emergencies of a confidential nature; (2) for the purchase of motor vehicles for police-type use and for uniforms, without regard to general purchase price limitations; (3) for the acquisition and operation of aircraft; (4) for research related to enforcement of which up to $400,000 is available until expended; (5) up to $10,000,000 for basic officer training; (6) up to $5,000,000 for payments to State and local law enforcement agencies engaged in cooperative activities related to immigration; (7) up to $5,000 to be used for official reception and representation expenses; (8) up to $30,000 to be paid to individual employees for overtime; (9) that funds in this Act or any other Act may not be used for the continued operation of the San Clemente and Temecula checkpoints unless the checkpoints are open and traffic is being checked on a continuous 24-hour basis; (10) a specific level of funding for the Offices of Legislative and Public Affairs with a modification, and incorporating by reference House direction including that the level is not to affect the number of employees dedicated to casework; (11) a limit on the amount of funding available for non-career positions; (12) direction and authorization to the Attorney General to impose disciplinary actions, including termination of employment, for any INS employee who violates Department policies and procedures relative to granting citizenship or who willfully deceives the Congress or Department leadership on any matter; and (13) separate headings for Enforcement and Border Affairs and Citizenship and Benefits, Immigration Support, and Program Direction. In addition, new bill language is included designating a portion of funds to be used for narrowband conversion activities and transfers these funds to the Department of Justice Wireless Management Office. The agreement does not include the Senate provisions on fee

payments by cash or cashier's checks or the cap on the number of positions.

CONSTRUCTION

The conference agreement includes $99,664,000 for construction for INS, instead of $90,000,000 as proposed in the House bill and $138,964,000 as proposed in the Senate bill. The conference agreement assumes funding of $51,468,000, of which $35,968,000 is for border patrol and ports of entry new construction (seven stations or sector headquarters and two ports of entry housing) as proposed in the Senate report; $6,500,000 for the Douglas, Arizona border patrol station; and $9,000,000 for maintenance and renovations to the Charleston Border Patrol Academy. The agreement includes $2,340,000 for planning, site acquisition and design of 5 border patrol stations and Texas checkpoints, as in the House report; $6,000,000 for military engineering support to border construction, pursuant to both House and Senate reports; $500,000 for planning, site acquisition and design, pursuant to the House report; $10,308,000 for one-time build out costs; $19,250,000 for servicewide maintenance and repair; $4,000,000 for servicewide fuel storage tank upgrade and repair; and $5,798,000 for program execution. The conference agreement also includes bill language, included in fiscal year 1999 and in the House bill, prohibiting site, acquisition, design, or construction of any border patrol checkpoint in the Tucson sector.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

The conference agreement includes $3,111,634,000 for the salaries and expenses of the Federal Prison System, instead of $3,072,528,000 as proposed in the House bill and $3,163,373,000 as proposed in the Senate bill. Of this amount, the conference agreement provides $22,524,000 from the Violent Crime Reduction Trust Fund (VCRTF), as proposed in the House bill, instead of $46,599,000 as proposed in the Senate bill. The agreement assumes that, in addition to the amounts appropriated, $90,000,000 will be available for necessary operations in fiscal year 2001 from unobligated carryover balances as proposed by the House bill, instead of $50,000,000, to be made available for one fiscal year for activation of new facilities, as proposed by the Senate bill.

The conference agreement reduces the appropriation required for the Federal prison system by $46,793,000 without affecting requested program levels. Specifically, $31,808,000 in savings is achieved as a result of delays in scheduled activations and $4,985,000 is due to a reduction in the number of contract beds for the transfer of detainees from the Immigration and Naturalization Service required in fiscal year 2000. The conference agreement includes the notation on a recent report by the General Accounting Office, as in the House report.

The conference agreement includes bill language designating a portion of funds to be used for narrowband conversion activities and tranfers these funds to the Department of Justice Wireless Management Office.

BUILDINGS AND FACILITIES

The conference agreement includes $556,791,000 for construction, modernization, maintenance and repair of prison and detention facilities housing Federal prisoners, as proposed in the House bill, instead of $549,791,000 as proposed in the Senate bill, and assumes funding in accordance with the House bill.

The conferees direct the Bureau of Prisons to submit to the Committees a study of the feasibility of constructing additional medium or high security prisons or work camps at existing Federal prison sites, including those currently being constructed, and including Yazoo City, by May 1, 2000.

FEDERAL PRISON INDUSTRIES, INCORPORATED

(LIMITATION ON ADMINISTRATIVE EXPENSES)

The conference agreement includes a limitation on administrative expenses of $3,429,000, as requested and as proposed in the Senate bill, instead of $2,490,000 as proposed in the House bill.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

The conference agreement includes $307,611,000 for Justice Assistance, instead of $217,436,000 as proposed in the House bill, and $373,092,000 as proposed in the Senate bill.

The conference agreement includes the following:

Justice Assistance Programs

(In thousands of dollars)

National Institute of Justice	$43,448
Defense/Law Enforcement Technology Transfer	(10,277)
DNA Technology R&D Program	(5,000)
Bureau of Justice Statistics	25,505
Missing Children	19,952
Regional Information Sharing System[1]	20,000
National White Collar Crime Center	9,250
Management and Administration[2]	37,456
Subtotal	155,611
Counterterrorism Programs:	
General Equipment Grants	75,000
State and Local Bomb Technician Equipment Grants	10,000
Training Grants	37,000
Counterterrorism Research and Development	30,000
Subtotal	152,000
Total, Justice Assistance	307,611

[1] $5,000,000 included in COPS Technology, for a total of $25,000,000.

[2] $2,000,000 is included in the total Management and Administration amount for Counterterrorism programs.

This statement of managers reflects the agreement of the conferees on how funds provided for all programs under the Office of Justice Programs in this conference report are to be spent.

National Institute of Justice (NIJ).—The conference agreement provides $43,448,000 for the National Institute of Justice, instead of $42,438,000 as proposed in the House bill and $50,948,000 in the Senate bill. Additionally, $5,200,000 for NIJ research and evaluation on the causes and impact of domestic violence is provided under the Violence Against Women Grants program; $15,000,000 is provided from within technology funding in the State and Local Law Enforcement account to be available to NIJ to develop new, more effective safety technologies for safe schools; and $20,000,000 is provided to NIJ, as was provided in previous fiscal years, from the Local Law Enforcement Block Grant for assisting local units to identify, select, develop, modernize and purchase new technologies for use by law enforcement.

The conference agreement adopts the recommendation in the House and Senate reports that within the overall amount provided to NIJ, the Office of Justice Programs is expected to review proposals, provide a grant if warranted, and report to the Committees on its intentions regarding: a grant for the current year level for information technology applications for High Intensity Drug Trafficking Areas; a grant for the current year level for a pilot program with a Department of Criminal Justice Training and a College of Criminal Justice for rural law enforcement needs, as described in the House report; a grant for $300,000 to the U.S.-Mexico Border Counties Coalition for the development of a uniform accounting proposal to determine the costs to border States for the processing of criminal illegal aliens; a grant for $250,000 to study the casework increase on U.S. District Courts; $360,000 to the Center for Child and Family studies to conduct research into intra-family violence; a grant for $750,000 for the University of Connecticut Prison Health Center for prison health research; a grant for $1,000,000 for the University of Mississippi School of Psychiatry for research in addictive disorders and their connection to youth violence; and a grant for $300,000 for research into a non-toxic drug detection and identification aerosol technology, as described in the Senate report. Within available funds NIJ is directed to carry out a broad-based demonstration of computerized live scan fingerprint capture services and report to the Committees with the results.

Defense/Law Enforcement Technology Transfer.—Within the total amount provided to NIJ, the conference agreement includes $10,277,000 to assist NIJ, in conjunction with the Department of Defense, to convert nonlethal defense technology to law enforcement use. Within the amount is the continuation at the current year level of the law enforcement technology center network, which provides States with information on new equipment and technologies, as well as assists law enforcement agencies in locating high cost/low use equipment for use on a temporary or emergency basis, of which the current year level is provided for the technology commercialization initiative at the National Technology Transfer Center and other law enforcement technology centers.

DNA Technology Research and Development Program.—Within the amount provided, the conference agreement includes $5,000,000 to develop improved DNA testing capabilities, as proposed in the House and Senate reports.

Bureau of Justice Statistics (BJS).—The conference agreement provides $25,505,000 for the Bureau of Justice Statistics, instead of $22,124,000 as proposed in the House bill and $28,886,000 as proposed in the Senate bill. The recommendation includes $400,000 to support the National Victims of Crime survey and $400,000 to compile statistics on victims of crime with disabilities. The conferees direct BJS to implement a voluntary annual reporting system of all deaths occurring in law enforcement custody, and provide a report to the Committees on its progress no later than July 1, 2000, as provided in the House report.

Missing Children.—The conference agreement provides $19,952,000 for the Missing Children Program as proposed in the Senate bill, instead of the $17,168,000 as proposed in the House bill. The conference agreement provides a significant increase and further expands the Missing Children initiative included in the 1999 conference report, to combat crimes against children, particularly kidnapping and sexual exploitation. Within the amounts provided, the conference agreement assumes funding in accordance with the Senate report including:

(1) $8,798,000 for the Missing Children Program within the Office of Justice Programs,

Justice Assistance, including the following: $6,000,000 for State and local law enforcement to continue specialized cyberunits and to form new units to investigate and prevent child sexual exploitation which are based on the protocols for conducting investigations involving the Internet and online service providers that have been established by the Department of Justice and the National Center for Missing and Exploited Children.

(2) $9,654,000 for the National Center for Missing and Exploited Children, of which $2,125,000 is provided to operate the Cyber Tip Line and to conduct Cyberspace training. The conferees expect the National Center for Missing and Exploited Children to continue to consult with participating law enforcement agencies to ensure the curriculum, training, and programs provided with this additional funding are consistent with the protocols for conducting investigations involving the Internet and online service providers that have been established by the Department of Justice. The conferees have included additional funding for the expansion of the Cyber Tip Line. The conference agreement includes $50,000 to duplicate the America OnLine law enforcement training tape and disseminate it to law enforcement training academies and police departments within the United States. The conference agreement also includes additional funds for case management.

(3) $1,500,000 for the Jimmy Ryce Law Enforcement Training Center for training of State and local law enforcement officials investigating missing and exploited children cases. The conference agreement includes an increase for expansion of the Center to train additional law enforcement officers. The conferees direct the Center to create courses for judges and prosecutors to improve the handling of child pornography cases. To accomplish this effort, the conference agreement directs the Center to expand its in-house legal division so that it can provide increased legal technical assistance.

Regional Information Sharing System (RISS).—The conference agreement includes $20,000,000 as proposed in both the House and Senate bills. An additional $5,000,000 is provided for fiscal year 2000 under the Community Oriented Policing Services (COPS) law enforcement technology program in accordance with the House report.

White Collar Crime Center.—The conference agreement includes $9,250,000 for the National White Collar Crime Center (NWCCC), to assist the Center in forming partnerships and working on model projects with the private sector to address economic crimes issues, as proposed in the House bill, instead of $5,350,000 as proposed in the Senate bill. The additional funding is to be used in accordance with the House report.

Counterterrorism Assistance.—The conference agreement includes a total of $152,000,000 to continue the initiative to prepare, equip, and train State and local entities to respond to incidents of chemical, biological, radiological, and other types of domestic terrorism, instead of $74,000,000 as proposed in the House bill and $204,500,000 as proposed in the Senate bill. Funding is provided as follows:

—*Equipment Grants*.—$75,000,000 is provided for general equipment grants for State and local first responders, including, but not limited to, firefighters and emergency services personnel. The conferees reiterate that these resources are to be used to meet the needs of the maximum number of communities possible, based upon a comprehensive needs assessment which takes into account the relative risk to a community, as well as the availability of other Federal, State and local resources to address this problem. The conferees understand that such needs and risk assessments are currently being conducted by each State, and State-wide plans are being developed. The conferees intend, and expect, that such plans will address the needs of local communities. The conferees expect these plans to be reviewed by the interagency National Domestic Preparedness Office (NDPO). The conferees direct that funds provided for general grants in fiscal year 2000 be expended only upon completion of, and in accordance with, such State-wide plans.

—*State and Local Bomb Technician Equipment*.—$10,000,000 is provided for equipment grants for State and local bomb technicians. This amount, when combined with $3,000,000 in prior year carryover, will provide a total of $13,000,000 for this purpose in fiscal year 2000. The conferees note that State and local bomb technicians play an integral role in any response to a terrorist threat or incident, and as such should be integrated into a State's counterterrorism plan. The conferees request that the NDPO conduct an assessment of the assistance currently provided to State and local bomb technicians under this and other programs, the relationship of this program to other State and local first responders assistance programs, and the extent to which State and local bomb technician equipment needs have been integrated into, and addressed, as part of a State's overall counterterrorism plan. The NDPO should provide a report on its assessment to the Committees on Appropriations no later than February 1, 2000.

—*Training*.—$37,000,000 is provided for training programs for State and local first responders, to be distributed as follows:

(1) $27,000,000 is for the National Domestic Preparedness Consortium, of which $13,000,000 is for the Center for Domestic Preparedness at Ft. McClellan, Alabama, including $500,000 for management and administration of the Center; and $14,000,000 is to be equally divided among the four other Consortium members;

(2) $8,000,000 is for additional training programs to address emerging training needs not provided for by the Consortium or elsewhere. In distributing these funds, the conferees expect OJP to consider the needs of firefighters and emergency services personnel, and State and local law enforcement, as well as the need for State and local antiterrorism training and equipment sustainment training. The conferees encourage OJP to consider developing and strengthening its partnerships with the Department of Defense to provide training and technical assistance, such as those services offered by U.S. Army Dugway Proving Ground and the U.S. Army Pine Bluff Arsenal; and

(3) $2,000,000 is provided for distance learning training programs at the National Terrorism Preparedness Institute at the Southeastern Public Safety Institute to train 11,000 students, particularly in medium and small communities, through advanced distributive learning technology and other mechanisms.

The conferees are aware that the Department of Justice has recently agreed to assume control of the Ft. McClellan facility from the Department of Defense in fiscal year 2000. In addition, the conferees are aware that discussions are occurring which could result in the transfer of ownership of the entire facility from the Department of Defense to the Department of Justice. Such actions will result in the Department of Justice assuming a significant additional financial burden to operate and maintain the facility which previously was not anticipated, and may impact OJP's ability to provide support for all training programs. While the conferees recognize the importance of the training provided at Ft. McClellan, a comprehensive assessment of DOJ's needs at the facility is warranted to ensure that such needs are met in the most cost-effective manner possible. The Attorney General is directed to conduct this assessment and provide a report to the Committees on Appropriations no later than February 1, 2000. Further, the Department is directed not to pursue or assume any other relationships which may result in the Department of Justice assuming facilities management responsibility or ownership of any other training facility, without prior consultation with the Committees.

The Senate report language regarding utilization of Consortium members is adopted by reference. In addition, the conferees encourage OJP to collaborate with the National Guard to make use of the National Guard Distance Learning Network to deliver training programs, thereby capitalizing on investments made by the Department of Defense to provide low cost training to first responders.

Counterterrorism Research and Development.—The conference agreement provides $30,000,000 to the National Institute of Justice for research into the social and political causes and effects of terrorism and development of technologies to counter biological, nuclear and chemical weapons of mass destruction, as well as cyberterrorism through our automated information systems. These funds shall be equally divided between the Oklahoma City Memorial Institute for the Prevention of Terrorism and the Dartmouth Institute for Security Studies, and shall be administered by NIJ to ensure collaboration and coordination among the two institutes and NIJ, as well as with the National Domestic Preparedness Office and the Office of State and Local Domestic Preparedness Support. These institutes will also serve as national points of contact for antiterrorism information sharing among Federal, State and local preparedness agencies, as well as private and public organizations dealing with these issues. The conferees agree that such a collaborative approach is essential to production of a national research and technology development agenda and expect a status report by July 30, 2000.

The conference agreement includes language providing funding for counterterrorism programs in accordance with sections 819, 821, and 822 of the Antiterrorism and Effective Death Penalty Act of 1996, as proposed in the House bill. The conference agreement does not include language, proposed in the Senate bill, prohibiting the Bureau of Justice Assistance from providing funding to States that have failed to establish a comprehensive terrorism plan. The House bill did not include a similar provision.

Management and Administration.—The conference agreement includes $37,456,000 for Management and Administration, instead of $31,456,000 as proposed in the House, and $43,456,000 as proposed in the Senate. Within the amount, $2,000,000 is provided for Counterterrorism program activities. In addition, reimbursable funding from Violent Crime Reduction Trust Fund programs, Community Oriented Policing Services, and a transfer from the Juvenile Justice account

will be provided for the administration of grants under these activities. Total funding for the administration of grants assumed in the conference agreement is as follows:

	Amount	FTE
Direct appropriations	$37,456,000	338
(Counterterrorism programs)	(2,000,000)	(16)
Transfer from Juvenile Justice programs	6,647,000	87
Reimbursement from VCRTF	56,288,000	434
Reimbursement from COPS	4,700,000	39
Total	$105,091,000	898

The conferees commend OJP's restructuring report, submitted to the Committees during fiscal year 1999, and support the current comprehensive review undertaken by the authorizing committees. To further the goals of eliminating possible duplication and overlap among OJP's programs, improving responsiveness to State and local needs, and ensuring that appropriated funds are targeted in a planned, comprehensive and well-coordinated way, the conferees direct the Assistant Attorney General for OJP to submit a formal reorganization proposal no later than February 1, 2000, on the following limited items: the creation of a ''one-stop'' information center; the establishment of ''state desks'' for geographically-based grant administration; and the administration of grants by subject area.

The conference agreement includes $2,000,000 for management and administration of Department of Justice counterterrorism programs. The conferees understand that the Department of Justice has submitted a reprogramming to establish an Office of State and Local Domestic Preparedness to administer these programs. The conferees have no objection to the establishment of this office.

The conference agreement does not include additional funding proposed in the Senate bill to enable the Department of Justice to begin to assume responsibility for counterterrorism assistance programs currently funded and administered by the Department of Defense. Such action could significantly impact ongoing Department of Justice programs, and absent careful consideration and study, may result in the duplication and inefficient use of limited resources to meet the needs of State and local first responders. Therefore, the conferees direct the Department of Justice, working through the National Domestic Preparedness Office, to review this matter and provide to the Committees on Appropriations no later than December 15, 1999, a comprehensive plan for the transition and integration of Department of Defense programs into ongoing Department of Justice and other Federal agency programs in the most efficient and cost-effective manner. The conferees expect the Department not to take any further actions to assume responsibility for these programs until such a review has been completed, and the Committees on Appropriations have been consulted. Upon completion of these actions, should additional funding be required by OJP, the Committees would be willing to entertain a reprogramming in accordance with section 605 of this Act.

STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

The conference agreement includes a total of $2,828,950,000 for State and Local Law Enforcement Assistance, instead of $2,822,950,000 as proposed in the House bill and $1,959,550,000 as proposed in the Senate bill. Of this amount, the conference agreement provides that $1,194,450,000 shall be derived from the Violent Crime Reduction Trust Fund (VCRTF), instead of $1,193,450,000 as proposed in the House bill and $1,407,450,000 as proposed in the Senate bill.

The conference agreement provides for the following programs from direct appropriations and the VCRTF:

Direct Appropriation:	
Local Law Enforcement Block Grant	$523,000,000
Boys and Girls Clubs	(50,000,000)
Law Enforcement Technology	(20,000,000)
State Prison Grants	686,500,000
Cooperative Agreement Program	(25,000,000)
Indian Country	(34,000,000)
Alien Incarceration	(165,000,000)
State Criminal Alien Assistance Program	420,000,000
Indian Tribal Courts Program	5,000,000
Total, Direct Appropriations	1,634,500,000
Violent Crime Reduction Trust Fund:	
Byrne Discretionary Grants	52,000,000
Byrne Formula Grants	500,000,000
Drug Courts	40,000,000
Juvenile Crime Block Grant	250,000,000
Violence Against Women Act Programs	283,750,000
State Prison Drug Treatment	63,000,000
Missing Alzheimer's Patients Program	900,000
Law Enforcement Family Support Programs	1,500,000
Motor Vehicle Theft Prevention	1,300,000
Senior Citizens Against Marketing Scams	2,000,000
Total, Violent Crime Reduction Trust Fund	1,194,450,000

Local Law Enforcement Block Grant.—The conference agreement includes $523,000,000 for the Local Law Enforcement Block Grant program, as proposed in the House bill, instead of $400,000,000, as proposed in the Senate bill, in order to continue the commitment to provide local governments with the resources and flexibility to address specific crime problems in their communities with their own solutions. Within the amount provided the conference agreement includes language providing $50,000,000 of these funds to the Boys and Girls Clubs of America, with the increase to be used as described by the Senate. In addition, the conference agreement extends the set aside for law enforcement technology for which an authorization had expired, as proposed in both the House and Senate bills.

State Prison Grants.—The conference agreement includes $686,500,000 for State Prison Grants as proposed by the House, instead of $75,000,000 as proposed by the Senate. Of the amount provided, $462,500,000 is available to States to build and expand prisons, $165,000,000 is available to States for reimbursement of the cost of criminal aliens, $25,000,000 is available for the Cooperative Agreement Program, and $34,000,000 is available for construction of jails on Indian reservations, which does not include repair and maintenance costs for existing facilities. There is an awareness of the special needs of Circle of Nations, ND.

State Criminal Alien Assistance Program.—The conference agreement provides a total of $585,000,000 for the State Criminal Alien Assistance Program for payment to the States for the costs of incarceration of criminal aliens, as proposed in the House bill, instead of $100,000,000, as proposed in the Senate bill. Of the total amount, the conference agreement includes $420,000,000 under this account for the State Criminal Alien Assistance Program and $165,000,000 for this purpose under the State Prison Grants program, as proposed by the House bill, instead of $100,000,000 for this program with no funds from the State Prison Grants program, as proposed by the Senate.

Technology.—The conference agreement includes $250,000,000 in total funding for law enforcement technology, as follows: $130,000,000 for a Crime Identification Technology Program under the Community Oriented Policing Services program heading but to be administered by OJP, which includes $15,000,000 for use by NIJ for researching technology to make schools safe, $35,000,000 for grants to upgrade criminal history records, $30,000,000 for grants to states to reduce their DNA backlogs and for the Crime Laboratory Improvement Program (CLIP); $20,000,000 within the Local Law Enforcement Block Grant program to NIJ for assisting local units to identify, select, develop, modernize and purchase new technologies for use by law enforcement under this heading; and $100,000,000 for grants for law enforcement technology equipment under the Community Oriented Policing Services program heading.

Indian Tribal Courts.—The conference agreement includes $5,000,000, as proposed in the Senate, which was not funded in the House bill, to assist tribal governments in the development, enhancement, and continuing operation of tribal judicial systems. These grants should be competitive, based upon the extent and urgency of the need of each applicant. OJP should report back to the Committees with its proposal as to how the program may be administered. The conferees note the special needs of the Wapka Sica Historical Society of South Dakota.

VIOLENT CRIME REDUCTION TRUST FUND PROGRAMS

Edward Byrne Grants to States.—The conference agreement provides $552,000,000 for the Edward Byrne Memorial State and Local Law Enforcement Assistance Program, of which $52,000,000 is discretionary and $500,000,000 is provided for formula grants under this program.

Byrne Discretionary Grants.—The conference agreement provides $52,000,000 for discretionary grants under Chapter A of the Edward Byrne Memorial State and Local Law Enforcement Assistance Program to be administered by Bureau of Justice Assistance (BJA), instead of $52,100,000 as proposed in the Senate bill, and $47,000,000 as proposed in the House bill. Within the amount provided for discretionary grants, the Bureau of Justice Assistance is expected to review the following proposals, provide a grant if warranted, and report to the Committees on Appropriations of the House and the Senate on its intentions:

—$2,000,000 for the Alaska Native Justice Center;

—$1,000,000 for the Ben Clark Public Safety Training program for law enforcement officers;

—$100,000 for the Chattanooga Endeavors Program for ex-offenders;

—$3,000,000 for a cultural and diversity awareness training program for law enforcement officers in New York, Los Angeles, Chicago, Houston, and Atlanta, to be divided equally;

—$1,775,000 to continue the Drug Abuse Resistance Education (DARE America) program;

—$2,250,000 to continue the Washington Metropolitan Area Drug Enforcement Task Force and for expansion of the regional gang tracking system;

—$550,000 for the Kane County Child Advocacy Center for additional personnel for the prosecution of child sexual assault cases;

—$1,000,000 for a one-time grant to the Law Enforcement Innovation Center for law enforcement training;

—$500,000 for the community security program of the Local Initiative Support Corporation;

—$250,000 for the Long Island Anti-Gang Task Force;

—$1,000,000 for Los Angeles County's Roll Out Teams Program for one-time funding for independent investigations of officer-involved shootings;

—$1,000,000 for Los Angeles Police Department's Family Violence Response Teams for additional personnel to expand the existing pilot program;

—$4,500,000 for the Executive Office of the U.S. Attorneys to support the National District Attorneys Association's participation in legal education training at the National Advocacy Center;

—$3,000,000 for the National Center for Innovation at the University of Mississippi School of Law to sponsor research and produce judicial education seminars and training for court personnel in administering cases;

—$4,300,000 for the National Crime Prevention Council to continue and expand the National Citizens Crime Prevention Campaign (McGruff);

—$3,150,000 for the national motor vehicle title information system, authorized by the Anti-Car Theft Improvement Act for operating the system in the current States and to expand to additional States;

—$1,250,000 for the National Neighborhood Crime and Drug Abuse Prevention Program;

—$1,000,000 for the National Training and Information Center;

—$1,000,000 for the Nevada National Judicial College;

—$1,500,000 for the New Hampshire Operation Streetsweeper Program;

—$800,000 for the Night Light Program in San Bernadino, CA;

—$400,000 for the Western Missouri Public Safety Training Institute for public safety officers training;

—$750,000 for Operation Child Haven;

—$974,000 for the Utah State Olympic Public Safety Command to continue to develop and support a public safety master plan for the 2002 Winter Olympics;

—$1,250,000 for Project Return in New Orleans, LA;

—$1,000,000 for a Rural Crime Prevention and Prosecution program;

—$1,500,000 for the SEARCH program;

—$750,000 for the Tools for Tolerance program for a law enforcement training program; and

—$3,500,000 for the Consolidated Advanced Technologies for the Law Enforcement Program at the University of New Hampshire and the New Hampshire Department of Safety.

Within the available resources for Byrne discretionary grants, BJA is urged to review proposals, and provide grants if warranted, and report to the Committees on Appropriations of the House and Senate on its intentions regarding: the Haymarket House; Oregon Partnership; and Westcare.

The conferees are aware that, on certain limited occasions, the Office of Justice Programs has provided or made grants to pay overtime costs for State and local law enforcement personnel. The conferees expect OJP to submit, no later than January 31, 2000, a report on (1) its current policy on paying State and local overtime costs, (2) the extraordinary circumstances that might warrant a waiver of existing procedures, and (3) the process by which such a waiver could be granted.

Byrne Formula Grants.—The conference agreement provides $500,000,000 for the Byrne Formula Grant program, as proposed in Senate bill, instead of $505,000,000 as proposed in the House bill. The conference agreement includes language, as proposed in both bills, which makes drug testing programs an allowable use of grants provided to States under this program.

Drug Courts.—The conference agreement includes $40,000,000 for the drug courts as proposed both in the Senate and House bills. The conferees note that localities may also obtain funding for drug courts under the Local Law Enforcement Block Grant and Juvenile Accountability Block Grant.

Juvenile Accountability Block Grant.—The conference agreement provides $250,000,000 for a Juvenile Accountability Incentive Block Grant program to address the growing problem of juvenile crime, as proposed in the House bill and instead of the $100,000,000 proposed in the Senate bill. The conference agreement includes language that continues by reference the terms and conditions for the administration of the Block Grants contained in the fiscal year 1999 appropriations bill, instead of listing those terms and conditions.

Violence Against Women Grants.—The conference agreement includes $283,750,000 for grants to support the Violence Against Women Act, as proposed in the Senate bill, instead of $282,750,000 as proposed in the House bill. Grants provided under this account are as follows:

General Grants	$206,750,000
Civil Legal Assistance	(28,000,000)
National Institute of Justice	(5,200,000)
D.C. Superior Court Domestic Violence	(1,196,000)
OJJDP—Safe Start Program	(10,000,000)
Violence on College Campuses	(10,000,000)
Victims of Child Abuse Programs:	
Court-Appointed Special Advocates	10,000,000
Training for Judicial Personnel	2,000,000
Grants for Televised Testimony	1,000,000
Grants to Encourage Arrest Policies	34,000,000
Rural Domestic Violence	25,000,000
Training Programs	5,000,000
Total	283,750,000

Within the amount provided for General Grants, the conference agreement includes $28,000,000 exclusively for the purpose of augmenting civil legal assistance programs to address domestic violence, $5,200,000 for research and evaluation of domestic violence programs, $1,196,000 for continued support of the enhanced domestic prosecution unit within the District of Columbia, as proposed in the House report, $10,000,000 for continued support of the Safe Start program which provides direct intervention and treatment to youth who are victims, witnesses or perpetrators of violent crimes in order to attempt early treatment, and $10,000,000 to combat violent crime against women on college campuses, the latter as proposed in the Senate report.

State Prison Drug Treatment.—The conference agreement includes $63,000,000 for substance abuse treatment programs within State and local correctional facilities, as proposed in the House and Senate bills.

Safe Return Program.—The conference agreement includes $900,000 as proposed by both the House and Senate bills.

Law Enforcement Family Support.—The conference agreement includes $1,500,000 for law enforcement family support programs, as proposed in both the Senate and House bills.

Senior Citizens Against Marketing Scams.—The conference agreement includes $2,000,000 for programs to assist law enforcement in preventing and stopping marketing scams against senior citizens, as proposed by both the House and Senate bills.

Motor Vehicle Theft Prevention.—The conference agreement includes $1,300,000 for grants to combat motor vehicle theft as proposed by both the Senate and House bills.

WEED AND SEED PROGRAM

The conference agreement includes a direct appropriation of $33,500,000 for the Weed and Seed program, as proposed by the House bill, instead of $40,000,000 as proposed by the Senate bill. The conference agreement includes the expectation that $6,500,000 will be made available from the Asset Forfeiture Super Surplus Fund.

COMMUNITY ORIENTED POLICING SERVICES

The conference agreement includes $595,000,000 for the Community Oriented Policing Services (COPS) program, instead of $325,000,000 as proposed in the Senate bill and $268,000,000 as proposed in the House bill. Of this amount, $45,000,000 is from the Violent Crime Reduction Trust Fund. This statement of managers reflects the conference agreement on how funds provided for all programs under the Community Oriented Policing Services program in this conference report are to be spent.

Police Hiring Initiatives.—Funds have been provided since fiscal year 1994 to support grants for the hiring of 100,000 police officers, a goal which the President announced had been met in May of 1999. The conference agreement includes $537,500,000 for police hiring initiatives as follows: $180,000,000 from direct appropriations for school resource officers; $209,500,000 from direct appropriations for the universal hiring program (UHP); $40,000,000 from unobligated carryover balances for hiring police officers for Indian Country; and $108,000,000 from unobligated carryover balances from the fiscal year 1999 universal hiring program to continue to be used for the universal hiring program.

Safe schools initiative (SSI).—The conference agreement supports the concern expressed in the Senate and House reports regarding the level of violence in our children's schools as evidenced by the tragic events that have occurred around the Nation. In the past year, guns and explosives have been used by children against children and teachers more than ever before, leading many to believe this violence is ''out of control.'' To address this issue, the conference agreement includes $225,000,000 for the Safe Schools Initiative (SSI), including funds for technology development, prevention, community planning and school safety officers. Within this total, $180,000,000 is from the COPS hiring program to provide school resource officers who will

work in partnership with schools and other community-based entities to develop programs to improve the safety of elementary and secondary school children and educators in and around schools; $15,000,000 is from the Juvenile Justice At-Risk Children's Program and $15,000,000 is from the COPS program ($30,000,000 total) for programs aimed at preventing violence in schools through partnerships with schools and community-based organizations; $15,000,000 is provided from the Crime Identification Technology Program to NIJ to develop technologies to improve school safety. Special note is made of the need for additional school resource officers in King County, Washington.

Indian Country.—The conference agreement includes $40,000,000 from unobligated carryover balances to improve law enforcement capabilities on Indian lands, both for hiring uniformed officers and for the purchase of equipment and training for new and existing officers, as proposed by the Senate.

Management and Administration.—The conference agreement also includes a provision that provides that not to exceed $29,825,000 shall be expended for management and administration of the program, instead of $17,325,000 as proposed in the Senate bill, and $25,500,000, as proposed in the House bill. A request for reprogramming or transfer of funds, pursuant to section 605 of this Act, would be entertained to increase this amount.

Non-Hiring Initiatives.—The conferees understand that the COPS program reached its goal of funding 100,000 officers in May of 1999. Having reached the original goals of the program, the conferees want to ensure there is adequate infrastructure for the new police officers, similar to the focus that has been provided Federal law enforcement over the past several years. The conferees believe this approach will enable police officers to work more efficiently, equipped with the protection, tools, and technology they need: to address crime in and around schools, provide law enforcement technology for local law enforcement, combat the emergence of methamphetamine in new areas and provide policing of ''hot spots'' of drug market activity, and provide bullet proof and stab proof vests for local law enforcement officers and correctional officers.

Specifically, the conferees direct the program to use $335,675,000, to be made available from a combination of $170,000,000 from unobligated carryover balances and the $165,675,000 from direct appropriations in this Act for COPS, to fund initiatives that will result in more effective policing. The conferees believe that these funds should be used to address these critical law enforcement requirements and direct the program to establish the following non-hiring grant programs:

1. COPS Technology Program.—The conference agreement includes the direction of $100,000,000 to be used for continued development of technologies and automated systems to assist State and local law enforcement agencies in investigating, responding to and preventing crime. In particular, there is recognition of the importance of the sharing of criminal information and intelligence between State and local law enforcement to address multi-jurisdictional crimes.

Within the amounts made available under this program, the conference agreement includes the expectation that the COPS office will award grants for the following technology proposals:

—$1,450,000 for a grant for the Access to Court Electronic Data for Criminal Justice Agencies project;

—$1,000,000 for a grant for Alameda County, CA, for a voice communications system;

—$1,000,000 for a grant to the Greater Atlanta Data Center for law enforcement training technology for a multi-jurisdictional area;

—$350,000 for a grant to Birmingham, AL, for a Mobile Emergency Communication System;

—$60,000 for a grant to the Bolivar City Sheriff's Office (MS) for public safety equipment;

—up to $7,000,000 for the acquisition or lease and installation of dashboard mounted cameras for State and local law enforcement on patrol;

—$1,000,000 for a grant to Clackamas County, OR, for police communications equipment;

—$100,000 for a grant to Charles Mix County, SD, for Emergency 911 Service;

—$1,000,000 for a grant to the City of Fairbanks, AK, for a police radio and telecommunications system;

—$90,000 for a grant to the Fairbanks, AK, police for thermal imaging goggles;

—$430,000 for a grant to Greenwood County, SC, for technology upgrades;

—$1,000,000 for a grant for Hampton Roads, VA, for regional law enforcement technology;

—$100,000 for a grant for technology upgrades for the Harrison, NY, police department;

—$1,588,000 for a grant to Henderson, NV, for mobile data computers for law enforcement;

—$3,000,000 for a grant for video-teleconferencing equipment necessary to assist State and local law enforcement in contacting the Immigration and Naturalization Service to allow them to confirm the identification of illegal and criminal aliens in their custody;

—$1,333,000 for a grant to the city of Jackson, MS, for public safety and automated system technologies;

—$1,000,000 for Jefferson County, KY, for mobile data terminals for law enforcement;

—$400,000 for a grant to the Kauai, HI, County Police Department to enhance the emergency communications systems;

—$1,700,000 for a grant for the Kentucky Justice Cabinet for equipment to implement a sexual offender registration and community notification information system;

—$1,500,000 to the Law Enforcement On-Line Program;

—$100,000 for a grant for Lexington-Fayette, KY, law enforcement communications equipment;

—$200,000 for a grant for the Logan Mobile Data System;

—$2,300,000 for a grant to Los Angeles County for equipment relating to the criminal alien demonstration project;

—$3,000,000 for a grant to the Low Country, SC, Tri-County Police initiative to establish a regional law enforcement computer network;

—$112,000 for a grant to Lowell, MA, for police communications equipment;

—$150,000 for a grant to Martin County, KY, for technology for a public safety training program;

—$400,000 for a grant to the Maui County, HI, police department to enhance the emergency communications systems;

—$100,000 for a grant to Mineral County, NV, to upgrade technology;

—$2,500,000 for a grant to the Missouri State Court Administration for the Juvenile Justice Information System to enhance communication and collaboration between juvenile courts, law enforcement, schools, and other agencies;

—$425,000 for the Montana Juvenile Justice video-teleconferencing equipment;

—$5,000,000 to the National Center for Missing and Exploited Children to create a program that would provide targeted technology to police departments for the specific purpose of child victimization prevention and response;

—$800,000 for a grant to the National Center for Victims of Crime—INFOLINK;

—$1,500,000 for a grant to expand the demonstration program enabling local law enforcement officers to field-test a portable hand-held digital fingerprint and photo device which would be compatible with NCIC 2000;

—$28,000 for a grant to Nenana, AK, for mobile video and communications equipment;

—$60,000 for a grant to the New Rochelle, NY, Harbor Police Department for technology;

—$5,000,000 for a grant for the North Carolina Criminal Justice Information (CJIS-J-NET) for the final year of funding of the comprehensive integrated criminal information system, as described in the House report;

—$500,000 for a grant to the New Jersey State police for computers and equipment for a truck safety initiative;

—$107,000 for public safety and automated system technologies for Ocean Springs, MS;

—$2,500,000 for a grant for Project Hoosier SAFE-T;

—$150,000 for a grant to Pulaski County, KY, for technology for a public safety training program;

—$390,000 for a grant to Racine County, WI, for a countywide integrated computer aided dispatch management system and mobile data computer system;

—$5,000,000 for a grant to the Regional Information Sharing System (RISS) for RISS Secure Intranet to increase the ability of law enforcement member agencies to share and retrieve criminal intelligence information on a real-time basis;

—$200,000 for a grant to Riverside, CA, for law enforcement computer upgrades;

—$1,500,000 for a grant to Rock County, WI, for a law enforcement consortium;

—$550,000 for a grant to the Santa Monica, CA, police department for an automated Mobile Field Reporting System;

—$2,000,000 for a grant to the Seattle, WA, police department for forensic imaging equipment and computer upgrades;

—$800,000 for a one-time grant to the SECURE gunshot detection demonstration project for Austin, TX;

—$2,000,000 for a grant to the South Dakota Training Center for technology upgrades;

—$7,000,000 for a grant for the South Dakota Bureau of Information and Telecommunications to enhance their emergency communication system;

—$9,000,000 for a grant for the continuation of the Southwest Border States Anti-Drug Information System, which will provide for the purchase and deployment of the technology network between all State and local law enforcement agencies in the four southwest border States;

—$5,000,000 for the Utah Communications Agency Network (UCAN) for enhancements and upgrades of security and communications infrastructure relating to the 2002 Winter Olympics;

—$350,000 for the Union County, SC, Sheriff's Office for technology upgrades;

—$1,000,000 for Ventura County, CA, for an integrated justice system;

—$200,000 to the Vermont Department of Public Safety for a mobile command center;

—$4,000,000 to the Vermont Public Safety Communications Program;

—$1,000,000 to the St. Johnsbury, Rutland, and Burlington, VT, technology programs;

—$3,000,000 to the New Hampshire State Police VHF trunked digital radio system;

—$1,200,000 to Yellowstone County, MT, for Mobile Data Systems; and

—$650,000 to Yellowstone County, MT, Driving Simulator for law enforcement training equipment.

2. Crime Identification Technology Program.—The conference agreement includes $130,000,000 for crime identification technology, instead of $260,000,000 as proposed in the Senate bill under the State and Local Law Enforcement Assistance heading, and $60,000,000, as proposed in the House bill, which proposed funding technology only in the Community Oriented Policing Services program, to be used and distributed pursuant to the Crime Identification Technology Act of 1998, P.L. 105–251. Under that Act, eligible uses of the funds are (1) upgrading criminal history and criminal justice record systems; (2) improvement of criminal justice identification, including fingerprint-based systems; (3) promoting compatibility and integration of national, State, and local systems for criminal justice purposes, firearms eligibility determinations, identification of sexual offenders, identification of domestic violence offenders, and background checks for other authorized purposes; (4) capture of information for statistical and research purposes; (5) developing multi-jurisdictional, multi-agency communications systems; and (6) improvement of capabilities of forensic sciences, including DNA. Within the amount provided, the OJP is directed to provide grants to the following, and report to the Committees on Appropriations of the House and the Senate: $7,500,000 for a grant to Kentucky for a state-wide law enforcement technology program; and $7,500,000 for a grant for the Southwest Alabama Department of Justice's initiative to integrate data from various criminal justice agencies to meet Southwest Alabama's public safety needs.

Safe Schools Technology.—Within the amounts available for crime identification technology under this account, the conference agreement includes $15,000,000 for Safe Schools technology to continue funding NIJ's development of new, more effective safety technologies such as less obtrusive weapons detection and surveillance equipment and information systems that provide communities quick access to information they need to identify potentially violent youth, as described in the Senate report.

Upgrade Criminal History Records (Brady Act).—Within the amounts available for crime identification technology under this account, the conference agreement provides $35,000,000, instead of $40,000,000 as proposed by the Senate and as an authorized use of funds from within the Crime Identification Technology Act formula grant program funded in the Community Oriented Policing Services program as proposed by the House. The House report did not designate a specific dollar amount.

DNA Backlog Grants/Crime Laboratory Improvement Program (CLIP).—Within the amounts available for crime identification technology under this account, the conference agreement includes $30,000,000 for grants to States to reduce their DNA backlogs and for the Crime Laboratory Improvement Program (CLIP), as proposed by the Senate bill. The House provided funds for these programs through the Crime Identification Technology Act formula grant program funded in the Community Oriented Policing Services program. Within the amount made available under this program, it is expected that the OJP will review proposals, provide grants if warranted, and report to the Committees on its intentions regarding: a $2,000,000 grant to the Marshall University Forensic Science Program; a $3,000,000 grant to the West Virginia University Forensic Identification Program; $1,200,000 to the South Carolina Law Enforcement Division's forensic laboratory; a $500,000 grant to the Southeast Missouri Crime Laboratory; a $661,000 grant to the Wisconsin Laboratory to upgrade DNA technology and training; $1,250,000 for Alaska's crime identification program; and $1,900,000 to the National Forensic Science Technology Center, as described in the House report.

3. COPS Methamphetamine/Drug ''Hot Spots'' Program.—The conferees direct that $35,675,000 from direct appropriations be used for State and local law enforcement programs to combat methamphetamine production, distribution, and use, and to reimburse the Drug Enforcement Administration for assistance to State and local law enforcement for proper removal and disposal of hazardous materials at clandestine methamphetamine labs. The monies may also be used for policing initiatives in ''hot spots'' of drug market activity. The House bill proposed $35,000,000 and the Senate proposed $25,000,000 for this purpose.

Within the amount included for the Methamphetamine/Drug Hot Spots Program, the conference agreement expects the COPS office to award grants for the following programs:

—$1,000,000 to the Arizona Methamphetamine program to support additional law enforcement officers and to train local and State law enforcement officers on the proper recognition, collection, removal, and destruction of methamphetamine;

—$18,200,000 to continue the California Bureau of Narcotics Enforcement's Methamphetamine Strategy to support additional law enforcement officers, intelligence gathering and forensic capabilities, training and community outreach programs;

—$50,000 to the Grass Valley, NV, Methamphetamine initiative to support additional law enforcement officers and to train local and State law enforcement officers on the proper recognition, collection, removal, and destruction of methamphetamine;

—$500,000 to the Illinois State Police to combat methamphetamine and to train officers in methamphetamine investigations;

—$1,200,000 to the Iowa Methamphetamine Law Enforcement initiative to support additional law enforcement officers and to train local and State law enforcement officers on the proper recognition, collection, removal, and destruction of methamphetamine;

—$750,000 to the Las Vegas Special Police Enforcement and Eradication Program of which $450,000 is for the Las Vegas Police Department and $300,000 is for the North Las Vegas Police Department to support additional law enforcement officers and to train local and State law enforcement officers on the proper recognition, collection, removal, and destruction of methamphetamine;

—$6,000,000 to the Midwest Methamphetamine initiative (MO) to support additional law enforcement officers and to train local and State law enforcement officers on the proper recognition, collection, removal, and destruction of methamphetamine;

—$525,000 to Nebraska's Clandestine Laboratory team to support additional law enforcement officers and to train local and State law enforcement officers on the proper recognition, collection, removal, and destruction of methamphetamine;

—$750,000 to the New Mexico methamphetamine program for additional law enforcement officers, intelligence gathering and forensic capabilities, training and community outreach programs;

—$1,000,000 to the Northern Utah Methamphetamine Program for additional law enforcement officers and to train local and State law enforcement officers on the proper recognition, collection, removal, and destruction of methamphetamine;

—$1,000,000 to the Rocky Mountain Methamphetamine Program for additional law enforcement officers and to train local and State law enforcement officers on the proper recognition, collection, removal, and destruction of methamphetamine;

—$1,000,000 to the Tennessee Methamphetamine Program for additional law enforcement officers and to train local and State law enforcement officers on the proper recognition, collection, removal, and destruction of methamphetamine;

—$1,200,000 to the Tri-State Methamphetamine Training (IA/SD/NE) program to train officers from rural areas on methamphetamine interdiction, cover operations, intelligence gathering, locating clandestine laboratories, case development, and prosecution;

—$1,000,000 to form a Western Kentucky Methamphetamine training program and to provide equipment and manpower to form inter-departmental task forces; and

—$1,000,000 for the Western Wisconsin Methamphetamine Initiative for additional law enforcement officers and to train local and State law enforcement officers on the proper recognition, collection, removal, and destruction of methamphetamine.

The conference agreement expects the OJP to review a request from the Polk County, FL, Sheriff's office to provide additional capabilities to expand the methamphetamine program and provide a grant, if warranted.

4. COPS Safe Schools Initiative (SSI)/School Prevention Initiatives.—The conferees direct that $15,000,000 of unobligated carryover balances be used to provide grants to policing agencies and schools to provide resources for programs aimed at preventing violence in public schools, and to support the assignment of officers to work in collaboration with schools and community-based organizations to address crime and disorder problems, gangs, and drug activities, as proposed in the House report. Within the overall amounts recommended for this program, the conference agreement includes the expectation that the COPS office will examine each of the following proposals, provide grants if warranted, and submit a report to the Committees on its intentions for each proposal:

—$250,000 for the Alaska Community in School Mentoring program;

—$500,000 for a grant to the Home Run Program to assist elementary and secondary schools with children beginning to engage in delinquent behavior;

—$300,000 for the Links to Community Demonstration Project;

—$3,000,000 for a grant to the Miami-Dade Juvenile Assessment Center for a safe school demonstration project;

—$541,000 for a grant to the Milwaukee schools' Summer Stars program;

—$2,000,000 for a grant to the National Center for Rural Law Enforcement for school violence research;

—$5,000,000 for training by the National Center for Missing and Exploited Children

for law enforcement officers selected to be part of the Safe Schools Initiative;

—$1,000,000 to the School Crime Prevention and Security Technology Center;

—$500,000 for a grant to the University of Kentucky for research on school violence prevention;

—$200,000 for the evaluation of the Vermont SAFE-T program and Colchester Community Youth Project;

—$500,000 for the Youth Advocacy Program in South Carolina;

—$500,000 for the Youth Outreach program.

Within the amounts made available under this program, the conferers expect the COPS office to examine each of the following proposals, to provide grants if warranted, and to submit a report to the Committees on its intentions for each proposal: the ''Free to Grow'' program at Columbia University, and the Tuscaloosa Youth Violence Project.

5. COPS Bullet-proof vests initiative.—The conferees direct that $25,000,000 of unobligated carryover balances be used to provide State and local law enforcement officers with bullet-proof vests, the second year of the program, in accordance with Public Law 105–181.

6. Police Corps.—The conferees direct that $30,000,000 of unobligated carryover balances in the COPS program be used for Police Corps instead of the $25,000,000 proposed in the House bill. The Senate bill proposed $30,000,000 within the Local Law Enforcement Block Grant. The conference agreement includes funding for an annual data collection and reporting program on excessive force by law enforcement officers, pursuant to Subtitle D of Title XXI of the Violent Crime Control and Law Enforcement Act of 1994, as has been previously funded within the unobligated balances of this program. The conference agreement includes continued funding for this data collection in the same manner.

JUVENILE JUSTICE PROGRAMS

The conference agreement includes $287,097,000 for Juvenile Justice programs, instead of $286,597,000 as proposed in the House bill and $322,597,000 as proposed in the Senate bill. The conference agreement includes the understanding that changes to Juvenile Justice and Delinquency Prevention Programs are being considered in the reauthorization process of the Juvenile Justice and Delinquency Act of 1974. However, absent completion of this reauthorization process, the conference agreement provides funding consistent with the current Juvenile Justice and Delinquency Prevention Act. In addition, the conference agreement includes language that provides that funding for these programs shall be subject to the provisions of any subsequent authorization legislation that is enacted. The agreement includes a comprehensive mental health study of juveniles in the criminal justice system, as described in the House report.

Juvenile Justice and Delinquency Prevention.—Of the total amount provided, $269,097,000 is for grants and administrative expenses for Juvenile Justice and Delinquency Prevention programs including:

1. $6,847,000 for the Office of Juvenile Justice and Delinquency Prevention (OJJDP) (Part A).

2. $89,000,000 for Formula Grants for assistance to State and local programs (Part B).

3. $42,750,000 for Discretionary Grants for National Programs and Special Emphasis Programs (Part C).

Within the amount provided for Part C discretionary grants, OJJDP is directed to review the following proposals, provide grants if warranted, and submit a report to the Committees on Appropriations of the House and the Senate on its intentions regarding:

—$500,000 to continue the Achievable Dream after school program;

—$50,000 for Catholic Charities, Inc. in Louisville, KY, for an after school program;

—$1,500,000 for the Center on Crimes/Violence Against Children;

—$250,000 for the Culinary Arts for At-Risk Youth in Miami-Dade, FL;

—$5,000,000 for the Innovative Partnerships for High Risk Youth;

—$650,000 for the Juvenile Justice Tribal Collaboration and Technical assistance;

—$600,000 for the Kids With A Promise program;

—$2,000,000 to continue the L.A. Best youth program;

—$500,000 for the L.A. Dads/Family programs;

—$500,000 to continue the L.A. Bridges after school program;

—$550,000 for Lincoln Action Programs—Youth Violence Alternative Project;

—$250,000 to continue the Low Country Children's Center program;

—$350,000 for Mecklenburg County's Domestic Violence HERO program;

—$1,500,000 for the Milwaukee Safe and Sound program;

—$3,000,000 for the Mount Hope Center for a youth program;

—$310,000 for the National Association of State Fire Marshals—Juvenile Firesetters initiative;

—$3,000,000 to continue funding for the National Council of Juvenile and Family Courts which provides continuing legal education in family and juvenile law;

—$1,900,000 for continued support for law-related education;

—$300,000 for the No Workshops . . . No Jump Shots program;

—$150,000 for the Operation Quality Time program;

—$3,000,000 for Parents Anonymous, to develop partnerships with local communities to build and support strong, safe families and to help break the cycle of abuse and delinquency;

—$750,000 for the Rio Arriba County, NM, after school program;

—$1,300,000 for the Suffolk University Center for Juvenile Justice;

—$1,000,000 for the University of Missouri—Kansas City Juvenile Justice Research Center for research;

—$150,000 for the United Neighborhoods of Northern Virginia youth program;

—$1,000,000 for the University of Montana to create a juvenile after-school program;

—$200,000 for the Vermont Association of Court Diversion programs to help prevent and treat teen alcohol abuse;

—$1,000,000 for the Youth Crime Watch Initiative of Florida; and

—$5,000,000 for the Youth Challenge Program.

In addition, OJJDP is directed to examine each of the following proposals, provide grants if warranted, and report to the Committees on Appropriations of both the House and Senate on its intentions for each proposal: the At Risk Youth Program in Wausau, Wisconsin; the Consortium on Children, Families, and the Law; the Hawaii Lawyers Care Na Keiki Law Center; for a juvenile justice program in Kansas City, MO; the Learning for Life program conducted by the Boy Scouts; the New Mexico Cooperative Extension Service 4–H Youth Development Program; OASIS; the Oklahoma State Transition and Reintegration Services (STARS); the Rapid Response Program, Washington/Hancock County, ME; the St. Louis City Regional Violence Prevention Initiative; and the University of South Alabama's Youth Violence Project.

4. $12,000,000 to expand the Youth Gangs (Part D) program which provides grants to public and private nonprofit organizations to prevent and reduce the participation of at-risk youth in the activities of gangs that commit crimes. Within the amount provided, OJJDP is directed to provide a grant of $50,000 for the Metro Denver Gang Coalition.

5. $10,000,000 for Discretionary Grants for State Challenge Activities (Part E) to increase the amount of a State's formula grant by up to 10 percent, if that State agrees to undertake some or all of the ten challenge activities designed to improve various aspects of a State's juvenile justice and delinquency prevention program.

6. $13,500,000 for the Juvenile Mentoring Program (Part G) to reduce juvenile delinquency, improve academic performance, and reduce the drop-out rate among at-risk youth through the use of mentors by bringing together young people in high crime areas with law enforcement officers and other responsible adults who are willing to serve as long-term mentors. In addition, OJJDP is directed to examine each of the following proposals, provide grants if warranted, and report to the Committees on Appropriations of both the House and Senate on its intentions for each proposal: a grant in an amount greater than the current year level for the Big Brothers/Big Sisters of America program; $1,000,000 for a grant to Utah State University for a pilot mentoring program that focuses on the entire family; and $1,000,000 for a grant to the Tom Osborne mentoring program.

7. $95,000,000 for Incentive Grants for Local Delinquency Prevention Programs (Title V), to units of general local government for delinquency prevention programs and other activities for at-risk youth. The Title V program provides funding on a formula basis to States, to be distributed by the States for use by local units of government and locally-based public and private agencies and organizations. Administration of these funds on a formula basis ensures fairness in the distribution process.

Safe Schools Initiative (SSI).—The conference agreement includes $15,000,000 within the Title V grants for the Safe Schools Initiative as proposed in the Senate report. In addition, OJJDP is directed to examine each of the following proposals, provide grants if warranted, and report to the Committees on Appropriations of both the House and Senate on its intentions for each proposal: $2,500,000 for a grant to the Hamilton Fish National Institute on School and Community Violence; $500,000 for a grant to the University of Louisville for research; $1,250,000 for the Teens, Crime, and the Community Program; and a grant to the ''I Have a Dream'' Foundation for an at-risk youth program.

Tribal Youth Program.—The conference agreement includes $12,500,000 within the Title V grants for programs to reduce, control and prevent crime, as proposed in the Senate report.

Enforcing the Underage Drinking Laws Program.—The conference agreement includes $25,000,000 within the Title V grants for programs to assist States in enforcing underage drinking laws, as proposed in the Senate report. Projects funded may include: Statewide task forces of State and local law enforcement and prosecutorial agencies to target establishments suspected of a pattern of violations of State laws governing the sale and

consumption of alcohol by minors; public advertising programs to educate establishments about statutory prohibitions and sanctions; and innovative programs to prevent and combat underage drinking. In addition, OJJDP is directed to examine the following proposal, provide a grant if warranted, and report to the Committees on Appropriations of both the House and Senate on its intentions for the proposal: $1,000,000 for a grant to the Sam Houston State University and Mothers Against Drunk Driving for a National Institute for Victims Studies project.

Drug Prevention Program.—While crime is on the decline in certain parts of America, a dangerous precursor to crime, namely teenage drug use, is on the rise and may soon reach a 20-year high. The conference agreement includes $11,000,000, instead of $12,000,000 as proposed in the House bill, and no funds proposed in the Senate report, to develop, demonstrate and test programs to increase the perception among children and youth that drug use is risky, harmful, or unattractive.

Victims of Child Abuse Act.—The conference agreement includes $7,000,000 for the programs authorized under the Victims of Child Abuse Act (VOCA), as proposed in the House bill. The agreement includes $7,000,000 to Improve Investigations and Prosecutions (Subtitle A) as follows:

—$1,000,000 to establish Regional Children's Advocacy Centers, as authorized by section 213 of VOCA;

—$4,000,000 to establish local Children's Advocacy Centers, as authorized by section 214 of VOCA;

—$1,500,000 for a continuation grant to the National Center for Prosecution of Child Abuse for specialized technical assistance and training programs to improve the prosecution of child abuse cases, as authorized by section 214a of VOCA; and

—$500,000 for a continuation grant to the National Network of Child Advocacy Centers for technical assistance and training, as authorized by section 214a of VOCA.

PUBLIC SAFETY OFFICERS BENEFITS

The conference agreement includes $32,541,000, as proposed by the House, instead of $36,041,000, as proposed by the Senate, in direct appropriations and assumes $2,261,071 in unobligated carryover balances which will fully fund anticipated payments.

In addition, the conference agreement assumes $2,339,000 in fiscal year 1999 unobligated carryover balances to pay for higher education for dependents of Federal, State and local public safety officers who are killed or permanently disabled in the line of duty.

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

The conference agreement includes the following general provisions for the Department of Justice:

Section 101.—The conference agreement includes section 101, identical in both the House and Senate bills, which makes up to $45,000 of the funds appropriated to the Department of Justice available for reception and representation expenses.

Sec. 102.—The conference agreement includes section 102, as proposed in the House bill, which continues certain authorities for the Department of Justice in fiscal year 2000 that were contained in the Department of Justice Appropriation Authorization Act, fiscal year 1980. The Senate bill did not contain a provision on this matter.

Sec. 103.—The conference agreement includes section 103, identical in both the House and Senate bills, which prohibits the use of funds to perform abortions in the Federal Prison System.

Sec. 104.—The conference agreement includes section 104, identical in both the House and Senate bills, which prohibits the use of funds to require any person to perform, or facilitate the performance of, an abortion.

Sec. 105.—The conference agreement includes section 105, identical in both the House and Senate bills, which states that nothing in the previous section removes the obligation of the Director of the Bureau of Prisons to provide escort services to female inmates who seek to obtain abortions outside a Federal facility.

Sec. 106.—The conference agreement includes section 106, identical in both the House and Senate bills, which allows the Department of Justice to spend up to $10,000,000 for rewards for information regarding acts of terrorism against a United States person or property at levels not to exceed $2,000,000 per reward.

Sec. 107.—The conference agreement includes section 107, as proposed in the House bill, which continues the current 5% and 10% limitations on transfers among Department of Justice accounts, instead of limitations of 10% and 20%, respectively, as proposed in the Senate bill.

Sec. 108.—Modified language is included in the bill which establishes an effective date of August 1, 2000 for additional changes to authority of the Assistant Attorney General for the Office of Justice Programs. This language has been included so additional time is available to consider other elements of the comprehensive restructuring report for the Office of Justice Programs, as submitted by the Administration to the Committees on Appropriations on March 10, 1999.

Sec. 109.—The conference agreement includes section 109, as proposed in the House bill, which allows the Attorney General to waive certain Federal acquisition rules and regulations in certain instances related to counterterrorism and national security, and which prohibits the disclosure of financial records and identifying information of any corrections officer in an action brought by a prisoner. The Senate bill contained similar provisions as sections 109 and 110.

Sec. 110.—The conference agreement includes section 110, as proposed in the House bill, which continues a provision carried in the fiscal year 1999 Act regarding the payment of judgments under the Financial Institutions Reform, Recovery and Enforcement Act. The Senate bill contained a similar provision as section 111.

Sec. 111.—The conference agreement includes section 111, proposed as section 112 in the House bill, regarding the Chief Financial Officer of the Department of Justice. The Senate bill did not contain a provision on this matter.

Sec. 112.—The conference agreement includes section 112, proposed as section 114 in the House bill, which extends section 3024 of Public Law 106–31 to allow assistance and services to be provided to the families of the victims of Pan Am Flight 103. The Senate bill did not contain a provision on this matter.

Sec. 113.—The conference agreement includes section 113, proposed as section 115 in the House bill, which changes the filing fees for certain bankruptcy proceedings. The Senate bill did not contain a provision on this matter.

Sec. 114.—The conference agreement includes section 114, modified from language proposed as section 113 in the Senate bill, which prohibits the payment for certain services by the Marshals Service and the Immigration and Naturalization Service at a rate in excess of amounts charged for such services under the Medicare or Medicaid programs. The House bill addressed this matter in section 113.

Sec. 115.—The conference agreement includes section 115, modified from language proposed in the Senate bill, which prohibits funds in this Act from being used to pay premium pay to an individual employed as an attorney by the Department of Justice for any work performed in fiscal year 2000. The House bill did not include a provision on this matter.

Sec. 116.—The conference agreement includes section 116, proposed as section 117 in the Senate bill, which makes permanent a provision included in the fiscal year 1999 Act, and amended by Public Law 106–31, to clarify the term ''tribal'' for the purpose of making grant awards under title I of this Act. The House bill did not include a provision on this matter.

Sec. 117.—The conference agreement includes section 117, modified from language proposed as section 119 in the Senate bill, which provides a procedure to grant national interest waivers to physicians if they have served an aggregate of five years and will continue to serve in areas designated as medically underserved or at facilities under the jurisdiction of the Secretary of Veterans Affairs. This provision essentially restores the situation that existed for alien physicians prior to the Immigration and Naturalization Service decision in *New York State Department of Transportation*, and those physicians who filed prior to November 1, 1998, shall be granted a national interest waiver if they agree to serve three years in medically underserved areas or at facilities under the jurisdiction of the Secretary of Veterans Affairs. The House bill did not include a provision on this matter.

Sec. 118.—The conference agreement includes section 118, proposed as section 121 in the Senate bill, which permanently authorizes the land border inspection fee account. The House bill did not include a provision on this matter.

Sec. 119.—The conference agreement includes a new provision, section 119, to extend the authorities included in the fiscal year 1998 Act which authorized funds to be provided for the U.S. Attorneys victim witness coordinator and advocate program from the Crime Victims Fund. The conferees expect $6,838,000 will be used under this provision to continue to support the 93 victim witness coordinators and advocates who are assigned to various U.S. Attorneys offices, including victim support for the D.C. Superior Court, and $7,552,000 will be used to provide funding for the U.S. Attorneys to support the 77 victim witness workyears from pre-1998 allocations. The conferees expect that appropriate sums will be made available under this provision in succeeding fiscal years to continue this program at the current level.

Sec. 120.—The conference agreement includes a new provision, section 120, which authorizes the collection and analysis of DNA samples voluntarily contributed from the relatives of missing persons.

Sec. 121.—The conference agreement includes a new provision, section 121, which changes the entity to which electronic communication service providers report instances of child pornography.

TITLE II—DEPARTMENT OF COMMERCE AND RELATED AGENCIES

TRADE AND INFRASTRUCTURE DEVELOPMENT

RELATED AGENCIES

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

The conference agreement includes $25,635,000 for the salaries and expenses of the Office of the United States Trade Representative, instead of $25,205,000 as proposed in the House bill, and $26,067,000 as proposed in the Senate bill.

The increase over the fiscal year 1999 appropriation provides for adjustments to base operations to maintain the current level of operations, and program increases requested for Washington-based security, travel, and translation services. The conferees concur with language in the House report related to the upcoming World Trade Organization Ministerial Meeting.

INTERNATIONAL TRADE COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $44,495,000 and $2,500,000 in carryover for the salaries and expenses of the International Trade Commission (ITC) as proposed in the House bill, instead of $45,700,000 as proposed in the Senate bill. The recommended funding will allow the ITC to operate at a level very close to the amount of the budget request, and permit the Commission to carry out planned activities.

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

The conference agreement includes $311,503,000 in new budgetary resources for the operations and administration of the International Trade Administration for fiscal year 2000, of which $3,000,000 is derived from fee collections, instead of $298,236,000 as proposed by the House bill, and $311,344,000 as proposed by the Senate bill. In addition to this amount, the conference agreement assumes $2,000,000 in prior year carryover, resulting in a total fiscal year 2000 availability of $313,503,000.

The following table reflects the distribution of funds by activity included in the conference agreement:

Trade Development	$62,376,000
Market Access and Compliance	19,755,000
Import Administration	32,473,000
U.S. & F.C.S.	186,693,000
Executive Direction and Administration	12,206,000
Fee Collections	(3,000,000)
Prior Year Carryover	(2,000,000)
Total, ITA	308,503,000

Trade Development (TD).—The conference agreement provides $62,376,000 for this activity. Of the amounts provided, $49,621,000 is for the TD base program, $9,000,000 is for the National Textile Consortium, and $3,000,000 is provided for the Textile/Clothing Technology Corporation. Further, the conference agreement includes $255,000 for the Access Mexico program and $500,000 for continuation of the international global competitiveness initiative recommended in the House report.

Market Access and Compliance (MAC).—The conference agreement includes a total of $19,755,000 for this activity. Of the amounts provided, $18,755,000 is for the base program, $500,000 is for the strike force teams initiative proposed in the budget, and $500,000 is for the trade enforcement and compliance initiative proposed in the budget.

Import Administration.—The conference agreement provides $32,473,000 for the Import Administration.

U.S. and Foreign Commercial Service (U.S. & FCS).—The conference agreement includes $186,693,000 for the programs of the U.S. & FCS, to maintain the current level of operations. The conferees concur with language in the House report concerning the Rural Export Initiative and the Global Diversity Initiative.

Executive Direction and Administration.—The conference agreement includes $12,206,000 for the administrative and policy functions of the ITA. This amount does not include funding requested for transfer to centralized services.

ITA should also follow the direction included in the House report regarding trade missions, and the direction in the Senate report relating to the Hannover World Fair. ITA is also expected to follow the direction and submit the reports referenced in both the House and Senate reports relating to foreign currency exchange rate gains, and to provide the report on trade show revenues requested in the House report.

EXPORT ADMINISTRATION

OPERATIONS AND ADMINISTRATION

The conference agreement includes $54,038,000 for the Bureau of Export Administration (BXA), instead of $49,527,000 as proposed in the House bill and $55,931,000 as proposed in the Senate bill. The conference agreement assumes $739,000 will be available from prior year carryover, resulting in total availability of $54,777,000. Of this amount, $23,878,000 is for Export Administration, including a program increase of $750,000 for Chemical Weapons Convention inspection activities; $23,534,000 is for Export Enforcement, including a program increase of $500,000 for computer export verification; $4,365,000 is for Management and Policy Coordination, including a program increase of $1,000,000 for the redesign and replacement of the Export Control Automated Support System; and $3,000,000 is for the Critical Infrastructure Assurance Office (CIAO).

The CIAO was created by Presidential Decision Directive 63 (PDD–63) as an interim agency to facilitate coordination and integration among Federal agencies as those agencies develop and implement their own critical infrastructure protection and awareness plans. The conferees are concerned that the fiscal year 2000 budget for the CIAO proposes a number of initiatives which would expand the role of the CIAO beyond its coordination and integration function, and create new programs and activities which may be duplicative of activities and responsibilities assigned to other Federal agencies. The conferees believe the amount provided, which also reflects the fact that, in fiscal year 2000, 25 staff detailed from other agencies will now be provided to the CIAO on a non-reimbursable basis, will enable the CIAO to perform its functions as provided for in PDD–63. The conferees expect the CIAO to provide a spending plan for fiscal year 2000 to the Committees on Appropriations no later than December 1, 1999.

The conference agreement does not include language included in the Senate bill, allowing funds to be used for rental of space abroad and expenses of alteration, repair, or improvement.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

The conference agreement includes $361,879,000 for Economic Development Administration grant programs, instead of $364,379,000 as proposed in the House bill, and $203,379,000 as proposed in the Senate bill.

Of the amounts provided, $205,850,000 is for Public Works and Economic Development, $34,629,000 is for Economic Adjustment Assistance, $77,300,000 is for Defense Conversion, $24,000,000 is for Planning, $9,100,000 is for Technical Assistance, including University Centers, $10,500,000 is for Trade Adjustment Assistance, and $500,000 is for Research. EDA is expected to allocate this funding in accordance with the direction included in the House report.

The conference agreement does not include language included in the House bill relating to attorneys' fees, since that language was included in the EDA reauthorization legislation (P.L. 105–393) enacted in 1998. The conference agreement makes funding under this account available until expended, as proposed in the Senate bill.

SALARIES AND EXPENSES

The conference agreement includes $26,500,000 for salaries and expenses of the EDA, instead of $24,000,000 as proposed in the House bill, and $24,937,000 included in the Senate bill. This funding is to enable EDA to maintain its existing level of operations, which in the past has been partially funded by non-appropriated sources of funding that are not expected to be available in fiscal year 2000.

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

The conference agreement includes $27,314,000 for the programs of the Minority Business Development Agency (MBDA), instead of $27,000,000 included in the House bill and $27,627,000 included in the Senate bill. The conference agreement assumes that MBDA will continue its support for the Entrepreneurial Technology Apprenticeship Program at the current level, as directed in the House report.

ECONOMIC AND INFORMATION INFRASTRUCTURE

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

The conferees have provided $49,499,000 for salaries and expenses of the activities funded under the Economic and Statistical Analysis account, instead of $48,490,000 as proposed in the House bill and $51,158,000 as proposed in the Senate bill. The conferees support the Bureau of Economic Analysis' initiative of updating and improving statistical measurements of the U.S. economy and its measurement of international transactions. The conference agreement concurs with the directive included in the House report regarding the Integrated Environmental-Economic Accounting initiative.

The travel and tourism industry makes a substantial contribution to the economy. A satellite account for travel and tourism has the potential to provide objective, thorough data to inform policy decisions. The Bureau is directed to provide a report on the advisability, utility, and relative priority of establishing a satellite account for travel and tourism by March 1, 2000.

BUREAU OF THE CENSUS

The conference agreement includes a total of $4,758,573,000 for the Bureau of the Census for fiscal year 2000, of which $4,476,253,000 is provided as an emergency appropriation, instead of $4,754,720,000 as proposed in the House bill, of which $4,476,253,000 was proposed as an emergency appropriation, and $3,071,698,000 as proposed in the Senate bill as a direct appropriation.

SALARIES AND EXPENSES

The conference agreement includes $140,000,000 for the Salaries and Expenses of the Bureau of the Census for fiscal year 2000, instead of $136,147,000 as proposed in the House bill, and $156,944,000 as proposed in the Senate bill.

PERIODIC CENSUSES AND PROGRAMS

The conference agreement includes $4,618,573,000, of which $4,476,253,000 is an emergency appropriation, as proposed in the House bill, instead of $2,914,754,000 in direct appropriations as proposed in the Senate bill.

Decennial Census Programs.—The conference agreement includes an emergency appropriation of $4,476,253,000 for the 2000 decennial census as proposed in the House bill, instead of $2,764,545,000 in direct appropriations as proposed in the Senate bill. The following represents the distribution of funds provided for the 2000 Census:

Program Development and Management	$20,240,000
Data Content and Products	194,623,000
Field Data Collection and Support Systems	3,449,952,000
Address List Development	43,663,000
Automated Data Process and Telecommunications Support	477,379,000
Testing and Evaluation	15,988,000
Puerto Rico, Virgin Islands and Pacific Areas	71,416,000
Marketing, Communications and Partnerships	199,492,000
Census Monitoring Board	3,500,000
Total, Decennial Census	4,476,253,000

The conference agreement does not provide funding for the Continuous Measurement program in the decennial census program as proposed in the Senate bill, but instead continues funding for this program under Other Periodic Programs as proposed in the House bill.

The conferees share the concerns expressed in the House report regarding the Bureau's ability to accurately project its funding requirements, and provide timely information regarding its needs to the Committees. The conferees expect the Bureau to follow the direction included in the House report requiring monthly reports on the obligation of funds against each framework. The conferees remind the Bureau that reallocation of resources among the frameworks listed above are subject to the requirements of section 605 of this Act.

The conferees remain concerned about the implementation of the decennial census in areas like Alaska, where most of the State is not accessible by road and many people speak languages other than English. The conferees encourage the Bureau to continue working with all interested parties in Alaska to ensure that full and complete census data is received from remote locations and the State's migratory populations.

In addition, the conferees encourage the Bureau to continue to explore the possible use of data collected in the decennial census from Puerto Rico in national summary data products and expect the Bureau to report to the Committees as directed in the House report. The conference agreement adopts by reference the House report language regarding enumeration of deaf persons in the 2000 Census.

The conference agreement includes language designating the amounts provided for each decennial framework as proposed in the House bill. Should the operational needs of the decennial census necessitate the transfer of funds between these frameworks, the Bureau may transfer such funds as necessary subject to modified transfer and reprogramming procedures. Language is also included designating the entire amount provided for the decennial census as an emergency requirement as proposed in the House bill. The Senate bill did not contain similar provisions. In addition, the conference agreement includes language designating funding under this account for the expenses of the Census Monitoring Board as proposed in the House bill. The Senate bill did not include a similar provision, but instead included funding for the Board as a separate appropriation under Title V.

Other Periodic Programs.—The conference agreement includes $142,320,000 for other periodic censuses and programs as proposed in the House bill, instead of $125,209,000 as proposed in the Senate bill. The following table represents the distribution of funds provided for other non-decennial periodic censuses and related programs:

Economic Censuses	$46,444,000
Census of Governments	3,735,000
Intercensal Demographic Estimates	5,260,000
Continuous Measurement	20,000,000
Demographic Survey Sample Redesign	4,478,000
Electronic Information Collection (CASIC)	6,000,000
Geographic Support	33,406,000
Data Processing Systems	22,997,000
Total	142,320,000

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes $10,975,000 for National Telecommunications and Information Administration (NTIA) salaries and expenses, instead of $10,940,000 as proposed in the House bill, and $11,009,000 as proposed in the Senate bill. The conference agreement assumes that NTIA will receive an additional $20,844,000 through reimbursements from other agencies for the costs of providing spectrum management, analysis and research services to those agencies.

The conferees direct the General Accounting Office to review the relationship between the Department of Commerce and the Internet Corporation for Assigned Names and Numbers (ICANN) and to issue a report no later than June, 2000. The conferees request that GAO review: (1) the legal basis for the selection of U.S. representatives to ICANN's interim board and for the expenditure of funds by the Department for the costs of U.S. representation and participation in ICANN's proceedings; (2) whether U.S. participation in ICANN proceedings is consistent with U.S. law, including the Administrative Procedures Act; (3) a legal analysis of the Department of Commerce's opinion that OMB Circular A–25 provides ICANN, as a ''project partner'' with the Department of Commerce, authority to impose fees on Internet users for ICANN's operating costs; and (4) whether the Department has the legal authority to transfer control of the authoritative root server to ICANN. In addition, the conferees seek GAO's evaluation and recommendations regarding placing responsibility for U.S. participation in ICANN under the National Institute of Standards and Technology rather than NTIA, and request that GAO review the adequacy of security arrangements under existing Departmental cooperative agreements.

PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND CONSTRUCTION

The conference agreement includes $26,500,000 for the Public Telecommunications Facilities, Planning and Construction (PTFP) program, instead of $18,000,000 as proposed in the House bill, and $30,000,000 as proposed in the Senate bill. NTIA is expected to use this funding for the existing equipment and facilities replacement program, and to maintain an acceptable balance between traditional grants and those stations converting to digital broadcasting.

The conference agreement contains language, similar to a provision carried in fiscal year 1999, permanently making the Pan-Pacific Education and Communications Experiments by Satellite (PEACESAT) program eligible to compete for funding under this account, as proposed in the Senate bill.

The conference agreement retains the statutory citation for the program as proposed in the House bill, instead of the citations proposed in the Senate bill.

INFORMATION INFRASTRUCTURE GRANTS

The conference agreement includes $15,500,000 for NTIA's Information Infrastructure Grant program, instead of $13,000,000 as proposed in the House bill, and $18,102,000 as proposed in the Senate bill.

The conferees concur with both the House and Senate reports, which identify overlap between funding provided under this program and funding provided under Department of Justice, Office of Justice Programs, with respect to law enforcement communication and information networks, and which recommend that this program not be used to fund projects for which other sources of funding are available. The conferees also concur with language in the House report emphasizing the importance of increased telecommunications access in areas where service is not readily available and where assistance is not available through other mechanisms.

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

The conference agreement provides a total funding level of $871,000,000 for the Patent and Trademark Office (PTO), instead of $851,538,000 as proposed in the House bill, and $901,750,000 as proposed in the Senate bill. Of this amount, $755,000,000 is to be derived from fiscal year 2000 offsetting fee collections, and $116,000,000 is to be derived from carryover of prior year fee collections. This amount represents an increase of $86,000,000, or 11%, above the fiscal year 1999 operating level of the PTO.

The conference agreement includes language limiting the amount of carryover that may be obligated in fiscal year 2000 to $116,000,000, to conform to recently enacted authorization legislation, as proposed in the House bill.

The conference agreement also includes new language limiting the amount of fees in excess of $755,000,000 that becomes available for obligation on October 1, 2000 to $229,000,000.

The PTO is expected to follow the direction included in the House report concerning its partnership with the National Inventor's Hall of Fame and Inventure Place.

SCIENCE AND TECHNOLOGY

TECHNOLOGY ADMINISTRATION

UNDER SECRETARY FOR TECHNOLOGY/OFFICE OF TECHNOLOGY POLICY

SALARIES AND EXPENSES

The conference agreement includes $7,972,000 for the Technology Administration,

as proposed in both the House and Senate bills. No funds are made available beyond fiscal year 2000, as proposed in the House bill, instead of $600,000 made available through fiscal year 2001, as proposed in the Senate bill. The conferees concur with the direction contained in both the House and Senate reports.

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

The conference agreement includes $283,132,000 for the internal (core) research account of the National Institute of Standards and Technology, instead of $280,136,000 as proposed in the House bill, and $288,128,000 as proposed in the Senate bill.

The conference agreement provides funds for the core research programs of NIST as follows:

Electronics and Electrical Engineering	$38,771,000
Manufacturing Engineering	19,560,000
Chemical Science and Technology	32,493,000
Physics	28,697,000
Material Sciences and Engineering	52,010,000
Building and Fire Research	15,331,000
Computer Science and Applied Mathematics	45,352,000
Technology Assistance	17,723,000
Baldrige Quality Awards	4,958,000
Research Support	29,237,000
Subtotal, STRS	284,132,000
Deobligations	(1,000,000)
Total, STRS	283,132,000

The increase provided in the conference agreement above fiscal year 1999 is largely to fund increases in base requirements. The conference agreement also includes sufficient funding for selected program increases for the highest priority programs in computer science and applied mathematics and in technology assistance, and $1,600,000 to continue the disaster research program on effects of windstorms on protective structures and other technologies begun in fiscal year 1998. NIST is directed to follow the guidance included in the House report regarding the placement of NIST personnel overseas.

INDUSTRIAL TECHNOLOGY SERVICES

The conference agreement includes $247,436,000 for the NIST external research account instead of $99,836,000 as proposed in the House bill, and $336,336,000 as proposed in the Senate bill.

Manufacturing Extension Partnership Program.—The conference agreement includes $104,836,000 for the Manufacturing Extension Partnership Program (MEP), instead of $99,836,000 as proposed in the House bill, and $109,836,000 as proposed in the Senate bill. The conference agreement does not contain the limitation on a Center's level of funding proposed in the House bill.

The conferees concur with the Senate direction that the Northern Great Plains Initiative e-commerce project should assist small manufacturers for marketing and business development purposes in rural areas.

Advanced Technology Program.—The conference agreement includes $142,600,000 for the Advanced Technology Program (ATP), instead of $226,500,000 as proposed in the Senate bill, and no funding as proposed in the House bill. This is $60,900,000 below the fiscal year 1999 appropriation, and $96,100,000 below the original request. At the end of fiscal year 1999, the Administration revised the overall level requested for the program downward from $251,500,000 to $215,000,000, in part because the amount awarded for new grants in fiscal year 1999 totaled $41,500,000, which was $24,500,000 below the amount available for new awards. The amount of carryover into fiscal year 2000 was also substantially higher than had been anticipated. The requested level of new awards for fiscal year 2000 was also revised downward from $73,000,000 to $54,700,000. The funding levels contained in the conference agreement were considered in response to that revised request.

The recommendation provides the following: (1) $115,100,000 for continued funding requirements for awards made in fiscal years 1996, 1997, 1998, and 1999, to be derived from $46,700,000 in fiscal year 2000 funding, $64,600,000 from excess balances available from prior years, and $3,800,000 in anticipated deobligations in fiscal year 2000; (2) $50,700,000 for new awards in fiscal year 2000; and (3) $45,200,000 for administration, internal NIST lab support and Small Business Innovation Research requirements.

The conference agreement permits up to $500,000 of funding to be transferred to the Working Capital Fund, as proposed in the Senate bill.

CONSTRUCTION OF RESEARCH FACILITIES

The conference agreement provides $108,414,000 for construction, renovation and maintenance of NIST facilities, instead of $56,714,000 as proposed in the House bill, and $117,500,000 as proposed in the Senate bill.

Of this amount, $84,916,000 is for construction of the Advanced Metrology Laboratory. This will provide the balance of funds needed to initiate construction. Total funding available for construction, including funding provided in previous years, is $203,300,000. The conference agreement includes bill language making the $84,916,000 provided for this Laboratory available upon submission of a spending plan in accordance with Section 605 of this Act.

In addition, $11,798,000 is provided for safety, capacity, maintenance and major repair of NIST facilities.

In addition, $11,700,000 is provided for grants and cooperative agreements.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

The conference agreement provides a total funding level of $2,343,736,000 for all programs of the National Oceanic and Atmospheric Administration (NOAA), instead of $1,956,838,000 as proposed by the House, and $2,556,876,000 as proposed by the Senate. Of these amounts, the conferees have included $1,688,189,000 in the Operations, Research, and Facilities (ORF) account, $596,067,000 in the Procurement, Acquisition and Construction (PAC) account, and $59,480,000 in other NOAA accounts.

OPERATIONS, RESEARCH, AND FACILITIES

(INCLUDING TRANSFERS OF FUNDS)

The conference agreement includes $1,688,189,000 for the Operations, Research, and Facilities account of the National Oceanic and Atmospheric Administration instead of $1,475,128,000 as proposed by the House, and $1,783,118,000 as proposed by the Senate.

In addition to the new budget authority provided, the conference agreement allows a transfer of $68,000,000 from balances in the account titled ''Promote and Develop Fishery Products and Research Related to American Fisheries'', instead of $67,226,000 as proposed by the House, and instead of $66,426,000 as proposed by the Senate. In addition, the conference agreement reflects prior year deobligations totaling $36,000,000, unobligated balances of $2,652,000, and $4,000,000 in offsets from fee collections.

The conference agreement does not include language proposed in the House bill designating the amounts provided under this account for the six NOAA line offices. The Senate bill contained no similar provision.

The conference agreement includes language, as proposed by the House, which was adopted in the fiscal year 1999 appropriations Act, designating the amounts available for Executive Direction and Administration, and prohibiting augmentation of such offices through formal or informal personnel details, transfers, or reimbursements above the current level.

The conference agreement does not include or assume language proposed by the House, making the use of deobligated balances subject to standard reprogramming procedures. The conferees direct that any use of deobligations over and above the $36,000,000 assumed by the conference agreement will be undertaken only under the procedures set forth in section 605 of this Act.

The conference agreement does not include $34,000,000 in controversial new fisheries and navigation safety fees that were proposed in the budget request, although no details on the proposal were forthcoming. The House bill did not legislate the fees, but did assume the revenue from those fees would be available.

Budgetary and Financial Matters.—Language in the House report is adopted by reference relating to: (1) a revised budget structure, with the requested reports due by February 1, 2000; and (2) an operating plan for expenditure of funds, with the report due 60 days after the date of enactment.

Peer Review.—Language in the House report requiring peer review of all NOAA research is adopted by reference.

NOAA Commissioned Corps.—The conference agreement does not include bill language, as proposed by the House, setting a ceiling on the number of commissioned corps officers at not more than 250 by September 30, 2000. The Senate bill did not include a similar provision. With respect to the commissioned corps, as it is authorized by P.L. 105–384, the conferees understand that NOAA plans to reach a level of about 250 officers by the end of the fiscal year, up from the current level of 224, and expect to be notified if plans change significantly from that level.

The conference agreement includes language proposed by the House, providing such funds as may be necessary for NOAA commissioned corps retirement costs.

The conference agreement does not include a provision, as proposed by the Senate, permitting the Secretary to have NOAA occupy and operate research facilities at Lafayette, Louisiana.

NOAA is directed to report by March 1, 2000, on any requirement for new space for NOAA employees in the Gulf of Mexico area, including an explanation of the need for such space, and options for, and estimated costs of, obtaining the space. The report should also address the existing space that NOAA occupies in the area, and what would happen to the existing space.

The following table reflects the distribution of the funds provided in this conference agreement:

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION—OPERATIONS, RESEARCH AND FACILITIES—FISCAL YEAR 2000

[In thousands of dollars]

	FY99 enacted	FY00 request	FY00 House	FY00 Senate	FY00 conference
NATIONAL OCEAN SERVICE					
Navigation Services:					
Mapping and Charting	34,260	33,335	32,100	36,335	35,298
Address Survey Backlog	14,000	14,900	14,000	14,900	18,900
Subtotal	48,260	48,235	46,100	51,235	54,198
Geodesy	19,659	19,849	19,659	21,415	20,159
Tide and Current Data	12,000	14,883	12,390	15,273	12,390
Acquisition of Data	14,546	17,726	14,546	17,726	15,546
Total, Navigation Services	94,465	100,693	92,695	105,649	102,293
Ocean Resources Conservation and Assessment:					
Ocean Assessment Program	42,611	46,281	26,861	52,681	44,846
GLERL	.....	6,085	.....	6,825	.....
Transfer from Damage Assessment Fund	5,683	.....	.....	.....	.....
Response and Restoration	8,774	19,884	8,774	15,884	15,329
Oceanic and Coastal Research	7,410	7,970	5,410	9,470	8,470
Subtotal—Estuarine & Coastal Assessment	64,478	80,220	41,045	84,860	68,645
Coastal Ocean Program	18,400	19,430	18,200	18,430	17,200
Total, Ocean Resources Conservation & Assessment	82,878	99,650	59,245	103,290	85,845
Ocean and Coastal Management:					
CZM Grants	53,700	55,700	53,700	60,000	54,700
CZM 310 Grants	.....	28,000	.....	.....	.....
Estuarine Research Reserve System	4,300	7,000	5,650	7,000	6,000
Nonpoint Pollution Control	4,000	6,000	4,000	1,000	2,500
Program Administration	4,500	5,500	4,500	4,500	4,500
Subtotal, Coastal Management	66,500	102,200	67,850	72,500	67,700
Marine Sanctuary Program	14,350	26,000	16,500	18,500	23,000
Total, Ocean & Coastal Management	80,850	128,200	84,350	91,000	90,700
Total, NOS	258,193	328,543	236,290	299,939	278,838
NATIONAL MARINE FISHERIES SERVICE					
Information Collection and Analysis:					
Resource Information	106,675	96,918	98,100	112,520	108,348
Antarctic Research	1,200	1,200	1,200	1,800	1,234
Chesapeake Bay Studies	1,890	1,500	1,890	1,890	1,890
Right Whale Research	350	200	350	4,100	.....
MARFIN	3,000	3,000	2,500	3,000	2,750
SEAMAP	1,200	1,200	1,200	1,200	1,200
Alaskan Groundfish Surveys	900	661	661	900	900
Bering Sea Pollock Research	945	945	945	945	945
West Coast Groundfish	800	780	780	900	820
New England Stock Depletion	1,000	1,000	1,000	1,000	1,000
Hawaii Stock Management Plan	500	.....	.....	500	500
Yukon River Chinook Salmon	700	700	.....	1,500	1,200
Atlantic Salmon Research	710	710	710	710	710
Gulf of Maine Groundfish Survey	567	567	567	567	567
Dolphin/Yellowfin Tuna Research	250	250	250	250	250
Pacific Salmon Treaty Program	7,444	5,587	5,587	12,457	17,431
Hawaiian Monk Seals	700	500	500	1,050	750
Steller Sea Lion Recovery Plan	2,520	1,440	1,440	4,000	4,000
Hawaiian Sea Turtles	275	248	248	300	285
Bluefish/Striped Bass	1,000	.....	1,000	.....	1,000
Halibut/Sablefish	1,200	1,200	1,200	1,200	1,200
Narragansett Bay Coop Study	.....	.....	.....	806	.....
Subtotal	133,826	118,606	120,128	151,595	146,980
Fishery Industry Information:					
Fish Statistics	13,000	14,257	13,000	14,257	13,000
Alaska Groundfish Monitoring	5,500	5,200	5,200	6,325	5,500
PACFIN/Catch Effort Data	4,700	3,000	4,700	3,000	3,000
AKFIN (Alaska Fishery Information Network)	.....	.....	.....	3,000	2,500
RECFIN	3,900	3,100	3,100	3,900	3,700
GULF FIN Data Collection Effort	3,000	.....	3,000	4,000	3,500
Subtotal	30,100	25,557	29,000	34,482	31,200
Information Analyses and Dissemination	20,900	21,342	20,400	21,342	20,900
Computer Hardware and Software	4,000	4,000	750	4,000	3,500
Subtotal	24,900	25,342	21,150	25,342	24,400
Acquisition of Data	25,098	25,488	25,098	25,488	25,943
Total, Information, Collection, and Analyses	213,924	194,993	195,376	236,907	228,523
Conservation and Management Operations:					
Fisheries Management Programs	29,900	32,687	29,770	44,337	39,060
Columbia River Hatcheries	13,600	11,400	11,400	15,420	12,055
Columbia River Endangered Species	288	288	288	288	288
Regional Councils	13,000	13,300	12,800	13,300	13,150
International Fisheries Commissions	400	400	400	400	400
Management of George's Bank	478	478	478	478	478
Pacific Tuna Management	2,300	1,250	1,250	3,000	2,300
Fisheries Habitat Restoration	.....	22,700	.....	1,000	2,000
NE Fisheries Management	1,880	5,180	1,880	8,000	6,000
Subtotal, Fisheries Mgmt. Programs	61,846	87,683	58,266	86,223	75,731
Protected Species Management	6,200	9,406	6,200	6,200	6,200
Driftnet Act Implementation	3,378	3,278	3,278	3,650	3,439
Marine Mammal Protection Act	7,583	7,225	7,225	8,025	7,583
Endangered Species Act Recovery Plan	28,000	55,450	25,750	39,750	43,500
Dolphin Encirclement	3,300	3,300	3,300	3,300	3,300
Native Marine Mammals	750	700	200	1,150	950

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION—OPERATIONS, RESEARCH AND FACILITIES—FISCAL YEAR 2000—Continued

[In thousands of dollars]

	FY99 enacted	FY00 request	FY00 House	FY00 Senate	FY00 conference
Observers/Training	2,650	4,225	2,225	4,650	2,650
Subtotal	51,861	83,584	48,178	66,725	67,622
Habitat Conservation	9,000	10,858	9,000	10,858	9,200
Enforcement & Surveillance	17,775	19,121	17,775	19,121	17,950
Total, Conservation, Management & Operations	140,482	201,246	133,219	182,927	170,503
State and Industry Assistance Programs:					
Interjurisdictional Fisheries Grants	2,600	2,600	2,600	3,100	2,600
Anadromous Grants	2,100	2,100	2,100	2,100	2,100
Interstate Fish Commissions	7,750	4,000	7,750	7,750	7,750
Subtotal	12,450	8,700	12,450	12,950	12,450
Fisheries Development Program:					
Product Quality and Safety/Seafood Inspection	9,824	8,328	9,500	8,328	9,500
Hawaiian Fisheries Development	750	.....	.....	750	750
NE Safe Seafood Program	.....	.....	.....	300	.....
Subtotal	10,574	8,328	9,500	9,378	10,250
Total, State and Industry Programs	23,024	17,028	21,950	22,328	22,700
Total, NMFS	377,430	413,267	350,545	442,162	421,726
OCEANIC AND ATMOSPHERIC RESEARCH					
Climate and Air Quality Research:					
Interannual & Seasonal	14,900	16,900	12,900	18,900	16,900
Climate & Global Change Research	63,000	69,700	63,000	77,200	67,000
GLOBE	2,500	5,000	.....	2,500	3,000
Subtotal	80,400	91,600	75,900	98,600	86,900
Long-term Climate & Air Quality Research	30,000	34,600	30,000	32,000	30,000
Information Technology	12,000	13,500	12,000	13,500	12,750
Subtotal	42,000	48,100	42,000	45,500	42,750
Total, Climate and Air Quality Research	122,400	139,700	117,900	144,100	129,650
Atmospheric Programs:					
Weather Research	36,100	36,600	34,600	38,100	37,350
STORM	.....	.....	.....	2,000	2,000
Wind Profiler	4,350	4,350	4,350	4,350	4,350
Subtotal	40,450	40,950	38,950	44,450	43,700
Solar/Geomagnetic Research	6,000	6,100	6,000	7,100	7,000
Total, Atmospheric Programs	46,450	47,050	44,950	51,550	50,700
Ocean and Great Lakes Programs:					
Marine Research Prediction	26,801	22,300	19,501	36,190	27,325
GLERL	6,825	.....	6,825	.....	6,825
Sea Grant Program	57,500	51,500	58,500	60,500	59,250
National Undersea Research Program	14,550	9,000	.....	14,550	13,800
Total, Ocean and Great Lakes Programs	105,676	82,800	84,826	111,240	107,200
Acquisition of Data	12,884	13,020	12,884	13,020	12,952
Total, OAR	287,410	282,570	260,560	319,910	300,502
NATIONAL WEATHER SERVICE					
Operations and Research:					
Local Warnings and Forecasts	357,034	450,411	441,693	452,271	444,487
MARDI	64,036	.....	.....	.....	.....
Radiosonde Replacement	2,000	.....	2,000	.....	.....
Susquehanna River Basin flood system	1,250	619	1,250	1,000	1,125
Aviation forecasts	35,596	35,596	35,596	35,596	35,596
Advanced Hydrological Prediction System	.....	2,200	1,000	2,200	1,000
WFO Maintenance	.....	.....	.....	4,000	3,250
Subtotal	459,916	488,826	481,539	495,067	485,458
Central Forecast Guidance	35,574	37,081	37,081	37,081	37,081
Atmospheric and Hydrological Research	2,964	3,090	2,964	3,090	3,000
Total, Operations and Research	498,454	528,997	521,584	535,238	525,539
Systems Acquisition:					
Public Warnings and Forecast Systems:					
NEXRAD	38,346	39,325	38,346	39,325	38,836
ASOS	7,116	7,573	7,116	7,573	7,345
AWIPS/NOAA Port	12,189	38,002	32,150	38,002	32,150
Computer Facilities Upgrades	4,600	.....	.....	.....	.....
Total, Systems Acquisition	62,251	84,900	77,612	84,900	78,331
Total, NWS	560,705	613,897	599,196	620,138	603,870
NATIONAL ENVIRONMENTAL SATELLITE, DATA AND INFORMATION SERVICE					
Satellite Observing Systems:					
Ocean Remote Sensing	4,000	4,000	.....	4,000	4,000
Environmental Observing Systems	53,300	53,236	50,800	55,736	53,300
Global Disaster Information Network	.....	2,000	.....	2,000	.....
Total, Satellite Observing Systems	57,300	59,236	50,800	61,736	57,300
Environmental Data Management Systems	33,550	31,521	35,021	34,521	38,700

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION—OPERATIONS, RESEARCH AND FACILITIES—FISCAL YEAR 2000—Continued

[In thousands of dollars]

	FY99 enacted	FY00 request	FY00 House	FY00 Senate	FY00 conference
Data and Information Services	16,335	12,335	12,335	12,335	12,335
Regional Climate Centers	2,700	.....	2,500	3,000	2,750
Total, EDMS	52,635	43,856	49,856	49,856	53,785
Total, NESDIS	109,935	103,092	100,656	111,592	111,085
PROGRAM SUPPORT					
Administration and Services:					
Executive Direction and Administration	19,200	19,573	19,200	19,573	19,387
Systems Acquisition Office	700	712	700	712	712
Subtotal	19,900	20,285	19,900	20,285	20,099
Central Administrative Support	31,850	42,583	28,850	41,583	36,350
Retired Pay Commissioned Officers	7,000	.....	.....	.....	.....
Total, Administration and Services	58,750	62,868	48,750	61,868	56,449
Aircraft Services	10,500	11,019	10,500	11,019	10,760
Rent Savings	.....	(4,656)	(4,656)	.....	(4,656)
Total, Program Support	69,250	69,231	54,594	72,887	62,553
FLEET PLANNING AND MAINTENANCE	11,600	9,243	7,000	13,243	13,243
Facilities:					
NOAA Facilities Maintenance	1,650	1,818	1,800	1,818	1,809
NCEP/NORMAN Space Planning	150	.....	.....	.....	.....
Environmental Compliance	2,000	3,899	2,000	3,899	2,000
Sandy Hook Lease	2,000	.....	.....	.....	.....
WFO Maintenance	3,000	4,000	3,000	.....	.....
NMFS Facilities Management	.....	3,800	.....	.....	.....
Columbia River Facilities	4,465	3,365	3,365	.....	3,365
Boulder Facilities Operations	.....	3,850	.....	3,850	3,850
NARA Records Mgmt	.....	262	.....	262	.....
Total, Facilities	13,265	20,994	10,165	9,829	11,024
Direct Obligations	1,687,788	1,840,837	1,619,006	1,889,700	1,802,841
Offset for Fee Collections	.....	.....	.....	(4,000)	(4,000)
Reimbursable Obligations	195,767	195,767	195,767	195,767	195,767
Offsetting Collections (data sales)	3,600	3,600	3,600	3,600	3,600
Offsetting Collections (fish fees/IFQ CDQ)	4,000	4,000	4,000	4,000	4,000
Subtotal, Reimbursables	203,367	203,367	203,367	199,367	199,367
Total, Obligations	1,891,155	2,044,204	1,822,373	2,089,067	2,002,208
Financing:					
Deobligations	(33,000)	(33,000)	(36,000)	(33,000)	(36,000)
Unobligated Balance transferred, net	(969)	.....	(2,652)	.....	(2,652)
Coastal Zone Management Fund	(4,000)	.....	(4,000)	.....	.....
Offsetting Collections (data sales)	(3,600)	(3,600)	(3,600)	(3,600)	(3,600)
Offsetting Collections (fish fees/IFQ CDQ)	.....	(4,000)	(4,000)	(4,000)	(4,000)
Anticipated Offsetting Collections (fish fees)	(4,000)	(20,000)	(20,000)	.....	.....
Anticipated Offsetting Collections (navigation fees)	.....	(14,000)	(14,000)	.....	.....
Rent savings to finance Goddard	.....	.....	.....	(4,656)	.....
Federal Funds	(134,927)	(134,927)	(134,927)	(172,000)	(134,927)
Non-federal Funds	(60,840)	(60,840)	(60,840)	(23,767)	(60,840)
Subtotal, Financing	(241,336)	(270,367)	(280,019)	(241,023)	(242,019)
Budget Authority	1,649,819	1,773,837	1,542,354	1,848,044	1,760,189
Financing from:					
Promote and Develop American Fisheries	(63,381)	(64,926)	(67,226)	(66,426)	(68,000)
Damage Assess. & Restor. Revolving Fund	(4,714)	.....	.....	.....	.....
Coastal Zone Management Fund	.....	(4,000)	.....	(4,000)	(4,000)
Subtotal, ORF	1,581,724	1,704,911	1,475,128	1,777,618	1,688,189
By Transfer from Coastal Zone Management Fund	.....	4,000	.....	.....	.....
Direct Appropriation, ORF	1,581,724	1,708,911	1,475,128	1,777,618	1,688,189

The following narrative provides additional information related to certain items included in the preceding table.

NATIONAL OCEAN SERVICE

The conferees have provided a total of $278,838,000 under this account for the activities of the National Ocean Service (NOS), instead of $236,290,000 as recommended by the House, and $299,939,000 as recommended by the Senate.

Mapping and Charting.—The conference agreement provides $35,298,000 for NOAA's mapping and charting programs, reflecting continued commitment to the navigation safety programs of NOS and concerns about the ability of the NOS to continue to meet its mission requirements over the long term. Of this amount, $32,718,000 is provided for the base mapping and charting program. Within the total funding provided under Mapping and Charting, the conference agreement includes $2,580,000 for the joint hydrographic center established in fiscal year 1999.

The conference agreement also includes $18,900,000 under the line item Address Survey Backlog/Contracts exclusively for contracting out with the private sector for data acquisition needs. This is $4,000,000 above the request and is intended to help keep the level of effort close to fiscal year 1999, when the program had a significant amount of carryover in addition to the fiscal year 1999 funding for the program.

Geodesy.—The conference agreement provides $20,159,000 for geodesy programs, including $19,159,000 for the base program, $500,000 for initial planning of the National Height System Demonstration, as provided in the House report, and $500,000 for the geodetic survey referenced in the Senate report.

Tide and Current Data.—The conference agreement includes $12,390,000 for this activity, including $12,000,000 for the base program and $390,000 for a one-time Year 2000 fix for Great Lakes Buoys, as provided by both the House and Senate bills.

Ocean Assessment Program.—The conference agreement includes $44,846,000 for this activity. Within the amounts provided for ocean assessment, the conference agreement includes the following: $12,685,000 for the base program; $15,100,000 for NOAA's Coastal Services Center, of which $2,500,000 is for coastal hazards research and services and development of defense technologies for environmental monitoring, and $100,000 is one-time funding for the Community Sustainability Center, as referenced in the Senate report; $5,800,000 to continue the Cooperative

Institute for Coastal and Estuarine Environmental Technology; $900,000 for the South Florida Ecosystem Restoration program; $2,000,000 to support coral reef studies in the Pacific and Southeast, of which $1,000,000 is for Hawaiian coral reef monitoring, $500,000 is for reef monitoring in Florida, and $500,000 is for reef monitoring in Puerto Rico, through the Department of Natural Resouces; $3,925,000 for pfisteria and other harmful algal bloom research and monitoring, of which $500,000 is for a pilot project to preemptively address emerging problems prior to the occurrence of harmful blooms, to be carried out by the South Carolina Department of Marine Resources; $2,000,000 for the JASON project and $2,436,000 for the NOAA Beaufort/Oxford Laboratory. In addition, the conference agreement also includes an additional $5,200,000 under Ocean and Coastal Research and the Coastal Ocean Program for research on pfisteria, hypoxia and other harmful algal blooms.

The conferees direct NOS to evaluate the need and requirements for a collaborative program in Hawaii to develop and transfer innovative applications of technology, remote sensing, and information systems for such activities as mapping, characterization and coastal hazards that will improve the management and restoration of coastal habitat throughout the U.S. Pacific Basin by bringing together government, academic, and private sector partners.

Office of Response and Restoration.—The conference agreement includes $15,329,000 for this activity, including: $2,674,000 for Estuarine and Coastal Assessment, $5,155,000 for Damage Assessment, $1,000,000 in accordance with the Oil Pollution Act of 1990, $6,000,000 for coral reef mapping and debris removal, and $500,000 for Coastal Resource Coordination. These funds may be used for mapping coral reefs; for the management and protection of coral reefs within Federal jurisdiction; and for activities that respond to requests from States and territories for assistance in managing and protecting coral reefs within the jurisdiction of those States and territories.

Ocean and Coastal Research.—The conference agreement includes $8,470,000 for this activity, which includes the budget request and an additional $500,000 for the Marine Environmental Health Research Laboratory.

The conference agreement does not include the proposed transfer of the Great Lakes Environmental Research Laboratory (GLERL) from Oceanic and Atmospheric Research to NOS.

Coastal Ocean Program.—The conference agreement provides $17,200,000 for the Coastal Ocean Program (COP), of which $4,200,000 is provided for research related to hypoxia, pfisteria, and other harmful algal blooms. The managers of COP are directed to follow the direction included in the House report regarding Long Island Sound, as well as the direction included in the Senate report concerning research on small high-salinity estuaries and the land use-coastal ecosystem study. The conference agreement also assumes continued funding at the current level for restoration of the South Florida ecosystem.

Coastal Zone Management.—The conference agreement includes $67,700,000 for this activity, of which $54,700,000 is for grants under sections 306, 306A, and 309 of the Coastal Zone Management Act (CZMA), an increase of $1,000,000 over fiscal year 1999, and $4,500,000 for Program Administration. In addition, the conference agreement includes $2,500,000 for the Non-Point Pollution program authorized under section 6217 of the CZMA. No funding is provided under section 310, as in both the House and Senate bills, because there is no authorization of appropriations to make grants under that section. The conference agreement also includes $6,000,000 for the National Estuarine Research Reserve program, an increase of $1,700,000 above fiscal year 1999. The conferees concur with the direction in the House report relating to the assessment of administrative charges under the CZMA.

Marine Sanctuary Program.—The conference agreement includes $23,000,000 for the National Marine Sanctuary Program, an increase of $8,700,000 over fiscal year 1999. Of this amount, $500,000 is provided to support the activities of the Northwest Straits Citizens Advisory Commission as outlined in the House and Senate reports. In addition, not to exceed $500,000 may be provided in one-time support of the Marine Debris Conference referenced in the Senate report under the National Marine Fisheries Service, with the direction that other contributions from sources outside of NOAA be sought to support the conference.

NATIONAL MARINE FISHERIES SERVICE

The conference agreement includes a total of $421,726,000 for the National Marine Fisheries Service (NMFS), instead of $350,545,000, as recommended by the House and $442,162,000, as recommended by the Senate.

In addition, $4,000,000 is authorized to be collected under the Magnuson-Stevens Act to support the Community and Individual Fishery Quota Program. The conferees recommend $500,000 for the Hawaiian Community Development Program, as referenced in the Senate report.

Resource Information.—The conference agreement provides $108,348,000 for fisheries resource information. Within the funds provided for resource information, $91,048,000 is provided for the base programs, including $750,000 for west coast groundfish and $3,500,000 for Magnuson-Stevens implementation added in fiscal year 1999, of which $750,000 is for a Narragansett Bay Cooperative Study. In addition, NMFS is expected to continue to provide onsite technical assistance to the National Warmwater Aquaculture Research Center under the direction included in the Senate report. The conferees concur with the language in the Senate report regarding any shift of work now performed by the Alaska and Southwest Fisheries Science Centers.

In addition, within the total funds provided for resource information, the conference agreement includes: $1,750,000 for additional implementation of the Magnuson-Stevens Act in the North Pacific as directed in the Senate report, funding for MARMAP at the same level as in the House and Senate, under the direction in the Senate report: $1,700,000 for the Gulf of Mexico Stock Enhancement Consortium, $1,250,000 for research on Alaska near shore fisheries, to be distributed in accordance with the Senate report, $200,000 for an assessment of Atlantic herring and mackerel, $450,000 for the Chesapeake Bay oyster recovery partnership, $300,000 for research on the Charleston bump, $300,000 for research on shrimp pathogens, $150,000 for lobster sampling, $350,000 for bluefin tuna tagging, of which $250,000 is for the northeast; $500,000 for the Chesapeake Bay Multi-species Management Strategy (including blue crab), $200,000 for the Northeast Fisheries Science Center for the Cooperative Marine Education and Research Program, under the direction in the Senate report, and $300,000 for research on Southeastern sea turtles under the direction of the Senate report. In addition, within the amounts provided for Resource Information, $8,000,000 is included to continue the aquatic resources environmental initiative, and $1,000,000 is provided to continue the activities of the Gulf and South Atlantic Fisheries Development Foundation for data collection and analyses in the red snapper and shrimp fisheries. The conferees acknowledge the work being done at the Xiphophorus Genetic Stock Center to improve the understanding of fish genetics and evolution, and urge NMFS to continue to work with the Center in fiscal year 2000. The conferees concur with language in the Senate report encouraging oyster disease research under the Saltonstall-Kennedy research grant program.

The conferees concur with the language in the House report concerning the migratory shark fishery, and reiterate the request for a report with recommendations for short and long term solutions within 45 days of enactment of this Act. The conferees direct NMFS to continue collaborative research with the Center for Shark Research and other qualified institutions, to provide the information necessary for effective management of the highly migratory shark fishery and conservation of shark fishery resources.

Under the MARFIN line, $2,500,000 is provided for base activities, and $250,000 is provided for Northeast activities. Funding is also provided for bluefish and striped bass research in accordance with the House report. Funding for right whale research and recovery activities is provided under the Endangered Species line. Under Yukon River Chinook Salmon, $700,000 is provided for base activities, and $500,000 is provided for the Yukon River Drainage Fisheries Association. Under the Pacific Salmon Treaty Program, $5,587,000 is provided for base activities, $1,844,000 is provided for the Chinook Salmon Agreement. In addition, under this line, $10,000,000, subject to express authorization, is provided as the initial capital for the Southern Boundary and Transboundary Rivers Restoration and Enhancement Fund arising out of the June 30, 1999, Agreement of the United States and Canada on the Treaty Between the United States and Canada Concerning Pacific Salmon. The conference agreement includes $4,000,000 for steller sea lion recovery, to be utilized according to the direction in the Senate report.

Fishery Industry Information.—The conference agreement provides $31,200,000 for this activity. Within the funds provided for Alaska Groundfish Monitoring, the conference agreement includes funding for the base program and NMFS rockfish research at the fiscal year 1999 level. In addition, $850,000 is provided for crab research developed jointly by NMFS and the State of Alaska, and $800,000 is provided for the State of Alaska to use in implementing Federal fishery management plans for crab, scallops and for rockfish research. In addition, the conference agreement provides $150,000 each for Gulf of Alaska Coastal Communities Coalition and NMFS Alaska region infield monitoring program. No funding is provided for the Bering Sea Fisherman's Association CDQ.

Within the funds provided for Fishery Industry Information, the conference agreement provides $3,700,000 for recreational fishery harvest monitoring, including $500,000 for the annual collection of data on marine recreational fishing, with the balance to be expended in accordance with the direction included in the Senate report. Funds are also

appropriated under this activity for the Pacific Fisheries Information Network, including Hawaii, and the Alaska Fisheries Information Network as two separate lines in accordance with the direction included in the Senate report. In addition, funding is provided for the Gulf of Mexico Fisheries Information Network. The conferees agree that NMFS should coordinate the techniques used by the agency to collect data on a national basis while taking into account the unique characteristics of the regional commercial and recreational fisheries. The conferees believe this objective can best be accomplished by relying on the regional information networks administered by the interstate Marine Fisheries Commissions. In addition, the conferees expect NMFS to provide the report on the state of U.S. fishery resources referenced in the Senate report.

The conferees recommend $3,500,000 for computer hardware and software development, including $750,000 for the Pacific Marine Fisheries Commission to develop catch reporting software in connection with West Coast States, which will allow electronic reporting of fish ticket information in a manner compatible with systems utilized in various regulatory and monitoring agencies as well as private industry.

The conferees understand that NMFS was using funds to develop its own computer software rather than seeking readily available software. In addition, the software that it was developing may not be compatible with State data collection programs, which means that States may be required to make changes in their systems to accommodate the federal system. In addition, NMFS was not consulting with the affected States and regulatory agencies as required by section 401 of the Magnuson-Stevens Act.

To address this inadequacy, the managers direct NMFS to develop catch data standards which set guidelines on the content of information it requires and the format for transmitting it. That will enable States and private industry to continue to use their existing systems so long as they comply with NMFS standards and guidelines. NMFS may also use the funds provided to develop its own internal software program to manipulate the data it receives from fishermen and state regulators and produce the reports it needs to effectively manage the fisheries.

Under the Acquisition of Data line, within the total of $25,943,000, an additional $650,000 is provided for additional days at sea for the Gordon Gunter.

Fisheries Management Programs.—The conference agreement includes $39,060,000 for this activity. Within this amount, $33,330,000 is provided for base activities, including $3,500,000 for NMFS facilities at Sandy Hook and Kodiak. Within funding determined to be available, if initial funding is required, the conferees also expect funds to be provided for the Santa Cruz Fisheries Laboratory. Also, the conferees expect the Atlantic Salmon Recovery Plan and the State of Maine Recovery Plan to continue to be funded from within base resources. In addition, $230,000 is provided for the Pacific Coral Reef fisheries management plan, as described in the Senate report; $500,000 is provided for Bronx River recovery and restoration; $5,000,000 for American Fisheries Act Implementation, including $500,000 each for the North Pacific Fishery Management Council and the State of Alaska.

The conference agreement appropriates a total of $15,420,000 for NOAA support of Columbia River hatcheries programs, including $12,055,000 under the NMFS. Within the amount provided under the line item Columbia River hatcheries, NMFS is expected to support hatchery operations at a level of $11,400,000, and to use the additional funding to support salmon marking activities as described in the Senate report.

Under the Pacific Tuna Management line, $400,000 is for swordfish research as referenced in the Senate report, and the balance for JIMAR.

For New England Fisheries Management, $4,000,000 is for NMFS cooperative research, management, and enforcement, including enhanced stock assessments and discard mortality monitoring. In addition, $2,000,000 is for Northeast Consortium activities, as referenced in the Senate report. The conferees direct NMFS to collaborate with the New England Fisheries Management Council and affected stakeholders to design and prioritize cooperative research programs, and to develop a long-term, comprehensive strategy to rebuild Northeast groundfish stocks.

Protected Species Management.—Within the funds provided for protected species management, $750,000 is for continuation of a study on the impacts of California sea lions and harbor seals on salmonids and the West Coast ecosystem.

Driftnet Act Implementation.—Within the funds provided for Driftnet Act Implementation, $75,000 is for the Pacific Rim Fisheries Program, and $25,000 is for Washington and Alaska participation.

Endangered Species Recovery Plans.—A total of $43,500,000 is provided for this activity. Of these amounts, $43,000,000 is for the base program, $250,000 is to be made available for the State of Alaska for technical support to analyze proposed salmon recovery plans, and $250,000 is for the North Pacific Fishery Management Council for the purposes directed in the Senate report. The amount for the base program represents an increase of $17,250,000. Of this increase, $3,250,000 is provided for additional Pacific salmon-related activities, and $3,000,000 is provided for additional right whale activities. Together with the amount already in the base for right whales, this will result in a $4,100,000 funding level for right whale activities, which is to be expended in accordance with the Senate report. Other than salmon and right whales, the conferees expect that all activities will be kept at least at the fiscal year 1999 level, including Steller sea lion activities.

The conference agreement adds $11,000,000 to the $32,500,000 included in the previous conference report for the endangered species act recovery plan. The conferees expect these funds to be used for recovery plans for all endangered fish, marine mammals and sea turtles and not just for salmon in the northwest. In addition, the conferees expect NOAA to submit a staffing plan for the allocation of any new employees hired for this program in fiscal year 2000 and their proposed allocation by region.

Native Marine Mammal Commissions.—The conference agreement recommends that funding be distributed as follows: (1) $400,000 for the Alaska Eskimo Whaling Commission; (2) $150,000 for the Alaska Harbor Seal Commission; (3) $225,000 for the Beluga Whale Committee; (4) $50,000 for the Bristol Bay Native Association; and (5) $125,000 for the Aleut Marine Mammal Commission.

Observers and Training.—The conference agreement distributes funding as follows: (1) $425,000 for the North Pacific Fishery Observer Training Program; (2) $1,875,000 for North Pacific marine resource observers; and (3) $350,000 for east coast observers. Before initiating funding for a West Coast observer program, the conferees request that NMFS provide a report on the options for funding such a program, and include a comparison of how current programs in the North Pacific and the East Coast are funded with the proposal for the West Coast.

Interstate Fish Commissions.—The conference agreement includes $7,750,000 for this activity, of which $750,000 is to be equally divided among the three commissions, and $7,000,000 is for implementation of the Atlantic Coastal Fisheries Cooperative Management Act.

Fisheries Development Program.—Within the amount provided for the Fisheries Development Program, funding for the administrative costs of the Fisheries Finance program has been retained under this account, as provided in the House bill, instead of transferred to the Fisheries Finance Program account, as provided in the Senate bill. Language with respect to the administration of the Hawaiian Fisheries Development program and Hawaii Stock Enhancement included in the Senate report is adopted by reference.

Other.—In addition, within the funds available for the Saltonstall-Kennedy grants program, the conferees direct that funding be provided to the Alaska Fisheries Development Foundation to be used in accordance with the direction included in the Senate report, and that funds be provided pursuant to the direction included in both the House and Senate reports to support ongoing efforts related to Vibrio vulnificus.

OCEANIC AND ATMOSPHERIC RESEARCH

The conference agreement includes a total of $300,502,000 for Oceanic and Atmospheric Research activities, instead of $260,560,000 as recommended by the House and $319,910,000 as recommended by the Senate.

Interannual and Seasonal Climate Research.—The conferees have provided $16,900,000 for interannual and seasonal climate research. Within this amount, the conference agreement provides $2,000,000 to support climate and air quality monitoring and climatological modeling activities as described in the Senate report, and $2,000,000 is provided for the Ocean Observations program, to be expended only if other countries involved in the project are also providing funding.

Climate and Global Change Research.—The conference agreement includes $67,000,000 for the Climate and Global Change research program, an increase of $4,000,000 above the amounts provided in fiscal year 1999. Of this amount, the conference agreement includes an increase of $2,000,000 for the International Research Institute for Climate Prediction to fund planned modeling initiatives in water, agriculture, and public health, and will result in improved forecasting related to major climate events. Program increases of $1,000,000 for the Variability Beyond ENSO and $1,000,000 for Climate Forming Agents are also provided.

Long-term Climate and Air Quality Research.—The conference agreement provides $30,000,000 for this activity, as proposed by the House, instead of $32,000,000 as proposed by the Senate. Funding is distributed in the same manner as in fiscal year 1999. The conferees concur with language in the House report regarding research and a report on natural sources and removal for low-atmosphere ozone.

GLOBE.—A total of $3,000,000 is provided for this program, instead of $2,500,000 as proposed by the Senate. The House bill did not include funding for this program. NOAA is expected to comply with the direction included in the Senate report regarding this program.

Atmospheric Programs.—The conference agreement provides $37,350,000 for the weather research activity. Of this amount $1,500,000 is provided for research related to wind-profile data in accordance with the direction provided in the Senate report. In addition, $1,000,000 is provided for the U.S. Weather Research Program for hurricane-related research. This funding is intended to be used for improvements in hurricane prediction, and is not intended as initial funding for a large-scale general research program under the U.S. Weather Research Program, which is primarily funded through other Federal agencies.

STORM.—The conference agreement includes $2,000,000 as one-time funding for the Science Center for Teaching, Outreach and Research on Meteorology for the collection and analysis of weather data in the Midwest.

Solar/Geomagnetic Research.—The conference agreement includes $7,000,000 for this activity, which includes $6,000,000 for base programs, and $1,000,000 for the study of radio propagation physics and technology development associated with satellite-based telecommunications, navigation, and remote sensing, as referenced in the Senate report.

Marine Prediction Research.—The conference agreement includes $27,325,000 for marine prediction research. Within this amount, the following is provided: $8,875,000 for the base program; $1,650,000 for Arctic research, as directed in the House report; $2,400,000 for the Open Ocean Aquaculture program; $2,300,000 for tsunami mitigation; $2,100,000 for the VENTS program; $4,000,000 for continuation of the initiative on aquatic ecosystems recommended in the House report; $1,650,000 for implementation of the National Invasive Species Act, of which $850,000 is for the ballast water demonstration as directed in the Senate report; $500,000 for support for the Gulf of Maine Council; $2,000,000 for mariculture research; $1,450,000 for ocean services; $250,000 for the Pacific tropical fish program to be administered by HIEDA; and $150,000 for Lake Champlain studies. Due to recently enacted changes in the National Sea Grant Program Authorization Act, future activities related to Lake Champlain are expected to be funded through the regular Sea Grant program.

GLERL.—Within the $6,825,000 provided for the Great Lakes Environmental Research Laboratory, the conference agreement assumes continued support for the Great Lakes nearshore research and zebra mussel research programs at current levels.

Sea Grant.—The conference agreement appropriates $59,250,000 for the National Sea Grant program, of which $53,750,000 is for the base program, a $1,550,000 base increase over fiscal year 1999. The conferees expect NOAA to continue to fund the existing oyster disease research programs at their current levels and the zebra mussel research program at $3,000,000 within these amounts. The Sea Grant program and NMFS are urged to work with the West Coast Harmful Algal Bloom Workgroup to develop a research plan to address the causes of harmful algal blooms and a monitoring and prevention program.

National Undersea Research Program (NURP).—The conference agreement provides $13,800,000 for the National Undersea Research Program (NURP). The conferees expect the funds to be distributed to the east coast NURP centers according to fiscal year 1999 allocations, and to the west coast centers according to fiscal year 1998 allocations. The conferees expect level funding will be made available for the Aquarius, ALVIN and program administration. The fiscal year 2000 amount above these distributions shall be equally divided between east and west coast NURP centers.

NATIONAL WEATHER SERVICE

The conference agreement includes a total of $603,870,000 for the National Weather Service (NWS), instead of $599,196,000 as proposed by the House, and $620,138,000 as proposed by the Senate.

Local Warnings and Forecasts/Base Operations.—The amount provided includes $444,487,000 for this activity, an increase of $23,417,000 above the fiscal year 1999 level, including MARDI. All requested increases to base activities are provided, except for $1,935,000 in non-labor cost increases and $3,634,000 of the request to cover labor-cost deficiencies. The House and Senate Appropriations Committees expect that if the amount to cover labor-cost deficiencies is insufficient, NWS will submit a reprogramming. The conference agreement provides $4,500,000 for mitigation activities, an increase of $716,000 over fiscal year 1999. Increases for the Cooperative Observers Network and Aircraft Observations are not provided. Within the total amount provided for Local Warnings and Forecasts, $1,522,000 is for NOAA weather radio transmitters to be distributed in accordance with the direction included in the House and Senate reports, except that the amount for Wyoming weather transmitters is $200,000, and the amount for Illinois weather transmitters is $650,000. The conference agreement includes $513,000, as provided in the Senate report, for the creation of a fine-scale numerical weather analysis and prediction capability, as referenced in the House report. The conference agreement also includes funding, as requested, for data buoys and coastal marine automated network stations. Funding of $3,250,000 for WFO maintenance is provided under this heading.

The conferees concur with the language in the House and Senate reports relating to the Modernization Transition Committee/mitigation process to address the adequacy of NEXRAD coverage in certain areas. NOAA is expected to follow the recommendations contained in reports or applicable agreements requiring mitigation activities. The conferees also reiterate language in the fiscal year 1999 conference agreement addressing continued radar obstruction at the Jackson NEXRAD facility.

In addition, the conferees expect the NWS to continue the activities of NOAA's Cooperative Institute for Regional Prediction related to the 2002 Winter Olympic games.

NATIONAL ENVIRONMENTAL SATELLITE, DATA AND INFORMATION SERVICE

The conference agreement includes $111,085,000 for NOAA's satellite and data management programs. In addition, the conference agreement includes $457,594,000 under the NOAA PAC account for satellite systems acquisition and related activities.

Satellite Observing Systems.—The conferees have included $57,300,000 for this activity, the same amount and the same distribution as in fiscal year 1999. Funding for the wind demonstration project is to be provided in accordance with the Senate report.

Environment Data Management.—The conferees have included $53,785,000 for EDMS activities. Under EDMS base activities, the conference agreement includes $24,000,000, an increase of $650,000, to be expended as directed in the House report. No funds are included to continue weather record rescue and preservation activities or the environmental data rescue program. The conference agreement includes $500,000 for the Cooperative Observers Network modernization. In addition, $4,000,000 is included for the Coastal Ocean Data Development Center, as referenced in the Senate report. In addition, the conferees have provided $10,200,000 to initiate a new, multi-year program for climate database modernization and utilization, to include but not be limited to key entry of valuable climate records, archive services, and database development. The conferees note the Administration's recent initiatives in support of reinvestment in economically distressed communities within Appalachia and intend that work under this program must be performed by existing and experienced concerns currently located in the Appalachian counties of Laurel and Mineral, which are experiencing high unemployment and poverty. The conference agreement includes $2,750,000 for the Regional Climate Centers.

PROGRAM SUPPORT

The conference agreement provides $62,553,000 for NOAA program support, instead of $54,594,000 as provided in the House bill, and $72,887,000, as provided in the Senate bill. Included in this total is $36,350,000 for Central Administrative Support, which is comprised of $31,850,000 for base activities and $4,500,000 for the Commerce Automated Management System.

FLEET PLANNING AND MAINTENANCE

The conference agreement includes an appropriation of $13,243,000 for this activity, as recommended in the Senate bill, instead of $7,000,000 included in the House bill. This amount includes $1,000,000 for equipping the RAINIER and $3,000,000 for NOPP-related activities.

FACILITIES

The conference agreement includes $11,204,000 for facilities maintenance, lease costs, and environmental compliance, instead of $10,165,000 as recommended in the House bill, and $9,829,000 as recommended in the Senate bill. Included in this total is $3,850,000 in lease payments to the General Services Administration (GSA) for the new Boulder facility. The conferees are aware that the GSA is applying 8% return-on-investment pricing to determine the rent that NOAA pays for the facility, with the possibility that the percentage will increase significantly in future years. The conferees believe that this results in an excessive rental charge that is not justified by the facts, and that a fair and reasonable return would be 6.25% amortized over 30 years. NOAA is directed to provide to the House and Senate Committees on Appropriations at the earliest opportunity the options that exist to moderate the cost of rental payments, and to consult with the Committees on the next steps to take to assure that NOAA does not get saddled with an excessive rental payment.

PROCUREMENT, ACQUISITION AND CONSTRUCTION (INCLUDING TRANSFERS OF FUNDS)

The conference agreement includes a total of $596,067,000 in direct appropriations for the Procurement, Acquisition and Construction account, and assumes $7,400,000 in deobligations from this account. The following distribution reflects the fiscal year 2000 funding provided for activities within this account:

Systems Acquisition:	
AWIPS	$16,000,000
ASOS	3,855,000
NEXRAD	8,280,000
Computer Facilities Upgrades	11,100,000

Polar Spacecraft and Launching	190,979,000
Geostationary Spacecraft and Launching	266,615,000
Radiosonde Replacement	7,000,000
GFDL Supercomputer	5,000,000
Subtotal, Systems Acquisition	508,829,000
Construction:	
WFO Construction	9,526,000
NERRS Construction	13,250,000
N.Y. Botanical Gardens	1,500,000
Alaska Facilities	9,750,000
NORC Rehabilitation	3,045,000
Marine Sanctuaries Construction	3,000,000
Suitland Facility	3,000,000
Subtotal, Construction	43,071,000
Fleet Replacement:	
Fishery Vessel	51,567,000
Subtotal, Fleet Replacement	51,567,000

Systems Acquisition.—The conference agreement provides $16,000,000 to initiate AWIPS Build 5.0. NWS is requested to provide quarterly reports on the status of the project, progress in meeting milestones, amount expended to date, expected overall cost, and problems encountered.

Construction.—The funds appropriated for the National Estuarine Research Reserve construction are to be distributed as follows: $6,000,000 is for overall NERRS requirements, $4,000,000 is for the Great Bay NERR, $2,500,000 is for the Kachemak Bay NERR, the latter two as recommended in the Senate report, and $750,000 is for the Jacques Cousteau NERR. The funds appropriated for Alaska facilities are to be distributed as follows: $750,000 is for the Juneau Lab, $3,500,000 is for Ship Creek, and $5,500,000 is for the SeaLife Center. The conference agreement provides $3,000,000 for preliminary design work for a new building in the Suitland Federal Center to be built by the General Services Administration. Prior to obligating these funds, the conferees expect NOAA to provide a report detailing the total estimated cost of the new building, including a breakout by fiscal year of the amounts proposed to be paid by both the GSA and NOAA, as well as a recapitulation of the options that were considered in reaching a decision on the proposed facility, and then consult with the Committees on the report.

The conferees are also interested in receiving a report on any planning for new space related to other facilities in the area by January 15, 2000.

PACIFIC COASTAL SALMON RECOVERY

In addition to $20,000,000 provided elsewhere in this bill for initial capital for implementation of the 1999 Pacific Salmon agreement, the conference agreement includes $58,000,000 for salmon habitat restoration, stock enhancement, and research. Of this amount, $18,000,000 is provided to the State of Washington, $14,000,000 is provided to the State of Alaska, $9,000,000 is provided to the State of Oregon, and $9,000,000 is provided to the State of California. In addition, $6,000,000 is provided to the Pacific Coastal tribes (as defined by the Secretary of Commerce) and $2,000,000 is provided to Columbia River tribes.

The States of Alaska, Oregon, and California, and the tribes are strongly encouraged to each enter into a Memorandum of Understanding (MOU) with NMFS regarding projects funded under this section. The MOU should not require federal approval of individual projects, but should define salmon recovery strategies. All states and tribes that receive funding shall report to the Secretary of Commerce, the Senate and House Committees on Appropriations, the Senate Committee on Commerce, Science, and Transportation, and the House Committee on Resources on progress of salmon recovery efforts funded under this heading by not later than September 1, 2000.

The 1999 Pacific Salmon Treaty Agreement provides a comprehensive, coastwide conservation program for the protection of Pacific salmon, including domestic and Canadian fisheries. In particular, it provides significant harvest reductions in Alaska below previous restrictions implemented in 1985 and 1995, each of which further reduced the impact of Alaska's fisheries on listed stocks. Therefore, any recovery efforts shall not be based on or anticipate exploitation rates in Alaska not included in the 1999 Agreement, but should include other quantifiable goals and objectives, such as escapement and production, required for the recovery of listed salmon.

The conference agreement provides $18,000,000 for the State of Washington which is to be provided directly to the Washington State Salmon Recovery Board to distribute for salmon habitat projects, other salmon recovery activities, and to implement the Washington Forest and Fish Agreement authorized by the Washington State Legislature. The conferees urge, with input from the Board, local governments, local watershed organizations, tribes, and other interested parties, that clear, scientifically-based goals and objectives for salmon recovery in Washington State be established by NMFS and be rendered in the form of numerical goals and objectives for the recovery of each species of salmon listed under the Endangered Species Act in Washington State. The conferees expect such goals and objectives to specify the outcome to be achieved for the salmon resource in order to satisfy the requirements of the Endangered Species Act. The conferees anticipate that by July 1, 2000, NMFS will have established numerical goals and objectives for the recovery of salmon in the Puget Sound ESU, and will have produced a schedule for completion of numerical goals and objectives for all other parts of the State. The conferees expect that the Board will establish performance standards to inform its project funding decisions, and will give due deference to the project prioritization work being performed by local watershed organizations. Entities eligible to receive federal funds for salmon recovery projects and activities from the Board include local governments, tribes, and nonprofit organizations, such as the Puget Sound Foundation. Funds appropriated by this Act may be distributed by the Board on a project-by-project basis or advanced in the form of block grants. Not more than one percent of these federal funds shall be used for the Board's administrative expenses, and not more than one percent of the remaining federal monies distributed by the Board for habitat projects and recovery activities shall be used by the eligible entities for administrative expenses. None of the $18,000,000 shall be used for the buy back of commercial fishing licenses or vessels. Nothing in this Act shall impair the authority of the Board to expend funds appropriated to it by the Washington State Legislature. Funds provided to tribes in Washington State from the $8,000,000 appropriated for Pacific Coastal and Columbia River Tribes shall be used only for grants for planning (not to exceed 10 percent of any grant), physical design, and completion of restoration projects.

The funds provided for salmon and steelhead recovery efforts in the State of Oregon shall be provided to the Oregon Watershed Enhancement Board (OWEB). The OWEB shall provide funding for salmon recovery projects and activities including planning, monitoring, habitat restoration and protection, and improving State and local council capacity to implement local projects which directly support salmon recovery.

COASTAL ZONE MANAGEMENT FUND

The conference agreement includes an appropriation of $4,000,000, as provided in both the House and the Senate bills. This amount is reflected under the National Ocean Service within the Operations, Research, and Facilities account.

PROMOTE AND DEVELOP FISHERY PRODUCTS AND RESEARCH PERTAINING TO AMERICAN FISHERIES

FISHERIES PROMOTIONAL FUND

(RESCISSION)

The conference agreement includes a rescission of all unobligated balances available in the Fisheries Promotional Fund, as provided in the House bill. The Senate bill included a rescission of $1,187,000 from this Fund.

FISHERMEN'S CONTINGENCY FUND

The conference agreement includes $953,000 for the Fishermen's Contingency Fund, as provided in both the House and Senate bills.

FOREIGN FISHING OBSERVER FUND

The conference agreement includes $189,000 for the expenses related to the Foreign Fishing Observer Fund, as provided in both the House and Senate bills.

FISHERIES FINANCE PROGRAM ACCOUNT

The conference agreement provides $338,000 in subsidy amounts for the Fisheries Finance Program Account, instead of $238,000 as provided in the House bill and $2,038,000 as provided in the Senate bill. The Senate provision included $1,700,000 for administrative costs of the program, which the conference agreement provides under the Operations, Research and Facilities account, as provided in the House bill. The agreement includes $100,000 above the House level to continue entry level and small vessel Individual Fishery Quota obligation guarantees in the halibut and sablefish fisheries as recommended in the Senate report.

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes $31,500,000 for the general administration of the Commerce Department, instead of $30,000,000, as proposed in the House bill, and $34,046,000, as proposed in the Senate bill. The conferees concur with language in the House report concerning office moves and the Working Capital Fund, and with language in the Senate report concerning the Senior Executive Service ''Commerce 2000'' initiative.

OFFICE OF INSPECTOR GENERAL

The conference agreement includes $20,000,000 for the Commerce Department Inspector General, instead of $22,000,000 as recommended in the House bill and $17,900,000 as recommended in Senate bill.

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

The conference agreement includes the following general provisions for the Department of Commerce:

Section 201.—The conference agreement includes section 201, included in the House and Senate bills, regarding certifications of advanced payments.

Sec. 202.—The conference agreement includes section 202, identical in the House and Senate bills, allowing funds to be used for hire of passenger motor vehicles.

Sec. 203.—The conference agreement includes section 203, identical in the House and Senate bills, prohibiting reimbursement to the Air Force for hurricane reconnaissance planes.

Sec. 204.—The conference agreement includes section 204, as proposed in the House bill, prohibiting funds from being used to reimburse the Unemployment Trust Fund for temporary census workers. The Senate bill included a provision prohibiting reimbursements in relation to the 1990 decennial census.

Sec. 205.—The conference agreement includes section 205, identical in the House and Senate bills, regarding transfer authority between Commerce Department appropriation accounts.

Sec. 206.—The conference agreement includes section 206, providing for the notification of the House and Senate Committees on Appropriations of a plan for transferring funds to appropriate successor organizations within 90 days of enactment of any legislation dismantling or reorganizing the Department of Commerce, as proposed in the House bill. The Senate bill did not contain a provision on this matter.

Sec. 207.—The conference agreement includes section 207, included in both the House and Senate bills, requiring that any costs related to personnel actions incurred by a department or agency funded in title II of the accompanying Act, be absorbed within the total budgetary resources available to such department or agency.

Sec. 208.—The conference agreement includes section 208, as proposed in both the House and Senate bills, allowing the Secretary to award contracts for certain mapping and charting activities in accordance with the Federal Property and Administrative Services Act.

Sec. 209.—The conference agreement includes section 209, as proposed in both the House and Senate bills, allowing the Department of Commerce Franchise Fund to retain a portion of its earnings from services provided.

Sec. 210.—The conference agreement includes section 210, as proposed in the Senate bill, to increase the total number of members of the New England Fishery Management Council and the number appointed by the Secretary of Commerce by one member. The House bill did not contain a provision on this matter.

Sec. 211.—The conference agreement includes a new section 211, which makes funds provided under the National Institute of Standards and Technology, Construction of Research Facilities, available for a medical research facility and two information technology facilities.

TITLE III—THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

SALARIES AND EXPENSES

The conference agreement includes $35,492,000 for the salaries and expenses of the Supreme Court, instead of $35,041,000, as provided in the House bill and $35,903,000 as provided in the Senate bill. Funding for the cost of living increase for the Justices is provided in section 304.

CARE OF THE BUILDING AND GROUNDS

The conference agreement includes $8,002,000 for the Supreme Court Care of the Building and Grounds account, instead of $6,872,000 as provided in the House bill and $9,652,000, as provided in the Senate bill. This is the amount the Architect of the Capitol currently estimates is required for fiscal year 2000, including building renovations and perimeter security. The conference agreement allows $5,101,000 to remain available until expended, instead of $3,971,000, as provided in the House bill, and $6,751,000, as provided in the Senate bill. Senate report language related to off-site facility planning and House report language related to miscellaneous improvements is adopted by reference.

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SALARIES AND EXPENSES

The conference agreement includes $16,797,000 for the U.S. Court of Appeals for the Federal Circuit, instead of $16,101,000 as provided in the House bill and $16,911,000 as provided in the Senate bill. This provides funding for base adjustments and for three additional assistants, assuming they are hired at mid-year. Funding for the cost of living increase for federal judges is provided in section 304.

UNITED STATES COURT OF INTERNATIONAL TRADE

SALARIES AND EXPENSES

The conference agreement includes $11,957,000 for the U.S. Court of International Trade, as provided in the Senate bill, instead of $11,804,000, as provided in the House bill. Funding for the cost of living increase for federal judges is provided in section 304.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

The conference agreement provides $3,114,677,000 for the salaries and expenses of the federal judiciary, of which $156,539,000 is provided from the Violent Crime Reduction Trust Fund (VCRTF), instead of $3,066,677,000, including $156,539,000 from the VCRTF, as provided in the House bill, and $2,992,265,000, including $100,000,000 from the VCRTF, as provided in the Senate bill. Funding for the cost of living increase for federal judges is provided in section 304.

The conference agreement allows $13,454,000 for space alterations, to remain available until expended, as provided in the House bill, instead of $19,150,000, as provided in the Senate bill.

House report language with respect to funding for new judgeships is adopted by reference.

The conference agreement also provides $2,515,000 from the Vaccine Injury Compensation Trust Fund for expenses associated with the National Childhood Vaccine Injury Act of 1986, as provided in the Senate bill, instead of $2,138,000, as provided in the House bill.

DEFENDER SERVICES

The conference agreement includes $385,095,000 for the federal judiciary's Defender Services account, of which $26,247,000 is provided from the Violent Crime Reduction Trust Fund (VCRTF), instead of $387,795,000, including $26,247,000 from the VCRTF, as provided in the House bill, and $353,888,000 in direct funding, as provided in the Senate bill. This includes funding for an increase of $5 an hour for in-court and out-of-court time for Criminal Justice Act panel attorneys.

Language relating to the Ninth Circuit in the House report is adopted by reference.

FEES OF JURORS AND COMMISSIONERS

The conference agreement includes $60,918,000 for Fees of Jurors and Commissioners, as proposed in the Senate bill, instead of $63,400,000 as provided in the House bill. The amount provided reflects the latest estimate from the judiciary of the requirements for this account.

COURT SECURITY

The conference agreement includes $193,028,000 for the federal judiciary's Court Security account, instead of $190,029,000, as proposed in the House bill, and $196,026,000, as proposed in the Senate bill.

The recommendation provides for requested adjustments to base, the requested program increases to hire additional security officers and for perimeter security, and the balance for additional security equipment. The language in the House report related to a report on changes in security officer staffing and equipment is adopted by reference.

The conference report allows $10,000,000 in security system funding to remain available until expended, as proposed in the House bill, instead of $10,000,000 for any purpose under this heading, as proposed in the Senate bill.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

The conference agreement includes $55,000,000 for the Administrative Office of the United States Courts, instead of $54,500,000, as proposed by the House, and $56,054,000, as proposed by the Senate.

Language in the House report relating to the Optimal Utilization of Judicial Resources report and court interpreter standards is adopted by reference.

The conference agreement provides $8,500 for reception and representation expenses, instead of $7,500 as proposed in the House bill, and $10,000 as proposed in the Senate bill.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

The conference agreement includes $18,000,000 for the fiscal year 2000 salaries and expenses of the Federal Judicial Center, instead of $17,716,000 as proposed in the House bill and $18,476,000 as proposed in the Senate bill.

JUDICIAL RETIREMENT FUNDS

PAYMENT TO THE JUDICIARY TRUST FUNDS

The conference agreement includes $39,700,000 for payment to the various judicial retirement funds as provided in both the House and Senate bills.

UNITED STATES SENTENCING COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $8,500,000 for the U.S. Sentencing Commission, as provided in the House bill, instead of $9,743,000 as provided in the Senate bill. Additional funds are available from carryover and from the Judiciary automation fund. There continues to be substantial uncertainty as to the requirements for the Commission in fiscal year 2000, but should the situation clarify, the conferees believe there is flexibility in the Judiciary appropriation to address any resulting additional requirements.

GENERAL PROVISIONS—THE JUDICIARY

Section 301.—The conference agreement includes a provision included in both the House and Senate bills allowing appropriations to be used for services as authorized by 5 U.S.C. 3109.

Sec. 302.—The conference agreement includes a provision, as included in the House bill, providing the Judiciary with the authority to transfer funds between appropriations accounts but limiting, with certain exceptions, any increase in an account to 10

percent, instead of the Senate provision which would have limited the increase to 20 percent.

Sec. 303.—The conference agreement includes a provision allowing up to $11,000 of salaries and expenses funds provided in this title to be used for official reception and representation expenses of the Judicial Conference of the United States, instead of $10,000 as proposed in the House bill, and $12,000 as proposed in the Senate bill.

Sec. 304.—The conference agreement includes a provision, as proposed in the Senate bill, authorizing federal judges to receive a salary adjustment and appropriating $9,611,000 for the cost of the salary adjustment for all accounts under this title. The House bill did not include a similar provision.

Sec. 305.—The conference agreement includes a provision, as proposed in the Senate bill, amending title 28 of the U.S. Code to authorize the Director of the Administrative Office of the Courts to pay any increases in the cost of Federal Employees' Group Life Insurance imposed after April 24, 1999. The House bill did not include a similar provision.

Sec. 306.—The conference agreement includes a provision, included in the Senate bill, authorizing Central Islip, New York, as a place of holding court. The House bill did not include a similar provision.

Sec. 307.—The conference agreement includes a provision, included in the Senate bill, approving consolidation of Court Clerks' Offices in the Southern District of West Virginia. The House bill did not include a similar provision.

Sec. 308.—The conference agreement includes a provision, included in the Senate bill, modifying the circumstances under which attorneys' fees in Federal capital cases can be disclosed. The House bill did not include a similar provision.

Sec. 309.—The conference agreement includes a new provision authorizing nine district judgeships in Arizona, the Middle District of Florida, and Nevada.

TITLE IV—DEPARTMENT OF STATE AND RELATED AGENCY

DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

DIPLOMATIC AND CONSULAR PROGRAMS

The conference agreement includes a total of $2,823,825,000 for Diplomatic and Consular Programs, instead of $2,726,825,000 as included in the House bill and $2,671,429,000 as included in the Senate bill. The conference agreement includes $2,569,825,000 for ongoing activities under this account, and an additional $254,000,000 to remain available until expended for worldwide security upgrades.

The conference agreement includes language not included in either the House or Senate bills making fees collected in fiscal year 2000 relating to affidavits of support available until expended.

The conference agreement includes language designating $236,291,000 for public diplomacy international information programs instead of $306,057,000 as proposed in the House bill. The Senate bill did not contain a similar provision. This amount represents current services funding for program activities previously carried out by USIA, and includes the program and personnel costs associated with former USIA activities. The amount specified in the House bill included $59,247,000 in ICASS costs, and $10,519,000 for other overseas support costs. The conferees have excluded these support costs from the amount separately designated for public diplomacy international information programs.

The conference agreement includes language making available $500,000 for the National Law Center for Inter-American Free Trade, as provided in the Senate bill. The House bill did not include a similar provision.

The conference agreement includes language transferring $1,162,000 to the Presidential Advisory Commission on Holocaust Assets in the United States, as proposed in the House bill. Language is also included limiting the amount transferred from all Federal sources to the authorized amount. The Senate bill did not include a similar provision.

The conference agreement includes language making $2,500,000 available for overseas continuing language education, instead of $5,000,000 as proposed in the Senate bill. The House bill did not include a similar provision.

The conference report also includes a provision to collect and deposit as an offsetting collection to this account Machine Readable Visa fees in fiscal years 2000 and 2001 to recover authorized costs. The Senate bill included a similar provision but would have made it permanent. The House bill did not include a provision on this matter. The conference agreement does not include a provision in the House bill limiting the use of Machine Readable Visa fees to $267,000,000 in fiscal year 2000. The Senate bill did not contain a similar provision.

The conference agreement includes language designating $10,000,000 for activities associated with the implementation of the Pacific salmon treaty. The conference agreement does not include language that this funding must be designated from within amounts available for the Bureau of Oceans and International Environment and Scientific Affairs, as proposed in the Senate bill. The House bill did not contain a similar provision.

The conference agreement includes $9,000,000 for the Office of Defense Trade Controls, instead of $11,000,000 as proposed in the Senate bill. The House bill did not have a similar provision. House report language directed the Department to maintain the increased fiscal year 1999 funding level for the Office. The conferees expect that increased funding for this Office will result in increased scrutiny of export license applications, enhanced end-use monitoring, and stronger compliance enforcement measures to ensure that U.S. technology is properly safeguarded when exported.

The conference agreement also includes language allowing the transfer of not to exceed $4,500,000 to the International Broadcasting Operations account only to avoid reductions in force at the Voice of America.

The conference agreement does not include a provision transferring $13,500,000 to the East-West Center, a provision making $6,000,000 available for overseas representation, a provision making $125,000 available for the Maui Pacific Center, or provisions placing limitations on details of State Department employees to other agencies or organizations. These provisions were proposed in the Senate bill, and the House bill did not contain similar provisions.

The conference agreement does not include funding for any program increases requested by the Department. Within the amount provided, and including any savings the Department identifies, the Department will have the ability to propose that funds be used for purposes not funded by the conference agreement, including high priority program increases such as China 2000 and a Hispanic and minority recruitment initiative, through the normal reprogramming process. The conferees agree that no funds shall be used for the requested market development pilot project. With respect to China 2000, it is expected that the Department will comply with program direction in the Senate report regarding information resource center upgrades.

The conference agreement includes $42,000,000, of which not to exceed $5,000,000 is for costs related to the WTO Ministerial in Seattle and the balance is for costs of additional staffing and support costs related to increased diplomatic activity in the Kosovo region. The Department may also use funding under this account for the participation costs of official delegates to the WTO Ministerial.

The conferees agree that the Department shall follow the program direction and reporting requirements related to worldwide security in both the House and Senate reports. The language in the House report under this heading is to be followed in expending fiscal year 2000 funds, including language on the Advisory Commission on Public Diplomacy, the implementation of Public Law 105–319, and on specific reporting requirements, including a report on compensation provided to the families of the Americans killed in the terrorist bombing of the U.S. Embassy in Nairobi. In addition, this statement of managers adopts by reference the provisions in the Senate report addressing the Arctic Council and the Bering Straits Commission.

The conference agreement does not adopt Senate report language on arms control treaty verification technology, and staffing levels in Berlin and Beijing.

The conferees agree that the Department shall report to the Committees, no later than January 15, 2000, on the Department's plan for implementing recommendations in OIG Memorandum Report 99–SP–013 regarding foreign service tour length, and on the Bureau of Consular Affairs' plan to manage issues related to the entry into the United States of foreign nationals for the 2002 Winter Olympic Games.

The conferees are concerned with what appears to be a large number of State Department employees staffing the Office of the Secretary and the Bureau of Legislative Affairs. The conferees believe the Secretary should be served by the best possible insight and advice, and it is important that potentially overlapping responsibilities among the regional and functional bureaus and the ''Secretariat'' do not produce a confusion of voices on key policy issues. Similarly, the conferees are concerned that unclear lines of responsibility and authority between the Bureau of Legislative Affairs and the various Congressional affairs offices in the regional and functional bureaus have resulted in confused or incomplete liaison with Congress. As a result, the conferees direct the Department to undertake staffing reassessments in these two offices. The Department should develop a plan to streamline staffing authorities and responsibilities and to rationalize the inclusion of staff and functions from USIA and ACDA, and report to the Committees on Appropriations no later than January 15, 2000.

CAPITAL INVESTMENT FUND

The conference agreement includes $80,000,000 for the Capital Investment Fund, the amount included in the House bill, instead of $50,000,000 as proposed in the Senate

bill. The provisions in the House report are adopted by reference.

OFFICE OF INSPECTOR GENERAL

The conference agreement includes $27,495,000 for the Office of Inspector General, which has jurisdiction over the Department of State and the Broadcasting Board of Governors, instead of $28,495,000 as proposed in the House bill and $26,495,000 as proposed in the Senate bill. The conferees expect that within the funds provided, the Inspector General will continue the current level of security-related audit and oversight activity. The conferees encourage the Inspector General to exercise appropriate oversight over the International Commissions and international broadcasting entities funded under this title.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

The conference agreement includes $205,000,000 for Educational and Cultural Exchange Programs of the Department of State, instead of $175,000,000 as proposed in the House bill and $216,476,000 as proposed in the Senate bill. The conference agreement also provides that not to exceed $800,000 may be credited to this appropriation from fees and other payments.

The availability of significant carryover and recovered funds in this account is noted, and the Department is directed to submit a proposed distribution of the total resources available under this account no later than December 31, 1999, through the normal reprogramming process. The conferees intend that the distribution of funds under this account shall support, to the maximum extent possible, Fulbright Scholarship Programs, Humphrey Fellowships, educational advising and counseling, Citizen Exchange Programs, Pepper Scholarships, the Regional Scholar Exchange Program, the Disability Exchange Clearinghouse, the National Youth Science Camp, and exchanges with Tibet, the South Pacific, and East Timor. Such a distribution shall also include funding at not less than the amounts designated for the following programs: $42,800,000 for the International Visitor Program; $2,656,000 for English language programs; $2,000,000 for American Overseas Research Centers; and $4,000,000 for Muskie Fellowships. To the extent that the Department allocates resources to civic education programs, these programs shall be separately identified and explained in the reprogramming submission.

The conferees agree that enabling Muskie Fellowship Program participants to undertake doctoral graduate study in the social sciences, including economics, in universities in the United States is an appropriate extension of this program. Therefore, the conferees recommend that funding be provided for not more than thirty percent of the program participants to pursue Ph.D. programs. As a condition of participation in the doctoral program, fellows shall perform one year of service in their home countries for every year their study is supported by this program. The conferees expect that not less than thirty percent of each participant's doctoral study be funded from non-Federal sources.

In addition, the conference agreement includes: $2,400,000 for Congress-Bundestag Youth Exchanges; $2,200,000 for Mansfield Fellowships; $100,000 for the Montana Technical Foreign Exchange Program; $400,000 for the Institute for Representative Government; $500,000 for the Irish Institute; $638,000 for the 2001 Special Olympic Winter Games; $500,000 for Olympic and Paralympic Games Youth Camps; and $150,000 for Interparliamentary Exchanges with Korea and China.

The statement of managers adopts by reference language in the House report on NIS exchanges, the number of Congress-Bundestag Youth Exchanges, competition for grant programs, and cooperation between the State Department and non-governmental exchange organizations, as well as language in the Senate report on the U.S./Mexico Conflict Resolution Center.

REPRESENTATION ALLOWANCES

The conference agreement includes $5,850,000 for Representation Allowances, as proposed in the Senate bill, instead of $4,350,000 as proposed in the House bill.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

The conference agreement includes $8,100,000 for Protection of Foreign Missions and Officials, as provided in both the House and Senate bills. The provisions in both the House and Senate reports are adopted by reference.

SECURITY AND MAINTENANCE OF UNITED STATES MISSIONS

The conference agreement includes $742,178,000 for this account instead of $717,178,000 as proposed in the House bill and $583,496,000 as proposed in the Senate bill.

The conference agreement includes $313,617,000 for the costs of worldwide security upgrades, including $300,000,000 for capital security projects, as proposed in the House bill. The conferees direct the Department to comply with the program direction related to security upgrades in the House report, including the submission of a spending plan within sixty days of the date of enactment of this Act. In proposing such a spending plan, the conferees direct the Department to include an assessment of the need for security upgrades related to housing, schools, and Marine quarters, as described in the Senate report.

The conference agreement includes $25,657,000 in capital program activities for the costs of pending projects in Chengdu, Shenyang and Guangzhou.

The conferees note that the budget request included planned expenditures of $92,500,000 from proceeds of sale of surplus property for opportunity purchases and capital projects. The conferees expect the Department to submit a spending plan for these funds that includes: at least $42,500,000 for opportunity purchases to replace uneconomical leases; at least $25,000,000 for capital security projects; and $5,000,000 for Taiwan design costs. Any additional use of these funds is subject to reprogramming.

The conferees are aware that high operating costs in Paris have prompted a review of the post with the intent of transferring personnel and functions to lower cost cities. The conferees direct the Department to review the operations of the Paris Financial Service Center and determine if any services could be performed in the United States at the Charleston Financial Service Center. The Department shall develop plans to transfer any such services to the United States consistent with the Department's overall financial systems improvement schedule and on a time line that is cost effective. A progress report on Financial Service Center consolidation shall be submitted to the House and Senate Appropriations Committees not later than June 1, 2000.

The conferees are aware the Department is projecting a need for diversity visa processing capacity, and expect the Department to implement plans for a facility to meet such a need in a State previously designated for the purpose of passport processing.

The Department is directed to submit, and receive approval for, a financial plan for the funding provided under this account, whether from direct appropriations or proceeds of sales, prior to the obligation or expenditure of funds for capital and rehabilitation projects. The conferees expect that the amount in the plan for the leasehold program will not exceed $138,210,000. The Department may include in the plan the costs of physical security upgrades including the costs of expanding Marine posts to new locations. The conferees agree that any such amount for expanding Marine posts to new locations shall not exceed half the total costs, in accordance with the existing cost-sharing arrangement.

The overall spending plan shall include project-level detail, and shall be provided to the Appropriations Committees not later than 30 days after the date of enactment of this Act. Any deviation from the plan after approval shall be treated as a reprogramming in the case of an addition greater than $500,000 or as a notification in the case of a deletion, a project cost overrun exceeding 25 percent, or a project schedule delay exceeding 6 months. Notification requirements also extend to the rebaselining of a given project's cost estimate, schedule, or scope of work.

The conferees agree that no additional funding shall be allocated in fiscal year 2000 for the ongoing rehabilitation of the Ambassador's residence in London.

The conferees direct the Department to submit to the Committees a plan to implement the September 1998 recommendation of the Inspector General to sell a certain property in France, referenced in the Senate report.

As in the past, immediate notification is expected if there are facilities that the Department believes pose serious security risks.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

The conference agreement includes $5,500,000 for Emergencies in the Diplomatic and Consular Service account, as provided in the House bill, instead of $7,000,000, as provided in the Senate bill. The conference agreement does not adopt the provision in the Senate report designating not more than $5,000,000 under this account for costs associated with the World Trade Organization conference in Seattle, Washington. The conferees address funding for these costs under the Diplomatic and Consular Programs account.

REPATRIATION LOANS PROGRAM ACCOUNT

The conference agreement includes a total appropriation of $1,200,000 for the Repatriation Loans Program account, as provided in both the House and Senate bills.

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

The conference agreement includes $15,375,000 for the Payment to the American Institute in Taiwan account, instead of $14,750,000 as proposed in the House bill and $16,000,000 as proposed in the Senate bill. Increased funding over the fiscal year 1999 level may be used for costs of security upgrades as described in the Senate report. The conferees expect the Department to submit a spending plan to the Committees, as indicated in the House report.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

The conference agreement includes $128,541,000 for the Payment to the Foreign

Service Retirement and Disability Fund account, as provided in both the House and Senate bills.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

The conference agreement includes $885,203,000 for Contributions to International Organizations to pay the costs assessed to the United States for membership in international organizations, instead of $842,937,000 as proposed in the House bill, and $943,308,000 as proposed in the Senate bill, of which $836,308,000 was for current year assessments, and $107,000,000 was for payment of arrearages to the United Nations. The conference agreement includes all arrearage payments under a separate account.

The conference agreement includes language providing that none of the funds can be used for the U.S. share of interest costs for loans incurred after October 1, 1984 through external borrowings, as provided in the House bill. The Senate bill did not contain a similar provision.

The conference agreement includes language providing that funds under this account may be used to pay the full United States assessment to the NATO civil budget, as proposed in the House bill. The Senate bill did not contain a similar provision.

The conference agreement does not include a provision making $100,000,000 available only upon certifications that the United Nations is staying within a zero nominal growth budget for both the 1998–1999 and 2000–2001 biennial budgets, as proposed in the House bill. The conferees expect that the Department will make every effort to ensure that the United Nations stays within the expected 1998–1999 budget of $2,533,000,000 and accomplishes a zero nominal growth 2000–2001 budget at the United Nations General Assembly meeting in December 1999. The Department shall report to the Committees on these efforts by January 15, 2000.

The conference agreement does not contain a number of provisions in the Senate bill relating to payment of arrearages. Arrearages are addressed in a separate account.

The $885,203,000 provided by the conference agreement is expected to be sufficient to fully pay assessments to international organizations. With excess fiscal year 1999 funds, including a transfer from the Contributions for International Peacekeeping account, the conferees expect the Department to prepay $47,040,000 of the fiscal year 2000 assessment for the United Nations regular budget. Consequently, although the budget requested $963,308,000 for this account, based on the prepayment of U.N. assessments and further exchange rate gains, the adjusted request is $885,842,000. The conference agreement does not include requested funding for the Inter-American Indian Institute, the Interparliamentary Union, and the Bureau of International Expositions.

The conference agreement provides funding under this account for assessments for all international organizations. The Senate report proposed to transfer funding for commodity-based organizations to the Commerce Department and funding for the International Telecommunications Union to the Federal Communications Commission. The conferees direct the Department to take the necessary steps to ensure that full and timely payments are made to these organizations.

Provisions in the House report relating to reports on reforms in international organizations, tax equalization adjustments, and the Pan American Health Organization are adopted by reference.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

The conference agreement provides $500,000,000 for Contributions for International Peacekeeping Activities instead of $200,000,000 as proposed in the House bill, and $387,925,000 as proposed in the Senate bill, of which $143,925,000 was for payment of current year peacekeeping assessments and $244,000,000 was for payment of peacekeeping arrearages. The conference agreement addresses arrearages under a separate account.

The conference agreement includes a provision that, of the total funding provided under this heading, not to exceed $20,000,000 shall remain available until September 30, 2001. The Senate bill made $28,093,000 available until September 30, 2001 and the House bill had no provision on the matter. The conferees intend that before any excess funding shall be carried over into fiscal year 2001 in this account, the Department shall transfer the maximum allowable amount to the Contributions to International Organizations account to prepay the fiscal year 2001 assessment for the United Nations regular budget.

The conference agreement includes a provision that prohibits obligation or expenditure of funds for new or expanded U.N. peacekeeping missions unless, at least 15 days prior to the Security Council vote, the appropriate Committees of the Congress are notified of the estimated cost and length of the mission, the vital national interest that will be served, and the planned exit strategy; and a reprogramming of funds is submitted setting forth the source of funds that will be used to pay for the cost of the new or expanded mission, as included in the House bill. The Senate bill did not contain a provision on this matter.

The conference agreement contains a provision requiring a certification that American manufacturers and suppliers are being given opportunities to provide equipment, services, and material for U.N. peacekeeping activities equal to those being given to foreign manufacturers and suppliers, as provided in the House bill. The Senate bill did not contain a provision on this matter.

In addition, the conference agreement includes a provision prohibiting funds from being used to pay the United States share of the cost of judicial monitoring that is part of any United Nations peacekeeping mission, as proposed in the House bill. Thus, if any current or future peacekeeping operation includes judicial monitoring as one of its functions, the U.S. will have to withhold its proportionate share of the cost of any court monitoring that is included in such a mission. This provision was not included in the Senate bill.

The conference agreement does not include several provisions relating to arrearages that were included in the Senate bill, as arrearages are addressed under a separate account.

The conference agreement includes funding for anticipated assessments for peacekeeping missions including those in the Golan Heights, Lebanon, Iraq/Kuwait, Bosnia-Herzegovina, Cyprus, Georgia, Tajikistan, as well as War Crimes Tribunals for Yugoslavia and Rwanda. The conference agreement does not include requested funding for missions in Western Sahara or Haiti. The conference agreement includes additional resources, which may be applied to additional assessments subject to reprogramming requirements. The conferees are aware that additional assessments are expected in fiscal year 2000 for new and expanded peacekeeping missions, including those in Kosovo, Sierra Leone and East Timor.

The statement of managers adopts by reference language in the House report making it clear that the Department is expected to live within the appropriation, to support the work of the United Nations Office of Internal Oversight Service, and to take all actions necessary to prevent conversion of loaned employees into permanent positions at the United Nations.

ARREARAGE PAYMENTS

The conference agreement includes a total of $351,000,000 for arrearage payments, as proposed in the House bill under this account, instead of $107,000,000 and $244,000,000 as proposed in the Senate bill under Contributions to International Organizations and Contributions for International Peacekeeping, respectively. The conference agreement includes $244,000,000 for the payment of arrearages, and an additional $107,000,000 to reduce the total amount of arrearages owed to the United Nations.

The conference agreement does not include language, as proposed in the House bill, making the amounts provided under this heading subject to enactment of authorizing legislation that makes payment of arrearages contingent upon United Nations reform. The conferees understand that such authorization will be included as a separate division in this Act, and that the amounts provided under this heading will be used pursuant to the reform conditions contained in that division.

The conference agreement makes the expenditure of the $244,000,000 provided for payment of arrearages contingent upon a reduction in the U.S. assessment rate for the designated specialized agencies to not more than 22 percent, and upon the achievement of zero nominal growth budgets in the designated specialized agencies for the 2000–2001 biennium. These conditions are included among the conditions pending as part of the authorization, and are intended to assure that real and substantial reforms are achieved at the U.N. and other international organizations prior to payment of arrearage funding, and that assessment reductions are made that will provide long-term savings to the American tax-payer.

The conferees expect the Department to provide the Committees with a report on the payment of arrearages to international organizations as specified in the House report.

INTERNATIONAL COMMISSIONS

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

SALARIES AND EXPENSES

The conference agreement includes $19,551,000 for Salaries and Expenses of the International Boundary and Water Commission (IBWC), as proposed in both the House and Senate bills.

CONSTRUCTION

The conference agreement includes $5,939,000 for the Construction account of the IBWC as proposed in the Senate bill, instead of $5,750,000 as proposed in the House bill. The conferees agree that allocation of funding for specific projects shall reflect the direction in both the House and Senate reports. The conference agreement adopts, by reference, language in the House report regarding the reallocation of funds subject to reprogramming, and a reporting requirement on a certain wastewater treatment situation.

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

The conference agreement includes $5,733,000 for the U.S. share of expenses of the

International Boundary Commission, the International Joint Commission, United States and Canada, and the Border Environment Cooperation Commission, as proposed in both the House and Senate bills. The conference level will provide funding for all three commissions at the fiscal year 1999 levels.

INTERNATIONAL FISHERIES COMMISSIONS

The conference agreement includes $15,549,000 for the U.S. share of the expenses of the International Fisheries Commissions and related activities, as proposed in the Senate bill, instead of $14,549,000 as proposed in the House bill.

The conference agreement does not include provisions in the Senate bill limiting the amount to be obligated and expended by the Inter-American Tropical Tuna Commission and prohibiting the importation of tuna from certain countries under certain conditions. The House bill did not contain similar provisions.

The conference agreement adopts, by reference, language in the House report regarding the application of reductions if necessary, and language in the Senate report on funding for the Great Lakes Fishery Commission (GLFC), including sea lamprey operations and research, costs of treating Lake Champlain, and priority to States providing matching funds.

OTHER

PAYMENT TO THE ASIA FOUNDATION

The conference agreement includes $8,250,000 for the Payment to the Asia Foundation account, instead of $8,000,000 as provided in the House bill, and instead of no funding as provided in the Senate bill.

EISENHOWER EXCHANGE FELLOWSHIP PROGRAM TRUST FUND

The conference agreement includes language as provided in both the House and Senate bills, allowing all interest and earnings accruing to the Trust Fund in fiscal year 2000 to be used for necessary expenses of the Eisenhower Exchange Fellowships.

ISRAELI ARAB SCHOLARSHIP PROGRAM

The conference agreement includes language as provided in both the House and Senate bills, allowing all interest and earnings accruing to the Scholarship Fund in fiscal year 2000 to be used for necessary expenses of the Israeli Arab Scholarship Program.

EAST-WEST CENTER

The conference agreement includes $12,500,000 for operations of the East-West Center as proposed in the Senate bill, instead of no funds as proposed in the House bill. The conference agreement does not include a transfer of $13,500,000 from the Department of State, Diplomatic and Consular Programs account, as proposed in the Senate bill. The conferees adopt, by reference, the reporting requirement in the Senate report on immersion programs.

NORTH/SOUTH CENTER

The conference agreement includes $1,750,000 for operations of the North/South Center, instead of no funds as proposed in both the House and Senate bills. The conference agreement does not include an earmark of funding under the Educational and Cultural Exchange Programs account for the North/South Center, as proposed in the Senate report.

NATIONAL ENDOWMENT FOR DEMOCRACY

The conference agreement includes $31,000,000 for the National Endowment for Democracy as proposed in the House bill, instead of $30,000,000 as proposed in the Senate bill.

RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

The conference agreement includes $388,421,000 for International Broadcasting Operations, instead of $410,404,000 as proposed in the House bill, and instead of $362,365,000 as proposed in the Senate bill. Rather than funding broadcasting to Cuba under this account, as proposed by the House, all funding for broadcasting to Cuba is included under a separate account, as proposed by the Senate and consistent with the fiscal year 1999 appropriations Act.

The amount provided represents a freeze at fiscal year 1999 funding levels for all broadcast entities funded under this account, as provided in the House bill. The Broadcasting Board of Governors is directed to submit to the House and Senate Committees on Appropriations, no later than sixty days from the date of enactment of this Act, a financial plan including a distribution of the total resources available under this account. The conferees intend that the distribution of available resources shall include amounts sufficient to avoid reductions in force at the grantee broadcasting entities.

The conference agreement adopts by reference language in the House report requiring a report on management responses to Inspector General recommendations on Radio Marti, and language in the Senate report requiring the submission of a master plan for overseas security.

BROADCASTING TO CUBA

The conference agreement includes $22,095,000 for Broadcasting to Cuba under a separate account, instead of $23,664,000 as proposed in the Senate bill, and instead of $22,095,000 within the total for International Broadcasting Operations, as proposed in the House bill. The conference agreement includes language, as proposed in the Senate bill, that funds may be used for aircraft to house television broadcasting equipment. The House bill did not contain a provision on this matter.

BROADCASTING CAPITAL IMPROVEMENTS

The conference agreement includes $11,258,000 for the Broadcasting Capital Improvements account, as proposed in the House bill, instead of $13,245,000 as proposed in the Senate bill under the heading ''Radio Construction''. The conference agreement adopts a new name for this account, as requested. This account provides funding for maintenance, improvements, replacements and repairs; satellite and terrestrial program feeds; engineering support activities; and broadcast facility leases and land rentals.

The conferees expect the Broadcasting Board of Governors (BBG) to submit a spending plan within sixty days from the date of enactment of this Act allocating funds available in this account, including carryover balances, to various activities. The conferees encourage the BBG to consider, among other priorities, allocating funding for rotatable transmitting antennas.

The conference agreement includes, by reference, language in the House report regarding ongoing digital conversion efforts.

GENERAL PROVISIONS—DEPARTMENT OF STATE AND RELATED AGENCY

Section 401.—The conference agreement includes section 401, as provided in both the House and Senate bills, permitting use of funds for allowances, differentials, and transportation.

Sec. 402.—The conference agreement includes section 402, as provided in the House bill, dealing with transfer authority. The Senate bill contained a similar provision, allowing transfers of different percentages of appropriations.

Sec. 403.—The conference agreement includes section 403, as provided in both the House and Senate bills, authorizing the Secretary of State to administer summer travel and work programs without regard to preplacement requirements.

Sec. 404.—The conference agreement includes section 404, as provided in the House bill, making permanent a provision in last year's bill waiving the fee for border crossing cards from Mexico for children under 15. The Senate bill did not include a provision on this matter.

Sec. 405.—The conference agreement includes section 405, as provided in both the House and Senate bills, prohibiting the use of funds by the Department of State or the Broadcasting Board of Governors (BBG) to provide certain types of assistance to the Palestinian Broadcasting Corporation (PBC). The conference agreement does not include training that supports accurate and responsible broadcasting among the types of assistance prohibited. The conferees agree that neither the Department of State, nor the BBG, shall provide any assistance to the PBC that could support restrictions of press freedoms or the broadcasting of inaccurate, inflammatory messages. The conferees further expect the Department and the BBG to submit a report to the Committees, before December 15, 1999, detailing any programs or activities involving the PBC in fiscal year 1999, and any plans for such programs in fiscal year 2000.

Sec. 406.—The conference agreement includes section 408, as proposed in the Senate bill, prohibiting the use of funds made available in this Act by the United Nations for activities authorizing the United Nations or any of its specialized agencies or affiliated organizations to tax any aspect of the Internet.

Sec. 407.—The conference agreement includes section 409, not included in either the House or Senate bill, waiving provisions of existing legislation that require authorizations to be in place for the State Department and the Broadcasting Board of Governors prior to the expenditure of any appropriated funds.

TITLE V—RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

MARITIME SECURITY PROGRAM

The conference agreement includes $96,200,000 for the Maritime Security Program instead of $98,700,000 as proposed in both the House and Senate bills. The conferees understand that at least $2,500,000 in carryover funding is available, in addition to the amount provided, to allow full funding for the fiscal year 2000 requirements of the program.

OPERATIONS AND TRAINING

The conference agreement includes $72,073,000 for the Maritime Administration Operations and Training account instead of $71,303,000 as proposed in the House bill and $72,664,000 as proposed in the Senate bill. Within this amount, $34,073,000 shall be for the operation and maintenance of the U.S. Merchant Marine Academy, including $2,000,000 to address maintenance backlogs.

The conference agreement includes $7,000,000 for the State Maritime Academies. Within the amount for State Maritime Academies, $1,200,000 shall be for student incentive payments, the same amount as provided

in 1999. The conference agreement includes by reference the language in the Senate report regarding the Great Lakes Maritime Academy.

The conferees agree that the amounts designated for the U.S. Merchant Marine Academy and the State Maritime Academies shall not be used to cover Maritime Administration administrative costs associated with the Academies, as was proposed in the budget request. Such costs shall be covered from funding in this account for MARAD general administration. The conference agreement also includes funding under MARAD general administration under this account to conduct a needs assessment on infrastructure improvements at the U.S. Merchant Marine Academy, as described in the House report. The conference agreement includes no funds for the Ready Reserve Force for fiscal year 2000. In fiscal year 1996, funding for this account was transferred to the Department of Defnese.

MARITIME GUARANTEED LOAN (TITLE XI) PROGRAM ACCOUNT

The conference agreement provides $6,000,000 in subsidy appropriations for the Maritime Guaranteed Loan Program instead of $5,400,000 as proposed in the House bill and $11,000,000 as proposed in the Senate bill. This amount will subsidize a program level of not more than $1,000,000,000 as proposed in both the House and Senate bills.

The conference agreement also includes $3,809,000 for administrative expenses associated with the Maritime Guaranteed Loan Program instead of $3,725,000 as proposed in the House bill, and $3,893,000 as proposed in the Senate bill. The amount for administrative expenses may be transferred to and merged with amounts under the MARAD Operations and Training account.

The conferees understand that MARAD expects to carry over approximately $63,600,000 in this account which may be used as additional subsidy budget authority in fiscal year 2000. The conferees direct MARAD to submit quarterly reports to the Committees on Title XI obligations, including information on total loan principal guaranteed by each separate fiscal year's subsidy appropriation.

ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION

The conference agreement includes provisions involving Government property controlled by MARAD, the accounting for certain funds received by MARAD, and a prohibition on obligations from the MARAD construction fund. The conference agreement includes these provisions with the modification as proposed in the House bill, instead of as proposed in the Senate bill.

COMMISSION FOR THE PRESERVATION OF AMERICA'S HERITAGE ABROAD

SALARIES AND EXPENSES

The conference agreement provides $490,000 for the Commission for the Preservation of America's Heritage Abroad, as proposed in the Senate bill, instead of $265,000 as proposed in the House bill. Within the amount provided, the conferees agree that $100,000 is provided as a one-time increase to support Commission efforts to attract private funding for a restoration project in Sarajevo, as described in the House report. The conference agreement includes, by reference, language in the Senate report regarding the completion of surveys in progress.

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

The conference agreement includes $8,900,000 for the salaries and expenses of the Commission on Civil Rights as proposed in both the House and Senate bills.

The conferees direct the Commission to expedite the completion of its report on the public hearing conducted on May 26, 1999, in New York on Police Practices and Civil Rights.

The Conferees expect the Commission to keep the Committees informed on the status of management improvements, including developing the ability to plan and budget for projects and to track the progress and ongoing costs of such projects.

ADVISORY COMMISSION ON ELECTRONIC COMMERCE

SALARIES AND EXPENSES

The conference agreement includes $1,400,000 for the Advisory Commission on Electronic Commerce. The Commission was created by Public Law 105–277. The House and Senate bills did not contain funding for the Commission.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

The conference agreement includes $1,182,000 for the Commission on Security and Cooperation in Europe instead of $1,170,000 as proposed in the House bill and $1,250,000 as proposed in the Senate bill.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $282,000,000 for the salaries and expenses of the Equal Employment Opportunity Commission, instead of $279,000,000 as proposed in both the House and Senate bills.

Within the total amount, the conference agreement includes $29,000,000 for payments to State and local Fair Employment Practices Agencies (FEPAs) for specific services to the Commission, as proposed in both the House and Senate bills. The conferees encourage the EEOC to utilize the experience the FEPAs have in mediation as the Commission implements its alternative dispute resolution programs. The Committees are willing to entertain proposals to reprogram additional funds to the FEPAs for this purpose.

The conferees expect the EEOC to submit a spending plan to the Committees before December 31, 1999, describing the allocation of funding to various Commission activities, including private sector charge backlog reduction, ADR and mediation initiatives, litigation, and automation improvements. The conferees expect the EEOC to allocate funds as necessary to achieve private sector charge backlog reduction targets, as noted in the House report.

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

The conference agreement includes a total $210,000,000 for the salaries and expenses of the Federal Communications Commission (FCC) instead of $192,000,000 as proposed in the House bill and $232,805,000 as proposed in the Senate bill. Of the amounts provided, $185,754,000 is to be derived from offsetting fee collections, as proposed in both the House and Senate bills, resulting in a net direct appropriation of $24,246,000, instead of $6,246,000 included in the House bill, and $47,051,000 included in the Senate bill.

The conference agreement does not include a provision, proposed in the Senate bill, giving the FCC the authority to independently operate the FCC headquarters building. The House bill did not contain a provision on this matter.

The conferees did not retain Senate bill language regarding area code conservation. The conferees are aware that the Commission has issued a Notice of Proposed Rulemaking (NPRM) to assist the State public utility commissions in their efforts to conserve numbers in specific area codes. The Commission anticipates issuing an order by the end of the first quarter of 2000. The conferees expect the Commission to keep to this schedule and issue a final order on area code conservation measures no later than March 31, 2000.

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $14,150,000 for the salaries and expenses of the Federal Maritime Commission, as proposed in both the House and Senate bills.

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

The conference agreement includes a total operating level of $125,024,000 for the Federal Trade Commission, instead of $116,679,000 as proposed in the House bill, and $133,368,000 as proposed in the Senate bill. The conference agreement assumes that, of the amount provided, $104,024,000 will be derived from fees collected in fiscal year 2000 and $21,000,000 will be derived from estimated unobligated fee collections available from Fiscal Year 1999. These actions result in a final appropriated level of $0, as proposed in both the House and Senate bills.

The conferees intend that any excess fee collections shall remain available for the Federal Trade Commission in future years. The conference agreement includes language, not included in either the House or Senate bills, specifying that fees may be retained and used notwithstanding a specific provision of law, rather than notwithstanding any provision of law.

The conferees agree that increased resources in this account shall be used to help safeguard consumers and nurture the development of the electronic marketplace, consistent with language in the Senate report.

The conferees support the Commission on its efforts to study the marketing practices of the entertainment industry. The intent of the study is to determine whether and to what extent the industry markets violent material rated for adults to children.

The conferees understand that the FTC recently completed a report raising questions regarding the health effects of regular cigar smoking. The conferees are aware of concerns that cigar and pipe tobacco remain as the last major tobacco products without a uniform Federal health warning label. The conferees direct the FTC to report back to the Committees on Commission plans for implementing new requirements to address this issue.

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

The conference agreement includes $305,000,000 for payment to the Legal Services Corporation, instead of $300,000,000 as proposed in the Senate bill, and $250,000,000 as proposed in the House bill.

The conference agreement provides $289,000,000 for grants to basic field programs and independent audits, $8,900,000 for management and administration, and $2,100,000 for the Office of the Inspector General, as proposed by the Senate. The agreement also includes $5,000,000 to provide technology grants to Legal Services Corporation grantees to be used to improve pro se clinic methods and acquire computerized systems that

make basic legal information and court forms accessible to pro se litigants. These grants are made with the understanding, as stated in the Legal Services Corporation budget request, that the grantees make a commitment to include in their budgets for future years amounts sufficient to maintain and upgrade their equipment. The conferees note that $28,000,000 is provided for civil legal assistance under the Violence Against Women Act program funded under title I of this bill.

The conferees expect that any unobligated balances remaining available at the end of the fiscal year may be reallocated among participating programs for technology enhancements and demonstration projects in succeeding fiscal years, subject to the reprogramming procedures in Section 605 of this Act.

The conferees have concerns about the case service reporting and associated data reports submitted annually by the Corporation's grantees and the case statistical reports submitted by the Corporation to the Congress, and the conferees direct the Corporation to make improvement of the accuracy of these submissions a top priority, per directions in the House report. The conferees also direct the Corporation to submit its 1999 annual case service reports and associated data reports to Congress no later than April 30, 2000. The Office of the Inspector General will assess the case service information provided by the grantees, and will report to the Committees no later than July 30, 2000, as to its accuracy, as described in the House report. The conference agreement also includes the two feasibility reports described in the House report, due no later than June 1, 2000. The conferees urge the Corporation to provide its annual case service reports by May 1 of each following fiscal year, as described in the House report. The conferees direct the Corporation to keep the Committees fully informed on its study of the issue of the statutory requirement that aliens be ''present in the United States'', as described in the House report.

ADMINISTRATIVE PROVISION—LEGAL SERVICES CORPORATION

The Conference recommendation includes bill language to continue the terms and conditions included under this section in the fiscal year 1999 bill, as proposed in the House. The Senate bill contained similar language, but did not propose to continue provisions regarding public disclosure of certain information and treatment of assets and income for certain clients.

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $1,270,000 for the salaries and expenses of the Marine Mammal Commission, instead of $1,240,000 as proposed in the House bill and $1,300,000 as proposed in the Senate bill.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

The conference agreement includes $367,900,000 for the Securities and Exchange Commission, instead of $324,000,000 as proposed in the House bill and $370,800,000 as proposed in the Senate bill. The conference agreement includes bill language appropriating separate amounts from offsetting fee collections from fiscal years 1998 and 2000, as proposed in both the House and Senate bills. The conference agreement includes $194,000,000 in fees collected in fiscal year 1998, and $173,800,000 in fees to be collected in fiscal year 2000.

The conference agreement provides for the Commission's adjustments to base and the requested program increases for additional staff and litigation support. Additional amounts are provided to improve enforcement and investor education related to Internet securities fraud as described in the Senate report.

The conferees intend that any offsetting fee collections in fiscal year 2000 in excess of $173,800,000 will remain available for the Securities and Exchange Commission in future years through the regular appropriations process.

The conferees agree that the Commission shall conduct a study on the effects on securities markets of electronic communications networks and extended trading hours, as provided in the Senate bill. This report shall be submitted to the Committees no later than March 1, 2000.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement provides an appropriation of $282,300,000 for the Small Business Administration (SBA) Salaries and Expenses account, instead of $245,500,000 as proposed in the House bill and $246,300,000 as proposed in the Senate bill. In addition, the conference agreement includes $10,500,000 for programs related to the New Markets Venture Capital Program subject to the authorization of that program, including $1,500,000 for BusinessLINC and $9,000,000 for technical assistance.

In addition to amounts made available under this heading, the conference agreement includes $129,000,000 for administrative expenses under the Business Loans Program account. This amount is transferred to and merged with amounts available under Salaries and Expenses. The conference agreement includes an additional $136,000,000 for administrative expenses under the Disaster Loans Program account, which may under certain conditions be transferred to and merged with amounts available under Salaries and Expenses. These conditions are described under the Disaster Loans Program account.

The conference agreement provides a total of $107,695,000 for SBA's regular operating expenses under this account. This amount includes $2,000,000 for necessary expenses of the HUBZone program, and $8,000,000 for initiatives to continue the improvement of SBA's management and oversight of its loan portfolio. The SBA shall submit a plan, prior to the expenditure of resources for portfolio management, in accordance with section 605 of this Act.

With the exceptions noted above, the conference agreement does not include new program initiatives requested by the SBA for fiscal year 2000. The conference agreement includes the following amounts for noncredit programs:

Small Business Development Centers	$84,500,000
7(j) Technical Assistance	3,600,000
Microloan Technical Assistance	23,200,000
SCORE	3,500,000
Business Information Centers	500,000
Women's Business Centers	9,000,000
Survey of Women-Owned Businesses	790,000
National Women's Business Council	600,000
EZ/EC One Stop Capital Shops	3,100,000
US Export Assistance Centers	3,100,000
Advocacy Research	1,100,000
Veterans Outreach	615,000
SBIR Technical Assistance	500,000
ProNet	500,000
Drug-free Workplace Grants	3,500,000
Regulatory Fairness Boards	500,000
Total	138,605,000

Small Business Development Centers (SBDC).—Of the amounts provided for SBDCs, the conference agreement includes $2,000,000 to continue the SBDC Defense transition program, and $1,000,000 to continue the Environmental Compliance Project, as directed in the House report. In addition, the conference agreement includes language proposed in the Senate bill making funds for the SBDC program available for two years.

Microloan Technical Assistance.—The conference agreement includes $23,200,000 for the Microloan Technical Assistance program. The conferees intend that, in addition, any unobligated fiscal year 1999 funds associated with this program will be applied to the fiscal year 2000 program.

Advocacy Research.—The conference includes $1,100,000 for Advocacy Research. The conferees encourage the Office of Advocacy to pursue the study identified in the House report on the livestock and agriculture industries.

The conference agreement adopts language included in the House report directing the SBA to fully LowDoc Processing Centers, and to continue activities assisting small businesses to adapt to a paperless procurement environment, as well as activities which assist small businesses in making the transition to meet both military and ISO 9000 quality systems requirements.

OFFICE OF INSPECTOR GENERAL

The conference agreement provides $11,000,000 for the SBA Office of Inspector General, instead of $10,800,000 as proposed in the House bill and $13,250,000 recommended in the Senate bill.

An additional $500,000 has been provided under the administrative expenses of the Disaster Loans Program to be made available to the Office of Inspector General for work associated with oversight of the Disaster Loans Program.

The conferees agree that the OIG should allocate resources to the priority areas mentioned in the Senate report.

BUSINESS LOANS PROGRAM ACCOUNT

The conference agreement includes $266,800,000 under the SBA Business Loans Program Account, instead of $222,792,000 as proposed in the House bill, and $297,368,000 as proposed in the Senate bill. Within the amount provided, $6,000,000 shall be available only for the New Markets Venture Capital Program, subject to the enactment of authorizing legislation in fiscal year 2000.

No appropriation is provided for the costs of direct loans. The conferees understand that $2,500,000 in carryover is available for the Microloan Direct Loan Program, and will support an estimated 2000 program level of over $29,000,000. The conferees direct the SBA to submit the report on Microloan programs requested in the House report.

The conference agreement includes $137,800,000 for the costs of guaranteed loans, including the following programs:

7(a) General Business Loans.—The conference agreement provides $107,500,000 in subsidy appropriations for the 7(a) general business guaranteed loan program, instead of $106,400,000 as proposed in the House bill and

$118,500,000 as proposed in the Senate bill. When combined with $7,000,000 in available carryover balances and recoveries, this amount will subsidize an estimated 2000 program level of $9,871,000,000, assuming a subsidy rate of 1.16%. In addition, the conference agreement includes a provision, as proposed in the House bill, requiring the SBA to notify the Committees on Appropriations in accordance with section 605 of this Act prior to providing a total program level greater than $10,000,000,000, instead of greater than $10,500,000,000 as proposed in the Senate bill. The conferees agree with the concerns expressed by the Senate that many small businesses are not adequately prepared for the problems they may face from Y2K computer problems and about the impact that the Y2K computer problem may have on the economy and, in particular, on small business owners and their employees. Consequently, the conferees agree that the Small Business Administration must give the highest priority to loans to small businesses to correct Y2K computer problems affecting their own information technology systems or other automated systems, and loans to provide relief for small businesses from economic injuries suffered as a direct result of their own Y2K computer problems or some other entity's Y2K computer problems.

Small Business Investment Companies (SBIC).—The conference agreement provides $24,300,000 for the SBIC participating securities program, instead of $21,630,000 as proposed in the House bill, and $25,868,000 as proposed in the Senate bill. This amount will result in an estimated total program level of $1,350,000,000 in fiscal year 2000. No appropriation is provided for the debentures program, as the program will operate with a zero subsidy rate in fiscal year 2000. The conference agreement includes language proposed in the House bill limiting the debentures program to the authorized program level, instead of similar language in the Senate bill.

Microloan Guaranty Programs.—The conference agreement does not include new appropriations for the Microloan Guaranty Program, as none were requested. Available carryover will provide for the subsidy costs of, at least, the requested 2000 program level of $15,998,000.

In addition, the conference agreement includes $129,000,000 for administrative expenses to carry out the direct and guaranteed loan programs as proposed in the Senate bill, and instead of $94,000,000 as proposed in the House bill, and makes such funds available to be transferred to and merged with appropriations for Salaries and Expenses.

DISASTER LOANS PROGRAM ACCOUNT

The conference agreement includes a total of $276,400,000 for this account, of which $140,400,000 is for the subsidy costs for disaster loans and $136,000,000 is for administrative expenses associated with the disaster loans program. The House bill proposed $139,400,000 for loans and $116,000,000 for administrative expenses. The Senate bill provided $77,700,000 for loans and $86,000,000 for administrative expenses.

For disaster loans, the conference agreement assumes that the $140,400,000 subsidy appropriation, when combined with $72,000,000 in carryover balances and $10,000,000 in recoveries, will provide a total disaster loan program level of $1,000,000,000. The conference agreement takes into account that the Administration requested only $39,400,000 for disaster loan subsidies, which would have supported less than one quarter of an average annual program. The Administration is directed to realistically assess the level of need for the disaster loans program and budget accordingly.

The conference agreement includes language, as proposed in the Senate bill, allowing appropriations for administrative costs to be transferred to and merged with appropriations for Salaries and Expenses. The House bill did not include language allowing such transfers. The conference agreement includes a provision that any amount to be transferred to Salaries and Expenses from the Disaster Loans Program account in excess of $20,000,000 shall be treated as a reprogramming of funds under section 605 of this Act. In addition, the conferees agree that any such reprogramming shall be accompanied by a report from the administrator on the anticipated effect of the proposed transfer on the ability of the SBA to cover the full annual requirements for direct administrative costs of disaster loan making and servicing.

Of the amounts provided for administrative expenses under this heading, $500,000 is to be transferred to and merged with the Office of Inspector General account for oversight and audit activities related to the Disaster Loans program.

ADMINISTRATIVE PROVISION—SMALL BUSINESS ADMINISTRATION

The conference agreement includes a provision providing SBA with the authority to transfer funds between appropriations accounts as proposed in the House bill, instead of a similar provision in the Senate bill.

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

The conference agreement provides $6,850,000 for the salaries and expenses of the State Justice Institute (SJI) as proposed in the Senate bill, instead of no funding as proposed in the House bill. The conference agreement does not include the transfer of an additional $8,000,000 to this account from the Courts of Appeals, District Courts and Other Judicial Services account in Title III as proposed in the Senate report.

TITLE VI—GENERAL PROVISIONS

The conference agreement includes the following general provisions:

Section 601.—The conference agreement includes section 601, identical in both the House and Senate bills, regarding the use of appropriations for publicity or propaganda purposes.

Sec. 602.—The conference agreement includes section 602, identical in both the House and Senate bills, regarding the availability of appropriations for obligation beyond the current fiscal year.

Sec. 603.—The conference agreement includes section 603, identical in both the House and Senate bills, regarding the use of funds for consulting services.

Sec. 604.—The conference agreement includes section 604, identical in both the House and Senate bills, providing that should any provision of the Act be held to be invalid, the remainder of the Act would not be affected.

Sec. 605.—The conference agreement includes section 605, as included in the House bill, establishing the policy by which funding available to the agencies funded under this Act may be reprogrammed for other purposes, instead of the slightly modified Senate version.

Sec. 606.—The conference agreement includes section 606, identical in both the House and Senate bills, regarding the construction, repair or modification of National Oceanic and Atmospheric Administration vessels in overseas shipyards.

Sec. 607.—The conference agreement includes section 607, identical in both the House and Senate bills, regarding the purchase of American-made products.

Sec. 608.—The conference agreement includes section 608, identical in both the House and Senate bills, which prohibits funds in the bill from being used to implement, administer, or enforce any guidelines of the Equal Employment Opportunity Commission similar to proposed guidelines covering harassment based on religion published by the EEOC in October, 1993.

Sec. 609.—The conference agreement includes section 609, proposed in the House bill as section 610, prohibiting the use of funds for any United Nations peacekeeping mission that involves U.S. Armed Forces under the command or operational control of a foreign national, unless the President certifies that the involvement is in the national security interest, as proposed in the House bill. The Senate bill did not contain a provision on this matter.

Sec. 610.—The conference agreement includes section 610, proposed in the Senate bill as section 609, that prohibits use of funds to expand U.S. diplomatic presence in Vietnam beyond the level in effect on July 11, 1995, unless the President makes a certification that several conditions have been met regarding Vietnam's cooperation with the United States on POW/MIA issues. The House bill included a similar provision, with minor technical differences.

Sec. 611.—The conference agreement includes section 611, modified from section 610 proposed in the Senate bill, which prohibits more than 20% of any account that is available for obligation only in the current fiscal year from being obligated during the last two months of the fiscal year unless the Committees on Appropriations are notified in accordance with standard reprogramming procedures, with an exemption to this limitation for grant programs. The House bill did not contain a provision on this matter.

Sec. 612.—The conference agreement includes section 612, identical in both the House and Senate bills, which prohibits the use of funds to provide certain amenities for Federal prisoners.

Sec. 613.—The conference agreement includes section 613, proposed as section 612 in the House bill, restricting the use of funds provided under the National Oceanic and Atmospheric Administration for fleet modernization activities. The Senate bill did not contain a provision on this matter.

Sec. 614.—The conference agreement includes section 614, proposed as section 612 in the Senate bill, which requires agencies and departments funded in this Act to absorb any necessary costs related to downsizing or consolidations within the amounts provided to the agency or department. The House bill included this provision as section 613, with minor technical differences.

Sec. 615.—The conference agreement includes section 615, as proposed in both the House and Senate bills, which prohibits funds made available to the Federal Bureau of Prisons from being used to make available any commercially published information or material that is sexually explicit or features nudity to a prisoner.

Sec. 616.—The conference agreement includes section 616, as proposed in both the House and Senate bills, which limits funding under the Local Law Enforcement Block Grant to 90 percent to an entity that does not provide public safety officers injured in the line of duty, and as a result separated or retired from their jobs, with health insurance benefits equal to the insurance they received while on duty.

Sec. 617.—The conference agreement includes a provision, proposed as section 616 in the House bill, which prohibits funds provided in this Act from being used to promote the sale or export of tobacco or tobacco products, or to seek the reduction or removal of foreign restrictions on the marketing of tobacco products, provided such restrictions are applied equally to all tobacco or tobacco products of the same type. This provision is not intended to impact routine international trade services provided to all U.S. citizens, including the processing of applications to establish foreign trade zones. The Senate bill did not contain a provision on this matter.

Sec. 618.—The conference agreement includes section 618, proposed as section 615 in the Senate bill, which extends the prohibition in last year's bill on use of funds to issue a visa to any alien involved in extra judicial and political killings in Haiti. The provision also adds two names to the list of victims, and extends the exemption and reporting requirements from last year's provision. The House bill did not contain a provision on this matter.

Sec. 619.—The conference agreement includes section 619, proposed as section 617 in the House bill and carried in the fiscal year 1999 Act, which prohibits a user fee from being charged for background checks conducted pursuant to the Brady Handgun Control Act of 1993, and prohibits implementation of a background check system which does not require or result in destruction of certain information. The Senate bill included a similar provision as section 616, requiring immediate destruction of such information.

Sec. 620.—The conference agreement includes section 620, proposed as section 618 in the House bill, which delays obligation of any receipts deposited into the Crime Victims Fund in excess of $500,000,000 until October 1, 2000. The conferees have taken this action to protect against wide fluctuations in receipts into the Fund, and to ensure that a stable level of funding will remain available for these programs in future years.

Sec. 621.—The conference agreement includes section 621, proposed as section 620 in the House bill, which prohibits the use of funds to implement or prepare to implement the Kyoto Protocol on Climate Change prior to Senate ratification of the treaty. The Senate bill did not contain a provision on this matter.

Sec. 622.—The conference agreement includes a new section 622, which provides additional amounts for the Small Business Administration, Salaries and Expenses account for the following small business initiatives: $2,500,000 for continuation of an outreach program to assist small business development; $2,000,000 for infrastructure to develop a facility to increase small business opportunities and economic development; $3,000,000 for infrastructure to develop a facility that will serve as an incubator for small arts-related businesses; $750,000 for a skills training program for small business owners; $2,500,000 for infrastructure to develop a technology and training center; $1,000,000 to develop a facility and operate an institute for small business and workforce development; $1,000,000 to develop an education network; $1,000,000 for a technical assistance program for at-risk small businesses; $1,900,000 for infrastructure for a regional resource facility for small tourism businesses; $1,000,000 for a science and technology small business loan fund; $8,550,000 for infrastructure to develop a workforce development and skills training facility; $2,000,000 for a one-stop resource center for technology start-up businesses; $200,000 for a resource center for rural small business; $200,000 for a community development foundation; $500,000 for a training and technology center and associated infrastructure improvements; $500,000 for a program for technology-based small business growth; $500,000 for a project to develop strategic plans for technology-based small business development; $200,000 for infrastructure to develop a facility; $150,000 for a small business entrepreneurial education center; $300,000 for a microenterprise loan program; and $250,000 for a small business incubator facility.

Sec. 623.—The conference agreement includes a section, modified from the Senate bill, that authorizes the establishment and initial capitalization of two funds: the Northern Boundary and Transboundary Rivers Restoration and Enhancement Fund; and the Southern Boundary Restoration and Enhancement Fund. This section withholds funding to implement the 1999 Pacific Salmon Treaty Agreement until anticipated judicial and regulatory actions have been taken. This section also requires NMFS to make a jeopardy determination in southern United States fisheries before it may revisit its decision in Alaska. It allows the Pacific Salmon Commission to implement harvest responses under the Pacific Salmon Treaty before NMFS may reinitiate consultation in Alaska. The Pacific Salmon Commission can regulate salmon harvests in the United States and Canada in response to low escapement numbers, whereas NMFS may only address U.S. fisheries using the Endangered Species Act. Additionally, this section makes changes to the voting structure of the Pacific Salmon Commission. This section also authorizes funds in fiscal year 2000 for Pacific Coastal Salmon Recovery that are appropriated under title II of this Act, subject to requirements for a 25 percent non-federal match and a 3 percent limitation on administrative expenses, with certain exceptions.

Sec. 624.—The conference agreement includes section 624, proposed as section 627 in the Senate bill, which makes fiscal year 1999 appropriations associated with implementation of the American Fisheries Act of 1999 available until expended. The House bill did not contain a similar provision.

Sec. 625.—The conference agreement includes a new provision, numbered as section 625, which amends section 635 of Public Law 106–58 by inserting the words ''the carrier for'' after ''if'' in subsection (b)(2), and ''or otherwise provide for'' after ''to prescribe'' in subsection (c).

Sec. 626.—The conference agreement includes section 626, proposed as section 801 in the House bill, which prohibits the use of Department of Justice funds for programs which discriminate against or denigrate the religious beliefs of students participating in such programs. The Senate bill did not contain a provision on this matter.

Sec. 627.—The conference agreement includes section 627, proposed as section 802 in the House bill, which prohibits the use of funds to process visas for citizens of countries that the Attorney General has determined deny or delay accepting the return of deported citizens. The Senate bill did not contain a provision on this matter.

Sec. 628.—The conference agreement includes section 628, proposed as section 803 in the House bill, which prohibits the use of Department of Justice funds to transport a high security prisoner to any facility other than to a facility certified by the Bureau of Prisons as appropriately secure to house such a prisoner. The Senate bill did not contain a similar provision.

Sec. 629.—The conference agreement includes section 629, modified from language proposed as section 804 in the House bill, which prohibits funds from being used for the participation of United States delegates to the Standing Consultative Commission unless the President submits a certification that the U.S. Government is not implementing a 1997 memorandum of understanding regarding the 1972 Anti-Ballistic Missile Treaty between the U.S. and the U.S.S.R., or the Senate ratifies the memorandum of understanding. The Senate bill did not include a provision on this matter.

Sec. 630.—The conference agreement includes section 630, proposed as section 805 in the House bill, which prohibits funds for any activity in support of adding or maintaining any World Heritage Site in the U.S. on the List of World Heritage in Danger. The Senate bill did not include a provision on this matter.

The conference agreement does not include a provision, proposed as section 619 in the House bill, regarding Global Change Research assessments. However, the conferees direct that funds provided in this Act not be used to publish Global Change Research assessments unless the research has been subjected to peer review and made available to the public, and the draft assessment has been published in the Federal Register for a 60 day public comment period.

TITLE VII—RESCISSIONS

DEPARTMENT OF JUSTICE

DRUG ENFORCEMENT ADMINISTRATION

DRUG DIVERSION CONTROL FEE ACCOUNT

(RESCISSION)

The conference agreement includes a rescission of $35,000,000 from the amounts otherwise available for obligation in fiscal year 2000 for the ''Drug Diversion Fee Account'', as proposed in the Senate bill. The House bill did not include a rescission from this account.

IMMIGRATION AND NATURALIZATION SERVICE

IMMIGRATION EMERGENCY FUND

(RESCISSION)

The conference agreement includes a rescission of $1,137,000, the total remaining unobligated balances available in the Fund, as proposed in the House bill. The Senate bill did not include a rescission from the Fund.

DEPARTMENT OF STATE AND RELATED AGENCY

BROADCASTING BOARD OF GOVERNORS

INTERNATIONAL BROADCASTING OPERATIONS

(RESCISSION)

The conference agreement includes a rescission of $15,516,000 from unobligated balances in this account, instead of $14,829,000 as proposed in the House bill and $18,870,000 as proposed in the Senate bill. This amount is the remaining unobligated balances of funding originally provided to support the costs of relocating the headquarters of Radio Free Europe/Radio Liberty from Munich to Prague.

RELATED AGENCIES

SMALL BUSINESS ADMINISTRATION

BUSINESS LOANS PROGRAM ACCOUNT

(RESCISSION)

The conference agreement includes a rescission of $13,100,000 from unobligated balances under this heading, instead of $12,400,000 as proposed in the House bill and

no rescission as proposed in the Senate bill. This amount represents monies received by the SBA from the repurchase of preferred stock, and previously available to provide certain SBIC debenture guarantees. This funding is no longer required as the SBIC debentures program will have a zero subsidy rate in fiscal year 2000.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2000 recommended by the Committee of Conference, with comparisons to the fiscal year 1999 amount, the 2000 budget estimates, and the House and Senate bills for 2000 follow:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 1999	$36,197,272
Budget estimates of new (obligational) authority, fiscal year 2000	49,812,980
House bill, fiscal year 2000	37,677,283
Senate bill, fiscal year 2000	35,384,564
Conference agreement, fiscal year 2000	39,630,967
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1999	+3,433,695
Budget estimates of new (obligational) authority, fiscal year 2000	−10,182,013
House bill, fiscal year 2000	+1,953,684
Senate bill, fiscal year 2000	+4,246,403

The conference agreement would enact the provisions of H.R. 3422, as introduced on November 17, 1999. The text of that bill follows:

A BILL Making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2000, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2000, and for other purposes, namely:

TITLE I—EXPORT AND INVESTMENT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance 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 may be necessary in carrying out the program for the current fiscal year for such corporation: Provided, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than a nuclear-weapon state as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of the enactment of this Act.

SUBSIDY APPROPRIATION

For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, $759,000,000 to remain available until September 30, 2003: 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 such sums shall remain available until September 30, 2018 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 2000, 2001, 2002, and 2003: Provided further, That none of the funds appropriated by this Act or any prior Act appropriating funds for foreign operations, export financing, or related programs for tied-aid credits or grants may be used for any other purpose except through the regular notification procedures of the Committees on Appropriations: Provided further, That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State or any agency or national thereof.

ADMINISTRATIVE EXPENSES

For administrative expenses to carry out the direct and guaranteed loan and insurance programs (to be computed on an accrual basis), including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed $25,000 for official reception and representation expenses for members of the Board of Directors, $55,000,000: Provided, That necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the collection of moneys owed the Export-Import Bank, repossession or sale of pledged collateral or other assets acquired by the Export-Import Bank in satisfaction of moneys owed the Export-Import Bank, or the investigation or appraisal of any property, or the evaluation of the legal or technical aspects of any transaction for which an application for a loan, guarantee or insurance commitment has been made, shall be considered nonadministrative expenses for the purposes of this heading: Provided further, That, notwithstanding subsection (b) of section 117 of the Export Enhancement Act of 1992, subsection (a) thereof shall remain in effect until October 1, 2000.

OVERSEAS PRIVATE INVESTMENT CORPORATION

NONCREDIT ACCOUNT

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: Provided, That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed $35,000) shall not exceed $35,000,000: Provided further, That project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not be considered administrative expenses for the purposes of this heading.

PROGRAM ACCOUNT

For the cost of direct and guaranteed loans, $24,000,000, as authorized by section 234 of the Foreign Assistance Act of 1961 to be derived by transfer from the Overseas Private Investment Corporation noncredit account: 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 such sums shall be available for direct loan obligations and loan guaranty commitments incurred or made during fiscal years 2000 and 2001: Provided further, That such sums shall remain available through fiscal year 2008 for the disbursement of direct and guaranteed loans obligated in fiscal year 2000, and through fiscal year 2009 for the disbursement of direct and guaranteed loans obligated in fiscal year 2001: Provided further, That in addition, such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Noncredit Account and merged with said account: Provided further, That funds made available under this heading or in prior appropriations Acts that are available for the cost of financing under section 234 of the Foreign Assistance Act of 1961, shall be available for purposes of section 234(g) of such Act, to remain available until expended.

FUNDS APPROPRIATED TO THE PRESIDENT

TRADE AND DEVELOPMENT AGENCY

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, $44,000,000, to remain available until September 30, 2001: Provided, That the Trade and Development Agency may receive reimbursements from corporations and other entities for the costs of grants for feasibility studies and other project planning services, to be deposited as an offsetting collection to this account and to be available for obligation until September 30, 2001, for necessary expenses under this paragraph: Provided further, That such reimbursements shall not cover, or be allocated against, direct or indirect administrative costs of the agency.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 2000, unless otherwise specified herein, as follows:

AGENCY FOR INTERNATIONAL DEVELOPMENT

CHILD SURVIVAL AND DISEASE PROGRAMS FUND

For necessary expenses to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961, for child survival, basic education, assistance to combat tropical and other diseases, and related activities, in addition to funds otherwise available for such purposes, $715,000,000, to remain available until expended: Provided, That this amount shall be made available for such activities as: (1) immunization programs; (2) oral rehydration programs; (3) health and nutrition programs, and related education programs, which address the needs of mothers and children; (4) water and sanitation programs; (5) assistance for displaced and orphaned children; (6) programs for the prevention, treatment, and control of, and research on, tuberculosis, HIV/AIDS, polio, malaria and other diseases; and (7) up to $98,000,000 for basic education programs for children: Provided further, That none of the funds appropriated under this heading may be made available for nonproject assistance for health and child survival programs, except that funds may be made available for such assistance for ongoing health programs: Provided further, That $35,000,000 shall be available only for the HIV/AIDS programs requested under this heading in House Document 106–101.

DEVELOPMENT ASSISTANCE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the provisions of sections 103 through 106, and chapter 10 of part I of the Foreign Assistance Act of 1961, title V of the International Security and Development Cooperation Act of 1980 (Public Law 96–

533) and the provisions of section 401 of the Foreign Assistance Act of 1969, $1,228,000,000, to remain available until September 30, 2001: Provided, That of the amount appropriated under this heading, up to $5,000,000 may be made available for and apportioned directly to the Inter-American Foundation: Provided further, That of the amount appropriated under this heading, up to $14,400,000 may be made available for the African Development Foundation and shall be apportioned directly to that agency: Provided further, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: Provided further, That none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services, and that any such voluntary family planning project shall meet the following requirements: (1) service providers or referral agents in the project shall not implement or be subject to quotas, or other numerical targets, of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning (this provision shall not be construed to include the use of quantitative estimates or indicators for budgeting and planning purposes); (2) the project shall not include payment of incentives, bribes, gratuities, or financial reward to: (A) an individual in exchange for becoming a family planning acceptor; or (B) program personnel for achieving a numerical target or quota of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning; (3) the project shall not deny any right or benefit, including the right of access to participate in any program of general welfare or the right of access to health care, as a consequence of any individual's decision not to accept family planning services; (4) the project shall provide family planning acceptors comprehensible information on the health benefits and risks of the method chosen, including those conditions that might render the use of the method inadvisable and those adverse side effects known to be consequent to the use of the method; and (5) the project shall ensure that experimental contraceptive drugs and devices and medical procedures are provided only in the context of a scientific study in which participants are advised of potential risks and benefits; and, not less than 60 days after the date on which the Administrator of the United States Agency for International Development determines that there has been a violation of the requirements contained in paragraph (1), (2), (3), or (5) of this proviso, or a pattern or practice of violations of the requirements contained in paragraph (4) of this proviso, the Administrator shall submit to the Committee on International Relations and the Committee on Appropriations of the House of Representatives and to the Committee on Foreign Relations and the Committee on Appropriations of the Senate, a report containing a description of such violation and the corrective action taken by the Agency: Provided further, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: Provided further, That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export financing, and related programs, the term ''motivate'', as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options: Provided further, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961: Provided further, That, notwithstanding section 109 of the Foreign Assistance Act of 1961, of the funds appropriated under this heading in this Act, and of the unobligated balances of funds previously appropriated under this heading, $2,500,000 may be transferred to ''International Organizations and Programs'' for a contribution to the International Fund for Agricultural Development (IFAD): Provided further, That none of the funds appropriated under this heading may be made available for any activity which is in contravention to the Convention on International Trade in Endangered Species of Flora and Fauna (CITES): Provided further, That of the funds appropriated under this heading that are made available for assistance programs for displaced and orphaned children and victims of war, not to exceed $25,000, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of such programs: Provided further, That of the funds appropriated under this heading not less than $500,000 should be made available for support of the United States Telecommunications Training Institute: Provided further, That, of the funds appropriated by this Act for the Microenterprise Initiative (including any local currencies made available for the purposes of the Initiative), not less than one-half should be made available for programs providing loans of less than $300 to very poor people, particularly women, or for institutional support of organizations primarily engaged in making such loans.

CYPRUS

Of the funds appropriated under the headings ''Development Assistance'' and ''Economic Support Fund'', not less than $15,000,000 shall be made available for Cyprus to be used only for scholarships, administrative support of the scholarship program, bicommunal projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus.

LEBANON

Of the funds appropriated under the headings ''Development Assistance'' and ''Economic Support Fund'', not less than $15,000,000 should be made available for Lebanon to be used, among other programs, for scholarships and direct support of the American educational institutions in Lebanon.

BURMA

Of the funds appropriated under the headings ''Economic Support Fund'', ''Child Survival and Disease Programs Fund'' and ''Development Assistance'', not less than $6,500,000 shall be made available to support democracy activities in Burma, democracy and humanitarian activities along the Burma-Thailand border, and for Burmese student groups and other organizations located outside Burma: Provided, That funds made available for Burma-related activities under this heading may be made available notwithstanding any other provision of law: Provided further, That the provision of such funds shall be made available subject to the regular notification procedures of the Committees on Appropriations.

PRIVATE AND VOLUNTARY ORGANIZATIONS

None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 percent of its total annual funding for international activities from sources other than the United States Government: Provided, That the Administrator of the Agency for International Development may, on a case-by-case basis, waive the restriction contained in this paragraph, after taking into account the effectiveness of the overseas development activities of the organization, its level of volunteer support, its financial viability and stability, and the degree of its dependence for its financial support on the agency.

Funds appropriated or otherwise made available under title II of this Act should be made available to private and voluntary organizations at a level which is at least equivalent to the level provided in fiscal year 1995.

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, $202,880,000, to remain available until expended: Provided, That the Agency for International Development shall submit a report to the Committees on Appropriations at least 5 days prior to providing assistance through the Office of Transition Initiatives for a country that did not receive such assistance in fiscal year 1999.

MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM ACCOUNT

For the cost of direct loans and loan guarantees, $1,500,000, as authorized by section 108 of the Foreign Assistance Act of 1961, as amended: Provided, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That guarantees of loans made under this heading in support of microenterprise activities may guarantee up to 70 percent of the principal amount of any such loans notwithstanding section 108 of the Foreign Assistance Act of 1961. In addition, for administrative expenses to carry out programs under this heading, $500,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: Provided further, That funds made available under this heading shall remain available until September 30, 2001.

URBAN AND ENVIRONMENTAL CREDIT PROGRAM ACCOUNT

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of guaranteed loans authorized by sections 221 and 222 of the Foreign Assistance Act of 1961, $1,500,000, to remain available until expended: Provided, That these funds are available to subsidize loan principal, 100 percent of which shall be guaranteed, pursuant to the authority of such sections. In addition, for administrative expenses to carry out guaranteed loan programs, $5,000,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: Provided further, That commitments to guarantee loans under this heading may be entered into notwithstanding the second and third sentences of section 222(a) of the Foreign Assistance Act of 1961.

DEVELOPMENT CREDIT AUTHORITY PROGRAM ACCOUNT

For the cost of direct loans and loan guarantees, up to $3,000,000 to be derived by transfer from funds appropriated by this Act to carry out part I of the Foreign Assistance Act of 1961, as amended, and funds appropriated by this Act under the heading, ''ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES'', to remain

available until expended, as authorized by section 635 of the Foreign Assistance Act of 1961: 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 for administrative expenses to carry out the direct and guaranteed loan programs, up to $500,000 of this amount may be transferred to and merged with the appropriation for ''Operating Expenses of the Agency for International Development'': Provided further, That the provisions of section 107A(d) (relating to general provisions applicable to the Development Credit Authority) of the Foreign Assistance Act of 1961, as contained in section 306 of H.R. 1486 as reported by the House Committee on International Relations on May 9, 1997, shall be applicable to direct loans and loan guarantees provided under this heading.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the ''Foreign Service Retirement and Disability Fund'', as authorized by the Foreign Service Act of 1980, $43,837,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, $520,000,000: Provided, That, none of the funds appropriated under this heading may be made available to finance the construction (including architect and engineering services), purchase, or long term lease of offices for use by the Agency for International Development, unless the Administrator has identified such proposed construction (including architect and engineering services), purchase, or long term lease of offices in a report submitted to the Committees on Appropriations at least 15 days prior to the obligation of these funds for such purposes: Provided further, That the previous proviso shall not apply where the total cost of construction (including architect and engineering services), purchase, or long term lease of offices does not exceed $1,000,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, $25,000,000, to remain available until September 30, 2001, which sum shall be available for the Office of the Inspector General of the Agency for International Development.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, $2,345,500,000, to remain available until September 30, 2001: Provided, That of the funds appropriated under this heading, not less than $960,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within 30 days of the enactment of this Act or by October 31, 1999, whichever is later: Provided further, That not less than $735,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance shall be provided with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years, and of which not less than $200,000,000 shall be provided as Commodity Import Program assistance: Provided further, That in exercising the authority to provide cash transfer assistance for Israel, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of nonmilitary exports from the United States to such country and that Israel enters into a side letter agreement at least equivalent to the fiscal year 1999 agreement: Provided further, That of the funds appropriated under this heading, not less than $150,000,000 should be made available for assistance for Jordan: Provided further, That of the funds appropriated under this heading, not less than $25,000,000 should be made available for assistance for East Timor: Provided further, That notwithstanding any other provision of law, not to exceed $11,000,000 may be used to support victims of and programs related to the Holocaust: Provided further, That notwithstanding any other provision of law, of the funds appropriated under this heading, $1,000,000 shall be made available to nongovernmental organizations located outside of the People's Republic of China to support activities which preserve cultural traditions and promote sustainable development and environmental conservation in Tibetan communities in that country.

INTERNATIONAL FUND FOR IRELAND

For necessary expenses to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, $19,600,000, which shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99–415): Provided, That such amount shall be expended at the minimum rate necessary to make timely payment for projects and activities: Provided further, That funds made available under this heading shall remain available until September 30, 2001.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, $535,000,000, to remain available until September 30, 2001, which shall be available, notwithstanding any other provision of law, for assistance and for related programs for Eastern Europe and the Baltic States: Provided, That of the funds appropriated under this heading not less than $150,000,000 should be made available for assistance for Kosova: Provided further, That of the funds made available under this heading and the headings ''International Narcotics Control and Law Enforcement'' and ''Economic Support Fund'', not to exceed $130,000,000 shall be made available for Bosnia and Herzegovina: Provided further, That none of the funds made available under this heading for Kosova shall be made available until the Secretary of State certifies that the resources pledged by the United States at the upcoming Kosova donors conference shall not exceed 15 percent of the total resources pledged by all donors: Provided further, That none of the funds made available under this heading for Kosova shall be made available for large scale physical infrastructure reconstruction.

(b) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund's disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(c) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.

(d) None of the funds appropriated under this heading may be made available for new housing construction or repair or reconstruction of existing housing in Bosnia and Herzegovina unless directly related to the efforts of United States troops to promote peace in said country.

(e) With regard to funds appropriated under this heading for the economic revitalization program in Bosnia and Herzegovina, and local currencies generated by such funds (including the conversion of funds appropriated under this heading into currency used by Bosnia and Herzegovina as local currency and local currency returned or repaid under such program) the Administrator of the Agency for International Development shall provide written approval for grants and loans prior to the obligation and expenditure of funds for such purposes, and prior to the use of funds that have been returned or repaid to any lending facility or grantee.

(f) The provisions of section 532 of this Act shall apply to funds made available under subsection (e) and to funds appropriated under this heading.

(g) The President is authorized to withhold funds appropriated under this heading made available for economic revitalization programs in Bosnia and Herzegovina, if he determines and certifies to the Committees on Appropriations that the Federation of Bosnia and Herzegovina has not complied with article III of annex 1–A of the General Framework Agreement for Peace in Bosnia and Herzegovina concerning the withdrawal of foreign forces, and that intelligence cooperation on training, investigations, and related activities between Iranian officials and Bosnian officials has not been terminated.

ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapter 11 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the Independent States of the former Soviet Union and for related programs, $839,000,000, to remain available until September 30, 2001: Provided, That the provisions of such chapter shall apply to funds appropriated by this paragraph: Provided further, That such sums as may be necessary may be transferred to the Export-Import Bank of the United States for the cost of any financing under the Export-Import Bank Act of 1945 for activities for the Independent States: Provided further, That of the funds made available for the Southern Caucasus region, 15 percent should be used for confidence-building measures and other activities in furtherance of the peaceful resolution of the regional conflicts, especially those in the vicinity of Abkhazia and Nagorno-Karabagh: Provided further, That of the amounts appropriated under this heading not less than $20,000,000 shall be made available solely for the Russian Far East: Provided further, That of the funds made available under this heading $10,000,000 shall be made available for salaries and expenses to carry out the Russian Leadership Program enacted on May 21, 1999 (113 Stat. 93 et seq.).

(b) Of the funds appropriated under this heading, not less than $180,000,000 should be made available for assistance for Ukraine.

(c) Of the funds appropriated under this heading, not less than 12.92 percent shall be made available for assistance for Georgia.

(d) Of the funds appropriated under this heading, not less than 12.2 percent shall be made available for assistance for Armenia.

(e) Section 907 of the FREEDOM Support Act shall not apply to—

(1) activities to support democracy or assistance under title V of the FREEDOM Support Act and section 1424 of Public Law 104–201;

(2) any assistance provided by the Trade and Development Agency under section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421);

(3) any activity carried out by a member of the United States and Foreign Commercial Service while acting within his or her official capacity;

(4) any insurance, reinsurance, guarantee, or other assistance provided by the Overseas Private Investment Corporation under title IV of chapter 2 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2191 et seq.);

(5) any financing provided under the Export-Import Bank Act of 1945; or

(6) humanitarian assistance.

(f) Of the funds made available under this heading for nuclear safety activities, not to exceed 9 percent of the funds provided for any single project may be used to pay for management costs incurred by a United States national lab in administering said project.

(g) Not more than 25 percent of the funds appropriated under this heading may be made available for assistance for any country in the region. Activities authorized under title V (nonproliferation and disarmament programs and activities) of the FREEDOM Support Act shall not be counted against the 25 percent limitation.

(h) Of the funds appropriated under title II of this Act not less than $12,000,000 should be made available for assistance for Mongolia of which not less than $6,000,000 should be made available from funds appropriated under this heading: Provided, That funds made available for assistance for Mongolia may be made available in accordance with the purposes and utilizing the authorities provided in chapter 11 of part I of the Foreign Assistance Act of 1961.

(i)(1) Of the funds appropriated under this heading that are allocated for assistance for the Government of the Russian Federation, 50 percent shall be withheld from obligation until the President determines and certifies in writing to the Committees on Appropriations that the Government of the Russian Federation has terminated implementation of arrangements to provide Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor, related nuclear research facilities or programs, or ballistic missile capability.

(2) Paragraph (1) shall not apply to—

(A) assistance to combat infectious diseases and child survival activities; and

(B) activities authorized under title V (Nonproliferation and Disarmament Programs and Activities) of the FREEDOM Support Act.

(j) None of the funds appropriated under this heading may be made available for the Government of the Russian Federation, until the Secretary of State certifies to the Committees on Appropriations that: (1) Russian armed and peacekeeping forces deployed in Kosova have not established a separate sector of operational control; and (2) any Russian armed forces deployed in Kosova are operating under NATO unified command and control arrangements.

(k) Of the funds appropriated under this title, not less than $14,700,000 shall be made available for maternal and neo-natal health activities in the independent states of the former Soviet Union, of which at least 60 percent should be made available for the preventive care and treatment of mothers and infants in Russia.

INDEPENDENT AGENCY

PEACE CORPS

For necessary expenses to carry out the provisions of the Peace Corps Act (75 Stat. 612), $245,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: Provided, That none of the funds appropriated under this heading shall be used to pay for abortions: Provided further, That funds appropriated under this heading shall remain available until September 30, 2001.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

For necessary expenses to carry out section 481 of the Foreign Assistance Act of 1961, $305,000,000, of which $21,000,000 shall become available for obligation on September 30, 2000, and remain available until expended: Provided, That of this amount not less than $10,000,000 should be made available for Law Enforcement Training and Demand Reduction: Provided further, That any funds made available under this heading for anti-crime programs and activities shall be made available subject to the regular notification procedures of the Committees on Appropriations: Provided further, That during fiscal year 2000, the Department of State may also use the authority of section 608 of the Foreign Assistance Act of 1961, without regard to its restrictions, to receive excess property from an agency of the United States Government for the purpose of providing it to a foreign country under chapter 8 of part I of that Act subject to the regular notification procedures of the Committees on Appropriations: Provided further, That in addition to any funds previously made available to establish and operate the International Law Enforcement Academy for the Western Hemisphere, not less than $5,000,000 shall be made available to establish and operate the International Law Enforcement Academy for the Western Hemisphere at the deBremmond Training Center in Roswell, New Mexico.

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, $625,000,000, of which $21,000,000 shall become available for obligation on September 30, 2000, and remain available until expended: Provided, That not more than $13,800,000 shall be available for administrative expenses: Provided further, That not less than $60,000,000 shall be made available for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), $12,500,000, to remain available until expended: Provided, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Act which would limit the amount of funds which could be appropriated for this purpose.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

For necessary expenses for nonproliferation, anti-terrorism and related programs and activities, $216,600,000, to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance, section 504 of the FREEDOM Support Act for the Nonproliferation and Disarmament Fund, section 23 of the Arms Export Control Act or the Foreign Assistance Act of 1961 for demining activities, the clearance of unexploded ordnance, and related activities, notwithstanding any other provision of law, including activities implemented through nongovernmental and international organizations, section 301 of the Foreign Assistance Act of 1961 for a voluntary contribution to the International Atomic Energy Agency (IAEA) and a voluntary contribution to the Korean Peninsula Energy Development Organization (KEDO), and for a United States contribution to the Comprehensive Nuclear Test Ban Treaty Preparatory Commission: Provided, That the Secretary of State shall inform the Committees on Appropriations at least 20 days prior to the obligation of funds for the Comprehensive Nuclear Test Ban Treaty Preparatory Commission: Provided further, That of this amount not to exceed $15,000,000, to remain available until expended, may be made available for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to nonproliferation and disarmament: Provided further, That such funds may also be used for such countries other than the Independent States of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: Provided further, That such funds shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: Provided further, That of the funds appropriated under this heading, $40,000,000 should be made available for demining, clearance of unexploded ordnance, and related activities: Provided further, That of the funds made available for demining and related activities, not to exceed $500,000, in addition to funds otherwise available for such purposes, may be used for administrative expenses related to the operation and management of the demining program.

DEPARTMENT OF THE TREASURY

INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

For necessary expenses to carry out the provisions of section 129 of the Foreign Assistance Act of 1961 (relating to international affairs technical assistance activities), $1,500,000, to remain available until expended, which shall be available nowithstanding and other provision of law.

DEBT RESTRUCTURING

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts owed to the United States as a result of concessional loans made to eligible countries, pursuant to parts IV and V of the Foreign Assistance Act of 1961 (including up to $1,000,000 for necessary expenses for the administration of activities carried out under these parts), and of modifying concessional credit agreements with least developed countries, as authorized under section 411 of the Agricultural Trade Development and Assistance Act of 1954, as amended, and concessional loans, guarantees and credit agreements, as authorized under section 572 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 (Public Law 100–461), $123,000,000, to remain available until expended: Provided, That of this amount, not less than $13,000,000 shall be made available to carry out the provisions of part V of the Foreign Assistance Act of 1961: Provided, That any limitation of subsection (e) of section 411 of the

Agricultural Trade Development and Assistance Act of 1954 shall not apply to funds appropriated hereunder or previously appropriated under this heading: Provided further, That the authority provided by section 572 of Public Law 100–461 may be exercised only with respect to countries that are eligible to borrow from the International Development Association, but not from the International Bank for Reconstruction and Development, commonly referred to as ''IDA-only'' countries.

UNITED STATES COMMUNITY ADJUSTMENT AND INVESTMENT PROGRAM

For the United States Community Adjustment and Investment Program authorized by section 543 of the North American Free Trade Agreement Implementation Act, $10,000,000, to remain available until September 30, 2001: Provided, That the Secretary may transfer such funds to the North American Development Bank and/or to one or more Federal agencies for the purpose of enabling the Bank or such Federal agencies to assist in carrying out the program by providing technical assistance, grants, loans, loan guarantees, and other financial subsidies endorsed by the interagency finance committee established by section 7 of Executive Order No. 12916: Provided further, That no portion of such funds may be transferred to the Bank unless the Secretary shall have first entered into an agreement with the Bank that provides that any such funds may not be used for the Bank's administrative expenses: Provided further, That any funds transferred to the Bank under this heading will be in addition to the 10 percent of the paid-in capital paid to the Bank by the United States referred to in section 543 of the Act: Provided further, That any funds transferred to any Federal agency under this heading will be in addition to amounts otherwise provided to such agency: Provided further, That any funds transferred to an agency under this heading shall be subject to the same terms and conditions as the account to which transferred.

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, $50,000,000, of which up to $1,000,000 may remain available until expended: Provided, That the civilian personnel for whom military education and training may be provided under this heading may include civilians who are not members of a government whose participation would contribute to improved civil-military relations, civilian control of the military, or respect for human rights: Provided further, That funds appropriated under this heading for grant financed military education and training for Indonesia and Guatemala may only be available for expanded international military education and training and funds made available for Guatemala may only be provided through the regular notification procedures of the Committees on Appropriations: Provided further, That none of the funds appropriated under this heading may be made available to support grant financed military education and training at the School of the Americas unless the Secretary of Defense certifies that the instruction and training provided by the School of the Americas is fully consistent with training and doctrine, particularly with respect to the observance of human rights, provided by the Department of Defense to United States military students at Department of Defense institutions whose primary purpose is to train United States military personnel: Provided further, That the Secretary of Defense shall submit to the Committees on Appropriations, no later than January 15, 2000, a report detailing the training activities of the School of the Americas and a general assessment regarding the performance of its graduates during 1997 and 1998.

FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, $3,420,000,000: Provided, That of the funds appropriated under this heading, not less than $1,920,000,000 shall be available for grants only for Israel, and not less than $1,300,000,000 shall be made available for grants only for Egypt: Provided further, That the funds appropriated by this paragraph for Israel shall be disbursed within 30 days of the enactment of this Act or by October 31, 1999, whichever is later: Provided further, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not less than 26.3 percent shall be available for the procurement in Israel of defense articles and defense services, including research and development: Provided further, That of the funds appropriated by this paragraph, not less than $75,000,000 should be available for assistance for Jordan: Provided further, That of the funds appropriated by this paragraph, not less than $7,000,000 shall be made available for assistance for Tunisia: Provided further, That during fiscal year 2000, the President is authorized to, and shall, direct the draw-downs of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training of an aggregate value of not less than $4,000,000 under the authority of this proviso for Tunisia for the purposes of part II of the Foreign Assistance Act of 1961 and any amount so directed shall count toward meeting the earmark in the preceding proviso: Provided further, That of the funds appropriated by this paragraph up to $1,000,000 should be made available for assistance for Ecuador and shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That funds appropriated by this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: Provided further, That funds made available under this paragraph shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a).

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: Provided, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: Provided further, That none of the funds appropriated under this heading shall be available for assistance for Sudan and Liberia: Provided further, That funds made available under this heading may be used, notwithstanding any other provision of law, for demining, the clearance of unexploded ordnance, and related activities, and may include activities implemented through nongovernmental and international organizations: Provided further, That none of the funds appropriated under this heading shall be available for assistance for Guatemala: Provided further, That only those countries for which assistance was justified for the ''Foreign Military Sales Financing Program'' in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: Provided further, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: Provided further, That not more than $30,495,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: Provided further, That not more than $330,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 2000 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations: Provided further, That not later than 45 days after the date of the enactment of this Act, the Secretary of Defense shall report to the Committees on Appropriations regarding the appropriate host institution to support and advance the efforts of the Defense Institute for International and Legal Studies in both legal and political education: Provided further, That none of the funds made available under this heading shall be available for any non-NATO country participating in the Partnership for Peace Program except through the regular notification procedures of the Committees on Appropriations.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, $153,000,000: Provided, That none of the funds appropriated under this heading shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

GLOBAL ENVIRONMENT FACILITY

For the United States contribution for the Global Environment Facility, $35,800,000, to the International Bank for Reconstruction and Development as trustee for the Global Environment Facility, by the Secretary of the Treasury, to remain available until expended.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, $775,000,000, to remain available until expended.

CONTRIBUTION TO THE MULTILATERAL INVESTMENT GUARANTEE AGENCY

For payment to the Multilateral Investment Guarantee Agency by the Secretary of the Treasury, $4,000,000, for the United States paid-in share of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL

The United States Governor of the Multilateral Investment Guarantee Agency may subscribe without fiscal year limitation for the callable capital portion of the United States share of such capital stock in an amount not to exceed $20,000,000.

CONTRIBUTION TO THE INTER-AMERICAN INVESTMENT CORPORATION

For payment to the Inter-American Investment Corporation, by the Secretary of the Treasury, $16,000,000, for the United States share of

the increase in subscriptions to capital stock, to remain available until expended.

CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increase in capital stock, $25,610,667.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $1,503,718,910.

CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

For payment to the Asian Development Bank by the Secretary of the Treasury for the United States share of the paid-in portion of the increase in capital stock, $13,728,263, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Asian Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $672,745,205.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in resources of the Asian Development Fund, as authorized by the Asia Development Bank Act, as amended, $77,000,000, to remain available until expended, for contributions previously due.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

For payment to the African Development Bank by the Secretary of the Treasury, $4,100,000, for the United States paid-in share of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the African Development Bank may subscribe without fiscal year limitation for the callable capital portion of the United States share of such capital stock in an amount not to exceed $64,000,000.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increase in resources of the African Development Fund, $128,000,000, to remain available until expended.

CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, $35,778,717, for the United States share of the paid-in portion of the increase in capital stock, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $123,237,803.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, $183,000,000: Provided, That none of the funds appropriated under this heading shall be made available for the United Nations Fund for Science and Technology: Provided further, That not less than $5,000,000 should be made available to the World Food Program: Provided further, That none of the funds appropriated under this heading may be made available to the Korean Peninsula Energy Development Organization (KEDO) or the International Atomic Energy Agency (IAEA).

TITLE V—GENERAL PROVISIONS

OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

SEC. 501. Except for the appropriations entitled ''International Disaster Assistance'', and ''United States Emergency Refugee and Migration Assistance Fund'', not more than 15 percent of any appropriation item made available by this Act shall be obligated during the last month of availability.

PROHIBITION OF BILATERAL FUNDING FOR INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 502. Notwithstanding section 614 of the Foreign Assistance Act of 1961, none of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961: Provided, That none of the funds appropriated by title II of this Act may be transferred by the Agency for International Development directly to an international financial institution (as defined in section 533 of this Act) for the purpose of repaying a foreign country's loan obligations to such institution.

LIMITATION ON RESIDENCE EXPENSES

SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed $126,500 shall be for official residence expenses of the Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

LIMITATION ON EXPENSES

SEC. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed $5,000 shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed $95,000 shall be available for representation allowances for the Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: Provided further, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading ''Foreign Military Financing Program'', not to exceed $2,000 shall be available for entertainment expenses and not to exceed $50,000 shall be available for representation allowances: Provided further, That of the funds made available by this Act under the heading ''International Military Education and Training'', not to exceed $50,000 shall be available for entertainment allowances: Provided further, That of the funds made available by this Act for the Inter-American Foundation, not to exceed $2,000 shall be available for entertainment and representation allowances: Provided further, That of the funds made available by this Act for the Peace Corps, not to exceed a total of $4,000 shall be available for entertainment expenses: Provided further, That of the funds made available by this Act under the heading ''Trade and Development Agency'', not to exceed $2,000 shall be available for representation and entertainment allowances.

PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. 506. None of the funds appropriated or made available (other than funds for ''Nonproliferation, Anti-terrorism, Demining and Related Programs'') pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Sudan, or Syria: Provided, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

MILITARY COUPS

SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to any country whose duly elected head of government is deposed by military coup or decree: Provided, That assistance may be resumed to such country if the President determines and reports to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office.

TRANSFERS BETWEEN ACCOUNTS

SEC. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate.

DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 510. (a) Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the headings under title II of this Act are, if deobligated, hereby continued available for the same period as the respective appropriations under such headings or until September 30, 2000, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: Provided, That the Appropriations Committees of both Houses of the Congress are notified 15 days in advance of the reobligation of such funds in accordance with regular notification procedures of the Committees on Appropriations.

(b) Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act: Provided, That the authority of this subsection may not be used in fiscal year 2000.

AVAILABILITY OF FUNDS

SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: Provided, That funds appropriated for the purposes of chapters 1, 8, and 11 of part I, section 667, and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, and funds provided under the heading ''Assistance for Eastern Europe and the Baltic States'', shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this

Act: Provided further, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: Provided further, That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act: Provided, That this section and section 620(q) of the Foreign Assistance Act of 1961 shall not apply to funds made available for any narcotics-related assistance for Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961 or the Arms Export Control Act.

COMMERCE AND TRADE

SEC. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: Provided, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity, and the Chairman of the Board so notifies the Committees on Appropriations.

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: Provided, That this subsection shall not prohibit—

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.

SURPLUS COMMODITIES

SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

NOTIFICATION REQUIREMENTS

SEC. 515. (a) For the purposes of providing the executive branch with the necessary administrative flexibility, none of the funds made available under this Act for ''Child Survival and Disease Programs Fund'', ''Development Assistance'', ''International Organizations and Programs'', ''Trade and Development Agency'', ''International Narcotics Control and Law Enforcement'', ''Assistance for Eastern Europe and the Baltic States'', ''Assistance for the Independent States of the Former Soviet Union'', ''Economic Support Fund'', ''Peacekeeping Operations'', ''Operating Expenses of the Agency for International Development'', ''Operating Expenses of the Agency for International Development Office of Inspector General'', ''Nonproliferation, Anti-terrorism, Demining and Related Programs'', ''Foreign Military Financing Program'', ''International Military Education and Training'', ''Peace Corps'', and ''Migration and Refugee Assistance'', shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are previously notified 15 days in advance: Provided, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 percent in excess of the quantities justified to Congress unless the Committees on Appropriations are notified 15 days in advance of such commitment: Provided further, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 10 percent of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: Provided further, That the requirements of this section or any similar provision of this Act or any other Act, including any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations, may be waived if failure to do so would pose a substantial risk to human health or welfare: Provided further, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than 3 days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: Provided further, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

(b) Drawdowns made pursuant to section 506(a)(2) of the Foreign Assistance Act of 1961 shall be subject to the regular notification procedures of the Committees on Appropriations.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 516. Subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of section 307(a) of the Foreign Assistance Act of 1961, shall remain available for obligation until September 30, 2001.

INDEPENDENT STATES OF THE FORMER SOVIET UNION

SEC. 517. (a) None of the funds appropriated under the heading ''Assistance for the Independent States of the Former Soviet Union'' shall be made available for assistance for a government of an Independent State of the former Soviet Union—

(1) unless that government is making progress in implementing comprehensive economic reforms based on market principles, private ownership, respect for commercial contracts, and equitable treatment of foreign private investment; and

(2) if that government applies or transfers United States assistance to any entity for the purpose of expropriating or seizing ownership or control of assets, investments, or ventures.

Assistance may be furnished without regard to this subsection if the President determines that to do so is in the national interest.

(b) None of the funds appropriated under the heading ''Assistance for the Independent States of the Former Soviet Union'' shall be made available for assistance for a government of an Independent State of the former Soviet Union if that government directs any action in violation of the territorial integrity or national sovereignty of any other Independent State of the former Soviet Union, such as those violations included in the Helsinki Final Act: Provided, That such funds may be made available without regard to the restriction in this subsection if the President determines that to do so is in the national security interest of the United States.

(c) None of the funds appropriated under the heading ''Assistance for the Independent States of the Former Soviet Union'' shall be made available for any state to enhance its military capability: Provided, That this restriction does not apply to demilitarization, demining or nonproliferation programs.

(d) Funds appropriated under the heading ''Assistance for the Independent States of the Former Soviet Union'' shall be subject to the regular notification procedures of the Committees on Appropriations.

(e) Funds made available in this Act for assistance for the Independent States of the former Soviet Union shall be subject to the provisions of section 117 (relating to environment and natural resources) of the Foreign Assistance Act of 1961.

(f) Funds appropriated in this or prior appropriations Acts that are or have been made available for an Enterprise Fund in the Independent States of the Former Soviet Union may be deposited by such Fund in interest-bearing accounts prior to the disbursement of such funds by the Fund for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(g) In issuing new task orders, entering into contracts, or making grants, with funds appropriated in this Act or prior appropriations Acts under the headings ''Assistance for the New

Independent States of the Former Soviet Union'' and ''Assistance for the Independent States of the Former Soviet Union'', for projects or activities that have as one of their primary purposes the fostering of private sector development, the Coordinator for United States Assistance to the New Independent States and the implementing agency shall encourage the participation of and give significant weight to contractors and grantees who propose investing a significant amount of their own resources (including volunteer services and in-kind contributions) in such projects and activities.

PROHIBITION ON FUNDING FOR ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations: Provided, That none of the funds made available under this Act may be used to lobby for or against abortion.

EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 519. Not to exceed 5 percent of any appropriation other than for administrative expenses made available for fiscal year 2000, for programs under title I of this Act may be transferred between such appropriations for use for any of the purposes, programs, and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 percent by any such transfer: Provided, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

SPECIAL NOTIFICATION REQUIREMENTS

SEC. 520. None of the funds appropriated by this Act shall be obligated or expended for Colombia, Haiti, Liberia, Pakistan, Panama, Serbia, Sudan, or the Democratic Republic of Congo except as provided through the regular notification procedures of the Committees on Appropriations.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 521. For the purpose of this Act, ''program, project, and activity'' shall be defined at the appropriations Act account level and shall include all appropriations and authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, ''program, project, and activity'' shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the Agency for International Development ''program, project, and activity'' shall also be considered to include central program level funding, either as: (1) justified to the Congress; or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within 30 days of the enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

CHILD SURVIVAL AND DISEASE PREVENTION ACTIVITIES

SEC. 522. Up to $10,000,000 of the funds made available by this Act for assistance under the heading ''Child Survival and Disease Programs Fund'', may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the Agency for International Development for the purpose of carrying out child survival, basic education, and infectious disease activities: Provided, That up to $1,500,000 of the funds made available by this Act for assistance under the heading ''Development Assistance'' may be used to reimburse such agencies, institutions, and organizations for such costs of such individuals carrying out other development assistance activities: Provided further, That funds appropriated by this Act that are made available for child survival activities or disease programs including activities relating to research on, and the prevention, treatment and control of, Acquired Immune Deficiency Syndrome may be made available notwithstanding any provision of law that restricts assistance to foreign countries: Provided further, That funds appropriated under title II of this Act may be made available pursuant to section 301 of the Foreign Assistance Act of 1961 if a primary purpose of the assistance is for child survival and related programs: Provided further, That funds appropriated by this Act that are made available for family planning activities may be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. 523. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, Iran, Syria, North Korea, or the People's Republic of China, unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 524. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (f) of that section: Provided, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees: Provided further, That such Committees shall also be informed of the original acquisition cost of such defense articles.

AUTHORIZATION REQUIREMENT

SEC. 525. Funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91–672 and section 15 of the State Department Basic Authorities Act of 1956.

DEMOCRACY IN CHINA

SEC. 526. Notwithstanding any other provision of law that restricts assistance to foreign countries, funds appropriated by this Act for ''Economic Support Fund'' may be made available to provide general support and grants for nongovernmental organizations located outside the People's Republic of China that have as their primary purpose fostering democracy in that country, and for activities of nongovernmental organizations located outside the People's Republic of China to foster democracy in that country: Provided, That none of the funds made available for activities to foster democracy in the People's Republic of China may be made available for assistance to the government of that country, except that funds appropriated by this Act under the heading ''Economic Support Fund'' that are made available for the National Endowment for Democracy or its grantees may be made available for activities to foster democracy in that country notwithstanding this proviso and any other provision of law: Provided further, That funds made available pursuant to the authority of this section shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That notwithstanding any other provision of law that restricts assistance to foreign countries, of the funds appropriated by this Act under the heading ''Economic Support Fund'', $1,000,000 shall be made available to the Robert F. Kennedy Memorial Center for Human Rights for a project to disseminate information and support research about the People's Republic of China, and related activities.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 527. (a) Notwithstanding any other provision of law, funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to the enactment of this Act, shall not be made available to any country which the President determines—

(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism; or

(2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least 15 days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 528. Notwithstanding any other provision of law, and subject to the regular notification procedures of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel, Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

COMPETITIVE INSURANCE

SEC. 529. All Agency for International Development contracts and solicitations, and subcontracts entered into under such contracts, shall include a clause requiring that United States insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate.

STINGERS IN THE PERSIAN GULF REGION

SEC. 530. Except as provided in section 581 of the Foreign Operations, Export Financing, and

Related Programs Appropriations Act, 1990, the United States may not sell or otherwise make available any Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act of 1961.

DEBT-FOR-DEVELOPMENT

SEC. 531. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment shall be used for the purpose for which the assistance was provided to that organization.

SEPARATE ACCOUNTS

SEC. 532. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated; and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), for such purposes as—

(i) project and sector assistance activities; or

(ii) debt and deficit financing; or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall take all necessary steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(5) REPORTING REQUIREMENT.—The Administrator of the Agency for International Development shall report on an annual basis as part of the justification documents submitted to the Committees on Appropriations on the use of local currencies for the administrative requirements of the United States Government as authorized in subsection (a)(2)(B), and such report shall include the amount of local currency (and United States dollar equivalent) used and/or to be used for such purpose in each applicable country.

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapters 1 or 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (House Report No. 98–1159).

(3) NOTIFICATION.—At least 15 days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) EXEMPTION.—Nonproject sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 533. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, ''international financial institutions'' are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.

COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

SEC. 534. None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq unless the President determines and so certifies to the Congress that—

(1) such assistance is in the national interest of the United States;

(2) such assistance will directly benefit the needy people in that country; or

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

AUTHORITIES FOR THE PEACE CORPS, INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, INTER-AMERICAN FOUNDATION AND AFRICAN DEVELOPMENT FOUNDATION

SEC. 535. (a) Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act or the African Development Foundation Act. The agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

(b) Unless expressly provided to the contrary, limitations on the availability of funds for ''International Organizations and Programs'' in this or any other Act, including prior appropriations Acts, shall not be construed to be applicable to the International Fund for Agricultural Development.

IMPACT ON JOBS IN THE UNITED STATES

SEC. 536. None of the funds appropriated by this Act may be obligated or expended to provide—

(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States;

(b) assistance for the purpose of establishing or developing in a foreign country any export processing zone or designated area in which the tax, tariff, labor, environment, and safety laws of that country do not apply, in part or in whole, to activities carried out within that zone or area, unless the President determines and certifies that such assistance is not likely to cause a loss of jobs within the United States; or

(c) assistance for any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: Provided, That in recognition that the application of this subsection should be commensurate with the level of development of the recipient country and sector, the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

FUNDING PROHIBITION FOR SERBIA

SEC. 537. None of the funds appropriated by this Act may be made available for assistance for the Republic of Serbia: Provided, That this restriction shall not apply to assistance for Kosova or Montenegro, or to assistance to promote democratization: Provided further, That section 620(t) of the Foreign Assistance Act of 1961, as amended, shall not apply to Kosova or Montenegro.

SPECIAL AUTHORITIES

SEC. 538. (a) Funds appropriated in titles I and II of this Act that are made available for Afghanistan, Lebanon, Montenegro, and for victims of war, displaced children, displaced Burmese, humanitarian assistance for Romania, and humanitarian assistance for the peoples of Kosova, may be made available notwithstanding any other provision of law: Provided, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961

and section 906 of the International Security and Development Cooperation Act of 1985.

(b) Funds appropriated by this Act to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and biodiversity conservation activities and, subject to the regular notification procedures of the Committees on Appropriations, energy programs aimed at reducing greenhouse gas emissions: Provided, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(c) The Agency for International Development may employ personal services contractors, notwithstanding any other provision of law, for the purpose of administering programs for the West Bank and Gaza.

(d)(1) WAIVER.—The President may waive the provisions of section 1003 of Public Law 100–204 if the President determines and certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that it is important to the national security interests of the United States.

(2) PERIOD OF APPLICATION OF WAIVER.—Any waiver pursuant to paragraph (1) shall be effective for no more than a period of 6 months at a time and shall not apply beyond 12 months after the enactment of this Act.

POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL

SEC. 539. It is the sense of the Congress that—

(1) the Arab League countries should immediately and publicly renounce the primary boycott of Israel and the secondary and tertiary boycott of American firms that have commercial ties with Israel;

(2) the decision by the Arab League in 1997 to reinstate the boycott against Israel was deeply troubling and disappointing;

(3) the Arab League should immediately rescind its decision on the boycott and its members should develop normal relations with their neighbor Israel; and

(4) the President should—

(A) take more concrete steps to encourage vigorously Arab League countries to renounce publicly the primary boycotts of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel as a confidence-building measure;

(B) take into consideration the participation of any recipient country in the primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel when determining whether to sell weapons to said country;

(C) report to Congress on the specific steps being taken by the President to bring about a public renunciation of the Arab primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel and to expand the process of normalizing ties between Arab League countries and Israel; and

(D) encourage the allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.

ANTI-NARCOTICS ACTIVITIES

SEC. 540. Of the funds appropriated or otherwise made available by this Act for ''Economic Support Fund'', assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean and in other regions consistent with the provisions of section 534(b) of the Foreign Assistance Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act. Funds made available pursuant to this section may be made available notwithstanding section 534(c) and the second and third sentences of section 534(e) of the Foreign Assistance Act of 1961.

ELIGIBILITY FOR ASSISTANCE

SEC. 541. (a) ASSISTANCE THROUGH NONGOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1, 10, and 11 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, and from funds appropriated under the heading ''Assistance for Eastern Europe and the Baltic States'': Provided, That the President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this subsection, whether assistance in support of programs of nongovernmental organizations is in the national interest of the United States: Provided further, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: Provided further, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

(b) PUBLIC LAW 480.—During fiscal year 2000, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: Provided, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

(c) EXCEPTION.—This section shall not apply—

(1) with respect to section 620A of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that support international terrorism; or

(2) with respect to section 116 of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that violate internationally recognized human rights.

EARMARKS

SEC. 542. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act or, with respect to a country with which the United States has an agreement providing the United States with base rights or base access in that country, if the President determines that the recipient for which funds are earmarked has significantly reduced its military or economic cooperation with the United States since the enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991; however, before exercising the authority of this subsection with regard to a base rights or base access country which has significantly reduced its military or economic cooperation with the United States, the President shall consult with, and shall provide a written policy justification to the Committees on Appropriations: Provided, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That assistance that is reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.

(b) In addition to the authority contained in subsection (a), the original period of availability of funds appropriated by this Act and administered by the Agency for International Development that are earmarked for particular programs or activities by this or any other Act shall be extended for an additional fiscal year if the Administrator of such agency determines and reports promptly to the Committees on Appropriations that the termination of assistance to a country or a significant change in circumstances makes it unlikely that such earmarked funds can be obligated during the original period of availability: Provided, That such earmarked funds that are continued available for an additional fiscal year shall be obligated only for the purpose of such earmark.

CEILINGS AND EARMARKS

SEC. 543. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs. Earmarks or minimum funding requirements contained in any other Act shall not be applicable to funds appropriated by this Act.

PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 544. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of the enactment of this Act by the Congress: Provided, That not to exceed $750,000 may be made available to carry out the provisions of section 316 of Public Law 96–533.

PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

SEC. 545. (a) To the maximum extent possible, assistance provided under this Act should make full use of American resources, including commodities, products, and services.

(b) It is the sense of the Congress that, to the greatest extent practicable, all agriculture commodities, equipment and products purchased with funds made available in this Act should be American-made.

(c) In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (b) by the Congress.

(d) The Secretary of the Treasury shall report to Congress annually on the efforts of the heads of each Federal agency and the United States directors of international financial institutions (as referenced in section 514) in complying with this sense of the Congress.

PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

SEC. 546. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations or, from funds appropriated by this Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961, the costs for participation of another country's delegation at international conferences held under the auspices of multilateral or international organizations.

CONSULTING SERVICES

SEC. 547. 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 pursuant to existing law.

PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

SEC. 548. None of the funds appropriated or made available pursuant to this Act shall be available to a private voluntary organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the Agency for International Development.

PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

SEC. 549. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after October 1, 1997.

(b) Assistance restricted by subsection (a) or any other similar provision of law, may be furnished if the President determines that furnishing such assistance is important to the national interests of the United States.

(c) Whenever the waiver of subsection (b) is exercised, the President shall submit to the appropriate congressional committees a report with respect to the furnishing of such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance furthers United States national interests.

WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES

SEC. 550. (a) IN GENERAL.—Of the funds made available for a foreign country under part I of the Foreign Assistance Act of 1961, an amount equivalent to 110 percent of the total unpaid fully adjudicated parking fines and penalties owed to the District of Columbia by such country as of the date of the enactment of this Act shall be withheld from obligation for such country until the Secretary of State certifies and reports in writing to the appropriate congressional committees that such fines and penalties are fully paid to the government of the District of Columbia.

(b) DEFINITION.—For purposes of this section, the term ''appropriate congressional committees'' means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

LIMITATION ON ASSISTANCE FOR THE PLO FOR THE WEST BANK AND GAZA

SEC. 551. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 604(a) of the Middle East Peace Facilitation Act of 1995 (title VI of Public Law 104–107) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: Provided, That if the President fails to make the certification under section 604(b)(2) of the Middle East Peace Facilitation Act of 1995 or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.

WAR CRIMES TRIBUNALS DRAWDOWN

SEC. 552. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the President may direct a drawdown pursuant to section 552(c) of the Foreign Assistance Act of 1961, as amended, of up to $30,000,000 of commodities and services for the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: Provided, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): Provided further, That 60 days after the date of the enactment of this Act, and every 180 days thereafter, the Secretary of State shall submit a report to the Committees on Appropriations describing the steps the United States Government is taking to collect information regarding allegations of genocide or other violations of international law in the former Yugoslavia and to furnish that information to the United Nations War Crimes Tribunal for the former Yugoslavia: Provided further, That the drawdown made under this section for any tribunal shall not be construed as an endorsement or precedent for the establishment of any standing or permanent international criminal tribunal or court: Provided further, That funds made available for tribunals other than Yugoslavia or Rwanda shall be made available subject to the regular notification procedures of the Committees on Appropriations.

LANDMINES

SEC. 553. Notwithstanding any other provision of law, demining equipment available to the Agency for International Development and the Department of State and used in support of the clearance of landmines and unexploded ordnance for humanitarian purposes may be disposed of on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe: Provided, That section 1365(c) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 22 U.S.C., 2778 note) is amended by striking ''During the five-year period beginning on October 23, 1992'' and inserting ''During the 11-year period beginning on October 23, 1992''.

RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

SEC. 554. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: Provided, That this restriction shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: Provided further, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.

PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

SEC. 555. None of the funds appropriated or otherwise made available by this Act under the headings ''International Military Education and Training'' or ''Foreign Military Financing Program'' for Informational Program activities or under the headings ''Child Survival and Disease Programs Fund'', ''Development Assistance'', and ''Economic Support Fund'' may be obligated or expended to pay for—

(1) alcoholic beverages; or

(2) entertainment expenses for activities that are substantially of a recreational character, including entrance fees at sporting events and amusement parks.

COMPETITIVE PRICING FOR SALES OF DEFENSE ARTICLES

SEC. 556. Direct costs associated with meeting a foreign customer's additional or unique requirements will continue to be allowable under contracts under section 22(d) of the Arms Export Control Act. Loadings applicable to such direct costs shall be permitted at the same rates applicable to procurement of like items purchased by the Department of Defense for its own use.

SPECIAL DEBT RELIEF FOR THE POOREST

SEC. 557. (a) AUTHORITY TO REDUCE DEBT.—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—

(1) guarantees issued under sections 221 and 222 of the Foreign Assistance Act of 1961;

(2) credits extended or guarantees issued under the Arms Export Control Act; or

(3) any obligation or portion of such obligation, to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 5(f) of the Commodity Credit Corporation Charter Act of June 29, 1948, as amended, section 4(b) of the Food for Peace Act of 1966, as amended (Public Law 89–808), or section 202 of the Agricultural Trade Act of 1978, as amended (Public Law 95–501).

(b) LIMITATIONS.—

(1) The authority provided by subsection (a) may be exercised only to implement multilateral official debt relief and referendum agreements, commonly referred to as ''Paris Club Agreed Minutes''.

(2) The authority provided by subsection (a) may be exercised only in such amounts or to such extent as is provided in advance by appropriations Acts.

(3) The authority provided by subsection (a) may be exercised only with respect to countries with heavy debt burdens that are eligible to borrow from the International Development Association, but not from the International Bank for Reconstruction and Development, commonly referred to as ''IDA-only'' countries.

(c) CONDITIONS.—The authority provided by subsection (a) may be exercised only with respect to a country whose government—

(1) does not have an excessive level of military expenditures;

(2) has not repeatedly provided support for acts of international terrorism;

(3) is not failing to cooperate on international narcotics control matters;

(4) (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights; and

(5) is not ineligible for assistance because of the application of section 527 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995.

(d) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading ''Debt Restructuring''.

(e) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to subsection (a)

shall not be considered assistance for purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961 or section 321 of the International Development and Food Assistance Act of 1975.

AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

SEC. 558. (a) LOANS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.—

(1) AUTHORITY TO SELL, REDUCE, OR CANCEL CERTAIN LOANS.—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser any concessional loan or portion thereof made before January 1, 1995, pursuant to the Foreign Assistance Act of 1961, to the government of any eligible country as defined in section 702(6) of that Act or on receipt of payment from an eligible purchaser, reduce or cancel such loan or portion thereof, only for the purpose of facilitating—

(A) debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps; or

(B) a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than 40 percent of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support activities that link conservation and sustainable use of natural resources with local community development, and child survival and other child development, in a manner consistent with sections 707 through 710 of the Foreign Assistance Act of 1961, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.

(2) TERMS AND CONDITIONS.—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans may be sold, reduced, or canceled pursuant to this section.

(3) ADMINISTRATION.—The Facility, as defined in section 702(8) of the Foreign Assistance Act of 1961, shall notify the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of purchasers that the President has determined to be eligible, and shall direct such agency to carry out the sale, reduction, or cancellation of a loan pursuant to this section. Such agency shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

(4) LIMITATION.—The authorities of this subsection shall be available only to the extent that appropriations for the cost of the modification, as defined in section 502 of the Congressional Budget Act of 1974, are made in advance.

(b) DEPOSIT OF PROCEEDS.—The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.

(c) ELIGIBLE PURCHASERS.—A loan may be sold pursuant to subsection (a)(1)(A) only to a purchaser who presents plans satisfactory to the President for using the loan for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(d) DEBTOR CONSULTATIONS.—Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section, of any loan made to an eligible country, the President should consult with the country concerning the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(e) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading ''Debt Restructuring''.

ASSISTANCE FOR HAITI

SEC. 559. (a) POLICY.—In providing assistance to Haiti, the President should place a priority on the following areas:

(1) aggressive action to support the Haitian National Police, including support for efforts by the Inspector General to purge corrupt and politicized elements from the Haitian National Police;

(2) steps to ensure that any elections undertaken in Haiti with United States assistance are full, free, fair, transparent, and democratic;

(3) support for a program designed to develop an indigenous human rights monitoring capacity;

(4) steps to facilitate the continued privatization of state-owned enterprises;

(5) a sustainable agricultural development program; and

(6) establishment of an economic development fund for Haiti to provide long-term, low interest loans to United States investors and businesses that have a demonstrated commitment to, and expertise in, doing business in Haiti, in particular those businesses present in Haiti prior to the 1994 United Nations embargo.

(b) REPORT.—Beginning 6 months after the date of the enactment of this Act, and 6 months thereafter until September 30, 2001, the President shall submit a report to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives with regard to—

(1) the status of each of the governmental institutions envisioned in the 1987 Haitian Constitution, including an assessment of the extent to which officials in such institutions hold their positions on the basis of a regular, constitutional process;

(2) the status of the privatization (or placement under long-term private management or concession) of the major public entities, including a detailed assessment of the extent to which the Government of Haiti has completed all required incorporating documents, the transfer of assets, and the eviction of unauthorized occupants from such facilities;

(3) the status of efforts to re-sign and implement the lapsed bilateral Repatriation Agreement and an assessment of the extent to which the Government of Haiti has been cooperating with the United States in halting illegal emigration from Haiti;

(4) the status of the Government of Haiti's efforts to conduct thorough investigations of extrajudicial and political killings and—

(A) an assessment of the progress that has been made in bringing to justice the persons responsible for these extrajudicial or political killings in Haiti; and

(B) an assessment of the extent to which the Government of Haiti is cooperating with United States authorities and with United States-funded technical advisors to the Haitian National Police in such investigations;

(5) an assessment of actions taken by the Government of Haiti to remove and maintain the separation from the Haitian National Police, national palace and residential guard, ministerial guard, and any other public security entity or unit of Haiti those individuals who are credibly alleged to have engaged in or conspired to conceal gross violations of internationally recognized human rights;

(6) the status of steps being taken to secure the ratification of the maritime counter-narcotics agreements signed October 1997;

(7) an assessment of the extent to which domestic capacity to conduct free, fair, democratic, and administratively sound elections has been developed in Haiti; and

(8) an assessment of the extent to which Haiti's Minister of Justice has demonstrated a commitment to the professionalism of judicial personnel by consistently placing students graduated by the Judicial School in appropriate judicial positions and has made a commitment to share program costs associated with the Judicial School, and is achieving progress in making the judicial branch in Haiti independent from the executive branch.

(c) EQUITABLE ALLOCATION OF FUNDS.—Not more than 17 percent of the funds appropriated by this Act to carry out the provisions of sections 103 through 106 and chapter 4 of part II of the Foreign Assistance Act of 1961, that are made available for Latin America and the Caribbean region may be made available, through bilateral and Latin America and the Caribbean regional programs, to provide assistance for any country in such region.

REQUIREMENT FOR DISCLOSURE OF FOREIGN AID IN REPORT OF SECRETARY OF STATE

SEC. 560. (a) FOREIGN AID REPORTING REQUIREMENT.—In addition to the voting practices of a foreign country, the report required to be submitted to Congress under section 406(a) of the Foreign Relations Authorization Act, fiscal years 1990 and 1991 (22 U.S.C. 2414a), shall include a side-by-side comparison of individual countries' overall support for the United States at the United Nations and the amount of United States assistance provided to such country in fiscal year 1999.

(b) UNITED STATES ASSISTANCE.—For purposes of this section, the term ''United States assistance'' has the meaning given the term in section 481(e)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).

RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO UNITED NATIONS AGENCIES

SEC. 561. (a) PROHIBITION ON VOLUNTARY CONTRIBUTIONS FOR THE UNITED NATIONS.—None of the funds appropriated by this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) if the United Nations implements or imposes any taxation on any United States persons.

(b) CERTIFICATION REQUIRED FOR DISBURSEMENT OF FUNDS.—None of the funds appropriated by this Act may be made available to pay any voluntary contribution of the United States to the United Nations (including the United Nations Development Program) unless the President certifies to the Congress 15 days in advance of such payment that the United Nations is not engaged in any effort to implement or impose any taxation on United States persons in order to raise revenue for the United Nations or any of its specialized agencies.

(c) DEFINITIONS.—As used in this section the term ''United States person'' refers to—

(1) a natural person who is a citizen or national of the United States; or

(2) a corporation, partnership, or other legal entity organized under the United States or any State, territory, possession, or district of the United States.

HAITI

SEC. 562. The Government of Haiti shall be eligible to purchase defense articles and services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the civilian-led Haitian National Police and Coast Guard: Provided, That the authority provided by this section shall be subject to the regular notification procedures of the Committees on Appropriations.

LIMITATION ON ASSISTANCE TO THE PALESTINIAN AUTHORITY

SEC. 563. (a) PROHIBITION OF FUNDS.—None of the funds appropriated by this Act to carry out

the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 may be obligated or expended with respect to providing funds to the Palestinian Authority.

(b) WAIVER.—The prohibition included in subsection (a) shall not apply if the President certifies in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate that waiving such prohibition is important to the national security interests of the United States.

(c) PERIOD OF APPLICATION OF WAIVER.—Any waiver pursuant to subsection (b) shall be effective for no more than a period of 6 months at a time and shall not apply beyond 12 months after the enactment of this Act.

LIMITATION ON ASSISTANCE TO SECURITY FORCES

SEC. 564. None of the funds made available by this Act may be provided to any unit of the security forces of a foreign country if the Secretary of State has credible evidence that such unit has committed gross violations of human rights, unless the Secretary determines and reports to the Committees on Appropriations that the government of such country is taking effective measures to bring the responsible members of the security forces unit to justice: Provided, That nothing in this section shall be construed to withhold funds made available by this Act from any unit of the security forces of a foreign country not credibly alleged to be involved in gross violations of human rights: Provided further, That in the event that funds are withheld from any unit pursuant to this section, the Secretary of State shall promptly inform the foreign government of the basis for such action and shall, to the maximum extent practicable, assist the foreign government in taking effective measures to bring the responsible members of the security forces to justice.

LIMITATIONS ON TRANSFER OF MILITARY EQUIPMENT TO EAST TIMOR

SEC. 565. In any agreement for the sale, transfer, or licensing of any lethal equipment or helicopter for Indonesia entered into by the United States pursuant to the authority of this Act or any other Act, the agreement shall state that the items will not be used in East Timor.

RESTRICTIONS ON ASSISTANCE TO COUNTRIES PROVIDING SANCTUARY TO INDICTED WAR CRIMINALS

SEC. 566. (a) BILATERAL ASSISTANCE.—None of the funds made available by this or any prior Act making appropriations for foreign operations, export financing and related programs, may be provided for any country, entity or municipality described in subsection (e).

(b) MULTILATERAL ASSISTANCE.—

(1) PROHIBITION.—The Secretary of the Treasury shall instruct the United States executive directors of the international financial institutions to work in opposition to, and vote against, any extension by such institutions of any financial or technical assistance or grants of any kind to any country or entity described in subsection (e).

(2) NOTIFICATION.—Not less than 15 days before any vote in an international financial institution regarding the extension of financial or technical assistance or grants to any country or entity described in subsection (e), the Secretary of the Treasury, in consultation with the Secretary of State, shall provide to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on Banking and Financial Services of the House of Representatives a written justification for the proposed assistance, including an explanation of the United States position regarding any such vote, as well as a description of the location of the proposed assistance by municipality, its purpose, and its intended beneficiaries.

(3) DEFINITION.—The term ''international financial institution'' includes the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guaranty Agency, and the European Bank for Reconstruction and Development.

(c) EXCEPTIONS.—

(1) IN GENERAL.—Subject to paragraph (2), subsections (a) and (b) shall not apply to the provision of—

(A) humanitarian assistance;

(B) democratization assistance;

(C) assistance for cross border physical infrastructure projects involving activities in both a sanctioned country, entity, or municipality and a nonsanctioned contiguous country, entity, or municipality, if the project is primarily located in and primarily benefits the nonsanctioned country, entity, or municipality and if the portion of the project located in the sanctioned country, entity, or municipality is necessary only to complete the project;

(D) small-scale assistance projects or activities requested by United States Armed Forces that promote good relations between such forces and the officials and citizens of the areas in the United States SFOR sector of Bosnia;

(E) implementation of the Brcko Arbitral Decision;

(F) lending by the international financial institutions to a country or entity to support common monetary and fiscal policies at the national level as contemplated by the Dayton Agreement;

(G) direct lending to a non-sanctioned entity, or lending passed on by the national government to a non-sanctioned entity; or

(H) assistance to the International Police Task Force for the training of a civilian police force.

(2) NOTIFICATION.—Every 60 days the Secretary of State, in consultation with the Administrator of the Agency for International Development, shall publish in the Federal Register and/or in a comparable publicly accessible document or Internet site, a listing and justification of any assistance that is obligated within that period of time for any country, entity, or municipality described in subsection (e), including a description of the purpose of the assistance, project and its location, by municipality.

(d) FURTHER LIMITATIONS.—Notwithstanding subsection (c)—

(1) no assistance may be made available by this Act, or any prior Act making appropriations for foreign operations, export financing and related programs, in any country, entity, or municipality described in subsection (e), for a program, project, or activity in which a publicly indicted war criminal is known to have any financial or material interest; and

(2) no assistance (other than emergency foods or medical assistance or demining assistance) may be made available by this Act, or any prior Act making appropriations for foreign operations, export financing and related programs for any program, project, or activity in a community within any country, entity or municipality described in subsection (e) if competent authorities within that community are not complying with the provisions of Article IX and Annex 4, Article II, paragraph 8 of the Dayton Agreement relating to war crimes and the Tribunal.

(e) SANCTIONED COUNTRY, ENTITY, OR MUNICIPALITY.—A sanctioned country, entity, or municipality described in this section is one whose competent authorities have failed, as determined by the Secretary of State, to take necessary and significant steps to apprehend and transfer to the Tribunal all persons who have been publicly indicted by the Tribunal.

(f) SPECIAL RULE.—Subject to subsection (d), subsections (a) and (b) shall not apply to the provision of assistance to an entity that is not a sanctioned entity, notwithstanding that such entity may be within a sanctioned country, if the Secretary of State determines and so reports to the appropriate congressional committees that providing assistance to that entity would promote peace and internationally recognized human rights by encouraging that entity to cooperate fully with the Tribunal.

(g) CURRENT RECORD OF WAR CRIMINALS AND SANCTIONED COUNTRIES, ENTITIES, AND MUNICIPALITIES.—

(1) IN GENERAL.—The Secretary of State shall establish and maintain a current record of the location, including the municipality, if known, of publicly indicted war criminals and a current record of sanctioned countries, entities, and municipalities.

(2) INFORMATION OF THE DCI AND THE SECRETARY OF DEFENSE.—The Director of Central Intelligence and the Secretary of Defense should collect and provide to the Secretary of State information concerning the location, including the municipality, of publicly indicted war criminals.

(3) INFORMATION OF THE TRIBUNAL.—The Secretary of State shall request that the Tribunal and other international organizations and governments provide the Secretary of State information concerning the location, including the municipality, of publicly indicted war criminals and concerning country, entity and municipality authorities known to have obstructed the work of the Tribunal.

(4) REPORT.—Beginning 30 days after the date of the enactment of this Act, and not later than September 1 each year thereafter, the Secretary of State shall submit a report in classified and unclassified form to the appropriate congressional committees on the location, including the municipality, if known, of publicly indicted war criminals, on country, entity and municipality authorities known to have obstructed the work of the Tribunal, and on sanctioned countries, entities, and municipalities.

(5) INFORMATION TO CONGRESS.—Upon the request of the chairman or ranking minority member of any of the appropriate congressional committees, the Secretary of State shall make available to that committee the information recorded under paragraph (1) in a report submitted to the committee in classified and unclassified form.

(h) WAIVER.—

(1) IN GENERAL.—The Secretary of State may waive the application of subsection (a) or subsection (b) with respect to specified bilateral programs or international financial institution projects or programs in a sanctioned country, entity, or municipality upon providing a written determination to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives that such assistance directly supports the implementation of the Dayton Agreement and its Annexes, which include the obligation to apprehend and transfer indicted war criminals to the Tribunal.

(2) REPORT.—Not later than 15 days after the date of any written determination under paragraph (1) the Secretary of State shall submit a report to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives regarding the status of efforts to secure the voluntary surrender or apprehension and transfer of persons indicted by the Tribunal, in accordance with the Dayton Agreement, and outlining obstacles to achieving this goal.

(3) ASSISTANCE PROGRAMS AND PROJECTS AFFECTED.—Any waiver made pursuant to this subsection shall be effective only with respect to

a specified bilateral program or multilateral assistance project or program identified in the determination of the Secretary of State to Congress.

(i) TERMINATION OF SANCTIONS.—The sanctions imposed pursuant to subsections (a) and (b) with respect to a country or entity shall cease to apply only if the Secretary of State determines and certifies to Congress that the authorities of that country, entity, or municipality have apprehended and transferred to the Tribunal all persons who have been publicly indicted by the Tribunal.

(j) DEFINITIONS.—As used in this section—

(1) COUNTRY.—The term ''country'' means Bosnia-Herzegovina, Croatia, and Serbia.

(2) ENTITY.—The term ''entity'' refers to the Federation of Bosnia and Herzegovina, Kosova, Montenegro, and the Republika Srpska.

(3) DAYTON AGREEMENT.—The term ''Dayton Agreement'' means the General Framework Agreement for Peace in Bosnia and Herzegovina, together with annexes relating thereto, done at Dayton, November 10 through 16, 1995.

(4) TRIBUNAL.—The term ''Tribunal'' means the International Criminal Tribunal for the Former Yugoslavia.

(k) ROLE OF HUMAN RIGHTS ORGANIZATIONS AND GOVERNMENT AGENCIES.—In carrying out this section, the Secretary of State, the Administrator of the Agency for International Development, and the executive directors of the international financial institutions shall consult with representatives of human rights organizations and all government agencies with relevant information to help prevent publicly indicted war criminals from benefiting from any financial or technical assistance or grants provided to any country or entity described in subsection (e).

TO PROHIBIT FOREIGN ASSISTANCE TO THE GOVERNMENT OF THE RUSSIAN FEDERATION SHOULD IT ENACT LAWS WHICH WOULD DISCRIMINATE AGAINST MINORITY RELIGIOUS FAITHS IN THE RUSSIAN FEDERATION

SEC. 567. None of the funds appropriated under this Act may be made available for the Government of the Russian Federation, after 180 days from the date of the enactment of this Act, unless the President determines and certifies in writing to the Committees on Appropriations and the Committee on Foreign Relations of the Senate that the Government of the Russian Federation has implemented no statute, executive order, regulation or similar government action that would discriminate, or would have as its principal effect discrimination, against religious groups or religious communities in the Russian Federation in violation of accepted international agreements on human rights and religious freedoms to which the Russian Federation is a party.

GREENHOUSE GAS EMISSIONS

SEC. 568. (a) Funds made available in this Act to support programs or activities the primary purpose of which is promoting or assisting country participation in the Kyoto Protocol to the Framework Convention on Climate Change (FCCC) shall only be made available subject to the regular notification procedures of the Committees on Appropriations.

(b) The President shall provide a detailed account of all Federal agency obligations and expenditures for climate change programs and activities, domestic and international obligations for such activities in fiscal year 2000, and any plan for programs thereafter related to the implementation or the furtherance of protocols pursuant to, or related to negotiations to amend the FCCC in conjunction with the President's submission of the Budget of the United States Government for Fiscal Year 2001: Provided, That such report shall include an accounting of expenditures by agency with each agency identifying climate change activities and associated costs by line item as presented in the President's Budget Appendix: Provided further, That such report shall identify with regard to the Agency for International Development, obligations and expenditures by country or central program and activity.

EXCESS DEFENSE ARTICLES FOR CERTAIN EUROPEAN COUNTRIES

SEC. 569. Section 105 of Public Law 104–164 (110 Stat. 1427) is amended by striking ''1996 and 1997'' and inserting ''1999 and 2000''.

AID TO THE GOVERNMENT OF THE DEMOCRATIC REPUBLIC OF CONGO

SEC. 570. None of the funds appropriated or otherwise made available by this Act may be provided to the Central Government of the Democratic Republic of Congo.

ASSISTANCE FOR THE MIDDLE EAST

SEC. 571. Of the funds appropriated in titles II and III of this Act under the headings ''Economic Support Fund'', ''Foreign Military Financing Program'', ''International Military Education and Training'', ''Peacekeeping Operations'', for refugees resettling in Israel under the heading ''Migration and Refugee Assistance'', and for assistance for Israel to carry out provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 under the heading ''Nonproliferation, Anti-Terrorism, Demining and Related Programs'', not more than a total of $5,321,150,000 may be made available for Israel, Egypt, Jordan, Lebanon, the West Bank and Gaza, the Israel-Lebanon Monitoring Group, the Multinational Force and Observers, the Middle East Regional Democracy Fund, Middle East Regional Cooperation, and Middle East Multilateral Working Groups: Provided, That any funds that were appropriated under such headings in prior fiscal years and that were at the time of the enactment of this Act obligated or allocated for other recipients may not during fiscal year 2000 be made available for activities that, if funded under this Act, would be required to count against this ceiling: Provided further, That funds may be made available notwithstanding the requirements of this section if the President determines and certifies to the Committees on Appropriations that it is important to the national security interest of the United States to do so and any such additional funds shall only be provided through the regular notification procedures of the Committees on Appropriations.

ENTERPRISE FUND RESTRICTIONS

SEC. 572. Prior to the distribution of any assets resulting from any liquidation, dissolution, or winding up of an Enterprise Fund, in whole or in part, the President shall submit to the Committees on Appropriations, in accordance with the regular notification procedures of the Committees on Appropriations, a plan for the distribution of the assets of the Enterprise Fund.

CAMBODIA

SEC. 573. (a) The Secretary of the Treasury should instruct the United States executive directors of the international financial institutions to use the voice and vote of the United States to oppose loans to the Central Government of Cambodia, except loans to support basic human needs.

(b) None of the funds appropriated by this Act may be made available for assistance for the Central Government of Cambodia.

CUSTOMS ASSISTANCE

SEC. 574. Section 660(b) of the Foreign Assistance Act of 1961 is amended by—

(1) striking the period at the end of paragraph (6) and inserting a semicolon; and

(2) adding the following new paragraph:

''(7) with respect to assistance provided to customs authorities and personnel, including training, technical assistance and equipment, for customs law enforcement and the improvement of customs laws, systems and procedures.''.

FOREIGN MILITARY TRAINING REPORT

SEC. 575. (a) The Secretary of Defense and the Secretary of State shall jointly provide to the Congress by March 1, 2000, a report on all military training provided to foreign military personnel (excluding sales, and excluding training provided to the military personnel of countries belonging to the North Atlantic Treaty Organization) under programs administered by the Department of Defense and the Department of State during fiscal years 1999 and 2000, including those proposed for fiscal year 2000. This report shall include, for each such military training activity, the foreign policy justification and purpose for the training activity, the cost of the training activity, the number of foreign students trained and their units of operation, and the location of the training. In addition, this report shall also include, with respect to United States personnel, the operational benefits to United States forces derived from each such training activity and the United States military units involved in each such training activity. This report may include a classified annex if deemed necessary and appropriate.

(b) For purposes of this section a report to Congress shall be deemed to mean a report to the Appropriations and Foreign Relations Committees of the Senate and the Appropriations and International Relations Committees of the House of Representatives.

KOREAN PENINSULA ENERGY DEVELOPMENT ORGANIZATION

SEC. 576. (a) Of the funds made available under the heading ''Nonproliferation, Anti-terrorism, Demining and Related Programs'', not to exceed $35,000,000 may be made available for the Korean Peninsula Energy Development Organization (hereafter referred to in this section as ''KEDO''), notwithstanding any other provision of law, only for the administrative expenses and heavy fuel oil costs associated with the Agreed Framework.

(b) Of the funds made available for KEDO, up to $15,000,000 may be made available prior to June 1, 2000, if, 30 days prior to such obligation of funds, the President certifies and so reports to Congress that—

(1) the parties to the Agreed Framework have taken and continue to take demonstrable steps to implement the Joint Declaration on Denuclearization of the Korean Peninsula in which the Government of North Korea has committed not to test, manufacture, produce, receive, possess, store, deploy, or use nuclear weapons, and not to possess nuclear reprocessing or uranium enrichment facilities;

(2) the parties to the Agreed Framework have taken and continue to take demonstrable steps to pursue the North-South dialogue;

(3) North Korea is complying with all provisions of the Agreed Framework;

(4) North Korea has not diverted assistance provided by the United States for purposes for which it was not intended; and

(5) North Korea is not seeking to develop or acquire the capability to enrich uranium, or any additional capability to reprocess spent nuclear fuel.

(c) Of the funds made available for KEDO, up to $20,000,000 may be made available on or after June 1, 2000, if, 30 days prior to such obligation of funds, the President certifies and so reports to Congress that—

(1) the effort to can and safely store all spent fuel from North Korea's graphite-moderated nuclear reactors has been successfully concluded;

(2) North Korea is complying with its obligations under the agreement regarding access to suspect underground construction;

(3) North Korea has terminated its nuclear weapons program, including all efforts to acquire, develop, test, produce, or deploy such weapons; and

(4) the United States has made and is continuing to make significant progress on eliminating the North Korean ballistic missile threat, including further missile tests and its ballistic missile exports.

(d) The President may waive the certification requirements of subsections (b) and (c) if the President determines that it is vital to the national security interests of the United States and provides written policy justifications to the appropriate congressional committees prior to his exercise of such waiver. No funds may be obligated for KEDO until 30 days after submission to Congress of such waiver.

(e) The Secretary of State shall submit to the appropriate congressional committees a report (to be submitted with the annual presentation for appropriations) providing a full and detailed accounting of the fiscal year 2001 request for the United States contribution to KEDO, the expected operating budget of the KEDO, to include unpaid debt, proposed annual costs associated with heavy fuel oil purchases, and the amount of funds pledged by other donor nations and organizations to support KEDO activities on a per country basis, and other related activities.

AFRICAN DEVELOPMENT FOUNDATION

SEC. 577. Funds made available to grantees of the African Development Foundation may be invested pending expenditure for project purposes when authorized by the President of the Foundation: Provided, That interest earned shall be used only for the purposes for which the grant was made: Provided further, That this authority applies to interest earned both prior to and following the enactment of this provision: Provided further, That notwithstanding section 505(a)(2) of the African Development Foundation Act, in exceptional circumstances the board of directors of the Foundation may waive the $250,000 limitation contained in that section with respect to a project: Provided further, That the Foundation shall provide a report to the Committees on Appropriations in advance of exercising such waiver authority.

PROHIBITION ON ASSISTANCE TO THE PALESTINIAN BROADCASTING CORPORATION

SEC. 578. None of the funds appropriated or otherwise made available by this Act may be used to provide equipment, technical support, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation.

VOLUNTARY SEPARATION INCENTIVES FOR EMPLOYEES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

SEC. 579. (a) DEFINITIONS.—For the purposes of this section—

(1) the term ''agency'' means the United States Agency for International Development;

(2) the term ''Administrator'' means the Administrator, United States Agency for International Development; and

(3) the term ''employee'' means an employee (as defined by section 2105 of title 5, United States Code) who is employed by the agency, is serving under an appointment without time limitation, and has been currently employed for a continuous period of at least 3 years, but does not include—

(A) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the agency;

(B) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under the applicable retirement system referred to in subparagraph (A);

(C) an employee who is to be separated involuntarily for misconduct or unacceptable performance, and to whom specific notice has been given with respect to that separation;

(D) an employee who has previously received any voluntary separation incentive payment by the Government of the United States under this section or any other authority and has not repaid such payment;

(E) an employee covered by statutory reemployment rights who is on transfer to another organization; or

(F) any employee who, during the 24-month period preceding the date of separation, received a recruitment or relocation bonus under section 5753 of title 5, United States Code, or who, within the 12-month period preceding the date of separation, received a retention allowance under section 5754 of such title 5, United States Code.

(b) AGENCY STRATEGIC PLAN.—

(1) IN GENERAL.—The Administrator, before obligating any resources for voluntary separation incentive payments under this section, shall submit to the Committees on Appropriations and the Office of Management and Budget a strategic plan outlining the intended use of such incentive payments and a proposed organizational chart for the agency once such incentive payments have been completed.

(2) CONTENTS.—The agency's plan shall include—

(A) the positions and functions to be reduced or eliminated, identified by organizational unit, geographic location, occupational category and grade level;

(B) the number and amounts of voluntary separation incentive payments to be offered;

(C) a description of how the agency will operate without the eliminated positions and functions; and

(D) the time period during which incentives may be paid.

(3) APPROVAL.—The Director of the Office of Management and Budget shall review the agency's plan and approve or disapprove the plan and may make appropriate modifications in the plan with respect to the coverage of incentives as described under paragraph (2)(A), and with respect to the matters described in paragraphs (2)(B) through (D).

(c) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—

(1) IN GENERAL.—A voluntary separation incentive payment under this section may be paid by the agency to employees of such agency and only to the extent necessary to eliminate the positions and functions identified by the strategic plan.

(2) AMOUNT AND TREATMENT OF PAYMENTS.—A voluntary separation incentive payment under this section—

(A) shall be paid in a lump sum after the employee's separation;

(B) shall be paid from appropriations or funds available for the payment of the basic pay of the employees;

(C) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code, if the employee were entitled to payment under such section; or

(ii) an amount determined by the agency head not to exceed $25,000;

(D) may not be made except in the case of any employee who voluntarily separates (whether by retirement or resignation) on or before December 31, 2000;

(E) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and

(F) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation.

(d) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) IN GENERAL.—In addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the agency shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the agency who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this section.

(2) DEFINITION.—For the purpose of paragraph (1), the term ''final basic pay'', with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(e) EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—

(1) An individual who has received a voluntary separation incentive payment under this section and accepts any employment for compensation with the Government of the United States, or who works for any agency of the Government of the United States through a personal services contract, within 5 years after the date of the separation on which the payment is based shall be required to pay, prior to the individual's first day of employment, the entire amount of the incentive payment to the agency that paid the incentive payment.

(2) If the employment under paragraph (1) is with an Executive agency (as defined by section 105 of title 5, United States Code), the United States Postal Service, or the Postal Rate Commission, the Director of the Office of Personnel Management may, at the request of the head of the agency, waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(3) If the employment under paragraph (1) is with an entity in the legislative branch, the head of the entity or the appointing official may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(4) If the employment under paragraph (1) is with the judicial branch, the Director of the Administrative Office of the United States Courts may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant for the position.

(f) REDUCTION OF AGENCY EMPLOYMENT LEVELS.—

(1) IN GENERAL.—The total number of funded employee positions in the agency shall be reduced by one position for each vacancy created by the separation of any employee who has received, or is due to receive, a voluntary separation incentive payment under this section. For the purposes of this subsection, positions shall be counted on a full-time-equivalent basis.

(2) ENFORCEMENT.—The President, through the Office of Management and Budget, shall monitor the agency and take any action necessary to ensure that the requirements of this subsection are met.

(g) REGULATIONS.—The Office of Personnel Management may prescribe such regulations as may be necessary to implement this section.

IRAQ OPPOSITION

SEC. 580. Notwithstanding any other provision of law, of the funds appropriated under the heading ''Economic Support Fund'', $10,000,000

shall be made available to support efforts to bring about political transition in Iraq, of which not less than $8,000,000 shall be made available only to Iraqi opposition groups designated under the Iraq Liberation Act (Public Law 105–338) for political, economic, humanitarian, and other activities of such groups, and not more than $2,000,000 may be made available for groups and activities seeking the prosecution of Saddam Hussein and other Iraqi government officials for war crimes.

AGENCY FOR INTERNATIONAL DEVELOPMENT BUDGET SUBMISSION

SEC. 581. Beginning with the fiscal year 2001 budget, the Agency for International Development shall submit to the Committees on Appropriations a detailed budget for each fiscal year. The Agency shall submit to the Committees on Appropriations a proposed budget format no later than October 31, 1999, or 30 days after the enactment of this Act, whichever occurs later. The proposed format shall include how the Agency's budget submission will address: (1) estimated levels of obligations for the current fiscal year and actual levels for the two previous fiscal years; (2) the President's request for new budget authority and estimated carryover obligational authority for the budget year; (3) the disaggregation of budget data by program and activity for each bureau, field mission, and central office; and (4) staff levels identified by program.

AMERICAN CHURCHWOMEN IN EL SALVADOR

SEC. 582. (a) Information relevant to the December 2, 1980 murders of four American churchwomen in El Salvador shall be made public to the fullest extent possible.

(b) The Secretary of State and the Department of State are to be commended for fully releasing information regarding the murders.

(c) The President shall order all Federal agencies and departments that possess relevant information to make every effort to declassify and release to the victims' families relevant information as expeditiously as possible.

(d) In making determinations concerning the declassification and release of relevant information, the Federal agencies and departments shall presume in favor of releasing, rather than of withholding, such information.

(e) Not later than 45 days after the date of the enactment of this Act, the Attorney General shall provide a report to the Committees on Appropriations describing in detail the circumstances under which individuals involved in the murders or the cover-up of the murders obtained residence in the United States.

KYOTO PROTOCOL

SEC. 583. None of the funds appropriated by this Act shall be used to propose or issue rules, regulations, decrees, or orders for the purpose of implementation, or in preparation for implementation, of the Kyoto Protocol, which was adopted on December 11, 1997, in Kyoto, Japan, at the Third Conference of the Parties to the United States Framework Convention on Climate Change, which has not been submitted to the Senate for advice and consent to ratification pursuant to article II, section 2, clause 2, of the United States Constitution, and which has not entered into force pursuant to article 25 of the Protocol.

ADDITIONAL REQUIREMENTS RELATING TO STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

SEC. 584. (a) VALUE OF ADDITIONS TO STOCKPILES.—Section 514(b)(2)(A) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h(b)(2)(A)) is amended by striking ''$50,000,000 for each of the fiscal years 1996 and 1997, $60,000,000 for fiscal year 1998, and'' and inserting before the period at the end, the following: ''and $60,000,000 for fiscal year 2000''.

(b) REQUIREMENTS RELATING TO THE REPUBLIC OF KOREA AND THAILAND.—Section 514(b)(2)(B) of such Act (22 U.S.C. 2321h(b)(2)(B)) is amended by striking ''Of the amount specified in subparagraph (A) for each of the fiscal years 1996 and 1997, not more than $40,000,000 may be made available for stockpiles in the Republic of Korea and not more than $10,000,000 may be made available for stockpiles in Thailand. Of the amount specified in subparagraph (A) for fiscal year 1998, not more than $40,000,000 may be made available for stockpiles in the Republic of Korea and not more than $20,000,000 may be made available for stockpiles in Thailand.''; and at the end inserting the following sentence: ''Of the amount specified in subparagraph (A) for fiscal year 2000, not more than $40,000,000 may be made available for stockpiles in the Republic of Korea and not more than $20,000,000 may be made available for stockpiles in Thailand.''.

RUSSIAN LEADERSHIP PROGRAM

SEC. 585. Section 3011 of the 1999 Emergency Supplemental Appropriations Act (Public Law 106–31; 113 Stat. 93) is amended—

(1) by striking ''fiscal year 1999'' in subsections (a)(1), (b)(4)(B), (d)(3), and (h)(1)(A) and inserting ''fiscal years 1999 and 2000''; and

(2) by striking ''2000'' in subsection (a)(2), (e)(1), and (h)(1)(B) and inserting ''2001''.

ABOLITION OF THE INTER-AMERICAN FOUNDATION

SEC. 586. (a) DEFINITIONS.—In this section:

(1) DIRECTOR.—The term ''Director'' means the Director of the Office of Management and Budget.

(2) FOUNDATION.—The term ''Foundation'' means the Inter-American Foundation.

(3) FUNCTION.—The term ''function'' means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program.

(b) ABOLITION OF INTER-AMERICAN FOUNDATION.—During fiscal year 2000, the President is authorized to abolish the Inter-American Foundation. The provisions of this section shall only be effective upon the effective date of the abolition of the Inter-American Foundation.

(c) TERMINATION OF FUNCTIONS.—

(1) Except as provided in subsection (d)(2), there are terminated upon the abolition of the Foundation all functions vested in, or exercised by, the Foundation or any official thereof, under any statute, reorganization plan, Executive order, or other provisions of law, as of the day before the effective date of this section.

(2) REPEAL.—Section 401 of the Foreign Assistance Act of 1969 (22 U.S.C. 6290f) is repealed upon the effective date specified in subsection (j).

(3) FINAL DISPOSITION OF FUNDS.—Upon the date of transmittal to Congress of the certification described in subsection (d)(4), all unexpended balances of appropriations of the Foundation shall be deposited in the miscellaneous receipts account of the Treasury of the United States.

(d) RESPONSIBILITIES OF THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET.—

(1) IN GENERAL.—The Director of the Office of Management and Budget shall be responsible for—

(A) the administration and wind-up of any outstanding obligation of the Federal Government under any contract or agreement entered into by the Foundation before the date of the enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000, except that the authority of this subparagraph does not include the renewal or extension of any such contract or agreement; and

(B) taking such other actions as may be necessary to wind-up any outstanding affairs of the Foundation.

(2) TRANSFER OF FUNCTIONS TO THE DIRECTOR.—There are transferred to the Director such functions of the Foundation under any statute, reorganization plan, Executive order, or other provision of law, as of the day before the date of the enactment of this section, as may be necessary to carry out the responsibilities of the Director under paragraph (1).

(3) AUTHORITIES OF THE DIRECTOR.—For purposes of performing the functions of the Director under paragraph (1) and subject to the availability of appropriations, the Director may—

(A) enter into contracts;

(B) employ experts and consultants in accordance with section 3109 of title 5, United States Code, at rates for individuals not to exceed the per diem rate equivalent to the rate for level IV of the Executive Schedule; and

(C) utilize, on a reimbursable basis, the services, facilities, and personnel of other Federal agencies.

(4) CERTIFICATION REQUIRED.—Whenever the Director determines that the responsibilities described in paragraph (1) have been fully discharged, the Director shall so certify to the appropriate congressional committees.

(e) REPORT TO CONGRESS.—The Director of the Office of Management and Budget shall submit to the appropriate congressional committees a detailed report in writing regarding all matters relating to the abolition and termination of the Foundation. The report shall be submitted not later than 90 days after the termination of the Foundation.

(f) TRANSFER AND ALLOCATION OF APPROPRIATIONS.—Except as otherwise provided in this section, the assets, liabilities (including contingent liabilities arising from suits continued with a substitution or addition of parties under subsection (g)(3)), contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to, or to be made available in connection with the functions, terminated by subsection (c)(1) or transferred by subsection (d)(2) shall be transferred to the Director for purposes of carrying out the responsibilities described in subsection (d)(1).

(g) SAVINGS PROVISIONS.—

(1) CONTINUING LEGAL FORCE AND EFFECT.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(A) that have been issued, made, granted, or allowed to become effective by the Foundation in the performance of functions that are terminated or transferred under this section; and

(B) that are in effect as of the date of the abolition of the Foundation, or were final before such date and are to become effective on or after such date,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Director, or other authorized official, a court of competent jurisdiction, or by operation of law.

(2) NO EFFECT ON JUDICIAL OR ADMINISTRATIVE PROCEEDINGS.—Except as otherwise provided in this section—

(A) the provisions of this section shall not affect suits commenced prior to the date of the abolition of the Foundation; and

(B) in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this section had not been enacted.

(3) NONABATEMENT OF PROCEEDINGS.—No suit, action, or other proceeding commenced by or against any officer in the official capacity of such individual as an officer of the Foundation shall abate by reason of the enactment of this section. No cause of action by or against the Foundation, or by or against any officer thereof in the official capacity of such officer, shall abate by reason of the enactment of this section.

(4) CONTINUATION OF PROCEEDING WITH SUBSTITUTION OF PARTIES.—If, before the date of the abolition of the Foundation, the Foundation, or officer thereof in the official capacity of such officer, is a party to a suit, then effective on such date such suit shall be continued with the Director substituted or added as a party.

(5) REVIEWABILITY OF ORDERS AND ACTIONS UNDER TRANSFERRED FUNCTIONS.—Orders and actions of the Director in the exercise of functions terminated or transferred under this section shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been taken by the Foundation immediately preceding their termination or transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this section shall apply to the exercise of such function by the Director.

(h) CONFORMING AMENDMENTS.—

(1) AFRICAN DEVELOPMENT FOUNDATION.—Section 502 of the International Security and Development Cooperation Act of 1980 (22 U.S.C. 290h) is amended—

(A) by inserting ''and'' at the end of paragraph (2);

(B) by striking the semicolon at the end of paragraph (3) and inserting a period; and

(C) by striking paragraphs (4) and (5).

(2) SOCIAL PROGRESS TRUST FUND AGREEMENT.—Section 36 of the Foreign Assistance Act of 1973 is amended—

(A) in subsection (a)—

(i) by striking ''provide for'' and all that follows through ''(2) utilization'' and inserting ''provide for the utilization''; and

(ii) by striking ''member countries;'' and all that follows through ''paragraph (2)'' and inserting ''member countries.'';

(B) in subsection (b), by striking ''transfer or'';

(C) by striking subsection (c);

(D) by redesignating subsection (d) as subsection (c); and

(E) in subsection (c) (as so redesignated), by striking ''transfer or''.

(3) FOREIGN ASSISTANCE ACT OF 1961.—Section 222A(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2182a(d)) is repealed.

(i) DEFINITION.—In this section, the term ''appropriate congressional committees'' means the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives.

(j) EFFECTIVE DATES.—The repeal made by subsection (c)(2) and the amendments made by subsection (h) shall take effect upon the date of transmittal to Congress of the certification described in subsection (d)(4).

WEST BANK AND GAZA PROGRAM

SEC. 587. For fiscal year 2000, 30 days prior to the initial obligation of funds for the bilateral West Bank and Gaza Program, the Secretary of State shall certify to the appropriate committees of Congress that procedures have been established to assure the Comptroller General of the United States will have access to appropriate United States financial information in order to review the uses of United States assistance for the Program funded under the heading ''Economic Support Fund'' for the West Bank and Gaza.

HUMAN RIGHTS ASSISTANCE

SEC. 588. Of the funds made available under the heading ''International Narcotics Control and Law Enforcement'', not less than $500,000 should be provided to the Colombia Attorney General's Human Rights Unit, not less than $500,000 should be made available to support the activities of Colombian nongovernmental organizations involved in human rights monitoring, not less than $250,000 should be provided to the United Nations High Commissioner for Human Rights to assist the Government of Colombia in strengthening its human rights policies and programs, not less than $1,000,000 should be made available for personnel and other resources to enhance United States Embassy monitoring of assistance to the Colombian security forces and responding to reports of human rights violations, and not less than $5,000,000 should be made available for administration of justice programs including support for the Colombia Attorney General's Technical Investigations Unit.

INDONESIA

SEC. 589. (a) Funds appropriated by this Act under the headings ''International Military Education and Training'' and ''Foreign Military Financing Program'' may be made available for Indonesia if the President determines and submits a report to the appropriate congressional committees that the Indonesian government and the Indonesian armed forces are—

(1) taking effective measures to bring to justice members of the armed forces and militia groups against whom there is credible evidence of human rights violations;

(2) taking effective measures to bring to justice members of the armed forces against whom there is credible evidence of aiding or abetting militia groups;

(3) allowing displaced persons and refugees to return home to East Timor, including providing safe passage for refugees returning from West Timor;

(4) not impeding the activities of the International Force in East Timor (INTERFET) or its successor, the United Nations Transitional Authority in East Timor (UNTAET);

(5) demonstrating a commitment to preventing incursions into East Timor by members of militia groups in West Timor; and

(6) demonstrating a commitment to accountability by cooperating with investigations and prosecutions of members of the Indonesian armed forces and militia groups responsible for human rights violations in Indonesia and East Timor.

MAN AND THE BIOSPHERE

SEC. 590. None of the funds appropriated or otherwise made available by this Act may be provided for the United Nations Man and the Biosphere Program or the United Nations World Heritage Fund for programs in the United States.

IMMUNITY OF FEDERAL REPUBLIC OF YUGOSLAVIA

SEC. 591. (a) Subject to subsection (b), the Federal Republic of Yugoslavia shall be deemed to be a state sponsor of terrorism for the purposes of 28 U.S.C. 1605(a)(7).

(b) This section shall not apply to Montenegro or Kosova.

(c) This section shall become null and void when the President certifies in writing to the Congress that the Federal Republic of Yugoslavia (other than Montenegro and Kosova) has completed a democratic reform process that results in a newly elected government that respects the rights of ethnic minorities, is committed to the rule of law and respects the sovereignty of its neighbor states.

(d) The certification provided for in subsection (c) shall not affect the continuation of litigation commenced against the Federal Republic of Yugoslavia prior to its fulfillment of the conditions in subsection (c).

UNITED STATES ASSISTANCE POLICY FOR OPPOSITION-CONTROLLED AREAS OF SUDAN

SEC. 592. (a) Notwithstanding any other provision of law, the President, acting through appropriate Federal agencies, may provide food assistance to groups engaged in the protection of civilian populations from attacks by regular government of Sudan forces, associated militias, or other paramilitary groups supported by the Government of Sudan. Such assistance may only be provided in a way that: (1) does not endanger, compromise or otherwise reduce the United States' support for unilateral, multilateral or private humanitarian operations or the beneficiaries of those operations; or (2) compromise any ongoing or future people-to-people reconciliation efforts. Any such assistance shall be provided separate from and not in proximity to current humanitarian efforts, both within Operation Lifeline Sudan or outside of Operation Lifeline Sudan, or any other current or future humanitarian operations which serve noncombatants. In considering eligibility of potential recipients, the President shall determine that the group respects human rights, democratic principles, and the integrity of ongoing humanitarian operations, and cease such assistance if the determination can no longer be made.

(b) Not later than February 1, 2000, the President shall submit to the Committees on Appropriations a report on United States bilateral assistance to opposition-controlled areas of Sudan. Such report shall include—

(1) an accounting of United States bilateral assistance to opposition-controlled areas of Sudan, provided in fiscal years 1997, 1998, 1999, and proposed for fiscal year 2000, and the goals and objectives of such assistance;

(2) the policy implications and costs, including logistics and administrative costs, associated with providing humanitarian assistance, including food, directly to National Democratic Alliance participants and the Sudanese People's Liberation Movement operating outside of the United Nations' Operation Lifeline Sudan structure, and the United States agencies best suited to administer these activities; and

(3) the policy implications of increasing substantially the amount of development assistance for democracy promotion, civil administration, judiciary, and infrastructure support in opposition-controlled areas of Sudan and the obstacles to administering a development assistance program in this region.

CONSULTATIONS ON ARMS SALES TO TAIWAN

SEC. 593. Consistent with the intent of Congress expressed in the enactment of section 3(b) of the Taiwan Relations Act, the Secretary of State shall consult with the appropriate committees and leadership of Congress to devise a mechanism to provide for congressional input prior to making any determination on the nature or quantity of defense articles and services to be made available to Taiwan.

AUTHORIZATIONS

SEC. 594. The Secretary of the Treasury may, to fulfill commitments of the United States: (1) effect the United States participation in the fifth general capital increase of the African Development Bank, the first general capital increase of the Multilateral Investment Guarantee Agency, and the first general capital increase of the Inter-American Investment Corporation; and (2) contribute on behalf of the United States to the eighth replenishment of the resources of the African Development Fund and the twelfth replenishment of the International Development Association. The following amounts are authorized to be appropriated without fiscal year limitation for payment by the Secretary of the Treasury: $40,847,011 for paid-in capital, and $639,932,485 for callable capital, of the African Development Bank; $29,870,087 for paid-in capital, and $139,365,533 for callable capital, of the Multilateral Investment Guarantee Agency; $125,180,000 for paid-in capital of the Inter-American Investment Corporation; $300,000,000 for the African Development Fund; and $2,410,000,000 for the International Development Association.

ASSISTANCE FOR COSTA RICA

SEC. 595. Of the funds appropriated by Public Law 106–31, under the heading ''Central America and the Caribbean Emergency Disaster Recovery Fund'', $8,000,000 shall be made available only for Costa Rica.

SILK ROAD STRATEGY ACT OF 1999

SEC. 596. (a) SHORT TITLE.—This section may be cited as the ''Silk Road Strategy Act of 1999''.

(b) AMENDMENT TO THE FOREIGN ASSISTANCE ACT OF 1961.—Part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by adding at the end the following new chapter:

''CHAPTER 12—SUPPORT FOR THE ECONOMIC AND POLITICAL INDEPENDENCE OF THE COUNTRIES OF THE SOUTH CAUCASUS AND CENTRAL ASIA

''SEC. 499. UNITED STATES ASSISTANCE TO PROMOTE RECONCILIATION AND RECOVERY FROM REGIONAL CONFLICTS.

''(a) PURPOSE OF ASSISTANCE.—The purposes of assistance under this section include—

''(1) the creation of the basis for reconciliation between belligerents;

''(2) the promotion of economic development in areas of the countries of the South Caucasus and Central Asia impacted by civil conflict and war; and

''(3) the encouragement of broad regional cooperation among countries of the South Caucasus and Central Asia that have been destabilized by internal conflicts.

''(b) AUTHORIZATION FOR ASSISTANCE.—

''(1) IN GENERAL.—To carry out the purposes of subsection (a), the President is authorized to provide humanitarian assistance and economic reconstruction assistance for the countries of the South Caucasus and Central Asia to support the activities described in subsection (c).

''(2) DEFINITION OF HUMANITARIAN ASSISTANCE.—In this subsection, the term 'humanitarian assistance' means assistance to meet humanitarian needs, including needs for food, medicine, medical supplies and equipment, education, and clothing.

''(c) ACTIVITIES SUPPORTED.—Activities that may be supported by assistance under subsection (b) include—

''(1) providing for the humanitarian needs of victims of the conflicts;

''(2) facilitating the return of refugees and internally displaced persons to their homes; and

''(3) assisting in the reconstruction of residential and economic infrastructure destroyed by war.

''SEC. 499A. ECONOMIC ASSISTANCE.

''(a) PURPOSE OF ASSISTANCE.—The purpose of assistance under this section is to foster economic growth and development, including the conditions necessary for regional economic cooperation, in the South Caucasus and Central Asia.

''(b) AUTHORIZATION FOR ASSISTANCE.—To carry out the purpose of subsection (a), the President is authorized to provide assistance for the countries of the South Caucasus and Central Asia to support the activities described in subsection (c).

''(c) ACTIVITIES SUPPORTED.—In addition to the activities described in section 498, activities supported by assistance under subsection (b) should support the development of the structures and means necessary for the growth of private sector economies based upon market principles.

''SEC. 499B. DEVELOPMENT OF INFRASTRUCTURE.

''(a) PURPOSE OF PROGRAMS.—The purposes of programs under this section include—

''(1) to develop the physical infrastructure necessary for regional cooperation among the countries of the South Caucasus and Central Asia; and

''(2) to encourage closer economic relations and to facilitate the removal of impediments to cross-border commerce among those countries and the United States and other developed nations.

''(b) AUTHORIZATION FOR PROGRAMS.—To carry out the purposes of subsection (a), the following types of programs for the countries of the South Caucasus and Central Asia may be used to support the activities described in subsection (c):

''(1) Activities by the Export-Import Bank to complete the review process for eligibility for financing under the Export-Import Bank Act of 1945.

''(2) The provision of insurance, reinsurance, financing, or other assistance by the Overseas Private Investment Corporation.

''(3) Assistance under section 661 of this Act (relating to the Trade and Development Agency).

''(c) ACTIVITIES SUPPORTED.—Activities that may be supported by programs under subsection (b) include promoting actively the participation of United States companies and investors in the planning, financing, and construction of infrastructure for communications, transportation, including air transportation, and energy and trade including highways, railroads, port facilities, shipping, banking, insurance, telecommunications networks, and gas and oil pipelines.

''SEC. 499C. BORDER CONTROL ASSISTANCE.

''(a) PURPOSE OF ASSISTANCE.—The purpose of assistance under this section includes the assistance of the countries of the South Caucasus and Central Asia to secure their borders and implement effective controls necessary to prevent the trafficking of illegal narcotics and the proliferation of technology and materials related to weapons of mass destruction (as defined in section 2332a(c)(2) of title 18, United States Code), and to contain and inhibit transnational organized criminal activities.

''(b) AUTHORIZATION FOR ASSISTANCE.—To carry out the purpose of subsection (a), the President is authorized to provide assistance to the countries of the South Caucasus and Central Asia to support the activities described in subsection (c).

''(c) ACTIVITIES SUPPORTED.—Activities that may be supported by assistance under subsection (b) include assisting those countries of the South Caucasus and Central Asia in developing capabilities to maintain national border guards, coast guard, and customs controls.

''SEC. 499D. STRENGTHENING DEMOCRACY, TOLERANCE, AND THE DEVELOPMENT OF CIVIL SOCIETY.

''(a) PURPOSE OF ASSISTANCE.—The purpose of assistance under this section is to promote institutions of democratic government and to create the conditions for the growth of pluralistic societies, including religious tolerance and respect for internationally recognized human rights.

''(b) AUTHORIZATION FOR ASSISTANCE.—To carry out the purpose of subsection (a), the President is authorized to provide the following types of assistance to the countries of the South Caucasus and Central Asia:

''(1) Assistance for democracy building, including programs to strengthen parliamentary institutions and practices.

''(2) Assistance for the development of nongovernmental organizations.

''(3) Assistance for development of independent media.

''(4) Assistance for the development of the rule of law, a strong independent judiciary, and transparency in political practice and commercial transactions.

''(5) International exchanges and advanced professional training programs in skill areas central to the development of civil society.

''(6) Assistance to promote increased adherence to civil and political rights under section 116(e) of this Act.

''(c) ACTIVITIES SUPPORTED.—Activities that may be supported by assistance under subsection (b) include activities that are designed to advance progress toward the development of democracy.

''SEC. 499E. ADMINISTRATIVE AUTHORITIES.

''(a) ASSISTANCE THROUGH GOVERNMENTS AND NONGOVERNMENTAL ORGANIZATIONS.—Assistance under this chapter may be provided to governments or through nongovernmental organizations.

''(b) USE OF ECONOMIC SUPPORT FUNDS.—Except as otherwise provided, any funds that have been allocated under chapter 4 of part II for assistance for the independent states of the former Soviet Union may be used in accordance with the provisions of this chapter.

''(c) TERMS AND CONDITIONS.—Assistance under this chapter shall be provided on such terms and conditions as the President may determine.

''(d) AVAILABLE AUTHORITIES.—The authority in this chapter to provide assistance for the countries of the South Caucasus and Central Asia is in addition to the authority to provide such assistance under the FREEDOM Support Act (22 U.S.C. 5801 et seq.) or any other Act, and the authorities applicable to the provision of assistance under chapter 11 may be used to provide assistance under this chapter.

''SEC. 499F. DEFINITIONS.

''In this chapter:

''(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term 'appropriate congressional committees' means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

''(2) COUNTRIES OF THE SOUTH CAUCASUS AND CENTRAL ASIA.—The term 'countries of the South Caucasus and Central Asia' means Armenia, Azerbaijan, Georgia, Kazakstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan.''.

(c) CONFORMING AMENDMENTS.—Section 102(a) of the FREEDOM Support Act (Public Law 102–511) is amended in paragraphs (2) and (4) by striking each place it appears ''this Act)'' and inserting ''this Act and chapter 12 of part I of the Foreign Assistance Act of 1961)''.

(d) ANNUAL REPORT.—Section 104 of the FREEDOM Support Act (22 U.S.C. 5814) is amended—

(1) by striking ''and'' at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(5) with respect to the countries of the South Caucasus and Central Asia—

''(A) an identification of the progress made by the United States in accomplishing the policy described in section 3 of the Silk Road Strategy Act of 1999;

''(B) an evaluation of the degree to which the assistance authorized by chapter 12 of part I of the Foreign Assistance Act of 1961 has accomplished the purposes identified in that chapter;

''(C) a description of the progress being made by the United States to resolve trade disputes registered with and raised by the United States embassies in each country, and to negotiate a bilateral agreement relating to the protection of United States direct investment in, and other business interests with, each country; and

''(D) recommendations of any additional initiatives that should be undertaken by the United States to implement the policy and purposes contained in the Silk Road Strategy Act of 1999.''.

COUNTRY REPORTS ON HUMAN RIGHTS PRACTICES

SEC. 597. Section 116 of the Foreign Assistance Act of 1961 is amended by adding the following new subsection:

''(f)(1) The report required by subsection (d) shall include—

''(A) a list of foreign states where trafficking in persons, especially women and children, originates, passes through, or is a destination; and

''(B) an assessment of the efforts by the governments of the states described in paragraph (A) to combat trafficking. Such an assessment shall address—

''(i) whether government authorities in each such state tolerate or are involved in trafficking activities;

''(ii) which government authorities in each such state are involved in anti-trafficking activities;

''(iii) what steps the government of each such state has taken to prohibit government officials and other individuals from participating in trafficking, including the investigation, prosecution, and conviction of individuals involved in trafficking;

''(iv) what steps the government of each such state has taken to assist trafficking victims;

''(v) whether the government of each such state is cooperating with governments of other countries to extradite traffickers when requested;

''(vi) whether the government of each such state is assisting in international investigations of transnational trafficking networks; and

''(vii) whether the government of each such state refrains from prosecuting trafficking victims or refrains from other discriminatory treatment towards victims.

''(2) In compiling data and assessing trafficking for the purposes of paragraph (1), United States Diplomatic Mission personnel shall consult with human rights and other appropriate nongovernmental organizations.

''(3) For purposes of this subsection—

''(A) the term 'trafficking' means the use of deception, coercion, debt bondage, the threat of force, or the abuse of authority to recruit, transport within or across borders, purchase, sell, transfer, receive, or harbor a person for the purposes of placing or holding such person, whether for pay or not, in involuntary servitude, slavery or slavery-like conditions, or in forced, bonded, or coerced labor;

''(B) the term 'victim of trafficking' means any person subjected to the treatment described in subparagraph (A).''.

OPIC MARITIME FUND

SEC. 598. It is the sense of the Congress that the Overseas Private Investment Corporation shall within 1 year from the date of the enactment of this Act select a fund manager for the purpose of creating a maritime fund with total capitalization of up to $200,000,000. This fund shall leverage United States commercial maritime expertise to support international maritime projects.

SANCTIONS AGAINST SERBIA

SEC. 599. (a) CONTINUATION OF EXECUTIVE BRANCH SANCTIONS.—The sanctions listed in subsection (b) shall remain in effect for fiscal year 2000, unless the President submits to the Committees on Appropriations and Foreign Relations in the Senate and the Committees on Appropriations and International Relations of the House of Representatives a certification described in subsection (c).

(b) APPLICABLE SANCTIONS.—

(1) The Secretary of the Treasury shall instruct the United States executive directors of the international financial institutions to work in opposition to, and vote against, any extension by such institutions of any financial or technical assistance or grants of any kind to the government of Serbia.

(2) The Secretary of State should instruct the United States Ambassador to the Organization for Security and Cooperation in Europe (OSCE) to block any consensus to allow the participation of Serbia in the OSCE or any organization affiliated with the OSCE.

(3) The Secretary of State should instruct the United States Representative to the United Nations to vote against any resolution in the United Nations Security Council to admit Serbia to the United Nations or any organization affiliated with the United Nations, to veto any resolution to allow Serbia to assume the United Nations' membership of the former Socialist Federal Republic of Yugoslavia, and to take action to prevent Serbia from assuming the seat formerly occupied by the Socialist Federal Republic of Yugoslavia.

(4) The Secretary of State should instruct the United States Permanent Representative on the Council of the North Atlantic Treaty Organization to oppose the extension of the Partnership for Peace program or any other organization affiliated with NATO to Serbia.

(5) The Secretary of State should instruct the United States Representatives to the Southeast European Cooperative Initiative (SECI) to oppose and to work to prevent the extension of SECI membership to Serbia.

(c) CERTIFICATION.—A certification described in this subsection is a certification that—

(1) the representatives of the successor states to the Socialist Federal Republic of Yugoslavia have successfully negotiated the division of assets and liabilities and all other succession issues following the dissolution of the Socialist Federal Republic of Yugoslavia;

(2) the Government of Serbia is fully complying with its obligations as a signatory to the General Framework Agreement for Peace in Bosnia and Herzegovina;

(3) the Government of Serbia is fully cooperating with and providing unrestricted access to the International Criminal Tribunal for the former Yugoslavia, including surrendering persons indicted for war crimes who are within the jurisdiction of the territory of Serbia, and with the investigations concerning the commission of war crimes and crimes against humanity in Kosova;

(4) the Government of Serbia is implementing internal democratic reforms; and

(5) Serbian federal governmental officials, and representatives of the ethnic Albanian community in Kosova have agreed on, signed, and begun implementation of a negotiated settlement on the future status of Kosova.

(d) STATEMENT OF POLICY.—It is the sense of the Congress that the United States should not restore full diplomatic relations with Serbia until the President submits to the Committees on Appropriations and Foreign Relations in the Senate and the Committees on Appropriations and International Relations in the House of Representatives the certification described in subsection (c).

(e) EXEMPTION OF MONTENEGRO AND KOSOVA.—The sanctions described in subsection (b) shall not apply to Montenegro or Kosova.

(f) DEFINITION.—The term ''international financial institution'' includes the International Monetary Fund, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guaranty Agency, and the European Bank for Reconstruction and Development.

(g) WAIVER AUTHORITY.—The President may waive the application in whole or in part, of any sanction described in subsection (b) if the President certifies to the Congress that the President has determined that the waiver is necessary to meet emergency humanitarian needs.

CLEAN COAL TECHNOLOGY

SEC. 599A. (a) FINDINGS.—The Congress finds as follows:

(1) The United States is the world leader in the development of environmental technologies, particularly clean coal technology.

(2) Severe pollution problems affecting people in developing countries, and the serious health problems that result from such pollution, can be effectively addressed through the application of United States technology.

(3) During the next century, developing countries, particularly countries in Asia such as China and India, will dramatically increase their consumption of electricity, and low quality coal will be a major source of fuel for power generation.

(4) Without the use of modern clean coal technology, the resultant pollution will cause enormous health and environmental problems leading to diminished economic growth in developing countries and, thus, diminished United States exports to those growing markets.

(b) STATEMENT OF POLICY.—It is the policy of the United States to promote the export of United States clean coal technology. In furtherance of that policy, the Secretary of State, the Secretary of the Treasury (acting through the United States executive directors to international financial institutions), the Secretary of Energy, and the Administrator of the United States Agency for International Development (USAID) should, as appropriate, vigorously promote the use of United States clean coal technology in environmental and energy infrastructure programs, projects and activities. Programs, projects and activities for which the use of such technology should be considered include reconstruction assistance for the Balkans, activities carried out by the Global Environment Facility, and activities funded from USAID's Development Credit Authority.

RESTRICTION ON UNITED STATES ASSISTANCE FOR CERTAIN RECONSTRUCTION EFFORTS IN THE BALKANS REGION

SEC. 599B. (a) Funds appropriated or otherwise made available by this Act for United States assistance for reconstruction efforts in the Federal Republic of Yugoslavia or any contiguous country should to the maximum extent practicable be used for the procurement of articles and services of United States origin.

(b) DEFINITIONS.—In this section:

(1) ARTICLE.—The term ''article'' means any agricultural commodity, steel, communications equipment, farm machinery or petrochemical refinery equipment.

(2) FEDERAL REPUBLIC OF YUGOSLAVIA.—The term ''Federal Republic of Yugoslavia'' includes Serbia, Montenegro and Kosova.

CONTRIBUTIONS TO UNITED NATIONS POPULATION FUND

SEC. 599C. (1) LIMITATIONS ON AMOUNT OF CONTRIBUTION.—Of the amounts made available under ''International Organizations and Programs'', not more than $25,000,000 for fiscal year 2000 shall be available for the United Nations Population Fund (hereafter in this subsection referred to as the ''UNFPA'').

(2) PROHIBITION ON USE OF FUNDS IN CHINA.—None of the funds made available under ''International Organizations and Programs'' may be made available for the UNFPA for a country program in the People's Republic of China.

(3) CONDITIONS ON AVAILABILITY OF FUNDS.—Amounts made available under ''International Organizations and Programs'' for fiscal year 2000 for the UNFPA may not be made available to UNFPA unless—

(A) the UNFPA maintains amounts made available to the UNFPA under this section in an account separate from other accounts of the UNFPA;

(B) the UNFPA does not commingle amounts made available to the UNFPA under this section with other sums; and

(C) the UNFPA does not fund abortions.

(4) REPORT TO THE CONGRESS AND WITHHOLDING OF FUNDS.—

(A) Not later than February 15, 2000, the Secretary of State shall submit a report to the appropriate congressional committees indicating the amount of funds that the United Nations Population Fund is budgeting for the year in which the report is submitted for a country program in the People's Republic of China.

(B) If a report under subparagraph (A) indicates that the United Nations Population Fund plans to spend funds for a country program in the People's Republic of China in the year covered by the report, then the amount of such funds that the UNFPA plans to spend in the People's Republic of China shall be deducted from the funds made available to the UNFPA after March 1 for obligation for the remainder of the fiscal year in which the report is submitted.

AUTHORIZATION FOR POPULATION PLANNING

SEC. 599D. (a) AUTHORIZATION.—Not to exceed $385,000,000 of the funds appropriated in title II of this Act may be available for population planning activities or other population assistance.

(b) RESTRICTION ON ASSISTANCE TO FOREIGN ORGANIZATIONS THAT PERFORM OR ACTIVELY PROMOTE ABORTIONS.—

(1) PERFORMANCE OF ABORTIONS.—(A) Notwithstanding section 614 of the Foreign Assistance Act of 1961, or any other provision of law, no funds appropriated by title II of this Act for population planning activities or other population assistance may be made available for any foreign private, nongovernmental, or multilateral organization until the organization certifies that it will not, during the period for which the funds are made available, perform abortions in any foreign country, except where the life of the mother would be endangered if the pregnancy were carried to term or in cases of forcible rape or incest.

(B) Subparagraph (A) may not be construed to apply to the treatment of injuries or illnesses caused by legal or illegal abortions or to assistance provided directly to the government of a country.

(2) LOBBYING ACTIVITIES.—(A) Notwithstanding section 614 of the Foreign Assistance Act of 1961, or any other provision of law, no funds appropriated by title II of this Act for population planning activities or other population assistance may be made available for any foreign private, nongovernmental, or multilateral organization until the organization certifies that it will not, during the period for which the funds are made available, violate the laws of any foreign country concerning the circumstances under which abortion is permitted, regulated, or prohibited, or engage in activities or efforts to alter the laws or governmental policies of any foreign country concerning the circumstances under which abortion is permitted, regulated, or prohibited.

(B) Subparagraph (A) shall not apply to activities in opposition to coercive abortion or involuntary sterilization.

(3) APPLICATION TO FOREIGN ORGANIZATIONS.—The prohibitions and certifications of this subsection apply to funds made available to a foreign organization either directly or as a subcontractor or subgrantee.

(c) WAIVER AUTHORITY.—

(1) AUTHORITY.—The President may waive the restrictions contained in subsection (b) that require certifications from foreign private, nongovernmental, or multilateral organizations.

(2) REDUCTION OF ASSISTANCE.—In the event the President exercises the authority contained in paragraph (1) to waive either or both subsections (b)(1) and (b)(2), then—

(A) assistance authorized by subsection (a) and allocated for population planning activities or other population assistance shall be reduced by a total of $12,500,000, and that amount shall be transferred from funds appropriated by this Act under the heading ''Development Assistance'' and consolidated and merged with funds appropriated by this Act under the heading ''Child Survival and Disease Programs Fund''; and

(B) Notwithstanding any other provision of law, such transferred funds that would have been made available for population planning activities or other population assistance shall be made available for infant and child health programs that have a direct, measurable, and high impact on reducing the incidence of illness and death among children.

(3) LIMITATION.—The authority provided in paragraph (1) may be exercised to allow the provision of not more than $15,000,000, in the aggregate, to all foreign private, nongovernmental, or multilateral organizations with respect to which such authority is exercised.

(4) ADDITIONAL REQUIREMENTS.—Upon exercising the authority provided in paragraph (1), the President shall report in writing to the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives.

OPIC AUTHORIZATION

SEC. 599E. Section 235(a)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2195(a)(2)) is amended by striking ''1999'' and inserting ''November 1, 2000''.

TITLE VI—INTERNATIONAL AFFAIRS SUPPLEMENTAL APPROPRIATIONS

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

For an additional amount for ''Economic Support Fund'' for assistance for Jordan and for the West Bank and Gaza, $450,000,000, to remain available until September 30, 2002, of which $100,000,000 of the funds made available for the West Bank and Gaza shall become available for obligation on September 30, 2000: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount provided shall be available only to the extent that an official budget request that includes designation of the entire amount as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

FOREIGN MILITARY FINANCING PROGRAM

For an additional amount for ''Foreign Military Financing Program'', $1,375,000,000, to remain available until September 30, 2002, of which $1,200,000,000 shall be for grants only for Israel, $25,000,000 shall be for grants only for Egypt, and $150,000,000 shall be for grants only for Jordan: Provided, That $300,000,000 of the funds made available for Israel and $100,000,000 of the funds made available for Jordan shall become available for obligation on September 30, 2000: Provided further, That funds appropriated under this heading shall be nonrepayable, notwithstanding section 23 of the Arms Export Control Act: Provided further, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: Provided further, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not to exceed 26.3 percent shall be available for the procurement in Israel of defense articles and defense services, including research and development: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount provided shall be available only to the extent that an official budget request that includes designation of the entire amount as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That notwithstanding any other provision of this Act, not to exceed $1,370,000,000 of the funds appropriated for Israel under this heading in title III shall be disbursed within 30 days of the enactment of this Act.

This Act may be cited as the ''Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2000''.

Following is explanatory language on H.R. 3422, as introduced on November 17, 1999.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS

This joint explanatory statement includes a description of the resolution of differences between the House and Senate on both H.R. 2606, vetoed by the President on October 18, 1999, and H.R. 3196. References in the following statement to appropriations amounts or other items proposed by the House bill or Senate amendment refer only to those amounts and items recommended in the House-passed and Senate-passed versions of H.R. 2606. Appropriation amounts, bill language, and general provisions contained in this conference agreement which were identical in the House-passed and Senate-passed versions of H.R. 2606 are not referenced in the following joint explanatory statement. In some instances, appropriations amounts or other items in H.R. 3196 are not referenced in the statement as being part of the House-passed version of that bill. However, any reference to appropriations amounts or other items being included in the conference agreement does reflect the final agreement with regard to both H.R. 2606 and H.R. 3196.

The managers expect that each agency affected by this conference agreement consult with the Committees on Appropriations not later than December 15, 1999, regarding the directives and recommendations included in House Report No. 106–254 and Senate Report No. 106–81, which accompanied their respective versions of H.R. 2606:

TITLE I—EXPORT AND INVESTMENT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES SUBSIDY APPROPRIATION

The conference agreement appropriates $759,000,000 for the subsidy appropriation of the Export-Import Bank as proposed by the House instead of $785,000,000 as proposed by the Senate.

OVERSEAS PRIVATE INVESTMENT CORPORATION NON-CREDIT ACCOUNT

The conference agreement provides $35,000,000 for administrative expenses of the Overseas Private Investment Corporation (OPIC) as proposed by the House instead of $31,500,000 as proposed by the Senate.

OVERSEAS PRIVATE INVESTMENT CORPORATION PROGRAM ACCOUNT

The conference agreement provides $24,000,000 for program expenses of OPIC as

proposed by the Senate instead of $20,500,000 as proposed by the House.

The managers have included language allowing OPIC to use the authorities of Section 234(g) of the Foreign Assistance Act of 1961 as proposed by the House, instead of repealing said subsection as proposed by the Senate. The conference agreement also includes a general provision urging OPIC to establish within one year of enactment a maritime fund for the purpose of leveraging United States commercial maritime expertise to support international maritime projects.

The managers on the part of the House request OPIC and the Department of State to take all necessary actions to protect the interests of American investors in Gaza supported by OPIC financing or insurance.

Under Sec. 599E, authority is provided for OPIC to continue operations until November 1, 2000.

FUNDS APPROPRIATED TO THE PRESIDENT

TRADE AND DEVELOPMENT AGENCY

The conference agreement appropriates $44,000,000 for the Trade and Development Agency as proposed by the House instead of $43,000,000 as proposed by the Senate.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

AGENCY FOR INTERNATIONAL DEVELOPMENT

CHILD SURVIVAL AND DISEASE PROGRAMS FUND

The conference agreement appropriates $715,000,000 for the Child Survival and Disease Programs Fund instead of $685,000,000 as proposed by the House. The Senate bill contained no provision on this matter, but included funds for these activities under ''Development Assistance''. The managers agree with and endorse House Report No. 106–254 regarding the use of funds appropriated under this heading, including $110,000,000 for a grant to UNICEF for programs consistent with the purpose of the Child Survival and Disease Programs Fund. The grant for UNICEF does not preclude AID from providing additional funding for specific UNICEF projects as may be appropriate. The managers have been assured that the success of the polio eradication program is likely to result in a significantly lower requirement for this effort in future years. The managers have included $35,000,000 for a special initiative to fight HIV/AIDS in Africa and India. This is in addition to the $145,000,000 provided in this Fund and elsewhere in the bill for ongoing HIV/AIDS programs. At least $10,000,000 additionally is designated for children affected by the HIV/AIDS epidemic.

In implementing programs, projects, and activities to combat infectious diseases, including long-standing programs relating to malaria and measles, as well as the more recent emphasis on HIV/AIDS and tuberculosis, surveillance, and anti-microbial resistance, the conferees expect AID to continue to consult closely with the Appropriations Committees, the Centers for Disease Control, the National Institutes of Health, and other relevant agencies involved in international health issues. In addition to the increase for HIV/AIDS, funding for AID's other infectious disease programs should exceed the fiscal year 1999 level. The managers also direct AID to provide the Committees with a detailed report not later than February 15, 2000, on the programs, projects, and activities undertaken by the Child Survival and Disease Programs Fund during fiscal year 1999.

The managers strongly encourage AID to reserve funds from the Child Survival and Disease Programs Fund for the establishment of a Global Infectious Diseases Reserve. The Reserve is intended to provide a mechanism for rapid and flexible response to initiate or expand a limited number of programs in developing countries with high potential to respond to infectious disease outbreaks that threaten more than one region and to serve as seed money to attract other donors and partners.

The global health threat from tuberculosis is another priority for the funds provided in this Act. Because of difficulties encountered in implementing tuberculosis language accompanying last year's Act, the managers welcome AID's proposal to allocate $3,000,000 in fiscal year 2000 to tuberculosis control programs in Mexico, with an emphasis on cost-sharing with Mexico on programs that focus on Mexico's border states.

In addition to increasing support for tuberculosis control worldwide, the managers urge AID to contribute up to $5,000,000 toward the effort led by the Atlanta-based Carter Center to eradicate illness caused by the African guinea worm.

The managers are aware that significant new private resources are now available to augment AID's immunization programs, and commend the partners in this effort.

The managers are working with the General Accounting Office and experts from the public and private sectors to consider options for Congress to address childhood vaccine shortfalls in developing countries. The managers encourage AID to lend its support to this initiative.

The managers direct that core child survival activities focus on effective interventions to reduce infant mortality during the first month of life through activities that focus on the health and nutrition needs of pregnant women and new mothers, a vital aspect of child survival that has not yet attracted sufficient private funds. The managers also support expansion of core child survival programs in Africa.

The managers will consider the use of not more than three percent of the amount provided for the Child Survival and Disease Programs Fund in countries funded under SEED and FREEDOM Support Act authorities. In particular, the managers urge AID to provide up to $2,000,000 to support non-governmental organizations that work with older orphans, including those with cognitive disabilities and mild mental retardation, to teach life and job skills. The conference agreement also continues existing limitations on the use of the Fund for non-project assistance.

The managers note that Morehouse School of Medicine is establishing an International Center for Health and Development. This center will be dedicated to forming local and international partnerships to address the health problems that are devastating Africa today. The conferees encourage AID to provide assistance for these efforts.

DEVELOPMENT ASSISTANCE

(INCLUDING TRANSFER OF FUNDS)

The conference agreement appropriates $1,228,000,000 for ''Development Assistance'' instead of $1,201,000,000 as proposed by the House and $1,928,500,000 as proposed by the Senate. The Senate included funding for the ''Child Survival and Disease Programs Fund'' under its ''Development Assistance'' account.

The conference agreement appropriates up to $5,000,000 for the Inter-American Foundation from funds made available under this heading and up to $14,400,000 directly to the African Development Foundation, as proposed in the House bill. The Senate amendment provided authority to transfer funds from this account to the Inter-American Foundation, but did not specify an amount. Also, the Senate amendment provided $12,500,000 for the African Development Foundation. Section 586 of the conference agreement provides the President with the authority to abolish the Inter-American Foundation during fiscal year 2000. The managers note that the funding level provided for the Inter-American Foundation is sufficient for meeting existing grant, contract, and lease obligations and to wind up any other outstanding affairs of the Foundation.

The conference agreement continues current law regarding certain requirements on quotas and numerical targets for family planning providers participating in voluntary family planning projects that are funded through the ''Development Assistance'' account, as included in the House bill. The Senate amendment did not address this matter.

The conference agreement also includes House language providing that $2,500,000 may be transferred from this account to the ''International Organizations and Programs'' account for a contribution to the International Fund for Agricultural Development (IFAD). The Senate amendment included similar language. The managers recognize the need for the type of expertise IFAD offers; therefore, the managers affirm the House and Senate support for continued United States contributions to IFAD. The Administration is expected to consult with the Appropriations Committees regarding IFAD's future resource requirements.

The conference agreement continues current law which prohibits funds from being made available for any activity in contravention of the Convention on International Trade in Endangered Species of Flora and Fauna (CITES) as proposed by the House. The Senate bill did not address this matter.

The conference agreement includes language from the Senate amendment not in the House bill that provides not to exceed $25,000, in addition to funds otherwise made available for such purposes, to monitor and provide oversight for assistance programs for displaced and orphan children and victims of war.

The conference agreement does not include bill language in the Senate amendment mandating a specific sum for the International Law Institute. The managers continue to be concerned by the lack of adherence to the rule of law in the Independent States. Therefore, the managers direct that $250,000 shall be made available to the International Law Institute to continue its training and support of lawyers and judges in the Independent States.

The managers encourage AID to support the Financial Services Volunteer Corps (FSVC), which contributes to the process of building sound financial infrastructure in countries that are seeking to develop transparent, market-oriented economies. FSVC, as a not-for-profit organization, leverages its funding resources with expert volunteers from the U.S. financial services community to provide assistance that is objective, independent and free of commercial interest.

The conference agreement provides that not less than $500,000 should be made available for support of the United States Telecommunications Training Institute. The Senate amendment included bill language mandating that such funds be made available for this purpose. The House bill did not address this matter.

The conference agreement includes language similar to a provision in the Senate amendment that requires that not less than 50 percent of the funds made available for the Microenterprise Initiative should be made available for loans of $300 or less for very poor people, particularly women, or for institutional support of organizations primarily engaged in making such loans. The House bill contained a similar provision which continued existing law.

AGRICULTURE

The conference agreement does not contain language from the Senate amendment regarding the minimum level of funding for agriculture programs. However, the managers remain concerned about the decline in AID funding for international agriculture activities and recommend at least $305,000,000 be provided for such programs in fiscal year 2000. Further, the managers note that both House Report No. 106–254 and Senate Report No. 106–81 signal the deep concern for the level of funding provided for international agricultural development. In addition, the managers support the language in House Report No. 106–254 regarding funding levels for the Collaborative Research Support Programs (CRSPs). Prior to the submission of the report required by section 653 of the Foreign Assistance Act, AID is directed to consult with the Committees on Appropriations regarding the proposed allocation of sector resources, including those intended for agriculture and for the CRSPs.

RURAL ELECTRIFICATION

The managers endorse Senate Report No. 106–81 regarding rural electrification as a key component of development. The managers recommend AID provide not less than $5,000,000 in fiscal year 2000 for rural electrification in Guatemala, El Salvador, Honduras and Nicaragua. Further, the managers recommend that AID provide $3,000,000 for the Republic of Georgia to assist rural electric cooperatives in rehabilitation and privatization efforts.

AID GLOBAL PROGRAMS AND BIODIVERSITY

The managers note the positive role AID's central offices and mechanisms can serve in providing policy and technical support in critical areas such as economic growth, energy, agriculture, biodiversity, democracy and women in development. The managers endorse House Report No. 106–254 on global issues such as these, and encourage AID to adequately fund these central offices and mechanisms. To ensure that the Committees' priorities are addressed in a timely manner, the managers direct AID to provide, within 30 days of enactment of this Act, a brief written report to the Appropriations Committees on its planned fiscal year 2000 allocation of funds to the central offices in the Global Bureau.

The conference agreement does not include a Senate provision regarding the proportion of funds utilized in support of biodiversity. The managers continue to believe that protecting biodiversity and tropical forests in developing countries is critical to the global environment and U.S. economic prosperity, especially for the agricultural and pharmaceutical industries. The managers note that House Report No. 106–254 and Senate Report No. 106–81 recognize the slight increase in AID biodiversity funding in fiscal year 1999, but remain concerned that the proportion of development assistance allocated for biodiversity activities remains less than the amount provided five years ago. Therefore, the managers direct AID to restore overall biodiversity funding as well as funding to the Office of Environment and Natural Resources to levels that reflect the proportion of funding of development assistance provided in fiscal year 1995.

EDUCATION IN AFRICA

The managers recognize that providing increased educational opportunities, including at the doctoral level, is a key component of development efforts in Africa. The managers are aware of AID's minority-serving institution initiative and commend the agency for engaging Historically Black Colleges and Universities (HBCU) in its program for Africa. Consistent with these efforts, the managers encourage AID to consider up to $700,000 for the implementation of a distance education doctoral degree initiative in collaboration with an HBCU that can offer advanced training in the areas of educational leadership, pharmacy, environmental sciences and engineering.

AMERICAN SCHOOLS AND HOSPITALS ABROAD

The conference agreement does not contain Senate language requiring that not less than $15,000,000 shall be available only for the American Schools and Hospitals Abroad (ASHA) program. However, the managers direct the Agency for International Development to fully uphold its commitment to the Appropriations Committees to obligate at least $15,000,000 for the American Schools and Hospitals Abroad program in fiscal year 2000. It is the intention of the managers that the increase in funding for the Lebanon country program (addressed below under the heading ''Lebanon'') should not result in a decrease in funding that has been traditionally allocated to Lebanese educational institutions through the American Schools and Hospitals Abroad program provided under ''Development Assistance''.

PATRICK LEAHY WAR VICTIMS FUND

The conferees direct $12,000,000 for medical, orthopedic, and related rehabilitative and preventive assistance for war victims, particularly those who have been severely disabled from landmines and other unexploded ordnance. Of this amount, up to $10,000,000 is to be funded from the ''Development Assistance'' account and the ''Economic Support Fund''. The balance should be funded from Office of Transition Initiatives resources, and with funds from the demining budget of the ''Nonproliferation, anti-terrorism, demining and related programs'' account.

The managers note the great needs, especially for children, in Sierra Leone for medical, orthopedic, and related rehabilitative services as a result of civil war. The managers direct that not less than $750,000 from this account be used for programs such as those carried out by UNICEF and other international organizations and non-governmental organizations with experience in addressing such needs.

As in previous years, the managers expect that any such programs to assist war victims should be designed and implemented in consultation with AID's manager of the Leahy War Victims Fund.

CYPRUS

The conference agreement includes language from the Senate amendment that provides that not less than $15,000,000 shall be made available for Cyprus to be used only for scholarships, administrative support of the scholarship program, bicommunal projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus. Funds are to be derived from ''Development Assistance'' and ''Economic Support Fund''. The House bill did not contain a provision on this matter.

LEBANON

The conference agreement includes language similar to that from the Senate amendment that provides that not less than $15,000,000 of the funds appropriated under ''Development Assistance'' and ''Economic Support Fund'' should be made available for Lebanon to be used, among other purposes, for scholarships and direct support of the American educational institutions in Lebanon. The Senate language is identical to the conference agreement, except it would have required the allocation of these funds. The House bill did not address this matter.

The increase of $3,000,000 for Lebanon is being provided for the direct support of the American educational institutions in that country. It is the intention of the managers that the increase in funding for the Lebanon country program should not result in a decrease in funding that has been traditionally allocated to Lebanese educational institutions through the American Schools and Hospitals Abroad program provided under ''Development Assistance''.

BURMA

The conference agreement includes language similar to that from the Senate amendment that provides that, of the funds made available under ''Development Assistance'', ''Child Survival and Disease Programs Fund'', and ''Economic Support Fund'', not less than $6,500,000 shall be made available to support democracy activities in Burma, democracy and humanitarian activities along the Burma-Thailand border, and for Burmese student groups and other organizations located outside Burma. These funds are to be made available notwithstanding any other provision of law and shall be subject to the regular notification procedures of the Committees on Appropriations, as proposed by the Senate. Language proposed by the Senate that would have allocated not less than $800,000 of these funds for certain specified activities is not included, nor is language providing that funds made available under this heading shall be subject to consultation and guidelines provided by the leadership of the Burmese government elected in 1990.

The House bill did not address this matter.

CAMBODIA

The conference agreement does not include language proposed by the Senate that would have prohibited funds for the Central Government of Cambodia until the Secretary of State determines and reports to the Committees on Appropriations and the Committee on Foreign Relations that the Government of Cambodia has established a tribunal consistent with the requirements of international law and justice and including the participation of international jurists and prosecutors for the trial of those who committed genocide or crimes against humanity and that the Government of Cambodia is making significant progress in establishing an independent and accountable judicial system, a professional military subordinate to civilian control, and a neutral and accountable police force. The funding restriction proposed by the Senate would not have applied to demining and other humanitarian programs.

The House did not address this matter under title II. The House provision on Cambodia, section 573 of the House bill, is included in modified form in the conference report under title V.

SOUTHEAST ASIA

The conference agreement does not include reservations of specific minimum funding allocations for Indonesia as proposed by the Senate. The House bill did not address this matter.

The managers support the highest possible level of assistance to promote the economic recovery of the Philippines, Thailand, and Indonesia from the Asian financial crisis. Effective support for private investment, better governance, and less corruption in these countries should be given a higher priority in development assistance and Economic Support Fund allocation decisions. The Accelerated Economic Recovery in Asia and United States-Asia Environmental Partnership programs should be augmented by specific efforts to retain existing major United States private sector investments in the region, especially in the infrastructure sector. The renewed security relationship between the Philippines and the United States provides additional justification for increased support to that country.

The managers encourage support for the democratic transition now underway in Indonesia. The managers recognize that humanitarian and economic assistance from many nations will be needed to enable East Timor to recover from the violence and destruction perpetrated by anti-independence forces following the referendum of August 30, 1999. The recovery of East Timor will also depend on the cooperation of its Indonesian neighbors. The conference agreement provides that not less than $25,000,000 from the ''Economic Support Fund'' account should be made available for a United States contribution to the recovery of East Timor.

The managers suggest a modest program of assistance for the people of Vietnam, mostly for humanitarian activities. The managers urge AID to work with the U.S. Embassy to support a safety awareness campaign in Vietnam to reverse the increase in preventable accidents, especially those affecting children.

The managers continue to be concerned about the status of religious groups in Vietnam. The Secretary of State is requested to report to the Committees on Appropriations not later than six months after enactment of this Act on the extent to which the Socialist Republic of Vietnam is facilitating the following: (1) the operation of independent churches; (2) the return of church properties confiscated since 1974; (3) visits to the Supreme Patriarch of the Unified Buddhist Church of Vietnam by a delegation of American religious leaders and medical doctors; and (4) participation of democracy and human rights advocates in United States education and cultural exchange programs.

CONSERVATION FUND

The conference agreement does not include a provision from the Senate amendment mandating $500,000 from ''Development Assistance'' for the Charles Darwin Research Station and the Charles Darwin Foundation. The House bill did not address this matter.

The managers direct that $500,000 be provided from ''Development Assistance'' for research, training, and related activities to support conservation efforts in the Galapagos. Because AID has made plans to sustain a commitment to the Galapagos, the managers expect fiscal year 2000 to be the final year for congressional mandates.

CONFLICT RESOLUTION

The conference agreement does not include Senate language earmarking $1,000,000 from ''Economic Support Fund'', ''Development Assistance'', and ''Assistance for Eastern Europe and the Baltic States'' accounts to support conflict resolution programs. However, the managers urge the State Department and AID to support such programs where appropriate. The managers especially commend Seeds of Peace, a widely respected organization which promotes understanding between Arab and Israeli teenagers, and Turkish and Greek Cypriot teenagers, and direct the Agency for International Development to provide up to $861,000 to Seeds of Peace in fiscal year 2000.

PRIVATE AND VOLUNTARY ORGANIZATIONS

The conference agreement includes language from the House bill providing that funds appropriated for development assistance should be available to private and voluntary organizations at a level which is at least equivalent to the level provided in fiscal year 1995. The Senate amendment included similar language.

INTERNATIONAL DISASTER ASSISTANCE

The conference agreement appropriates $202,880,000 for ''International Disaster Assistance'' instead of $200,880,000 as proposed by the House and $175,000,000 as proposed by the Senate. The managers note that Congress provided $388,000,000 for this account in fiscal year 1999, including $188,000,000 in emergency supplemental funds, and that AID expects to carry over into fiscal year 2000 the unobligated fiscal year 1999 balances. Further, the managers note that section 492(b) of the Foreign Assistance Act provides the President with the authority to obligate up to $50,000,000 from other assistance accounts in order to provide disaster assistance, if necessary.

The conference agreement requires greater accountability on disaster assistance funds utilized in support of AID's Office of Transition Initiatives (OTI). OTI activities have been effective in many countries, but the managers are increasingly concerned that scarce emergency disaster aid may be unavailable due to longer-term OTI commitments. Therefore, the conference agreement requires that AID submit a report to the Appropriations Committees not less than five days prior to initiating an OTI program in a country in which OTI did not operate in fiscal year 1999. The managers believe this reporting requirement will help ensure that the Appropriations Committees receive timely information regarding the nature of OTI programs so they can better evaluate these transition activities in the future.

The managers note that OTI may utilize funds from other development and economic accounts in addition to the Disaster Assistance account and expect AID to report on the country allocations of all funds under OTI management in the annual report required under section 653 of the Foreign Assistance Act beginning in fiscal year 2000.

MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM ACCOUNT

The conference agreement continues existing law regarding the level of guarantees provided in support of micro and small enterprise activities. The Senate amendment proposed making the guarantee level permanent law.

URBAN AND ENVIRONMENTAL CREDIT PROGRAM ACCOUNT

The conference agreement provides $1,500,000 for subsidy budget authority for the Urban and Environmental Credit program as proposed by the Senate. In addition, the conference agreement appropriates $5,000,000 for administrative expenses as proposed by the House, instead of $4,000,000 as proposed by the Senate.

DEVELOPMENT CREDIT AUTHORITY PROGRAM ACCOUNT

The conference agreement provides up to $3,000,000 for the cost of loans and loan guarantees for AID's Development Credit Authority (DCA) from funds transferred from existing development and economic accounts administered by AID. Up to $500,000 of this amount may be transferred to and merged with AID's ''Operating Expenses'' account. The managers urge that programs in the Russian Far East be given priority. The House bill did not provide authority for a development credit program. The Senate amendment provided $7,500,000 for this purpose.

The managers recognize the serious effort made by the Administration during the past two fiscal years to guarantee the financial integrity of the DCA, including the establishment of a credit review board to approve individual DCA loan and loan guarantee projects. However, the managers continue to be concerned about the larger development policy implications of AID conducting new loan and guarantee programs. Given the significant problems developing nations have experienced in repaying existing U.S. loans and the subsequent rescheduling and cancellation of these debts, the managers urge caution in extending new loans and guarantees.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

The conference agreement appropriates $520,000,000 instead of $495,000,000 as proposed by the Senate and $479,950,000 as proposed by the House. The conference agreement does not include language proposed by the Senate to extend the availability of these funds until September 30, 2001. Also, the conference agreement does not provide $1,500,000 from Operating Expenses for the purchase of land in northern India as proposed by the Senate. The House bill contained no similar provision.

The conference agreement prohibits the use of funds in this account to finance the construction or long-term lease of offices for use by AID unless the administrator of AID reports in writing to the Appropriations Committees at least 15 days prior to the obligation of funds for such purposes. This reporting requirement applies only when the total cost of construction (including architect and engineering services), purchase, or lease commitment, exceeds $1,000,000. The House bill and the Senate amendment contained similar provisions.

The managers expect that $15,000,000 from this account will be used only for costs associated with construction of a new AID mission in Dar es Salaam, Tanzania, as requested by the President in a budget amendment submitted to Congress on September 21, 1999, or for other overseas physical security requirements of the agency. Further, the managers endorse House Report No. 106–254 which directs AID to report to the Committees on Appropriations on the agency's long-term physical security needs around the world.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

The conference agreement appropriates $2,345,500,000 instead of $2,227,000,000 as proposed by the House and $2,195,000,000 as proposed by the Senate. In addition, it provides not less than $960,000,000 for Israel and not less than $735,000,000 for Egypt as proposed by the Senate instead of not to exceed

$960,000,000 for Israel and not to exceed $735,000,000 for Egypt as proposed by the House. The conference agreement also includes language providing that not less than $200,000,000 of the funds appropriated for Egypt shall be used for Commodity Import Program assistance as proposed by the Senate. The House bill did not address this matter.

The conference agreement also includes language providing that not less than $150,000,000 should be provided for Jordan as proposed by the Senate. The House bill did not address this matter.

The conference agreement also includes Senate language providing that, notwithstanding any other provision of law, not to exceed $11,000,000 may be used to support victims of and programs related to the Holocaust. The House bill did not address this matter.

The conference agreement does not include language from the Senate amendment, not in the House bill, that would have prohibited funds appropriated under this heading from being made available to the Korean Peninsula Energy Development Organization.

The conference agreement also includes language that, notwithstanding any other provision of law, $1,000,000 shall be made available to nongovernmental organizations located outside of the People's Republic of China to support activities which preserve cultural traditions and promote sustainable development and environmental conservation in Tibetan communities in that country. The managers are aware of the important work of the Bridge Fund in this regard, and strongly support funding for this organization.

Senate language under this heading that authorized $10,000,000 for activities for Iraqi opposition groups is addressed under title V of the conference report.

The managers strongly support assistance programs for Yemen and urge the Department of State and the Agency for International Development to maintain and, if possible, enhance such programs.

The managers recognize the critical importance that water and energy policies play in the implementation of the Wye River Accord. Therefore they reiterate the support expressed in the House and Senate reports for the desertification program for the Middle East and southern Mediterranean proposed by San Diego State University. The managers also support the Middle East Water and Energy Resource Institute's program to provide technical assistance and conduct research and education programs coordinated through the International Arid Lands Consortium.

The conference agreement includes language stating that not less than $25,000,000 should be made available for assistance for East Timor.

The managers direct that $5,000,000 in funding from this account be used to support the activities authorized under the Irish Peace Process Cultural and Training Program Act of 1998 (Public Law 105–319).

The managers direct $2,000,000 to support the demobilization of the Estado Mayor Presidencial in Guatemala.

INTERNATIONAL FUND FOR IRELAND

The conference agreement appropriates $19,600,000 for the International Fund for Ireland, as proposed by the House. The Senate amendment did not address this matter.

The conferees encourage the International Fund for Ireland (IFI) to consider direct funding of locally-based organizations dedicated to attracting investment to their municipalities and regions. In doing so, the conferees believe the IFI will further its goals of increasing domestic and international interest in continued cooperation and stability.

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

The conference agreement appropriates $535,000,000 as proposed by the Senate instead of $393,000,000 as proposed by the House.

The conference agreement also includes language stating that $150,000,000 should be provided for Kosova. The Senate amendment had provided for six country earmarks which are not included in the conference agreement. The House bill did not address this matter.

The conference agreement also includes language that prohibits funds for Kosova until the Secretary of State certifies that the resources pledged by the United States at the upcoming Kosova donors conference shall not exceed 15 percent of the total resources pledged by all donors. In addition, language has been included stating that funds for Kosova shall not be made available for large scale physical infrastructure reconstruction.

In addition, the conference report includes Senate language that provides not more than $130,000,000 for Bosnia and Herzegovina from the funds appropriated under this account and under ''International Narcotics Control and Law Enforcement'' and ''Economic Support Fund''. The House bill did not address this matter.

The conference agreement also includes House language prohibiting funds from being used for new housing construction or repair or reconstruction of existing housing in Bosnia and Herzegovina unless directly related to the efforts of United States troops to promote peace in said country. The Senate amendment did not address this matter.

The conference agreement also includes language from the House bill that applies the provisions of section 532 (''Separate Accounts'') to all funds provided under this heading, rather than just to funds made available for Bosnia and Herzegovina as proposed by the Senate. In addition, it includes language proposed by the House that authorizes the President to withhold funds for economic reconstruction programs in Bosnia and Herzegovina if he certifies that the Bosnian Federation is not complying with requirements in the Dayton Peace Accord to remove foreign forces, and has not terminated intelligence cooperation with Iranian officials. The Senate amendment did not address this matter.

ROMANIAN CHILDREN AND ORPHANS

The managers direct that up to $4,400,000 be provided for emergency aid for the child victims of the present economic crisis in Romania. The program should be administered through, or in close coordination with, the Romanian Department of Child Protection. It should focus on supplemental food support and maintenance, support for in-home foster care, and supplemental support for special needs residential care.

ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION

The conference agreement appropriates $839,000,000 instead of $725,000,000 as proposed by the House and $780,000,000 as proposed by the Senate. The word ''New'' is deleted from the heading, as proposed by the House. The managers have included a ceiling on management costs for nuclear safety activities as proposed by the Senate and a limitation of 25 percent on the percentage of funds (other than for nonproliferation and disarmament programs) that may be allocated for any single country as proposed by the House.

The managers also encourage the Coordinator and AID to move as rapidly as possible to implement programs that focus on the social transition in the region as it affects ordinary citizens, to reward reform-oriented countries such as Moldova and Kyrgystan, and to accelerate the focus on regional efforts in reform-oriented secondary cities in Russia, Ukraine, and Kazakhstan.

RUSSIA-IRAN

The conference agreement continues the current restrictions on assistance to the Government of the Russian Federation as long as Russian enterprises and institutes continue to collaborate with Iran to increase Iranian capability to develop and deploy nuclear and ballistic missile technology. The managers agree that assistance to combat infectious diseases, child survival and nonproliferation activities, support for regional and municipal governments, and partnerships between United States hospitals, universities, judicial training institutions and environmental organizations and counterparts in Russia should not be affected by this subsection.

EXPANDED NONPROLIFERATION AND SECURITY COOPERATION

The managers note that $241,000,000 from this account was requested by the President for threat reduction activities in the former Soviet Union. The managers encourage the Administration to provide the Foundation established by section 511 of the FREEDOM Support Act not less than the $23,500,000 requested for this purpose.

The managers request that the Coordinator for Assistance to the Independent States of the Former Soviet Union provide written reports on the allocation, obligation, and disbursement of appropriations during fiscal year 2000 for expanded nonproliferation and security cooperation from this and prior year acts not later than December 15, 1999, March 15, 2000, and July 15, 2000. The reports should, at a minimum, compare the allocation and obligation of funds by project, activity, and country with comparable data contained in the April 1999 justification documents subsequently provided to the Committees, and explain in detail any circumstances that resulted in reductions or other changes from the original justification.

The managers are concerned that none of the assistance provided to Russia for security cooperation be used for the benefit of military units credibly reported to be engaged in combat activities against civilian populations in the Northern Caucasus region of the Russian Federation. The Secretary of State is requested to inform the Committees in writing of steps taken to prevent United States assistance benefiting such units of the armed forces of the Russian Federation.

MATERNAL AND INFANT HEALTH CRISIS

The conference agreement sets aside $14,700,000 from funds provided under this title for maternal and infant health programs to begin the process of addressing the demographic crisis in Russia and the other independent states.

RUSSIAN FAR EAST

The conference agreement includes new language providing not less than $20,000,000 for the Russian Far East. This matter was not addressed in the House bill or the Senate amendment. Under the heading ''Development Credit Authority'' in title II, the managers also directed that additional funds be

made available to stimulate ventures in the Russian Far East led by American firms with expertise in primary industries, including natural resource development, telecommunications and basic infrastructure, finance, and consumer goods.

SOUTHERN CAUCASUS REGION

The managers support regional cooperation efforts among the countries of Armenia, Azerbaijan, and Georgia, including United States efforts through the Caucasus Cooperation Forum. To further regional cooperation, the conference agreement continues the current six exemptions from the statutory restrictions on assistance to the Government of Azerbaijan. The managers include a requirement that 15 percent of the funds available for the Southern Caucasus region be used for confidence-building measures and other activities related to the resolution of regional conflicts instead of 17.5 percent as proposed by the House.

The conference agreement includes a provision that not less than 12.92 percent of the funds under this heading be made available for Georgia and not less than 12.2 percent for Armenia. Similar language was proposed by the Senate but not included in the House bill. The managers are concerned that little progress has been made to improve conditions in the regions of Armenia affected by the 1988 earthquake. The conferees direct the Coordinator and AID to allocate up to $15,000,000 to support recovery and economic reconstruction initiatives in the regions most severely affected. In addition, at least $25,000,000 of the funds made available for Georgia should be obligated for border security and law enforcement training.

The managers continue to support funding of the judicial reform initiatives in Georgia, but are aware of concerns regarding the legal rights of Loren Wille, an American working for Catholic Relief Services who was recently arrested in Georgia. The conferees urge the State Department to use the influence of the United States to ensure fairness and transparency in the treatment of Mr. Wille, and request a report from the Department no later than December 1, 1999, on the extent to which Mr. Wille's rights have been respected during the Georgian judicial process.

UKRAINE

The managers include bill language that $180,000,000 should be made available for Ukraine instead of a mandatory $210,000,000 as proposed by the Senate. The managers recommend $25,000,000 for nuclear safety programs in Ukraine and up to $10,000,000 for regional initiatives that include industrial study tours, technology business incubators, and community based telecommunications projects. The conference agreement does not include any provision withholding funds for Ukraine as proposed by the Senate.

The conference agreement does not include Senate language regarding the destruction of stockpiles of landmines in Ukraine. However, the managers strongly support the elimination of some 10 million mines stockpiled in Ukraine and Moldova that could otherwise be exported to areas of conflict and cause egregious harm to innocent civilians. The managers intend and expect that of the funds made available in this Act for Ukraine and Moldova, $5,000,000 will be contributed to a multinational effort to destroy these landmines and similar munitions.

RUSSIAN LEADERSHIP PROGRAM

The conference agreement includes new language providing an additional $10,000,000 to carry out the Russian Leadership Program enacted on May 21, 1999. The statutory authority is modified to extend the pilot program administered by the Library of Congress for 1 year and to postpone transfer of the program to the Executive branch by 1 year.

RUSSIAN ORPHANS

The conferees strongly support AID's new strategy for addressing the needs of Russian orphans and concur with the House report language on this matter. The managers are concerned about the immediate needs of orphans in some of the most economically disadvantaged parts of the Russian Federation, such as Magadan. The conferees encourage AID to supplement its orphan strategy by identifying reform-minded and committed orphanage and child welfare officials in those regions and developing a program to improve the basic conditions of orphans there.

MEDICAL ASSISTANCE

The conference agreement does not include a Senate earmark for Carelift International. However, the managers are aware that large amounts of used high-technology medical equipment no longer needed by American hospitals can be put to good use in the former Soviet Union and other regions unable to afford high-technology medical equipment. Carelift International and other organizations provide such equipment and provide training on its proper use and maintenance. The conferees expect AID to support such private initiatives in its social transition strategy for the Independent States and Central Europe and direct that $3,000,000 be made available to Carelift International upon receipt of a detailed proposal.

MONGOLIA

The conference agreement retains authority for funds provided under this heading to be used in Mongolia. The amount provided for Mongolia from this heading is $6,000,000. The remainder of the amount requested is to be made available from other accounts in title II of this Act, including not less than $750,000 for child survival activities.

INDEPENDENT AGENCY

PEACE CORPS

The conference agreement appropriates $245,000,000 instead of $240,000,000 as proposed by the House and $220,000,000 as proposed by the Senate.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL AND LAW ENFORCEMENT

The conference agreement appropriates $305,000,000 instead of $285,000,000 as proposed by the House for International Narcotics Control and Law Enforcement. The Senate amendment proposed $215,000,000.

The conference agreement does not include the ceiling of $20,000,000 on anti-crime activities within the account as proposed by the House. However, the agreement does require that all anti-crime programs are subject to the regular notification procedures of the Committees on Appropriations.

The conference agreement contains House language allowing the Department of State to utilize section 608 of the Foreign Assistance Act to receive excess property from other U.S. federal agencies for use in a foreign country. The Senate amendment did not address this matter.

The conference agreement provides that not less than $10,000,000 should be available for Law Enforcement Training and Demand Reduction, which is similar to the Senate amendment. The House did not address this matter. The managers urge up to $4,000,000 of this amount be for demand reduction programs.

The conference agreement contains $5,000,000 to establish and operate the International Law Enforcement Academy for the Western Hemisphere at Roswell, New Mexico as proposed by the Senate. The House bill did not address this matter. Given the proximity of the United States to Latin America, it is appropriate for such a center to be located in the United States. The managers are frustrated by the Department of State's seeming unwillingness to cooperate in this matter and direct the Department to establish the training center at Roswell.

The conference agreement does not contain a Senate amendment providing not less than $10,000,000 for mycoherbicide counterdrug research and development. The House did not address this matter. However, the managers recognize that the development of plant pathogens which are capable of destroying illicit drug crops, including opium poppy, coca and marijuana, offer a potential weapon for United States counter-narcotics efforts. The managers understand that all current funding requirements have been met for fiscal years 1999 and 2000. Consistent with the position taken in the fiscal year 1999 supplemental appropriations conference report, the managers recommend that the responsibility for this funding should be assumed by the Office of the National Drug Control Policy to support any additional future needs for counterdrug research and development for the following: mycoherbicide product research and development; narcotic crop eradication technologies; narcotic plant identification and biotechnology; worldwide narcotic crop identification; and alternative crop research and development.

The managers are concerned about the deteriorating conditions in Colombia. In 1998, 308,000 Colombians were internally displaced and during the past decade 35,000 Colombians have been killed in the violence between government forces, paramilitaries, and the FARC and ELN. The managers commend President Pastrana for his efforts to end this protracted conflict. The managers encourage the Department of State and other Executive agencies to continue their efforts to assist President Pastrana and the Colombian government toward a peaceful resolution of this conflict.

The managers affirm House Report No. 106–254 and Senate Report No. 106–81 regarding counter-narcotics programs and encourage the Assistant Secretary of State for International Narcotics Control and Law Enforcement to develop a comprehensive proposal to upgrade helicopter lift capability for anti-drug operations in Latin America.

Given the instability in the region, the managers have been concerned by the consistently low levels of support during the past several years provided to the Government of Ecuador in its efforts to stem the flow of drugs transiting through Ecuador from both Colombia and Peru. Therefore, the managers direct the State Department Bureau of International Narcotics Control and Law Enforcement to provide a report, 60 days after the date of enactment, on its revised plans to assist Ecuador in improving its counter-narcotics efforts. Further, the managers expect that all funds in this Act designed to support Ecuador's joint regional economic development program with Peru be informed in advance to the Committees on Appropriations.

Because of budgetary limitations, $21,000,000 of the amount provided under this

heading and $21,000,000 provided under the heading ''Migration and Refugee Assistance'' is withheld from obligation until September 30, 2000. Both programs were augmented by sizable supplemental appropriations during fiscal year 1999.

MIGRATION AND REFUGEE ASSISTANCE

The conference agreement appropriates $625,000,000, instead of $640,000,000 as proposed by the House bill and $610,000,000 as proposed in the Senate amendment. The conference agreement makes available $13,800,000, as proposed in the House bill, for administrative expenses. The Senate amendment proposed $13,500,000.

The conference agreement also includes Senate language, not included in the House bill, that provides not less than $60,000,000 for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

The conference agreement appropriates $12,500,000 instead of $30,000,000 as proposed by the House and $20,000,000 as proposed by the Senate.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

The conference agreement appropriates $216,600,000 instead of $181,630,000 as proposed by the House and $175,000,000 as proposed by the Senate.

The conference agreement also includes language proposed by the House, that was not in the Senate amendment, that authorizes a United States contribution to the Comprehensive Nuclear Test Ban Treaty Preparatory Commission, and requires that the Secretary of State must inform the Committees on Appropriations at least 20 days prior to the obligation of funds for such Commission.

The conference agreement includes language similar to that proposed by the Senate, that was not in the House bill, that provides that $40,000,000 should be used for demining, clearance of unexploded ordnance and related activities, and that not to exceed $500,000 may be used for related administrative expenses.

The conference agreement does not include language from the Senate amendment that limited funding for the contribution to the International Atomic Energy Agency (IAEA) to $40,000,000.

Funding limitations affecting the Korean Peninsula Economic Development Organization (KEDO) are addressed under title V of this statement and accompanying conference report.

The managers intend that funds appropriated under this heading be allocated as follows:

[In thousands of dollars]

Program	House	Senate	Conference
Nonproliferation and Disarmament Fund	15,000	15,000	15,000
Export control asst	5,000	5,000	15,000
IAEA contribution	43,000	40,000	43,000
CTBT Preparatory Commission	20,000	20,000	20,000
Prepaid in FY 1999	−4,370		−4,370
KEDO	35,000	40,000	35,000
Anti-terrorism asst	33,000	20,000	33,000
Demining	35,000	35,000	40,000
Reserve			19,970
New budget authority	181,630	175,000	216,600

DEPARTMENT OF THE TREASURY

INTERNATIONAL AFFAIRS TECHNICAL ASSISTANCE

Both the House and the Senate provided $1,500,000 for the International Affairs Technical Assistance program of the Department of the Treasury. The managers encourage the Administration to meet the requested level for this program by transferring funds to the Department of the Treasury from other funds appropriated in title II of this Act.

DEBT RESTRUCTURING

The conference agreement includes $123,000,000 of the $320,000,000 requested by the President on September 21, 1999, for bilateral debt restructuring instead of $33,000,000 as proposed by the House and $43,000,000 as proposed by the Senate. The $123,000,000 includes at least $13,000,000 for implementation of the Tropical Forest Conservation Act.

The managers urge the Department of the Treasury to consider debt forgiveness for these countries only as a final option. Debt forgiveness reflects the inability of some nations to repay existing loans. This issue raises the urgent need to establish new benchmarks or conditions prior to initiating new lending. The managers expect that debt relief will be made available only to the poorest nations pursuing market-based economic reform and which commit to dedicate freed-up resources to improving health care, infrastructure, education and other pressing domestic needs. None of the funds in this account may be used to provide debt relief for any country that is engaged in offensive military action since any such relief would likely be used to facilitate the purchase of lethal weapons or to otherwise increase military expenditures.

The managers urge caution regarding new lending within the next five years to governments benefiting from debt forgiveness. The managers anticipate that legislation detailing the actual implementation of proposed debt restructuring involving United States payment of debts owed by heavily indebted poor countries to international and multilateral financial institutions will have been enacted separately and hearings on the President's request of September 21, 1999, held by the Committees on Appropriations prior to consideration of additional appropriations for debt restructuring.

The managers endorse language in House Report No. 106–254 regarding reports to the Committees on Appropriations on the use of funds in this account and intend to work with the Treasury Department to ensure this information is made available to the Committees without undue burden on the Department.

The managers expect that beginning with the fiscal year 2001 budget submission, the value of debt relief provided in the previous fiscal year for each country will be reported to Congress in all relevant presentation documents and summary tables. Further, the managers encourage the Treasury Department to undertake a review of United States lending policies to nations considered for debt relief and request a report to the Committees on Appropriations not later than March 1, 2000, regarding future bilateral lending, including the conditions under which any new lending could take place.

UNITED STATES COMMUNITY ADJUSTMENT AND INVESTMENT PROGRAM

The conference agreement appropriates $10,000,000 for the United States Community Adjustment and Investment Program, a domestic program affiliated with the North American Development Bank. The House bill and Senate amendment did not address this matter.

TITLE III—MILITARY ASSISTANCE

INTERNATIONAL MILITARY EDUCATION AND TRAINING

The conference agreement appropriates $50,000,000 as proposed by the Senate instead of $45,000,000 as proposed by the House. It also provides that up to $1,000,000 may remain available until expended as proposed by the House; the Senate amendment did not address this matter.

The conference agreement also includes language proposed by the House that limits Guatemala and Indonesia to Expanded IMET only, and provides for regular notification procedures for funds allocated for Guatemala as proposed by the House. The Senate amendment would have limited Guatemala to Expanded IMET only, but did not address funding for Indonesia and did not require notification for Guatemala.

The conference agreement also includes language from the House bill providing that funding for the School of the Americas is contingent upon a certification by the Secretary of Defense that the instruction provided by the School is fully consistent with training provided by the Department of Defense to United States military training students at U.S. military institutions. It also includes House language requiring a report by the Secretary of Defense on training activities at the School of the Americas during 1997 and 1998.

The Senate amendment did not address these matters.

FOREIGN MILITARY FINANCING PROGRAM

The conference agreement appropriates $3,420,000,000 instead of $3,470,000,000 as proposed by the House and $3,410,000,000 as proposed by the Senate. In addition, it includes language proposed by the Senate that provides not less than $1,920,000,000 for grants for Israel and not less than $1,300,000,000 for grants for Egypt instead of not to exceed $1,920,000,000 for Israel and not to exceed $1,300,000,000 for Egypt as proposed by the House.

The conference agreement also includes language similar to that proposed by the Senate providing that not less than 26.3 percent of the funds made available for Israel shall be available for procurement in Israel. The House bill included language stating that not to exceed $505,000,000 should be made available for such procurement.

The conference agreement also includes House language providing that no Partnership for Peace funds may be made available to a non-NATO country except through the regular notification procedures of the Committees on Appropriations. The Senate amendment did not address this matter.

The conference agreement does not include language proposed by the Senate that would have allowed direct loans to be converted to grants, and grants to direct loans. The House bill did not address this matter.

The conference agreement provides not less than $3,000,000 in grant assistance for Tunisia and directs the drawdown of not less than $4,000,000 in defense articles, defense services, and military education and training. The Senate amendment would have directed $10,000,000 for Tunisia. The House bill did not address this matter.

The conference agreement also includes language providing up to $1,000,000 for Ecuador, subject to the regular notification procedures of the Committees on Appropriations.

The conference agreement provides a ceiling of $30,495,000 for administrative expenses as proposed by the House instead of $30,000,000 as proposed by the Senate.

The conference agreement also includes language directing that, forty-five days after enactment, the Secretary of Defense shall report to the Committees on Appropriations regarding an appropriate host institution to support and advance the efforts of the Defense Institute for International and Legal Studies in both legal and political education. The Senate amendment would have provided not less than $1,000,000 for the Defense Institute of International Studies for various activities under ''International Military Education and Training''. The House bill did not address this matter.

The conference agreement does not include an earmark of $5,000,000 for the Philippines. However, the managers are strongly supportive of efforts to increase defense cooperation with that nation and are aware the Administration provided $1,000,000 in grant funds for the Philippines in fiscal year 1999.

PEACEKEEPING OPERATIONS

The conference agreement appropriates $153,000,000 instead of $76,500,000 as proposed by the House and $80,000,000 as proposed by the Senate.

TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

INTERNATIONAL FINANCIAL INSTITUTIONS

GLOBAL ENVIRONMENT FACILITY

The conference agreement appropriates $35,800,000 for the Global Environment Facility instead of $50,000,000 as proposed by the House and $25,000,000 as proposed by the Senate.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

The conference agreement appropriates $775,000,000 instead of $776,600,000 as proposed by the Senate and $568,600,000 as proposed by the House.

CONTRIBUTION TO THE MULTILATERAL INVESTMENT GUARANTEE AGENCY

The conference agreement appropriates $4,000,000 for paid-in capital issued by the Multilateral Investment Guarantee Agency instead of $10,000,000 as proposed by the Senate. The House bill did not include any appropriation for this purpose. Approval for subscription to the appropriate amount of callable capital is also included in the conference agreement.

CONTRIBUTION TO THE INTER-AMERICAN INVESTMENT CORPORATION

The conference agreement appropriates $16,000,000 in paid-in capital for the Inter-American Investment Corporation. The House bill and the Senate amendment did not contain any appropriation for this purpose.

The Inter-American Investment Corporation began operations in 1989 to promote the economic development of its Latin American and Caribbean member countries through cofinancing and syndication, supporting security underwritings, and identifying joint venture partners for small and medium-size private enterprises.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

The conference agreement appropriates $77,000,000 for the Asian Development Fund instead of $50,000,000 as proposed by the Senate and $100,000,000 as proposed by the House. The entire amount is for contributions previously due.

The Committees anticipate providing in subsequent acts additional appropriations requested for the Asian Development Fund, with the understanding that the senior management of the Asian Development Bank fully implements its anti-corruption policy and finalizes its private sector and poverty alleviation strategies.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

The conference agreement appropriates $4,100,000 for paid-in capital issued by the African Development Bank instead of $5,100,000 as proposed by the Senate. The House bill did not include an appropriation for this purpose. Approval for subscription to $64,000,000 in callable capital is also included in the conference agreement. No later than February 15, 2000, the Committees request the Secretary of the Treasury to provide an original, comprehensive evaluation of the financial outlook for the Bank, based on the appropriations provided in this Act. The evaluation may include such other assumptions that the Secretary may select and, as attachments, the most recent private credit evaluations of the Bank.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

The conference agreement appropriates $128,000,000 for the African Development Fund instead of $108,000,000 as proposed by the House. The Senate amendment did not include any appropriation for this purpose.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

The conference agreement provides $183,000,000. The House bill appropriated $167,000,000 and the Senate amendment proposed $170,000,000.

The conference agreement does not contain a provision in the House bill regarding the Climate Stabilization Fund. The Senate amendment did not address this matter.

The conference agreement continues current law indicating that $5,000,000 should be made available for the World Food Program, which is similar to the Senate amendment. The House bill did not address this matter.

TITLE V—GENERAL PROVISIONS

(NOTE.—If House and Senate language is identical except for a different section number or minor technical differences, the section is not discussed in the Statement of Managers.)

Sec. 502. Prohibition of bilateral funding for international institutions

The conference agreement modifies existing law to prohibit funds from title II of this Act to be transferred by AID directly to an international financial institution for the purpose of repaying a foreign country's loan obligations, as proposed by the House. The Senate amendment made no change to existing law.

Sec. 509. Transfers between accounts

The conference agreement deletes the requirement for the President to notify the Appropriations Committees, through their regular notification procedures, when exercising the transfer authority provided under the section.

Sec. 512. Limitation on assistance to countries in default

The conference agreement ends the exemption for Nicaragua, Brazil, and Liberia from requirements under section 620(q) of the Foreign Assistance Act and under this section regarding default on loans made by the U.S. This language is the same as the Senate amendment. The House bill retained the exemption for these countries.

Sec. 514. Surplus commodities

The conference agreement deletes subsection (b) of the House general provision, as proposed by the Senate. This subsection would have required the Secretary of the Treasury to direct the U.S. executive directors of the international financial institutions to support the purchase of American produced agricultural commodities.

Sec. 515. Notification requirements

The conference agreement deletes ''International Affairs Technical Assistance'' from the notification requirements under this section as proposed by the House.

Sec. 520. Special notification requirements

The conference agreement adds ''Panama'' as proposed by the House bill to the list of countries subject to the special notification procedures of this section. The conference agreement does not include ''India'' as proposed in the Senate amendment.

Sec. 522. Child survival and disease prevention activities

The conference agreement modifies existing law to clarify the intent of this section that allows AID to use $10,000,000 appropriated under the ''Child Survival and Disease Programs Fund'' for technical experts from other government agencies, universities, and other institutions. Since Congress established a separate Child Survival and Disease Programs account in 1996, the previous language has been obsolete. The conference agreement is similar to the House provision, but includes new language regarding the use of up to $1,500,000 from the ''Development Assistance'' account for technical experts.

Sec. 526. Democracy in China

The conference agreement contains language from the House bill that authorizes the use of funds from ''Economic Support Fund'' for the support of nongovernmental organizations located outside of China for the support of democracy activities, and requires notification on the use of this authority. The Senate amendment did not address this matter.

The conference agreement also allows for funding for the National Endowment for Democracy (NED) or its grantees notwithstanding any other provision of law and notwithstanding the first proviso of this section. The intent of this language is to allow for the continuation of a program promoting democratic village elections and for related activities that is currently being conducted by a NED grantee. It is not intended to provide authority for the initiation of major new programs in China.

The conference agreement includes language that provides, notwithstanding any other provision of law that restricts assistance to foreign countries, $1,000,000 from the Economic Support Fund shall be made available to the Robert F. Kennedy Memorial Center for Human Rights for a project to disseminate information and support research about the People's Republic of China.

Sec. 537. Funding prohibition for Serbia

The conference agreement includes House language that prohibits assistance for Serbia, except for aid to Kosova or Montenegro or to promote democracy. The Senate amendment did not address this matter.

Sec. 538. Special authorities

The conference agreement includes language proposed by the House that allows for funding from appropriations under title I for certain specified countries and activities, and for Montenegro, notwithstanding any other provision of law. The Senate amendment did not include these exemptions. It also includes language not in the House bill

but in the Senate amendment that conditions assistance for Cambodia on the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985.

The conference agreement also includes House language that authorizes the President to waive for six months a provision of Public Law 100–204, if he determines and certifies that doing so is important to the national security interests of the United States. The Senate amendment did not address this matter.

Sec. 539. Policy on terminating the Arab League boycott of Israel

The conference agreement contains House language on this matter. The Senate amendment did not include subsections (2) and (3) of the House general provision, dealing with the decision by the Arab League to reinstate the boycott in 1997, and calling on the League to immediately rescind its decision; and deleted language from subsection (4)(C) regarding a report on the specific steps that should be taken by the President to ''expand the process of normalizing ties between Arab League countries and Israel''.

Sec. 540. Anti-narcotics activities

The conference agreement contains House bill language waiving certain provisions of section 534 of the Foreign Assistance Act to allow for administration of justice programs in Latin America and the Caribbean. The Senate amendment contained a similar provision.

Sec. 541. Eligibility for assistance

The conference agreement includes language regarding eligibility of assistance provided under this Act, as proposed by the House bill. The conference agreement does not include a modification, as proposed in the Senate amendment, regarding the prohibition on assistance to countries that violate internationally recognized human rights.

Sec. 544. Prohibition on publicity or propaganda

The conference agreement maintains current law limiting to $750,000 the amount that may be made available to carry out the provision of section 316 of Public Law 96–533 relating to hunger and development education as proposed by the Senate amendment. The House bill provided no funding limitation. The managers expect AID to select the recipients of these grants through a public competition during fiscal year 2000.

Sec. 545. Purchase of American-made equipment and products

The conference agreement includes language proposed in the Senate amendment directing the Secretary of the Treasury to report annually to Congress on compliance with this provision.

Sec. 546. Prohibition of payments to United Nations members

The conference agreement modifies current law to prohibit the use of certain funds to pay the cost for attendance for another country's delegation at international conferences held under the auspices of multilateral or international organizations. This is similar to the House bill. The Senate amendment included a similar provision.

Sec. 549. Prohibition on assistance to foreign governments that export lethal military equipment to countries supporting international terrorism

The conference agreement includes the Senate version of this general provision, which is the same as House language except that under subsection (a) the reference to ''any other comparable provision of law'' is deleted and under subsection (c) the word ''estimated'' is deleted.

Sec. 552. War crimes tribunals drawdown

The conference agreement includes Senate language that authorizes a Presidential drawdown of up to $30,000,000 of commodities and services for the United Nations War Crimes Tribunal for the former Yugoslavia or similar tribunals or commissions. It also specifies that such drawdowns are subject to the notification process and that drawdowns made under this section shall not be construed as an endorsement or precedent for the establishment of any standing or permanent international criminal tribunal or court. The House bill included similar language, but would not have exempted the tribunals for Yugoslavia and Rwanda from the notification requirements of the provision as in the Senate amendment.

Sec. 553. Landmines

The conference agreement includes language that amends section 1365(c) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484) by extending until October 23, 2003, the ban on the export of landmines.

Sec. 555. Prohibition on payment of certain expenses

Section 555 prohibits the use of funds from ''International Military Education and Training''; ''Foreign Military Financing''; ''Child Survival and Disease Programs Fund''; ''Development Assistance''; and ''Economic Support Fund'' to pay for alcoholic beverages or entertainment expenses of a substantially recreational character.

Sec. 556. Competitive pricing for sales of defense articles

The conference agreement includes language from the Senate amendment that provides that direct costs associated with meeting a foreign customer's additional or unique requirements will continue to be allowable under the Arms Export Control Act. The House bill did not address this matter.

Sec. 559. Limitation on assistance for Haiti

The conference agreement includes language similar to that proposed by both Houses. It sunsets the required reports after two years as proposed by the House and includes a provision limiting the percentage of funds that can be allocated to any single Latin American or Caribbean country. The latter limitation is a separate general provision in current law and in the House bill. The limitation was not included in the Senate amendment.

Sec. 563. Limitation on assistance to the Palestinian Authority

The conference agreement includes House language that prohibits funds for the Palestinian Authority unless the President certifies that waiving such prohibition is important to the national security interests of the United States. Such waiver shall apply no more than 6 months and shall not apply beyond 12 months after enactment. The Senate amendment did not address this matter.

Sec. 565. Limitations on transfer of military equipment to East Timor

The conference agreement includes language from the Senate amendment that requires that in any agreement for military assistance or sales a statement shall be included that the items will not be used in East Timor. The House language included a proviso that stated nothing in this section shall be construed to limit Indonesia's inherent right to self-defense as recognized under the UN charter and in international law, and that military sales, assistance, or lease agreements include the statement that the United States ''expects'' that the military assistance will not be used in East Timor.

The conferees direct the Secretary of State, in consultation with the Secretary of Defense and other appropriate agencies, to submit a report to the Committees on Appropriations not later than February 1, 2000, identifying all Indonesian commanding officers and units deployed in East Timor during 1999, and providing any available information linking those officers and units to the violence prior to and after the August 30, 1999 referendum in East Timor. Such report may be provided in classified form, if appropriate.

Sec. 566. Restrictions on assistance to countries providing sanctuary to indicted war criminals

The conference agreement includes language similar to that of the House bill. It substitutes the word ''municipality'' for ''canton'', includes a special rule that allows for assistance to an entity that would otherwise be sanctioned under the terms of this section, and imposes certain recordkeeping requirements on the Secretary of State. The Senate amendment would have made a number of technical and substantive changes to the House bill, including: establishment of a policy for support of the International Criminal Tribunal for the former Yugoslavia; establishment of a special rule exempting certain specified entities and communities from sanctions under certain provisions of this section; a requirement for public information regarding certain assistance provided to the countries in the former Yugoslavia; and a provision for certain exemptions by types of assistance. The conference agreement defines ''Montenegro'' and ''Kosova'' separately for purposes of applying this provision of law.

Sec. 568. Greenhouse gas emissions

The conference agreement includes a modification of current laws as proposed by the House, primarily to obtain more detailed information from AID in an annual report submitted by the President.

Sec. 569. Excess defense articles for certain European countries

The conference agreement includes language from the Senate amendment that extends a provision of permanent law that expired in 1997 through 2000. The law authorizes the provision of excess defense articles to certain European countries. The House bill did not address this matter.

Sec. 570. Aid to the Government of the Democratic Republic of Congo

The conference agreement prohibits any assistance to the central Government of the Democratic Republic of Congo as proposed in the Senate amendment. The House bill included a similar provision.

Sec. 571. Assistance for the Middle East

The conference agreement contains language similar to the House bill that imposes a spending ceiling of $5,321,150,000 on specified assistance in titles II and III of this Act for the Middle East. The Senate amendment did not address this matter.

Sec. 572. Enterprise Fund restrictions

The conference agreement includes language in the House bill that was not in the Senate amendment that requires that, prior to the distribution of any assets resulting from any liquidation, dissolution, or winding up of an Enterprise Fund, in whole or in

part, the President shall submit a plan for the distribution of the assets of the Enterprise Fund to the Committees on Appropriations in accordance with regular notification procedures.

Sec. 573. Cambodia

The conference agreement includes language that prohibits funds for the central Government of Cambodia and states that the Secretary of the Treasury should instruct the Executive Directors of international financial institutions to use the voice and vote of the United States to oppose loans to that government. The House bill contained similar language, but would have imposed the funding prohibition on all government assistance. The Senate amendment would have required the Secretary of the Treasury to instruct U.S. executive directors of international financial institutions to use the voice and vote of the U.S. to oppose loans to the Government of Cambodia, except to support basic human needs, unless: (1) Cambodia has held free and fair elections; (2) all political candidates were permitted freedom of speech, assembly, and equal access to the media; (3) the Central Election Commission was comprised of representatives from all parties, and (4) the Government had begun the prosecution of Khmer Rouge leaders to include six named individuals. The Senate also addressed this matter under title II.

It is the intention of the managers that if the Administration proposes to provide assistance to or through provincial or municipal governments in Cambodia it will first consult with the appropriate committees of the Congress prior to the obligation of funds.

Sec. 574. Customs assistance

The conference agreement amends the Foreign Assistance Act of 1961 regarding the prohibition on the use of certain bilateral assistance for police training by allowing assistance to foreign customs authorities and personnel, including training, technical assistance, and equipment for customs law enforcement. The conference agreement is identical to the Senate amendment. The House bill did not address this matter.

The managers expect this authority to be exercised to support U.S. private sector trade and investment opportunities.

Sec. 575. Foreign military training report

The conference agreement includes language similar to that in the House bill requiring a joint report by the Secretary of State and the Secretary of Defense on all overseas military training (excluding military sales) provided to non-NATO foreign military personnel under programs administered by the Departments of Defense and State during 1999 and 2000, including those proposed for 2000. The language specifies the scope of the report, and allows for a classified annex, if deemed necessary and appropriate. The report shall be due no later than March 1, 2000. The Senate amendment included similar language, but did not provide for an exemption for NATO countries.

Sec. 576. Korean Peninsula Energy Development Organization (KEDO)

The conference agreement includes language similar to that in the House bill that up to $15,000,000 may be made available for KEDO prior to June 1, 2000, if, 30 days prior to such obligation of funds, the President certifies and so reports to Congress that (1) the parties to the Agreed Framework have taken and continue to take demonstrable steps to implement the Joint Declaration on Denuclearization of Korea; (2) the parties have taken and continue to take demonstrable steps to pursue the North-South dialogue; (3) North Korea is complying with all provisions of the Agreed Framework; (4) North Korea has not diverted assistance for purposes for which it was not intended; and (5) North Korea is not seeking to develop or acquire the capability to enrich uranium, or any additional capability to reprocess spent nuclear fuel. In addition, up to $20,000,000 may be made available for KEDO on or after June 1, 2000, if, 30 days prior to the obligation of such funds, the President certifies and so reports to Congress that (1) the effort to can and safely store all spent fuel from North Korea's nuclear reactors has been successfully concluded; (2) North Korea is complying with its obligations regarding access to suspect underground construction; (3) North Korea has terminated its nuclear weapons program, including all efforts to acquire, develop, test, produce, or deploy such weapons, and (4) the United States has made and continues to make significant progress on eliminating the North Korean ballistic missile threat, including further missile tests and its ballistic missile exports. The language allows for the President to waive the certification requirements of this section if he determines that it is vital to the national security interests of the United States, 30 days after a written submission to the appropriate congressional committees. It also requires a report from the Secretary of State on the fiscal year 2001 budget request for KEDO, with certain specified information to be included in such report.

The House bill contained identical language, except it did not allow for the use of certain authorities of the Foreign Assistance Act to provide for a reprogramming of funds above the level of $35,000,000 specified for KEDO.

The Senate amendment contained language similar to the House bill. In addition, it required a report from the Director of Central Intelligence on all relevant intelligence bearing on North Korea's compliance with the above provisions; specified the timing of the report; and specified the types of intelligence covered by the report.

Sec. 577. African Development Foundation

The conference agreement provides that funds to grantees of the Foundation may be invested pending expenditure and that interest earned must be used for the same purpose for which the grant was made. Further, this section allows the Foundation's board of directors, in exceptional circumstances, to waive the existing $250,000 project limitation, subject to reporting to the Committees on Appropriations. This section is identical to the House bill. The Senate amendment included these same authorities within its ''Development Assistance'' account.

Sec. 578. Prohibition on assistance to the Palestinian Broadcasting Corporation

The conference agreement includes House language not in the Senate amendment that provides that none of the funds made available by this Act may be used to provide equipment, technical support, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation.

Sec. 579. Voluntary separation incentives for employees of the U.S. Agency for International Development

The conference agreement provides for the payment of voluntary separation incentives to AID employees for the purpose of eliminating positions and functions at AID. The conference agreement is similar to the Senate amendment. The House bill did not address this matter.

The managers have included in this section a requirement that the AID administrator submit to the Committees on Appropriations, in addition to the Office of Management and Budget, a strategic plan outlining the intended use of incentive payments and a proposed organizational chart for AID once such incentives payments have been completed. The managers direct that AID consult regularly with the Committees on Appropriations on the strategic plan prior to implementing the separation program authorized by this section. Consistent with the Administration's request, the managers expect this authority to be used by AID to reduce its employment levels in Washington, D.C.

Sec. 580. Iraq opposition

The conference report includes language similar to that in the House bill and the Senate amendment that, notwithstanding any other provision of law, $10,000,000 shall be made available to support efforts to bring about a political transition in Iraq, of which not less than $8,000,000 shall be made available only to Iraqi opposition groups designated under the Iraq Liberation Act (Public Law 105–338), for political, economic, humanitarian, and other activities of such groups. It also provides that not more than $2,000,000 of such funds may be made available for groups and activities seeking the prosecution of Saddam Hussein and other Iraqi government officials for war crimes.

The conference agreement does not contain Senate language providing $250,000 for the Iraq Foundation. However, the conferees believe that the Foundation should receive funding made available by this Act for activities associated with pursuing war crimes.

Sec. 581. Agency for International Development budget submission

The conference agreement instructs the Agency for International Development to submit its 2001 budget in a format more useful to the Committees as proposed by the House. The Senate did not address this matter. AID is also requested to provide to the Committees not later than 45 days after enactment of this Act a report identifying each program, project, or intermediate result funded from appropriations provided under the heading ''Development Assistance'' for which the unexpended pipeline on October 1, 1999, exceeded either $15,000,000, or the total amount expended for each such program, activity, or intermediate result in fiscal years 1998 and 1999.

Sec. 582. American churchwomen in El Salvador

The conference agreement includes language regarding the murder of four American churchwomen in El Salvador. The conference agreement requires a report from the Attorney General to the Committees on Appropriations and requires the President to order all Federal agencies and departments that possess relevant information to make every effort to declassify and release that information to the victims' families. The House bill and Senate amendment included similar provisions.

Sec. 583. Kyoto Protocol

The conference agreement includes language regarding the Kyoto Protocol to the Framework Agreement on Global Climate Change as proposed by the House. The Senate amendment did not address this matter.

Sec. 584. Additional requirements relating to stockpiling of defense articles for foreign countries

The conference agreement includes language from the Senate amendment not in

the House bill that amends the Foreign Assistance Act of 1961 to provide authority to increase the war reserve stockpiles in Korea and Thailand by $60,000,000 for fiscal year 2000.

Sec. 585. Russian leadership program

The conference agreement includes new language amending the statutory authority for the Russian Leadership Exchange Program.

Sec. 586. Abolition of the Inter-American Foundation

The conference agreement provides authority from the President to abolish the Inter-American Foundation and terminate its functions. The House bill and Senate amendment did not address this matter.

Sec. 587. West Bank and Gaza Program

The conference agreement includes language that provides that, 30 days prior to the initial obligation of funds for the bilateral West Bank and Gaza Program, the Secretary of State shall certify to the appropriate committees of Congress that procedures have been established to assure the Comptroller General of the United States will have access to appropriate United States financial information in order to review the uses of United States assistance for the programs funded under ''Economic Support Fund'' for the West Bank and Gaza Program.

The Senate amendment included language that specified requirements for auditing assistance that may be provided to the Palestinian Authority. The House bill did not address this matter.

Sec. 588. Human rights assistance

The conference agreement includes language providing recommendations on the use of funds available from the ''International Narcotics Control'' account. The language states that not less than $500,000 should be provided to the Colombia Attorney General's Human Rights unit; not less than $500,000 should be made available to support Colombian nongovernmental organizations involved in human rights monitoring, particularly to assist in protecting the physical safety of their personnel; and not less than $250,000 should be made available to the United Nations High Commissioner for Human Rights for human rights assistance for the Colombian government. Further, not less than $1,000,000 should be provided for assistance to enhance U.S. embassy monitoring of assistance to Colombian security forces and in responding to reports of human rights violations. The conference agreement also includes language that not less than $5,000,000 should be made available for administration of justice programs, including support for the Colombia Attorney General's Technical Investigations Unit. The managers direct the Department of State's Bureau for International Narcotics Control and Law Enforcement Affairs to report to the Committees on Appropriations not later than January 15, 2000, regarding its plans to meet the requirements of this section.

Sec. 589. Indonesia

The conference agreement includes new language that conditions the obligations of funds appropriated by this Act under the headings ''International Military Education and Training'' and ''Foreign Military Financing Program'' on a Presidential determination and report to Congress that the Government of Indonesia and the Indonesian Armed Forces are meeting specified criteria regarding accountability for past acts and ongoing activities in Indonesia and East Timor.

Sec. 590. Man and the Biosphere Program

The conference agreement prohibits the provision of funds made available by the Act for the United Nations Man and the Biosphere Program of the United Nations World Heritage Fund if the Program or the Fund engage in activities affecting sites in the United States during the current fiscal year.

Sec. 591. Immunity for the Federal Republic of Yugoslavia

The conference agreement includes language that provides that the Federal Republic of Yugoslavia shall be deemed to be a state sponsor of terrorism for the purposes of 28 U.S.C. 1605(a)(7). The section shall not apply to Montenegro or Kosova, and shall become null and void when the President certifies in writing to the Congress that the Federal Republic of Yugoslavia (other than Montenegro and Kosova) has completed a democratic reform process that results in a newly elected government that respects the rights of ethnic minorities, is committed to the rule of law and respects the sovereignty of its neighbor states. However, the language provides that the certification shall not affect the continuation of ongoing litigation.

The Senate amendment would have applied all sanctions applicable to a terrorist state to the Federal Republic of Yugoslavia. The House bill did not address this matter.

Sec. 592. United States assistance policy for opposition-controlled areas of Sudan

The conference agreement provides the President the authority to provide food assistance to groups engaged in the protection of civilian populations in opposition-controlled areas of Sudan. In support of this effort, the managers urge AID to provide up to $500,000 for the People-to-People peace and reconciliation process designed to unite ethnic groups and communities in southern Sudan. Further, the conference agreement requires the President to submit to the Committees on Appropriations a report on United States bilateral assistance to opposition-controlled areas of Sudan. The managers expect this report to be provided in both classified and unclassified forms, if necessary. The report is to include an accounting of U.S. assistance to opposition-controlled areas of Sudan in certain fiscal years and the goals and objectives of such assistance. Further, the President is to report on the policy implications, costs, and sources of funds associated with providing humanitarian assistance, including food, directly to National Democratic Alliance participants and the U.S. agencies best suited to administer these activities. Also, the President is to report on the policy implications of increasing substantially the amount of development assistance for certain activities in opposition-controlled areas of Sudan, the identification (by organization) of all proposed beneficiaries of such assistance, and the obstacles to administering a development assistance program in this region.

The Senate amendment included three provisions relating to U.S. assistance programs in opposition-controlled areas of Sudan. The House bill did not address this matter.

Sec. 593. Consultations on arms sales to Taiwan

The conference agreement includes Senate language that directs the Secretary of State to consult with the Congress regarding a mechanism to provide for congressional input into the nature or quantity of defense articles and services for Taiwan. The House bill did not address this matter.

Sec. 594. Authorizations

The conference agreement authorizes appropriations for various international financial institutions, as proposed in the Senate amendment. The House did not address this matter.

Sec. 595. Assistance for Costa Rica

The conference agreement provides that $8,000,000 of the funds appropriated in Public Law 106–31, under the heading ''Central America and the Caribbean Emergency Disaster Recovery Fund'' be provided to Costa Rica.

Sec. 596. Silk Road Strategy Act of 1999

The conference agreement is the same as the Senate amendment regarding policy toward Central Asia, with the addition of language relating to trade disputes.

Sec. 597. Country reports on human rights practices

The conference agreement includes language, similar to the Senate amendment, which amends the Foreign Assistance Act of 1961 to require that the annual State Department ''Country Reports on Human Rights Practices'' include a new section regarding the trafficking in persons, especially women and children. The House did not address this matter.

Sec. 598. OPIC maritime fund

The conference agreement expresses the sense of the Congress that the Overseas Private Investment Corporation shall within one year from the date of enactment of this Act select a fund manager for the purpose of creating a maritime fund with total capitalization of up to $200,000,000. This fund shall leverage United States commercial maritime expertise to support international maritime projects.

Sec. 599. Sanctions against Serbia

The conference report includes language similar to that in the Senate amendment that requires that a number of specified sanctions against Serbia remain in place until a certification is issued by the President. The certification requires that Serbia comply with a number of international agreements, and provides an exemption for Montenegro and Kosova for the sanctions imposed through international financial institutions. It also allows for a waiver of all sanctions if necessary to meet emergency humanitarian needs.

The House bill did not address this matter.

Sec. 599A. Clean coal technology

The conference agreement includes a section contained in the Senate amendment making a number of Congressional findings regarding clean coal technology. The House bill did not address this matter.

Sec. 599B. Restriction on United States assistance for certain reconstruction efforts in the Balkans region

The conference agreement includes language that provides that funds made available by this Act for assistance for reconstruction efforts in the Federal Republic of Yugoslavia or any contiguous country should to the maximum extent practicable be used for the procurement of articles and services of United States origin. Under the terms of this section, the term ''article'' means any agricultural commodity, steel, communications equipment, farm machinery or petrochemical refinery equipment.

The Senate amendment would have prohibited the use of reconstruction funds in this Act for the former Yugoslavia or any contiguous country for the procurement of any article purchased outside the United States, the recipient country, or least developed countries, or any service provided by a foreign person, subject to certain exceptions. The House bill did not address this matter.

Sec. 599C. United Nations Population Fund

The conference agreement provides that, of amounts under ''International Organizations and Programs'', not more than $25,000,000 for fiscal year 2000 shall be available for the United Nations Population Fund (UNFPA) subject to certain prohibitions and conditions. This section prohibits funds for the UNFPA from being made available for a country program in the People's Republic of China. Also, fiscal year 2000 funds are prohibited for UNFPA unless (1) UNFPA maintains these funds in an account separate from other UNFPA accounts (2) UNFPA does not commingle these funds with other sums and (3) UNFPA does not fund abortions.

This section requires that the Secretary of State report to Congress not later than February 15, 2000, indicating the amount of funds that the UNFPA is budgeting for the year in which the report is submitted for a country program in the People's Republic of China. If this report indicates that the UNFPA plans to spend funds for a country program in the People's Republic of China in the year covered by the report, then the amount of such funds that the UNFPA plans to spend in China shall be deducted from the funds made available to the UNFPA after March 1 for obligation for the remainder of the fiscal year in which the report was submitted.

This section is identical to the House bill. The Senate amendment included similar language.

Sec. 599D. Authorization for population planning

The conference agreement includes language which limits the amount of funds appropriated in title II of this Act for population planning activities or other population assistance to $385,000,000. This section requires that any foreign private, nongovernmental or multilateral organization meet certain requirements in order to receive such assistance and contains the authority for the President to waive these restrictions.

Sec. 599E. OPIC authorization

The conference agreement includes language that provides authority for the operations of the Overseas Private Investment Corporation (OPIC) until November 1, 2000.

PROVISIONS NOT ADOPTED BY THE CONFEREES

DISTINGUISHED DEVELOPMENT SERVICE AWARD

The conference agreement does not include the section in the Senate amendment regarding the distinguished development service award. The House bill did not address this matter.

WITHHOLDING ASSISTANCE TO COUNTRIES VIOLATING UNITED NATIONS SANCTIONS AGAINST LIBYA

The conference agreement deletes a House provision that imposed a reduction in United States assistance of at least 5 percent when a country violates specified United Nations sanctions against Libya. The Senate amendment did not address this matter. The provision is no longer relevant, since the United Nations has suspended the application of sanctions against Libya.

LIMITATION ON FUNDS FOR FOREIGN ORGANIZATIONS THAT PERFORM OR PROMOTE ABORTIONS

The conference agreement does not include a provision contained in the House bill which would have restored, in part, the ''Mexico City'' policy regarding restrictions on U.S. assistance to foreign organizations that perform or actively promote abortion, including lobbying or any other effort to alter laws of any foreign country concerning abortion. The Senate did not address this matter.

RESTRICTION ON POPULATION PLANNING ACTIVITIES OR OTHER POPULATION ASSISTANCE

The conference agreement does not include a provision contained in the House bill which would have prohibited funds for population planning activities for foreign nongovernmental organizations under certain conditions.

SENSE OF THE SENATE REGARDING COLOMBIA

The conference agreement does not include a section contained in the Senate amendment regarding Colombia.

ASSISTANCE TO PROMOTE DEMOCRACY AND CIVIL SOCIETY IN YUGOSLAVIA

The conference agreement deletes language from the Senate amendment that provided general authority to promote democracy and civil society in Yugoslavia, including an authorization of appropriations of $100,000,000; included a prohibition on assistance to the Government of Serbia; and included authority to provide assistance to the Government of Montenegro subject to certain conditions. The House bill did not address this matter.

LIMITATION ON USE OF FUNDS FOR PURCHASE OF PRODUCTS NOT MADE IN AMERICA

The conference agreement does not include language from the House bill that prohibits funds from titles I, II, or III for any foreign government if the funds are used to purchase equipment or products made in a country other than the foreign country itself or from the United States. The Senate amendment did not address this matter.

This issue is further addressed in section 545 of the conference report, ''Purchase of American-Made Equipment and Products''.

LIMITATION ON ASSISTANCE FOR SCHOOL OF AMERICAS

The conference agreement does not contain language from the House bill that would have prohibited funding for the School of the Americas located at Fort Benning, Georgia. The Senate amendment did not address this matter.

TO PROMOTE AN INTERNATIONAL ARMS TRANSFER REGIME

The conference agreement does not include language from the Senate amendment that would have authorized the President to continue and expand efforts through the United Nations and other international fora to limit arms transfers worldwide, and that specified the transfers that should be limited. The Senate language would also have required a semiannual report on progress in such negotiations to accomplish this goal. The House bill did not address this matter.

SENSE OF THE SENATE REGARDING UNITED STATES COMMITMENTS UNDER THE UNITED STATES-NORTH KOREA AGREED FRAMEWORK

The conference agreement deletes Senate language that expressed the Sense of the Senate regarding the Agreed Framework and deliveries of heavy fuel oil to KEDO and North Korea. The House bill did not address this matter.

SENSE OF THE SENATE REGARDING AN INTERNATIONAL CONFERENCE ON THE BALKANS

The conference agreement deletes Senate language expressing the Sense of the Senate regarding the need for an international conference on the Balkans. The House bill did not address this matter.

ACCOUNTABILITY OF SADDAM HUSSEIN

The conference agreement deletes Senate language regarding accountability for Saddam Hussein. The House bill did not address this matter.

The managers agree with the intent of the language of the Senate amendment on the need for accountability on the part of Saddam Hussein.

SENSE OF THE SENATE REGARDING ASSISTANCE PROVIDED TO LITHUANIA, LATVIA, AND ESTONIA

The conference agreement deletes Senate language that expressed the Sense of the Senate that assistance to the Baltic nations should not be interpreted as expressing the will of the Senate to accelerate membership of those nations into NATO.

SENSE OF THE SENATE REGARDING ASSISTANCE UNDER THE CAMP DAVID ACCORDS

The conference agreement deletes Senate language expressing the Sense of the Senate on assistance under the Camp David accords. The House bill did not address this matter.

SENSE OF CONGRESS IN MANAGEMENT OF UNITED STATES INTERESTS IN UKRAINE

The conference agreement deletes Senate language expressing the Sense of the Congress in management of U.S. interests in Ukraine. The House bill did not address this matter.

SENSE OF THE SENATE ON THE CITIZENS DEMOCRACY CORPS

The conference agreement deletes Senate language expressing the Sense of the Senate on the Citizens Democracy Corps. The House bill did not address this matter.

CONTROL AND ELIMINATE THE INTERNATIONAL PROBLEM OF TUBERCULOSIS

The conference agreement deletes Senate language expressing the Sense of the Senate on elimination of the international problem of tuberculosis. The House bill did not address this matter.

LIMITATION ON ASSISTANCE TO THE GOVERNMENT OF THE RUSSIAN FEDERATION

The conference agreement does not include language contained in the House bill limiting assistance to the government of the Russian Federation at $172,000,000. The Senate amendment did not include a similar provision. This matter is addressed in title II under the heading ''Assistance to the Independent States of the Former Soviet Union''.

EXPANDED THREAT REDUCTION

The conference agreement does not include two sections from the Senate amendment regarding the Expanded Threat Reduction Initiative. The House bill did not contain similar provisions.

TITLE VI—INTERNATIONAL AFFAIRS SUPPLEMENTAL APPROPRIATIONS

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

The conference agreement appropriates $450,000,000 in supplemental funds for assistance for Jordan and for the West Bank and Gaza, to remain available until September 30, 2002, of which $100,000,000 shall become available for obligation on September 30, 2000. Pursuant to the budget request, $50,000,000 is intended for assistance for Jordan and $400,000,000 is intended for assistance for the West Bank and Gaza. These funds are designated an emergency for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, and shall only be available to the extent that an official budget request that designates the entire amount as an emergency requirement

pursuant to said Act is transmitted to the Congress.

The funds provided under this heading, and in this title under the heading ''Foreign Military Financing Program'', are associated with implementation of the Wye River Accord. It is the intention of the managers that the information provided in budget justification documents for both accounts regarding this request, including the information submitted on October 15, 1999, will be used as the baseline for any proposed reprogramming of funds.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

FOREIGN MILITARY FINANCING PROGRAM

The conference agreement appropriates $1,375,000,000 in supplemental funds for this account, of which $1,200,000,000 shall be for grants only for Israel, $25,000,000 shall be for grants only for Egypt, and $150,000,000 shall be for grants only for Jordan. Of the total appropriated, $400,000,000 shall become available for obligation on September 30, 2000. These funds are designated an emergency for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, and shall only be available to the extent that an official budget request that designates the entire amount as an emergency requirement pursuant to said Act is transmitted to the Congress.

The bill language reiterates the grant nature of this assistance and that funds are to be expended at the minimum rate necessary to make timely payments for defense articles and services. These provisions are restated in the supplemental for emphasis even though their inclusion is not legally necessary. Indeed, all the terms and conditions applicable to funds under this heading in title III apply to this supplemental appropriation unless there is an explicit exception made.

The conference agreement also includes bill language to maintain procurement of defense articles and defense services in Israel at the current rate of 26.3 percent of the funds appropriated for military assistance. It also provides that, notwithstanding any other provision of this Act, not to exceed $1,370,000,000 of the funds appropriated in title III under this heading shall be disbursed within 30 days of enactment of this Act.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2000 recommended by the Committee of Conference, with comparisons to the fiscal year 1999 amount, the 2000 budget estimates, and the House and Senate bills for 2000 follow:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 1999	$33,330,393
Budget estimates of new (obligational) authority, fiscal year 2000	14,919,535
House bill, fiscal year 2000 (H.R. 2606)	12,668,115
Senate bill, fiscal year 2000 (H.R. 2606)	12,735,655
Conference agreement, fiscal year 2000*	15,359,935
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1999	−17,970,458
Budget estimates of new (obligational) authority, fiscal year 2000	+440,400
House bill, fiscal year 2000	+2,691,820
Senate bill, fiscal year 2000	+2,624,280

*Includes emergency funding of $1,300,000,000 associated with the fiscal year 1999 and fiscal year 2001 requests for the Wye River Accord.

The conference agreement would enact the provisions of H.R. 3423 as introduced on November 17, 1999. The text of that bill follows:

A BILL Making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior and related agencies for the fiscal year ending September 30, 2000, and for other purposes, namely:

TITLE I—DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, acquisition of easements and other interests in lands, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau, and assessment of mineral potential of public lands pursuant to Public Law 96–487 (16 U.S.C. 3150(a)), $646,218,000, to remain available until expended, of which $2,147,000 shall be available for assessment of the mineral potential of public lands in Alaska pursuant to section 1010 of Public Law 96–487 (16 U.S.C. 3150); and of which not to exceed $1,000,000 shall be derived from the special receipt account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l–6a(i)); and of which $2,500,000 shall be available in fiscal year 2000 subject to a match by at least an equal amount by the National Fish and Wildlife Foundation, to such Foundation for cost-shared projects supporting conservation of Bureau lands and such funds shall be advanced to the Foundation as a lump sum grant without regard to when expenses are incurred; in addition, $33,529,000 for Mining Law Administration program operations, including the cost of administering the mining claim fee program; to remain available until expended, to be reduced by amounts collected by the Bureau and credited to this appropriation from annual mining claim fees so as to result in a final appropriation estimated at not more than $646,218,000, and $2,000,000, to remain available until expended, from communication site rental fees established by the Bureau for the cost of administering communication site activities, and of which $2,500,000, to remain available until expended, is for coalbed methane Applications for Permits to Drill in the Powder River Basin: *Provided*, That unless there is a written agreement in place between the coal mining operator and a gas producer, the funds available herein shall not be used to process or approve coalbed methane Applications for Permits to Drill for well sites that are located within an area, which as of the date of the coalbed methane Application for Permit to Drill, are covered by: (1) a coal lease; (2) a coal mining permit; or (3) an application for a coal mining lease: *Provided further*, That appropriations herein made shall not be available for the destruction of healthy, unadopted, wild horses and burros in the care of the Bureau or its contractors.

WILDLAND FIRE MANAGEMENT

For necessary expenses for fire preparedness, suppression operations, emergency rehabilitation and hazardous fuels reduction by the Department of the Interior, $292,282,000, to remain available until expended, of which not to exceed $9,300,000 shall be for the renovation or construction of fire facilities: *Provided*, That such funds are also available for repayment of advances to other appropriation accounts from which funds were previously transferred for such purposes: *Provided further*, That unobligated balances of amounts previously appropriated to the ''Fire Protection'' and ''Emergency Department of the Interior Firefighting Fund'' may be transferred and merged with this appropriation: *Provided further*, That persons hired pursuant to 43 U.S.C. 1469 may be furnished subsistence and lodging without cost from funds available from this appropriation: *Provided further*, That notwithstanding 42 U.S.C. 1856d, sums received by a bureau or office of the Department of the Interior for fire protection rendered pursuant to 42 U.S.C. 1856 et seq., protection of United States property, may be credited to the appropriation from which funds were expended to provide that protection, and are available without fiscal year limitation: *Provided further*, That not more than $58,000 shall be available to the Bureau of Land Management to reimburse Trinity County for expenses incurred as part of the July 2, 1999 Lowden Fire.

CENTRAL HAZARDOUS MATERIALS FUND

For necessary expenses of the Department of the Interior and any of its component offices and bureaus for the remedial action, including associated activities, of hazardous waste substances, pollutants, or contaminants pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601 et seq.), $10,000,000, to remain available until expended: *Provided*, That notwithstanding 31 U.S.C. 3302, sums recovered from or paid by a party in advance of or as reimbursement for remedial action or response activities conducted by the department pursuant to section 107 or 113(f) of such Act, shall be credited to this account to be available until expended without further appropriation: *Provided further*, That such sums recovered from or paid by any party are not limited to monetary payments and may include stocks, bonds or other personal or real property, which may be retained, liquidated, or otherwise disposed of by the Secretary and which shall be credited to this account.

CONSTRUCTION

For construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, $11,425,000, to remain available until expended.

PAYMENTS IN LIEU OF TAXES

For expenses necessary to implement the Act of October 20, 1976, as amended (31 U.S.C. 6901–6907), $135,000,000, of which not to exceed $400,000 shall be available for administrative expenses: *Provided*, That no payment shall be made to otherwise eligible units of local government if the computed amount of the payment is less than $100.

LAND ACQUISITION

For expenses necessary to carry out sections 205, 206, and 318(d) of Public Law 94–579, including administrative expenses and acquisition of lands or waters, or interests therein, $15,500,000, to be derived from the Land

and Water Conservation Fund, to remain available until expended.

OREGON AND CALIFORNIA GRANT LANDS

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein including existing connecting roads on or adjacent to such grant lands; $99,225,000, to remain available until expended: *Provided*, That 25 percent of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land-grant fund and shall be transferred to the general fund in the Treasury in accordance with the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876).

FOREST ECOSYSTEMS HEALTH AND RECOVERY FUND

(REVOLVING FUND, SPECIAL ACCOUNT)

In addition to the purposes authorized in Public Law 102–381, funds made available in the Forest Ecosystem Health and Recovery Fund can be used for the purpose of planning, preparing, and monitoring salvage timber sales and forest ecosystem health and recovery activities such as release from competing vegetation and density control treatments. The Federal share of receipts (defined as the portion of salvage timber receipts not paid to the counties under 43 U.S.C. 1181f and 43 U.S.C. 1181f–1 et seq., and Public Law 103–66) derived from treatments funded by this account shall be deposited into the Forest Ecosystem Health and Recovery Fund.

RANGE IMPROVEMENTS

For rehabilitation, protection, and acquisition of lands and interests therein, and improvement of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to 50 percent of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315 et seq.) and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, but not less than $10,000,000, to remain available until expended: *Provided*, That not to exceed $600,000 shall be available for administrative expenses.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under Public Law 94–579, as amended, and Public Law 93–153, to remain available until expended: *Provided*, That notwithstanding any provision to the contrary of section 305(a) of Public Law 94–579 (43 U.S.C. 1735(a)), any moneys that have been or will be received pursuant to that section, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to section 305(c) of that Act (43 U.S.C. 1735(c)), shall be available and may be expended under the authority of this Act by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such action are used on the exact lands damaged which led to the action: *Provided further*, That any such moneys that are in excess of amounts needed to repair damage to the exact land for which funds were collected may be used to repair other damaged public lands.

MISCELLANEOUS TRUST FUNDS

In addition to amounts authorized to be expended under existing laws, there is hereby appropriated such amounts as may be contributed under section 307 of the Act of October 21, 1976 (43 U.S.C. 1701), and such amounts as may be advanced for administrative costs, surveys, appraisals, and costs of making conveyances of omitted lands under section 211(b) of that Act, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Land Management shall be available for purchase, erection, and dismantlement of temporary structures, and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title; up to $100,000 for payments, at the discretion of the Secretary, for information or evidence concerning violations of laws administered by the Bureau; miscellaneous and emergency expenses of enforcement activities authorized or approved by the Secretary and to be accounted for solely on his certificate, not to exceed $10,000: *Provided*, That notwithstanding 44 U.S.C. 501, the Bureau may, under cooperative cost-sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly produced publications for which the cooperators share the cost of printing either in cash or in services, and the Bureau determines the cooperator is capable of meeting accepted quality standards.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

For necessary expenses of the United States Fish and Wildlife Service, for scientific and economic studies, conservation, management, investigations, protection, and utilization of fishery and wildlife resources, except whales, seals, and sea lions, maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge, general administration, and for the performance of other authorized functions related to such resources by direct expenditure, contracts, grants, cooperative agreements and reimbursable agreements with public and private entities, $716,046,000, to remain available until September 30, 2001, except as otherwise provided herein, of which $11,701,000 shall remain available until expended for operation and maintenance of fishery mitigation facilities constructed by the Corps of Engineers under the Lower Snake River Compensation Plan, authorized by the Water Resources Development Act of 1976, to compensate for loss of fishery resources from water development projects on the Lower Snake River, and of which not less than $2,000,000 shall be provided to local governments in southern California for planning associated with the Natural Communities Conservation Planning (NCCP) program and shall remain available until expended: *Provided*, That not less than $1,000,000 for high priority projects which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended: *Provided further*, That not to exceed $6,232,000 shall be used for implementing subsections (a), (b), (c), and (e) of section 4 of the Endangered Species Act, as amended, for species that are indigenous to the United States (except for processing petitions, developing and issuing proposed and final regulations, and taking any other steps to implement actions described in subsection (c)(2)(A), (c)(2)(B)(i), or (c)(2)(B)(ii): *Provided further*, That of the amount available for law enforcement, up to $400,000 to remain available until expended, may at the discretion of the Secretary, be used for payment for information, rewards, or evidence concerning violations of laws administered by the Service, and miscellaneous and emergency expenses of enforcement activity, authorized or approved by the Secretary and to be accounted for solely on his certificate: *Provided further*, That of the amount provided for environmental contaminants, up to $1,000,000 may remain available until expended for contaminant sample analyses: *Provided further*, That hereafter, all fines collected by the United States Fish and Wildlife Service for violations of the Marine Mammal Protection Act (16 U.S.C. 1362–1407) and implementing regulations shall be available to the Secretary, without further appropriation, to be used for the expenses of the United States Fish and Wildlife Service in administering activities for the protection and recovery of manatees, polar bears, sea otters, and walruses, and shall remain available until expended: *Provided further*, That, notwithstanding any other provision of law, in fiscal year 1999 and thereafter, sums provided by private entities for activities pursuant to reimbursable agreements shall be credited to the ''Resource Management'' account and shall remain available until expended: *Provided further*, That, heretofore and hereafter, in carrying out work under reimbursable agreements with any State, local, or tribal government, the United States Fish and Wildlife Service may, without regard to 31 U.S.C. 1341 and notwithstanding any other provision of law or regulation, record obligations against accounts receivable from such entities, and shall credit amounts received from such entities to this appropriation, such credit to occur within 90 days of the date of the original request by the Service for payment: *Provided further*, That all funds received by the United States Fish and Wildlife Service from responsible parties, heretofore and hereafter, for site-specific damages to National Wildlife Refuge System lands resulting from the exercise of privately-owned oil and gas rights associated with such lands in the States of Louisiana and Texas (other than damages recoverable under the Comprehensive Environmental Response, Compensation and Liability Act (26 U.S.C. 4611 et seq.), the Oil Pollution Act (33 U.S.C. 1301 et seq.), or section 311 of the Clean Water Act (33 U.S.C. 1321 et seq.)), shall be available to the Secretary, without further appropriation and until expended to: (1) complete damage assessments of the impacted site by the Secretary; (2) mitigate or restore the damaged resources; and (3) monitor and study the recovery of such damaged resources.

CONSTRUCTION

For construction and acquisition of buildings and other facilities required in the conservation, management, investigation, protection, and utilization of fishery and wildlife resources, and the acquisition of lands

and interests therein; $54,583,000, to remain available until expended: *Provided*, That notwithstanding any other provision of law, a single procurement for the construction of facilities at the Alaska Maritime National Wildlife Refuge may be issued which includes the full scope of the project: *Provided further*, That the solicitation and the contract shall contain the clauses ''availability of funds'' found at 48 CFR 52.232.18.

LAND ACQUISITION

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601–4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, $50,513,000, to be derived from the Land and Water Conservation Fund and to remain available until expended.

COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND

For expenses necessary to carry out the provisions of the Endangered Species Act of 1973 (16 U.S.C. 1531–1543), as amended, $23,000,000, to be derived from the Cooperative Endangered Species Conservation Fund, and to remain available until expended.

NATIONAL WILDLIFE REFUGE FUND

For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), $10,779,000.

NORTH AMERICAN WETLANDS CONSERVATION FUND

For expenses necessary to carry out the provisions of the North American Wetlands Conservation Act, Public Law 101–233, as amended, $15,000,000, to remain available until expended.

WILDLIFE CONSERVATION AND APPRECIATION FUND

For necessary expenses of the Wildlife Conservation and Appreciation Fund, $800,000, to remain available until expended.

MULTINATIONAL SPECIES CONSERVATION FUND

For expenses necessary to carry out the African Elephant Conservation Act (16 U.S.C. 4201–4203, 4211–4213, 4221–4225, 4241–4245, and 1538), the Asian Elephant Conservation Act of 1997 (Public Law 105–96; 16 U.S.C. 4261–4266), and the Rhinoceros and Tiger Conservation Act of 1994 (16 U.S.C. 5301–5306), $2,400,000, to remain available until expended: *Provided*, That funds made available under this Act, Public Law 105–277, and Public Law 105–83 for rhinoceros, tiger, and Asian elephant conservation programs are exempt from any sanctions imposed against any country under section 102 of the Arms Export Control Act (22 U.S.C. 2799aa–1).

COMMERCIAL SALMON FISHERY CAPACITY REDUCTION

For the Federal share of a capacity reduction program to repurchase Washington State Fraser River Sockeye commercial fishery licenses consistent with the implementation of the ''June 30, 1999, Agreement of the United States and Canada on the Treaty Between the Government of the United States and the Government of Canada Concerning Pacific Salmon, 1985'', $5,000,000, to remain available until expended, and to be provided in the form of a grant directly to the State of Washington Department of Fish and Wildlife.

ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of not to exceed 70 passenger motor vehicles, of which 61 are for replacement only (including 36 for police-type use); repair of damage to public roads within and adjacent to reservation areas caused by operations of the Service; options for the purchase of land at not to exceed $1 for each option; facilities incident to such public recreational uses on conservation areas as are consistent with their primary purpose; and the maintenance and improvement of aquaria, buildings, and other facilities under the jurisdiction of the Service and to which the United States has title, and which are used pursuant to law in connection with management and investigation of fish and wildlife resources: *Provided*, That notwithstanding 44 U.S.C. 501, the Service may, under cooperative cost sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly produced publications for which the cooperators share at least one-half the cost of printing either in cash or services and the Service determines the cooperator is capable of meeting accepted quality standards: *Provided further*, That the Service may accept donated aircraft as replacements for existing aircraft: *Provided further*, That notwithstanding any other provision of law, the Secretary of the Interior may not spend any of the funds appropriated in this Act for the purchase of lands or interests in lands to be used in the establishment of any new unit of the National Wildlife Refuge System unless the purchase is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in Senate Report 105–56.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), and for the general administration of the National Park Service, including not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by 16 U.S.C. 1706, $1,365,059,000, of which $8,800,000 is for research, planning and interagency coordination in support of land acquisition for Everglades restoration shall remain available until expended, and of which not to exceed $8,000,000, to remain available until expended, is to be derived from the special fee account established pursuant to title V, section 5201 of Public Law 100–203.

NATIONAL RECREATION AND PRESERVATION

For expenses necessary to carry out recreation programs, natural programs, cultural programs, heritage partnership programs, environmental compliance and review, international park affairs, statutory or contractual aid for other activities, and grant administration, not otherwise provided for, $53,899,000, of which $2,000,000 shall be available to carry out the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2501 et seq.), and of which $866,000 shall be available until expended for the Oklahoma City National Memorial Trust, notwithstanding 7(1) of Public Law 105–58: *Provided*, That notwithstanding any other provision of law, the National Park Service may hereafter recover all fees derived from providing necessary review services associated with historic preservation tax certification, and such funds shall be available until expended without further appropriation for the costs of such review services: *Provided further*, That no more than $150,000 may be used for overhead and program administrative expenses for the heritage partnership program.

HISTORIC PRESERVATION FUND

For expenses necessary in carrying out the Historic Preservation Act of 1966, as amended (16 U.S.C. 470), and the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333), $75,212,000, to be derived from the Historic Preservation Fund, to remain available until September 30, 2001, of which $10,722,000 pursuant to section 507 of Public Law 104–333 shall remain available until expended: *Provided*, That of the total amount provided, $30,000,000 shall be for Save America's Treasures for priority preservation projects, including preservation of intellectual and cultural artifacts, preservation of historic structures and sites, and buildings to house cultural and historic resources and to provide educational opportunities: *Provided further*, That any individual Save America's Treasures grant shall be matched by non-Federal funds: *Provided further*, That individual projects shall only be eligible for one grant, and all projects to be funded shall be approved by the House and Senate Committees on Appropriations prior to the commitment of grant funds: *Provided further*, That Save America's Treasures funds allocated for Federal projects shall be available by transfer to appropriate accounts of individual agencies, after approval of such projects by the Secretary of the Interior: *Provided further*, That none of the funds provided for Save America's Treasures may be used for administrative expenses, and staffing for the program shall be available from the existing staffing levels in the National Park Service.

CONSTRUCTION

For construction, improvements, repair or replacement of physical facilities, including the modifications authorized by section 104 of the Everglades National Park Protection and Expansion Act of 1989, $225,493,000, to remain available until expended, of which $885,000 shall be for realignment of the Denali National Park entrance road, of which not less than $3,000,000 shall be available for modifications to the Franklin Delano Roosevelt Memorial: *Provided*, That $3,000,000 for the Wheeling National Heritage Area, $3,000,000 for the Lincoln Library, and $3,000,000 for the Southwest Pennsylvania Heritage Area shall be derived from the Historic Preservation Fund pursuant to 16 U.S.C. 470a: *Provided further*, That the National Park Service will make available 37 percent, not to exceed $1,850,000, of the total cost of upgrading the Mariposa County, California municipal solid waste disposal system: *Provided further*, That Mariposa County will provide assurance that future use fees paid by the National Park Service will be reflective of the capital contribution made by the National Park Service.

LAND AND WATER CONSERVATION FUND (RESCISSION)

The contract authority provided for fiscal year 2000 by 16 U.S.C. 460l–10a is rescinded.

LAND ACQUISITION AND STATE ASSISTANCE

For expenses necessary to carry out the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 4601–4 through 11), including administrative expenses, and for acquisition of lands or waters, or interest therein, in accordance with the statutory authority applicable to the National Park Service, $120,700,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, of which $21,000,000 is for

the State assistance program including $1,000,000 to administer the State assistance program, and of which $10,000,000 may be for State grants for land acquisition in the State of Florida: *Provided*, That funds provided for State grants for land acquisition in the State of Florida are contingent upon the following: (1) submission of detailed legislative language to the House and Senate Committees on Appropriations agreed to by the Secretary of the Interior, the Secretary of the Army and the Governor of Florida that would provide assurances for the guaranteed supply of water to the natural areas in southern Florida, including all National parks, Preserves, Wildlife Refuge lands, and other natural areas to ensure a restored ecosystem; and (2) submission of a complete prioritized non-Federal land acquisition project list: *Provided further*, That after the requirements under this heading have been met, from the funds made available for State grants for land acquisition in the State of Florida the Secretary may provide Federal assistance to the State of Florida for the acquisition of lands or waters, or interests therein, within the Everglades watershed (consisting of lands and waters within the boundaries of the South Florida Water Management District, Florida Bay and the Florida Keys, including the areas known as the Frog Pond, the Rocky Glades and the Eight and One-Half Square Mile Area) under terms and conditions deemed necessary by the Secretary to improve and restore the hydrological function of the Everglades watershed: *Provided further*, That funds provided under this heading to the State of Florida are contingent upon new matching non-Federal funds by the State and shall be subject to an agreement that the lands to be acquired will be managed in perpetuity for the restoration of the Everglades: *Provided further*, That of the amount provided herein $2,000,000 shall be made available by the National Park Service, pursuant to a grant agreement, to the State of Wisconsin so that the State may acquire land or interest in land for the Ice Age National Scenic Trail: *Provided further*, That of the amount provided herein $500,000 shall be made available by the National Park Service, pursuant to a grant agreement, to the State of Wisconsin so that the State may acquire land or interest in land for the North Country National Scenic Trail: *Provided further*, That funds provided under this heading to the State of Wisconsin are contingent upon matching funds by the State.

ADMINISTRATIVE PROVISIONS

Appropriations for the National Park Service shall be available for the purchase of not to exceed 384 passenger motor vehicles, of which 298 shall be for replacement only, including not to exceed 312 for police-type use, 12 buses, and 6 ambulances: *Provided*, That none of the funds appropriated to the National Park Service may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided further*, That none of the funds appropriated to the National Park Service may be used to implement an agreement for the redevelopment of the southern end of Ellis Island until such agreement has been submitted to the Congress and shall not be implemented prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on the development of the southern end of Ellis Island, including the facts and circumstances relied upon in support of the proposed project.

None of the funds in this Act may be spent by the National Park Service for activities taken in direct response to the United Nations Biodiversity Convention.

The National Park Service may distribute to operating units based on the safety record of each unit the costs of programs designed to improve workplace and employee safety, and to encourage employees receiving workers' compensation benefits pursuant to chapter 81 of title 5, United States Code, to return to appropriate positions for which they are medically able.

UNITED STATES GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For expenses necessary for the United States Geological Survey to perform surveys, investigations, and research covering topography, geology, hydrology, biology, and the mineral and water resources of the United States, its territories and possessions, and other areas as authorized by 43 U.S.C. 31, 1332, and 1340; classify lands as to their mineral and water resources; give engineering supervision to power permittees and Federal Energy Regulatory Commission licensees; administer the minerals exploration program (30 U.S.C. 641); and publish and disseminate data relative to the foregoing activities; and to conduct inquiries into the economic conditions affecting mining and materials processing industries (30 U.S.C. 3, 21a, and 1603; 50 U.S.C. 98g(1)) and related purposes as authorized by law and to publish and disseminate data; $823,833,000, of which $60,856,000 shall be available only for cooperation with States or municipalities for water resources investigations; and of which $16,400,000 shall remain available until expended for conducting inquiries into the economic conditions affecting mining and materials processing industries; and of which $2,000,000 shall remain available until expended for ongoing development of a mineral and geologic data base; and of which $137,604,000 shall be available until September 30, 2001 for the biological research activity and the operation of the Cooperative Research Units: *Provided*, That none of these funds provided for the biological research activity shall be used to conduct new surveys on private property, unless specifically authorized in writing by the property owner: *Provided further*, That no part of this appropriation shall be used to pay more than one-half the cost of topographic mapping or water resources data collection and investigations carried on in cooperation with States and municipalities.

ADMINISTRATIVE PROVISIONS

The amount appropriated for the United States Geological Survey shall be available for the purchase of not to exceed 53 passenger motor vehicles, of which 48 are for replacement only; reimbursement to the General Services Administration for security guard services; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for gauging stations and observation wells; expenses of the United States National Committee on Geology; and payment of compensation and expenses of persons on the rolls of the Survey duly appointed to represent the United States in the negotiation and administration of interstate compacts: *Provided*, That activities funded by appropriations herein made may be accomplished through the use of contracts, grants, or cooperative agreements as defined in 31 U.S.C. 6302 et seq.: *Provided further*, That the United States Geological Survey may hereafter contract directly with individuals or indirectly with institutions or nonprofit organizations, without regard to 41 U.S.C. 5, for the temporary or intermittent services of students or recent graduates, who shall be considered employees for the purposes of chapters 57 and 81 of title 5, United States Code, relating to compensation for travel and work injuries, and chapter 171 of title 28, United States Code, relating to tort claims, but shall not be considered to be Federal employees for any other purposes.

MINERALS MANAGEMENT SERVICE

ROYALTY AND OFFSHORE MINERALS MANAGEMENT

For expenses necessary for minerals leasing and environmental studies, regulation of industry operations, and collection of royalties, as authorized by law; for enforcing laws and regulations applicable to oil, gas, and other minerals leases, permits, licenses and operating contracts; and for matching grants or cooperative agreements; including the purchase of not to exceed eight passenger motor vehicles for replacement only; $110,682,000, of which $84,569,000 shall be available for royalty management activities; and an amount not to exceed $124,000,000, to be credited to this appropriation and to remain available until expended, from additions to receipts resulting from increases to rates in effect on August 5, 1993, from rate increases to fee collections for Outer Continental Shelf administrative activities performed by the Minerals Management Service over and above the rates in effect on September 30, 1993, and from additional fees for Outer Continental Shelf administrative activities established after September 30, 1993: *Provided*, That to the extent $124,000,000 in additions to receipts are not realized from the sources of receipts stated above, the amount needed to reach $124,000,000 shall be credited to this appropriation from receipts resulting from rental rates for Outer Continental Shelf leases in effect before August 5, 1993: *Provided further*, That $3,000,000 for computer acquisitions shall remain available until September 30, 2001: *Provided further*, That funds appropriated under this Act shall be available for the payment of interest in accordance with 30 U.S.C. 1721(b) and (d): *Provided further*, That not to exceed $3,000 shall be available for reasonable expenses related to promoting volunteer beach and marine cleanup activities: *Provided further*, That notwithstanding any other provision of law, $15,000 under this heading shall be available for refunds of overpayments in connection with certain Indian leases in which the Director of the Minerals Management Service concurred with the claimed refund due, to pay amounts owed to Indian allottees or tribes, or to correct prior unrecoverable erroneous payments: *Provided further*, That not to exceed $198,000 shall be available to carry out the requirements of section 215(b)(2) of the Water Resources Development Act of 1999.

OIL SPILL RESEARCH

For necessary expenses to carry out title I, section 1016, title IV, sections 4202 and 4303, title VII, and title VIII, section 8201 of the Oil Pollution Act of 1990, $6,118,000, which shall be derived from the Oil Spill Liability Trust Fund, to remain available until expended.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not to exceed 10 passenger motor vehicles, for replacement only; $95,891,000: *Provided*, That the Secretary of the Interior, pursuant to regulations, may use directly or through grants to States, moneys collected in fiscal year 2000 for civil penalties assessed under section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977, to remain available until expended: *Provided further*, That appropriations for the Office of Surface Mining Reclamation and Enforcement may provide for the travel and per diem expenses of State and tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training.

ABANDONED MINE RECLAMATION FUND

For necessary expenses to carry out title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not more than 10 passenger motor vehicles for replacement only, $196,208,000, to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended; of which up to $8,000,000, to be derived from the Federal Expenses Share of the Fund, shall be for supplemental grants to States for the reclamation of abandoned sites with acid mine rock drainage from coal mines, and for associated activities, through the Appalachian Clean Streams Initiative: *Provided*, That grants to minimum program States will be $1,500,000 per State in fiscal year 2000: *Provided further*, That of the funds herein provided up to $18,000,000 may be used for the emergency program authorized by section 410 of Public Law 95–87, as amended, of which no more than 25 percent shall be used for emergency reclamation projects in any one State and funds for federally administered emergency reclamation projects under this proviso shall not exceed $11,000,000: Provided further, That prior year unobligated funds appropriated for the emergency reclamation program shall not be subject to the 25 percent limitation per State and may be used without fiscal year limitation for emergency projects: Provided further, That pursuant to Public Law 97–365, the Department of the Interior is authorized to use up to 20 percent from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: Provided further, That funds made available under title IV of Public Law 95–87 may be used for any required non-Federal share of the cost of projects funded by the Federal Government for the purpose of environmental restoration related to treatment or abatement of acid mine drainage from abandoned mines: Provided further, That such projects must be consistent with the purposes and priorities of the Surface Mining Control and Reclamation Act: Provided further, That, in addition to the amount granted to the Commonwealth of Pennsylvania under sections 402(g)(1) and 402(g)(5) of the Surface Mining Control and Reclamation Act (Act), an additional $300,000 will be specifically used for the purpose of conducting a demonstration project in accordance with section 401(c)(6) of the Act to determine the efficacy of improving water quality by removing metals from eligible waters polluted by acid mine drainage: Provided further, That the State of Maryland may set aside the greater of $1,000,000 or 10 percent of the total of the grants made available to the State under title IV of the Surface Mining Control and Reclamation Act of 1977, as amended (30 U.S.C. 1231 et seq.), if the amount set aside is deposited in an acid mine drainage abatement and treatment fund established under a State law, pursuant to which law the amount (together with all interest earned on the amount) is expended by the State to undertake acid mine drainage abatement and treatment projects, except that before any amounts greater than 10 percent of its title IV grants are deposited in an acid mine drainage abatement and treatment fund, the State of Maryland must first complete all Surface Mining Control and Reclamation Act priority one projects.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

For expenses necessary for the operation of Indian programs, as authorized by law, including the Snyder Act of November 2, 1921 (25 U.S.C. 13), the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450 et seq.), as amended, the Education Amendments of 1978 (25 U.S.C. 2001–2019), and the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.), as amended, $1,670,444,000, to remain available until September 30, 2001 except as otherwise provided herein, of which not to exceed $93,684,000 shall be for welfare assistance payments and notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, not to exceed $120,229,000 shall be available for payments to tribes and tribal organizations for contract support costs associated with ongoing contracts, grants, compacts, or annual funding agreements entered into with the Bureau prior to or during fiscal year 2000, as authorized by such Act, except that tribes and tribal organizations may use their tribal priority allocations for unmet indirect costs of ongoing contracts, grants, or compacts, or annual funding agreements and for unmet welfare assistance costs; and up to $5,000,000 shall be for the Indian Self-Determination Fund which shall be available for the transitional cost of initial or expanded tribal contracts, grants, compacts or cooperative agreements with the Bureau under such Act; and of which not to exceed $401,010,000 for school operations costs of Bureau-funded schools and other education programs shall become available on July 1, 2000, and shall remain available until September 30, 2001; and of which not to exceed $56,991,000 shall remain available until expended for housing improvement, road maintenance, attorney fees, litigation support, self-governance grants, the Indian Self-Determination Fund, land records improvement, and the Navajo-Hopi Settlement Program: Provided, That notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, and 25 U.S.C. 2008, not to exceed $42,160,000 within and only from such amounts made available for school operations shall be available to tribes and tribal organizations for administrative cost grants associated with the operation of Bureau-funded schools: Provided further, That any forestry funds allocated to a tribe which remain unobligated as of September 30, 2001, may be transferred during fiscal year 2002 to an Indian forest land assistance account established for the benefit of such tribe within the tribe's trust fund account: Provided further, That any such unobligated balances not so transferred shall expire on September 30, 2002.

CONSTRUCTION

For construction, repair, improvement, and maintenance of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands, and interests in lands; and preparation of lands for farming, and for construction of the Navajo Indian Irrigation Project pursuant to Public Law 87–483, $169,884,000, to remain available until expended: Provided, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation: Provided further, That not to exceed 6 percent of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover the road program management costs of the Bureau: Provided further, That any funds provided for the Safety of Dams program pursuant to 25 U.S.C. 13 shall be made available on a nonreimbursable basis: Provided further, That for fiscal year 2000, in implementing new construction or facilities improvement and repair project grants in excess of $100,000 that are provided to tribally controlled grant schools under Public Law 100–297, as amended, the Secretary of the Interior shall use the Administrative and Audit Requirements and Cost Principles for Assistance Programs contained in 43 CFR part 12 as the regulatory requirements: Provided further, That such grants shall not be subject to section 12.61 of 43 CFR; the Secretary and the grantee shall negotiate and determine a schedule of payments for the work to be performed: Provided further, That in considering applications, the Secretary shall consider whether the Indian tribe or tribal organization would be deficient in assuring that the construction projects conform to applicable building standards and codes and Federal, tribal, or State health and safety standards as required by 25 U.S.C. 2005(a), with respect to organizational and financial management capabilities: Provided further, That if the Secretary declines an application, the Secretary shall follow the requirements contained in 25 U.S.C. 2505(f): Provided further, That any disputes between the Secretary and any grantee concerning a grant shall be subject to the disputes provision in 25 U.S.C. 2508(e): Provided further, That notwithstanding any other provision of law, collections from the settlements between the United States and the Puyallup tribe concerning Chief Leschi school are made available for school construction in fiscal year 2000 and hereafter.

INDIAN LAND AND WATER CLAIM SETTLEMENTS AND MISCELLANEOUS PAYMENTS TO INDIANS

For miscellaneous payments to Indian tribes and individuals and for necessary administrative expenses, $27,256,000, to remain available until expended; of which $25,260,000 shall be available for implementation of enacted Indian land and water claim settlements pursuant to Public Laws 101–618 and 102–575, and for implementation of other enacted water rights settlements; and of which $1,871,000 shall be available pursuant to Public Laws 99–264, 100–383, 103–402 and 100–580.

INDIAN GUARANTEED LOAN PROGRAM ACCOUNT

For the cost of guaranteed loans, $4,500,000, as authorized by the Indian Financing Act of 1974, as amended: *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 $59,682,000.

In addition, for administrative expenses to carry out the guaranteed loan programs, $508,000.

ADMINISTRATIVE PROVISIONS

The Bureau of Indian Affairs may carry out the operation of Indian programs by direct expenditure, contracts, cooperative agreements, compacts and grants, either directly or in cooperation with States and other organizations.

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans, the Indian loan guarantee and insurance fund, and the Indian Guaranteed Loan Program account) shall be available for expenses of exhibits, and purchase of not to exceed 229 passenger motor vehicles, of which not to exceed 187 shall be for replacement only.

Notwithstanding any other provision of law, no funds available to the Bureau of Indian Affairs for central office operations or pooled overhead general administration (except facilities operations and maintenance) shall be available for tribal contracts, grants, compacts, or cooperative agreements with the Bureau of Indian Affairs under the provisions of the Indian Self-Determination Act or the Tribal Self-Governance Act of 1994 (Public Law 103–413).

In the event any tribe returns appropriations made available by this Act to the Bureau of Indian Affairs for distribution to other tribes, this action shall not diminish the Federal Government's trust responsibility to that tribe, or the government-to-government relationship between the United States and that tribe, or that tribe's ability to access future appropriations.

Notwithstanding any other provision of law, no funds available to the Bureau, other than the amounts provided herein for assistance to public schools under 25 U.S.C. 452 et seq., shall be available to support the operation of any elementary or secondary school in the State of Alaska.

Appropriations made available in this or any other Act for schools funded by the Bureau shall be available only to the schools in the Bureau school system as of September 1, 1996. No funds available to the Bureau shall be used to support expanded grades for any school or dormitory beyond the grade structure in place or approved by the Secretary of the Interior at each school in the Bureau school system as of October 1, 1995. Funds made available under this Act may not be used to establish a charter school at a Bureau-funded school (as that term is defined in section 1146 of the Education Amendments of 1978 (25 U.S.C. 2026)), except that a charter school that is in existence on the date of the enactment of this Act and that has operated at a Bureau-funded school before September 1, 1999, may continue to operate during that period, but only if the charter school pays to the Bureau a pro-rata share of funds to reimburse the Bureau for the use of the real and personal property (including buses and vans), the funds of the charter school are kept separate and apart from Bureau funds, and the Bureau does not assume any obligation for charter school programs of the State in which the school is located if the charter school loses such funding. Employees of Bureau-funded schools sharing a campus with a charter school and performing functions related to the charter school's operation and employees of a charter school shall not be treated as Federal employees for purposes of chapter 171 of title 28, United States Code (commonly known as the ''Federal Tort Claims Act''). Not later than June 15, 2000, the Secretary of the Interior shall evaluate the effectiveness of Bureau-funded schools sharing facilities with charter schools in the manner described in the preceding sentence and prepare and submit a report on the finding of that evaluation to the Committees on Appropriations of the Senate and of the House.

The Tate Topa Tribal School, the Black Mesa Community School, the Alamo Navajo School, and other Bureau-funded schools subject to the approval of the Secretary of the Interior, may use prior year school operations funds for the replacement or repair of Bureau of Indian Affairs education facilities which are in compliance with 25 U.S.C. 2005(a) and which shall be eligible for operation and maintenance support to the same extent as other Bureau of Indian Affairs education facilities: *Provided*, That any additional construction costs for replacement or repair of such facilities begun with prior year funds shall be completed exclusively with non-Federal funds.

DEPARTMENTAL OFFICES

INSULAR AFFAIRS

ASSISTANCE TO TERRITORIES

For expenses necessary for assistance to territories under the jurisdiction of the Department of the Interior, $70,171,000, of which: (1) $66,076,000 shall be available until expended for technical assistance, including maintenance assistance, disaster assistance, insular management controls, coral reef initiative activities, and brown tree snake control and research; grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for construction and support of governmental functions; grants to the Government of the Virgin Islands as authorized by law; grants to the Government of Guam, as authorized by law; and grants to the Government of the Northern Mariana Islands as authorized by law (Public Law 94–241; 90 Stat. 272); and (2) $4,095,000 shall be available for salaries and expenses of the Office of Insular Affairs: Provided, That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or used by such governments, may be audited by the General Accounting Office, at its discretion, in accordance with chapter 35 of title 31, United States Code: Provided further, That Northern Mariana Islands Covenant grant funding shall be provided according to those terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands approved by Public Law 104–134: Provided further, That Public Law 94–241, as amended, is further amended: (1) in section 4(b) by striking ''2002'' and inserting ''1999'' and by striking the comma after ''$11,000,000 annually'' and inserting the following: ''and for fiscal year 2000, payments to the Commonwealth of the Northern Mariana Islands shall be $5,580,000, but shall return to the level of $11,000,000 annually for fiscal years 2001 and 2002. In fiscal year 2003, the payment to the Commonwealth of the Northern Mariana Islands shall be $5,420,000. Such payments shall be''; and (2) in section (4)(c) by adding a new subsection as follows: ''(4) for fiscal year 2000, $5,420,000 shall be provided to the Virgin Islands for correctional facilities and other projects mandated by Federal law.'': Provided further, That of the amounts provided for technical assistance, sufficient funding shall be made available for a grant to the Close Up Foundation: Provided further, That the funds for the program of operations and maintenance improvement are appropriated to institutionalize routine operations and maintenance improvement of capital infrastructure in American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia through assessments of long-range operations maintenance needs, improved capability of local operations and maintenance institutions and agencies (including management and vocational education training), and project-specific maintenance (with territorial participation and cost sharing to be determined by the Secretary based on the individual territory's commitment to timely maintenance of its capital assets): Provided further, That any appropriation for disaster assistance under this heading in this Act or previous appropriations Acts may be used as non-Federal matching funds for the purpose of hazard mitigation grants provided pursuant to section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c).

COMPACT OF FREE ASSOCIATION

For economic assistance and necessary expenses for the Federated States of Micronesia and the Republic of the Marshall Islands as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, and for economic assistance and necessary expenses for the Republic of Palau as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, $20,545,000, to remain available until expended, as authorized by Public Law 99–239 and Public Law 99–658.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for management of the Department of the Interior, $62,864,000, of which not to exceed $8,500 may be for official reception and representation expenses and of which up to $1,000,000 shall be available for workers compensation payments and unemployment compensation payments associated with the orderly closure of the United States Bureau of Mines.

OFFICE OF THE SOLICITOR

SALARIES AND EXPENSES

For necessary expenses of the Office of the Solicitor, $40,196,000.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, $26,086,000.

OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS

FEDERAL TRUST PROGRAMS

For operation of trust programs for Indians by direct expenditure, contracts, cooperative agreements, compacts, and grants, $90,025,000, to remain available until expended: Provided, That funds for trust management improvements may be transferred, as needed, to the Bureau of Indian Affairs ''Operation of Indian Programs'' account and to the Departmental Management ''Salaries and Expenses'' account: Provided further, That funds made available to Tribes and Tribal organizations through contracts or grants obligated during fiscal year 2000, as authorized by the Indian Self-Determination Act of 1975 (25 U.S.C. 450 et seq.), shall remain available until expended by the contractor or grantee: Provided further, That notwithstanding any other provision of law, the statute of limitations shall not commence to run on any claim, including any claim in litigation pending on the date of the enactment of this Act, concerning losses to or mismanagement of trust funds, until the affected tribe or individual Indian has been furnished with an accounting of

such funds from which the beneficiary can determine whether there has been a loss: Provided further, That notwithstanding any other provision of law, the Secretary shall not be required to provide a quarterly statement of performance for any Indian trust account that has not had activity for at least 18 months and has a balance of $1.00 or less: Provided further, That the Secretary shall issue an annual account statement and maintain a record of any such accounts and shall permit the balance in each such account to be withdrawn upon the express written request of the account holder.

INDIAN LAND CONSOLIDATION PILOT

INDIAN LAND CONSOLIDATION

For implementation of a pilot program for consolidation of fractional interests in Indian lands by direct expenditure or cooperative agreement, $5,000,000 to remain available until expended and which shall be transferred to the Bureau of Indian Affairs, of which not to exceed $500,000 shall be available for administrative expenses: Provided, That the Secretary may enter into a cooperative agreement, which shall not be subject to Public Law 93–638, as amended, with a tribe having jurisdiction over the pilot reservation to implement the program to acquire fractional interests on behalf of such tribe: Provided further, That the Secretary may develop a reservation-wide system for establishing the fair market value of various types of lands and improvements to govern the amounts offered for acquisition of fractional interests: Provided further, That acquisitions shall be limited to one or more pilot reservations as determined by the Secretary: Provided further, That funds shall be available for acquisition of fractional interest in trust or restricted lands with the consent of its owners and at fair market value, and the Secretary shall hold in trust for such tribe all interests acquired pursuant to this pilot program: Provided further, That all proceeds from any lease, resource sale contract, right-of-way or other transaction derived from the fractional interest shall be credited to this appropriation, and remain available until expended, until the purchase price paid by the Secretary under this appropriation has been recovered from such proceeds: Provided further, That once the purchase price has been recovered, all subsequent proceeds shall be managed by the Secretary for the benefit of the applicable tribe or paid directly to the tribe.

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION

NATURAL RESOURCE DAMAGE ASSESSMENT FUND

To conduct natural resource damage assessment activities by the Department of the Interior necessary to carry out the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601 et seq.), Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.), the Oil Pollution Act of 1990 (Public Law 101–380), and Public Law 101–337, $5,400,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

There is hereby authorized for acquisition from available resources within the Working Capital Fund, 15 aircraft, 10 of which shall be for replacement and which may be obtained by donation, purchase or through available excess surplus property: Provided, That notwithstanding any other provision of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft: Provided further, That no programs funded with appropriated funds in the ''Departmental Management'', ''Office of the Solicitor'', and ''Office of Inspector General'' may be augmented through the Working Capital Fund or the Consolidated Working Fund.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

SEC. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: Provided, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted: Provided further, That all funds used pursuant to this section are hereby designated by Congress to be ''emergency requirements'' pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible.

SEC. 102. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under the jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes, floods, volcanoes, storms, or other unavoidable causes; for contingency planning subsequent to actual oil spills; for response and natural resource damage assessment activities related to actual oil spills; for the prevention, suppression, and control of actual or potential grasshopper and Mormon cricket outbreaks on lands under the jurisdiction of the Secretary, pursuant to the authority in section 1773(b) of Public Law 99–198 (99 Stat. 1658); for emergency reclamation projects under section 410 of Public Law 95–87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy State is not carrying out the regulatory provisions of the Surface Mining Act: Provided, That appropriations made in this title for fire suppression purposes shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for fire suppression purposes, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: Provided further, That for emergency rehabilitation and wildfire suppression activities, no funds shall be made available under this authority until funds appropriated to ''Wildland Fire Management'' shall have been exhausted: Provided further, That all funds used pursuant to this section are hereby designated by Congress to be ''emergency requirements'' pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible: Provided further, That such replenishment funds shall be used to reimburse, on a pro rata basis, accounts from which emergency funds were transferred.

SEC. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by sections 1535 and 1536 of title 31, United States Code: Provided, That reimbursements for costs and supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

SEC. 104. Appropriations made to the Department of the Interior in this title shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed $500,000; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

SEC. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902 and D.C. Code 4–204).

SEC. 106. Appropriations made in this title shall be available for obligation in connection with contracts issued for services or rentals for periods not in excess of 12 months beginning at any time during the fiscal year.

SEC. 107. No funds provided in this title may be expended by the Department of the Interior for the conduct of offshore leasing and related activities placed under restriction in the President's moratorium statement of June 26, 1990, in the areas of northern, central, and southern California; the North Atlantic; Washington and Oregon; and the eastern Gulf of Mexico south of 26 degrees north latitude and east of 86 degrees west longitude.

SEC. 108. No funds provided in this title may be expended by the Department of the Interior for the conduct of offshore oil and natural gas preleasing, leasing, and related activities, on lands within the North Aleutian Basin planning area.

SEC. 109. No funds provided in this title may be expended by the Department of the Interior to conduct offshore oil and natural gas preleasing, leasing and related activities in the eastern Gulf of Mexico planning area for any lands located outside Sale 181, as identified in the final Outer Continental Shelf 5-Year Oil and Gas Leasing Program, 1997–2002.

SEC. 110. No funds provided in this title may be expended by the Department of the Interior to conduct oil and natural gas preleasing, leasing and related activities in the Mid-Atlantic and South Atlantic planning areas.

SEC. 111. Advance payments made under this title to Indian tribes, tribal organizations, and tribal consortia pursuant to the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) or the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.) may be invested by the Indian tribe, tribal organization, or consortium before such funds are expended for the purposes of the grant, compact, or annual funding agreement so long as such funds are—

(1) invested by the Indian tribe, tribal organization, or consortium only in obligations of the United States, or in obligations or securities that are guaranteed or insured by the United States, or mutual (or other) funds registered with the Securities and Exchange Commission and which only invest in obligations of the United States or securities that are guaranteed or insured by the United States; or

(2) deposited only into accounts that are insured by an agency or instrumentality of the United States, or are fully collateralized to ensure protection of the funds, even in the event of a bank failure.

SEC. 112. (a) Employees of Helium Operations, Bureau of Land Management, entitled to severance pay under 5 U.S.C. 5595, may apply for,

and the Secretary of the Interior may pay, the total amount of the severance pay to the employee in a lump sum. Employees paid severance pay in a lump sum and subsequently reemployed by the Federal Government shall be subject to the repayment provisions of 5 U.S.C. 5595(i)(2) and (3), except that any repayment shall be made to the Helium Fund.

(b) Helium Operations employees who elect to continue health benefits after separation shall be liable for not more than the required employee contribution under 5 U.S.C. 8905a(d)(1)(A). The Helium Fund shall pay for 18 months the remaining portion of required contributions.

(c) The Secretary of the Interior may provide for training to assist Helium Operations employees in the transition to other Federal or private sector jobs during the facility shut-down and disposition process and for up to 12 months following separation from Federal employment, including retraining and relocation incentives on the same terms and conditions as authorized for employees of the Department of Defense in section 348 of the National Defense Authorization Act for Fiscal Year 1995.

(d) For purposes of the annual leave restoration provisions of 5 U.S.C. 6304(d)(1)(B), the cessation of helium production and sales, and other related Helium Program activities shall be deemed to create an exigency of public business under, and annual leave that is lost during leave years 1997 through 2001 because of 5 U.S.C. 6304 (regardless of whether such leave was scheduled in advance) shall be restored to the employee and shall be credited and available in accordance with 5 U.S.C. 6304(d)(2). Annual leave so restored and remaining unused upon the transfer of a Helium Program employee to a position of the executive branch outside of the Helium Program shall be liquidated by payment to the employee of a lump sum from the Helium Fund for such leave.

(e) Benefits under this section shall be paid from the Helium Fund in accordance with section 4(c)(4) of the Helium Privatization Act of 1996. Funds may be made available to Helium Program employees who are or will be separated before October 1, 2002 because of the cessation of helium production and sales and other related activities. Retraining benefits, including retraining and relocation incentives, may be paid for retraining commencing on or before September 30, 2002.

(f) This section shall remain in effect through fiscal year 2002.

SEC. 113. Notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, hereafter funds available to the Department of the Interior for Indian self-determination or self-governance contract or grant support costs may be expended only for costs directly attributable to contracts, grants and compacts pursuant to the Indian Self-Determination Act of 1975 and hereafter funds appropriated in this title shall not be available for any contract support costs or indirect costs associated with any contract, grant, cooperative agreement, self-governance compact or funding agreement entered into between an Indian tribe or tribal organization and any entity other than an agency of the Department of the Interior.

SEC. 114. Notwithstanding any other provisions of law, the National Park Service shall not develop or implement a reduced entrance fee program to accommodate non-local travel through a unit. The Secretary may provide for and regulate local non-recreational passage through units of the National Park System, allowing each unit to develop guidelines and permits for such activity appropriate to that unit.

SEC. 115. Notwithstanding any other provision of law, in fiscal year 2000 and thereafter, the Secretary is authorized to permit persons, firms or organizations engaged in commercial, cultural, educational, or recreational activities (as defined in section 612a of title 40, United States Code) not currently occupying such space to use courtyards, auditoriums, meeting rooms, and other space of the main and south Interior building complex, Washington, D.C., the maintenance, operation, and protection of which has been delegated to the Secretary from the Administrator of General Services pursuant to the Federal Property and Administrative Services Act of 1949, and to assess reasonable charges therefore, subject to such procedures as the Secretary deems appropriate for such uses. Charges may be for the space, utilities, maintenance, repair, and other services. Charges for such space and services may be at rates equivalent to the prevailing commercial rate for comparable space and services devoted to a similar purpose in the vicinity of the main and south Interior building complex, Washington, D.C., for which charges are being assessed. The Secretary may without further appropriation hold, administer, and use such proceeds within the Departmental Management Working Capital Fund to offset the operation of the buildings under his jurisdiction, whether delegated or otherwise, and for related purposes, until expended.

SEC. 116. Notwithstanding any other provision of law, the Steel Industry American Heritage Area, authorized by Public Law 104–333, is hereby renamed the Rivers of Steel National Heritage Area.

SEC. 117. (a) In this section—

(1) the term ''Huron Cemetery'' means the lands that form the cemetery that is popularly known as the Huron Cemetery, located in Kansas City, Kansas, as described in subsection (b)(3); and

(2) the term ''Secretary'' means the Secretary of the Interior.

(b)(1) The Secretary shall take such action as may be necessary to ensure that the lands comprising the Huron Cemetery (as described in paragraph (3)) are used only in accordance with this subsection.

(2) The lands of the Huron Cemetery shall be used only—

(A) for religious and cultural uses that are compatible with the use of the lands as a cemetery; and

(B) as a burial ground.

(3) The description of the lands of the Huron Cemetery is as follows:

The tract of land in the NW quarter of sec. 10, T. 11 S., R. 25 E., of the sixth principal meridian, in Wyandotte County, Kansas (as surveyed and marked on the ground on August 15, 1888, by William Millor, Civil Engineer and Surveyor), described as follows:

''Commencing on the Northwest corner of the Northwest Quarter of the Northwest Quarter of said Section 10;

''Thence South 28 poles to the 'true point of beginning';

''Thence South 71 degrees East 10 poles and 18 links;

''Thence South 18 degrees and 30 minutes West 28 poles;

''Thence West 11 and one-half poles;

''Thence North 19 degrees 15 minutes East 31 poles and 15 feet to the 'true point of beginning', containing 2 acres or more.''.

SEC. 118. Refunds or rebates received on an on-going basis from a credit card services provider under the Department of the Interior's charge card programs may be deposited to and retained without fiscal year limitation in the Departmental Working Capital Fund established under 43 U.S.C. 1467 and used to fund management initiatives of general benefit to the Department of the Interior's bureaus and offices as determined by the Secretary or his designee.

SEC. 119. Appropriations made in this title under the headings Bureau of Indian Affairs and Office of Special Trustee for American Indians and any available unobligated balances from prior appropriations Acts made under the same headings, shall be available for expenditure or transfer for Indian trust management activities pursuant to the Trust Management Improvement Project High Level Implementation Plan.

SEC. 120. All properties administered by the National Park Service at Fort Baker, Golden Gate National Recreation Area, and leases, concessions, permits and other agreements associated with those properties, hereafter shall be exempt from all taxes and special assessments, except sales tax, by the State of California and its political subdivisions, including the County of Marin and the City of Sausalito. Such areas of Fort Baker shall remain under exclusive Federal jurisdiction.

SEC. 121. Notwithstanding any provision of law, the Secretary of the Interior is authorized to negotiate and enter into agreements and leases, without regard to section 321 of chapter 314 of the Act of June 30, 1932 (40 U.S.C. 303b), with any person, firm, association, organization, corporation, or governmental entity for all or part of the property within Fort Baker administered by the Secretary as part of Golden Gate National Recreation Area. The proceeds of the agreements or leases shall be retained by the Secretary and such proceeds shall be available, without future appropriation, for the preservation, restoration, operation, maintenance and interpretation and related expenses incurred with respect to Fort Baker properties.

SEC. 122. Section 211(d) of division I of the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333; 110 Stat. 4110; 16 U.S.C. 81p) is amended by striking ''depicted on the map dated August 1993, numbered 333/80031A,'' and inserting ''depicted on the map dated August 1996, numbered 333/80031B,''.

SEC. 123. A grazing permit or lease that expires (or is transferred) during fiscal year 2000 shall be renewed under section 402 of the Federal Land Policy and Management Act of 1976, as amended (43 U.S.C. 1752) or if applicable, section 510 of the California Desert Protection Act (16 U.S.C. 410aaa–50). The terms and conditions contained in the expiring permit or lease shall continue in effect under the new permit or lease until such time as the Secretary of the Interior completes processing of such permit or lease in compliance with all applicable laws and regulations, at which time such permit or lease may be canceled, suspended or modified, in whole or in part, to meet the requirements of such applicable laws and regulations. Nothing in this section shall be deemed to alter the Secretary's statutory authority.

SEC. 124. Notwithstanding any other provision of law, for the purpose of reducing the backlog of Indian probate cases in the Department of the Interior, the hearing requirements of chapter 10 of title 25, United States Code, are deemed satisfied by a proceeding conducted by an Indian probate judge, appointed by the Secretary without regard to the provisions of title 5, United States Code, governing the appointments in the competitive service, for such period of time as the Secretary determines necessary: Provided, That the Secretary may only appoint such Indian probate judges if, by January 1, 2000, the Secretary is unable to secure the services of at least 10 qualified Administrative Law Judges on a temporary basis from other agencies and/or through appointing retired Administrative Law Judges: Provided further, That the basic pay of an Indian probate judge so appointed may be fixed by the Secretary without regard to the provisions of chapter 51, and subchapter III of chapter 53 of title 5, United States

Code, governing the classification and pay of General Schedule employees, except that no such Indian probate judge may be paid at a level which exceeds the maximum rate payable for the highest grade of the General Schedule, including locality pay.

SEC. 125. (a) LOAN TO BE GRANTED.—Notwithstanding any other provision of law or of this Act, the Secretary of the Interior (hereinafter the ''Secretary''), in consultation with the Secretary of the Treasury, shall make available to the Government of American Samoa (hereinafter ''ASG''), the benefits of a loan in the amount of $18,600,000 bearing interest at a rate equal to the United States Treasury cost of borrowing for obligations of similar duration. Repayment of the loan shall be secured and accomplished pursuant to this section with funds, as they become due and payable to ASG from the Escrow Account established under the terms and conditions of the Tobacco Master Settlement Agreement (and the subsequent Enforcing Consent Decree) (hereinafter collectively referred to as ''the Agreement'') entered into by the parties November 23, 1998, and judgment granted by the High Court of American Samoa on January 5, 1999 (Civil Action 119–98, American Samoa Government v. Philip Morris Tobacco Co., et. al.).

(b) CONDITIONS REGARDING LOAN PROCEEDS.—Except as provided under subsection (e), no proceeds of the loan described in this section shall become available until ASG—

(1) has enacted legislation, or has taken such other or additional official action as the Secretary may deem satisfactory to secure and ensure repayment of the loan, irrevocably transferring and assigning for payment to the Department of the Interior (or to the Department of the Treasury, upon agreement between the Secretaries of such departments) all amounts due and payable to ASG under the terms and conditions of the Agreement for a period of 26 years with the first payment beginning in 2000, such repayment to be further secured by a pledge of the full faith and credit of ASG;

(2) has entered into an agreement or memorandum of understanding described in subsection (c) with the Secretary identifying with specificity the manner in which approximately $14,300,000 of the loan proceeds will be used to pay debts of ASG incurred prior to April 15, 1999; and

(3) has provided to the Secretary an initial plan of fiscal and managerial reform as described in subsection (d) designed to bring the ASG's annual operating expenses into balance with projected revenues for the years 2003 and beyond, and identifying the manner in which approximately $4,300,000 of the loan proceeds will be utilized to facilitate implementation of the plan.

(c) PROCEDURE AND PRIORITIES FOR DEBT PAYMENTS.—

(1) In structuring the agreement or memorandum of understanding identified in subsection (b)(2), the ASG and the Secretary shall include provisions, which create priorities for the payment of creditors in the following order—

(A) debts incurred for services, supplies, facilities, equipment and materials directly connected with the provision of health, safety and welfare functions for the benefit of the general population of American Samoa (including, but not limited to, health care, fire and police protection, educational programs grades K–12, and utility services for facilities belonging to or utilized by ASG and its agencies), wherein the creditor agrees to compromise and settle the existing debt for a payment not exceeding 75 percent of the amount owed, shall be given the highest priority for payment from the loan proceeds under this section;

(B) debts not exceeding a total amount of $200,000 owed to a single provider and incurred for any legitimate governmental purpose for the benefit of the general population of American Samoa, wherein the creditor agrees to compromise and settle the existing debt for a payment not exceeding 70 percent of the amount owed, shall be given the second highest priority for payment from the loan proceeds under this section;

(C) debts exceeding a total amount of $200,000 owed to a single provider and incurred for any legitimate governmental purpose for the benefit of the general population of American Samoa, wherein the creditor agrees to compromise and settle the existing debt for a payment not exceeding 65 percent of the amount owed, shall be given the third highest priority for payment from the loan proceeds under this section;

(D) other debts regardless of total amount owed or purpose for which incurred, wherein the creditor agrees to compromise and settle the existing debt for a payment not exceeding 60 percent of the amount owed, shall be given the fourth highest priority for payment from the loan proceeds under this section;

(E) debts described in subparagraphs (A), (B), (C), and (D) of this paragraph, wherein the creditor declines to compromise and settle the debt for the percentage of the amount owed as specified under the applicable subparagraph, shall be given the lowest priority for payment from the loan proceeds under this section.

(2) The agreement described in subsection (b)(2) shall also generally provide a framework whereby the Governor of American Samoa shall, from time-to-time, be required to give 10 business days notice to the Secretary that ASG will make payment in accordance with this section to specified creditors and the amount which will be paid to each of such creditors. Upon issuance of payments in accordance with the notice, the Governor shall immediately confirm such payments to the Secretary, and the Secretary shall within three business days following receipt of such confirmation transfer from the loan proceeds an amount sufficient to reimburse ASG for the payments made to creditors.

(3) The agreement may contain such other provisions as are mutually agreeable, and which are calculated to simplify and expedite the payment of existing debt under this section and ensure the greatest level of compromise and settlement with creditors in order to maximize the retirement of ASG debt.

(d) FISCAL AND MANAGERIAL REFORM PROGRAM.—

(1) The initial plan of fiscal and managerial reform, designed to bring ASG's annual operating expenses into balance with projected revenues for the years 2003 and beyond as required under subsection (b)(3), should identify specific measures which will be implemented by ASG to accomplish such goal, the anticipated reduction in government operating expense which will be achieved by each measure, and should include a timetable for attainment of each reform measure identified therein.

(2) The initial plan should also identify with specificity the manner in which approximately $4,300,000 of the loan proceeds will be utilized to assist in meeting the reform plan's targets within the timetable specified through the use of incentives for early retirement, severance pay packages, outsourcing services, or any other expenditures for program elements reasonably calculated to result in reduced future operating expenses for ASG on a long term basis.

(3) Upon receipt of the initial plan, the Secretary shall consult with the Governor of American Samoa, and shall make any recommendations deemed reasonable and prudent to ensure the goals of reform are achieved. The reform plan shall contain objective criteria that can be documented by a competent third party, mutually agreeable to the Governor and the Secretary. The plan shall include specific targets for reducing the amounts of ASG local revenues expended on government payroll and overhead (including contracts for consulting services), and may include provisions which allow modest increases in support of the LBJ Hospital Authority reasonably calculated to assist the Authority implement reforms which will lead to an independent audit indicating annual expenditures at or below annual Authority receipts.

(4) The Secretary shall enter into an agreement with the Governor similar to that specified in subsection (c)(2) of this section, enabling ASG to make payments as contemplated in the reform plan and then to receive reimbursement from the Secretary out of the portion of loan proceeds allocated for the implementation of fiscal reforms.

(5) Within 60 days following receipt of the initial plan, the Secretary shall approve an interim final plan reasonably calculated to make substantial progress toward overall reform. The Secretary shall provide copies of the plan, and any subsequent modifications, to the House Committee on Resources, the House Committee on Appropriations Subcommittee on the Department of the Interior and Related Agencies, the Senate Committee on Energy and Natural Resources, and the Senate Committee on Appropriations Subcommittee on the Department of the Interior and Related Agencies.

(6) From time-to-time as deemed necessary, the Secretary shall consult further with the Governor of American Samoa, and shall approve such mutually agreeable modifications to the interim final plan as circumstances warrant in order to achieve the overall goals of ASG fiscal and managerial reforms.

(e) RELEASE OF LOAN PROCEEDS.—From the total proceeds of the loan described in this section, the Secretary shall make available—

(1) upon compliance by ASG with paragraphs (b)(1) and (b)(2) of this section and in accordance with subsection (c), approximately $14,300,000 in reimbursements as requested from time-to-time by the Governor for payments to creditors;

(2) upon compliance by ASG with paragraphs (b)(1) and (b)(3) of this section and in accordance with subsection (d), approximately $4,300,000 in reimbursements as requested from time-to-time by the Governor for payments associated with implementation of the interim final reform plan; and

(3) notwithstanding paragraphs (1) and (2) of this subsection, at any time the Secretary and the Governor mutually determine that the amount necessary to fund payments under paragraph (2) will total less than $4,300,000 then the Secretary may approve the amount of any unused portion of such sum for additional payments against ASG debt under paragraph (1).

(f) EXCEPTION.—Proceeds from the loan under this section shall be used solely for the purposes of debt payments and reform plan implementation as specified herein, except that the Secretary may provide an amount equal to not more than 2 percent of the total loan proceeds for the purpose of retaining the services of an individual or business entity to provide direct assistance and management expertise in carrying out the purposes of this section. Such individual or business entity shall be mutually agreeable to the Governor and the Secretary, may not be a current or former employee of, or contractor for, and may not be a creditor of ASG. Notwithstanding the preceding two sentences, the Governor and the Secretary may agree to also retain the services of any semi-autonomous agency of ASG which has established a record of sound management and fiscal responsibility, as evidenced by audited financial reports for at least three of the past 5 years, to coordinate with and assist any individual or entity retained under this subsection.

(g) CONSTRUCTION.—The provisions of this section are expressly applicable only to the utilization of proceeds from the loan described in this section, and nothing herein shall be construed to relieve ASG from any lawful debt or obligation except to the extent a creditor shall voluntarily enter into an arms length agreement to compromise and settle outstanding amounts under subsection (c).

(h) TERMINATION.—The payment of debt and the payments associated with implementation of the interim final reform plan shall be completed not later than October 1, 2003. On such date, any unused loan proceeds totaling $1,000,000 or less shall be transferred by the Secretary directly to ASG. If the amount of unused loan proceeds exceeds $1,000,000, then such amount shall be credited to the total of loan repayments specified in paragraph (b)(1). With approval of the Secretary, ASG may designate additional payments from time-to-time from funds available from any source, without regard to the original purpose of such funds.

SEC. 126. The Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service and in consultation with the Director of the National Park Service, shall undertake the necessary activities to designate Midway Atoll as a National Memorial to the Battle of Midway. In pursuing such a designation the Secretary shall consult with organizations with an interest in Midway Atoll. The Secretary shall consult on a regular basis with such organizations, including the International Midway Memorial Foundation, Inc. on the management of the National Memorial.

SEC. 127. Notwithstanding any other provision of law, the Secretary of the Interior is authorized to redistribute any Tribal Priority Allocation funds, including tribal base funds, to alleviate tribal funding inequities by transferring funds to address identified, unmet needs, dual enrollment, overlapping service areas or inaccurate distribution methodologies. No tribe shall receive a reduction in Tribal Priority Allocation funds of more than 10 percent in fiscal year 2000. Under circumstances of dual enrollment, overlapping service areas or inaccurate distribution methodologies, the 10 percent limitation does not apply.

SEC. 128. None of the Funds provided in this Act shall be available to the Bureau of Indian Affairs or the Department of the Interior to transfer land into trust status for the Shoalwater Bay Indian Tribe in Clark County, Washington, unless and until the tribe and the county reach a legally enforceable agreement that addresses the financial impact of new development on the county, school district, fire district, and other local governments and the impact on zoning and development.

SEC. 129. None of the funds provided in this Act may be used by the Department of the Interior to implement the provisions of Principle 3(C)ii and Appendix section 3(B)(4) in Secretarial Order 3206, entitled ''American Indian Tribal Rights, Federal-Tribal Trust Responsibilities, and the Endangered Species Act''.

SEC. 130. Of the funds appropriated in title V of the Fiscal Year 1998 Interior and Related Agencies Appropriation Act, Public Law 105–83, the Secretary shall provide up to $2,000,000 in the form of a grant to the Fairbanks North Star Borough for acquisition of undeveloped parcels along the banks of the Chena River for the purpose of establishing an urban greenbelt within the Borough. The Secretary shall further provide from the funds appropriated in title V up to $1,000,000 in the form of a grant to the Municipality of Anchorage for the acquisition of approximately 34 acres of wetlands adjacent to a municipal park in Anchorage (the Jewel Lake Wetlands).

SEC. 131. FUNDING FOR THE OTTAWA NATIONAL WILDLIFE REFUGE AND CERTAIN PROJECTS IN THE STATE OF OHIO. Notwithstanding any other provision of law, from the unobligated balances appropriated for a grant to the State of Ohio for the acquisition of the Howard Farm near Metzger Marsh, Ohio—

(1) $500,000 shall be derived by transfer and made available for the acquisition of land in the Ottawa National Wildlife Refuge;

(2) $302,000 shall be derived by transfer and made available for the Dayton Aviation Heritage Commission, Ohio; and

(3) $198,000 shall be derived by transfer and made available for a grant to the State of Ohio for the preservation and restoration of the birthplace, boyhood home, and schoolhouse of Ulysses S. Grant.

SEC. 132. CONVEYANCE TO NYE COUNTY, NEVADA. (a) DEFINITIONS.—In this section:

(1) COUNTY.—The term ''County'' means Nye County, Nevada.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior, acting through the Director of the Bureau of Land Management.

(b) PARCELS CONVEYED FOR USE OF THE NEVADA SCIENCE AND TECHNOLOGY CENTER.—

(1) IN GENERAL.—The Secretary shall convey to the County, subject to the requirements of 43 U.S.C. 869 and subject to valid existing rights, all right, title, and interest in and to the parcels of public land described in paragraph (2). Such conveyance shall be made at a price determined to be appropriate for the conveyance of land for educational facilities under the Act of June 14, 1926 (43 U.S.C. 869 et seq.) and in accordance with the Bureau of Land Management Document entitled ''Recreation and Public Purposes Act'', dated October 1994, under the category of Special Pricing Program Uses for Governmental Entities.

(2) LAND DESCRIPTION.—The parcels of public land referred to in paragraph (1) are the following:

(A) The portion of Sec. 13 north of United States Route 95, T. 15 S., R. 49 E., Mount Diablo Meridian, Nevada.

(B) In Sec. 18, T. 15 S., R. 50 E., Mount Diablo Meridian, Nevada:

(i) W ½ W ½ NW ¼.

(ii) The portion of the W ½ W ½ SW ¼ north of United States Route 95.

(3) USE.—

(A) IN GENERAL.—The parcels described in paragraph (2) shall be used for the construction and operation of the Nevada Science and Technology Center as a nonprofit museum and exposition center, and related facilities and activities.

(B) REVERSION.—The conveyance of any parcel described in paragraph (2) shall be subject to reversion to the United States, at the discretion of Secretary, if the parcel is used for a purpose other than that specified in subparagraph (A).

(c) PARCELS CONVEYED FOR OTHER USE FOR A COMMERCIAL PURPOSE.—

(1) RIGHT TO PURCHASE.—For a period of 5 years beginning on the date of the enactment of this Act, the County shall have the exclusive right to purchase the parcels of public land described in paragraph (2) for the fair market value of the parcels, as determined by the Secretary.

(2) LAND DESCRIPTION.—The parcels of public land referred to in paragraph (1) are the following parcels in Sec. 18, T. 15 S., R. 50 E., Mount Diablo Meridian, Nevada:

(A) E ½ NW ¼.

(B) E ½ W ½ NW ¼.

(C) The portion of the E ½ SW ¼ north of United States Route 95.

(D) The portion of the E ½ W ½ SW ¼ north of United States Route 95.

(E) The portion of the SE ¼ north of United States Route 95.

(3) USE OF PROCEEDS.—Proceeds of a sale of a parcel described in paragraph (2)—

(A) shall be deposited in the special account established under section 4(e)(1)(C) of the Southern Nevada Public Land Management Act of 1998 (112 Stat. 2345); and

(B) shall be available for use by the Secretary—

(i) to reimburse costs incurred by the local offices of the Bureau of Land Management in arranging the land conveyances directed by this Act; and

(ii) as provided in section 4(e)(3) of that Act (112 Stat. 2346).

SEC. 133. CONVEYANCE OF LAND TO CITY OF MESQUITE, NEVADA. Section 3 of Public Law 99–548 (100 Stat. 3061; 110 Stat. 3009–202) is amended by adding at the end the following:

''(e) FIFTH AREA.—

''(1) RIGHT TO PURCHASE.—

''(A) IN GENERAL.—For a period of 12 years after the date of the enactment of this Act, the City of Mesquite, Nevada, subject to all appropriate environmental reviews, including compliance with the National Environmental Policy Act and the Endangered Species Act, shall have the exclusive right to purchase the parcels of public land described in paragraph (2).

''(B) APPLICABILITY.—Subparagraph (A) shall apply to a parcel of land described in paragraph (2) that has not been identified for disposal in the 1998 Bureau of Land Management Las Vegas Resource Management Plan only if the conveyance is made under subsection (f).

''(2) LAND DESCRIPTION.—The parcels of public land referred to in paragraph (1) are as follows:

''(A) In T. 13 S., R. 70 E., Mount Diablo Meridian, Nevada:

''(i) The portion of sec. 27 north of Interstate Route 15.

''(ii) Sec. 28: NE ¼, S ½ (except the Interstate Route 15 right-of-way).

''(iii) Sec. 29: E ½ NE ¼ SE ¼, SE ¼ SE ¼.

''(iv) The portion of sec. 30 south of Interstate Route 15.

''(v) The portion of sec. 31 south of Interstate Route 15.

''(vi) Sec. 32: NE ¼ NE ¼ (except the Interstate Route 15 right-of-way), the portion of NW ¼ NE ¼ south of Interstate Route 15, and the portion of W ½ south of Interstate Route 15.

''(vii) The portion of sec. 33 north of Interstate Route 15.

''(B) In T. 13 S., R. 69 E., Mount Diablo Meridian, Nevada:

''(i) The portion of sec. 25 south of Interstate Route 15.

''(ii) The portion of sec. 26 south of Interstate Route 15.

''(iii) The portion of sec. 27 south of Interstate Route 15.

''(iv) Sec. 28: SW ¼ SE ¼.

''(v) Sec. 33: E ½.

''(vi) Sec. 34.

''(vii) Sec. 35.

''(viii) Sec. 36.

''(3) NOTIFICATION.—Not later than 10 years after the date of the enactment of this subsection, the city shall notify the Secretary which of the parcels of public land described in paragraph (2) the city intends to purchase.

''(4) CONVEYANCE.—Not later than 1 year after receiving notification from the city under paragraph (3), the Secretary shall convey to the city the land selected for purchase.

''(5) WITHDRAWAL.—Subject to valid existing rights, until the date that is 12 years after the date of the enactment of this subsection, the parcels of public land described in paragraph (2) are withdrawn from all forms of entry and appropriation under the public land laws, including the mining laws, and from operation of the mineral leasing and geothermal leasing laws.

''(6) USE OF PROCEEDS.—The proceeds of the sale of each parcel—

''(A) shall be deposited in the special account established under section 4(e)(1)(C) of the Southern Nevada Public Land Management Act of 1998 (112 Stat. 2345); and

''(B) shall be available for use by the Secretary—

''(i) to reimburse costs incurred by the local offices of the Bureau of Land Management in arranging the land conveyances directed by this Act; and

''(ii) as provided in section 4(e)(3) of that Act (112 Stat. 2346).

''(f) SIXTH AREA.—

''(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this subsection, the Secretary shall convey to the City of Mesquite, Nevada, in accordance with section 47125 of title 49, United States Code, and subject to all appropriate environmental reviews, including compliance with the National Environmental Policy Act and the Endangered Species Act, up to 2,560 acres of public land to be selected by the city from among the parcels of land described in paragraph (2).

''(2) LAND DESCRIPTION.—The parcels of land referred to in paragraph (1) are as follows:

''(A) In T. 13 S., R. 69 E., Mount Diablo Meridian, Nevada:

''(i) The portion of sec. 28 south of Interstate Route 15 (except S ½ SE ¼).

''(ii) The portion of sec. 29 south of Interstate Route 15.

''(iii) The portion of sec. 30 south of Interstate Route 15.

''(iv) The portion of sec. 31 south of Interstate Route 15.

''(v) Sec. 32.

''(vi) Sec. 33: W ½.

''(B) In T. 14 S., R. 69 E., Mount Diablo Meridian, Nevada:

''(i) Sec. 4.

''(ii) Sec. 5.

''(iii) Sec. 6.

''(iv) Sec. 8.

''(C) In T. 14 S., R. 68 E., Mount Diablo Meridian, Nevada:

''(i) Sec. 1.

''(ii) Sec. 12.

''(3) WITHDRAWAL.—Subject to valid existing rights, until the date that is 12 years after the date of the enactment of this subsection, the parcels of public land described in paragraph (2) are withdrawn from all forms of entry and appropriation under the public land laws, including the mining laws, and from operation of the mineral leasing and geothermal leasing laws.

''(4) If the land conveyed pursuant to this section is not utilized by the city as an airport, it shall revert to the United States, at the option of the Secretary.

''(5) Nothing in this section shall preclude the Secretary from applying appropriate terms and conditions as identified by the required environmental review to any conveyance made under this section.''.

SEC. 134. QUADRICENTENNIAL COMMEMORATION OF THE SAINT CROIX ISLAND INTERNATIONAL HISTORIC SITE. (a) FINDINGS.—The Senate finds that—

(1) in 1604, one of the first European colonization efforts was attempted at St. Croix Island in Calais, Maine;

(2) St. Croix Island settlement predated both the Jamestown and Plymouth colonies;

(3) St. Croix Island offers a rare opportunity to preserve and interpret early interactions between European explorers and colonists and Native Americans;

(4) St. Croix Island is one of only two international historic sites comprised of land administered by the National Park Service;

(5) the quadricentennial commemorative celebration honoring the importance of the St. Croix Island settlement to the countries and people of both Canada and the United States is rapidly approaching;

(6) the 1998 National Park Service management plans and long-range interpretive plan call for enhancing visitor facilities at both Red Beach and downtown Calais;

(7) in 1982, the Department of the Interior and Canadian Department of the Environment signed a memorandum of understanding to recognize the international significance of St. Croix Island and, in an amendment memorandum, agreed to conduct joint strategic planning for the international commemoration with a special focus on the 400th anniversary of settlement in 2004;

(8) the Department of Canadian Heritage has installed extensive interpretive sites on the Canadian side of the border; and

(9) current facilities at Red Beach and Calais are extremely limited or nonexistent for a site of this historic and cultural importance.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) using funds made available by this Act, the National Park Service should expeditiously pursue planning for exhibits at Red Beach and the town of Calais, Maine; and

(2) the National Park Service should take what steps are necessary, including consulting with the people of Calais, to ensure that appropriate exhibits at Red Beach and the town of Calais are completed by 2004.

SEC. 135. No funds appropriated for the Department of the Interior by this Act or any other Act shall be used to study or implement any plan to drain Lake Powell or to reduce the water level of the lake below the range of water levels required for the operation of the Glen Canyon Dam.

SEC. 136. None of the funds appropriated or otherwise made available in this Act or any other provision of law, may be used by any officer, employee, department or agency of the United States to impose or require payment of an inspection fee in connection with the export of shipments of fur-bearing wildlife containing 1,000 or fewer raw, crusted, salted or tanned hides or fur skins, or separate parts thereof, including species listed under the Convention on International Trade in Endangered Species of Wild Fauna and Flora done at Washington, March 3, 1973 (27 UST 1027): Provided, That this provision shall for the duration of the calendar year in which the shipment occurs, not apply to any person who ships more than 2,500 of such hides, fur skins or parts thereof during the course of such year.

SEC. 137. (a) The Secretary of the Interior shall during fiscal year 2000 reorganize and consolidate the Bureau of Indian Affairs' management and administrative functions based on the recommendations of the National Academy of Public Administration.

(b) Bureau of Indian Affairs employees in Central Office West divisions that are moved due to the implementation of the National Academy of Public Administration recommendations, who voluntarily resign or retire from the Bureau of Indian Affairs on or before December 31, 1999, may receive, from the Bureau of Indian Affairs, a lump sum voluntary separation incentive payment that shall be equal to the lesser of an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code, if the employee were entitled to payment under such section; or $25,000.

(1) The voluntary separation incentive payment—

(A) shall not be a basis for payment, and shall not be included in the computation of any other type of Government benefit; and

(B) shall be paid from appropriations or funds available for the payment of the basic pay of the employee.

(2) Employees receiving a voluntary separation incentive payment and accepting employment with the Federal Government within 5 years of the date of separation shall be required to repay the entire amount of the incentive payment to the Bureau of Indian Affairs.

(3) The Secretary may, at the request of the head of an executive branch agency, waive the repayment under paragraph (2) if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(4) In addition to any other payment which is required to be made under subchapter III of chapter 83 of title 5, United States Code, the Bureau of Indian Affairs shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the Bureau of Indian Affairs to whom a voluntary separation incentive payment has been or is to be paid under the provisions of this section.

(c) Employees of the Bureau of Indian Affairs, in Central Office West divisions that are moved due to the implementation of the National Academy of Public Administration recommendations and who are entitled to severance pay under 5 U.S.C. 5595, may apply for, and the Bureau of Indian Affairs may pay, the total amount of severance pay to the employee in a lump sum. Employees paid severance pay in a lump sum and subsequently reemployed by the Federal Government shall be subject to the repayment provisions of 5 U.S.C. 5595(i)(2) and (3), except that any repayment shall be made to the Bureau of Indian Affairs.

(d) Employees of the Bureau of Indian Affairs, in Central Office West divisions that are moved due to the implementation of the National Academy of Public Administration recommendations and who voluntarily resign on or before December 31, 1999, or who are separated, shall be liable for not more than the required employee contribution under 5 U.S.C. 8905a(d)(1)(A) if they elect to continue health benefits after separation. The Bureau of Indian Affairs shall pay for 12 months the remaining portion of required contributions.

SEC. 138. Notwithstanding any other provision of law, the Secretary of the Interior is authorized to acquire lands from the Haines Borough, Alaska, consisting of approximately 20 acres, more or less, in four tracts identified for this purpose by the Borough, and contained in an area formerly known as ''Duncan's Camp''; the Secretary shall use $340,000 previously allocated from funds appropriated for the Department of the Interior for fiscal year 1998 for acquisition of lands; the Secretary is authorized to convey in fee all land and interests in land acquired pursuant to this section without compensation to the heirs of Peter Duncan in settlement of a claim filed by them against the United States: Provided, That the Secretary shall not convey the lands acquired pursuant to this section unless and until a signed release of all claims is executed.

SEC. 139. Funds appropriated for the Bureau of Indian Affairs for postsecondary schools for fiscal year 2000 shall be allocated among the schools proportionate to the unmet need of the schools as determined by the Postsecondary Funding Formula adopted by the Office of Indian Education Programs.

SEC. 140. Notwithstanding any other provision of law, in conveying the Twin Cities Research Center under the authority provided by Public Law 104–134, as amended by Public Law 104–208, the Secretary may accept and retain land and other forms of reimbursement: Provided, That the Secretary may retain and use any such

reimbursement until expended and without further appropriation: (1) for the benefit of the National Wildlife Refuge System within the State of Minnesota; and (2) for all activities authorized by Public Law 100–696; 16 U.S.C. 460zz.

SEC. 141. None of the funds made available by this Act shall be used to issue a notice of final rulemaking with respect to the valuation of crude oil for royalty purposes until March 15, 2000. The rulemaking must be consistent with existing statutory requirements.

SEC. 142. EXTENSION OF AUTHORITY FOR ESTABLISHMENT OF THOMAS PAINE MEMORIAL. (a) IN GENERAL.—Public Law 102–407 (40 U.S.C. 1003 note; 106 Stat. 1991) is amended by adding at the end the following:

"SEC. 4. EXPIRATION OF AUTHORITY.

''Notwithstanding the time period limitation specified in section 10(b) of the Commemorative Works Act (40 U.S.C. 1010(b)) or any other provision of law, the authority for the Thomas Paine National Historical Association to establish a memorial to Thomas Paine in the District of Columbia under this Act shall expire on December 31, 2003.''.

(b) CONFORMING AMENDMENTS.—

(1) APPLICABLE LAW.—Section 1(b) of Public Law 102–407 (40 U.S.C. 1003 note; 106 Stat. 1991) is amended by striking ''The establishment'' and inserting ''Except as provided in section 4, the establishment''.

(2) EXPIRATION OF AUTHORITY.—Section 3 of Public Law 102–407 (40 U.S.C. 1003 note; 106 Stat. 1991) is amended—

(A) by striking ''or upon expiration of the authority for the memorial under section 10(b) of that Act,'' and inserting ''or on expiration of the authority for the memorial under section 4,''; and

(B) by striking ''section 8(b)(1) of that Act'' and inserting ''section 8(b)(1) of the Commemorative Works Act (40 U.S.C. 1008(b)(1))''.

SEC. 143. USE OF NATIONAL PARK SERVICE TRANSPORTATION SERVICE CONTRACT FEES. Section 412 of the National Parks Omnibus Management Act of 1998 (16 U.S.C. 5961) is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''Notwithstanding''; and

(2) by adding at the end the following:

''(b) OBLIGATION OF FUNDS.—Notwithstanding any other provision of law, with respect to a service contract for the provision solely of transportation services at Zion National Park, the Secretary may obligate the expenditure of fees received in fiscal year 2000 under section 501 before the fees are received.''.

SEC. 144. EXTENSION OF DEADLINE FOR RED ROCK CANYON NATIONAL CONSERVATION AREA. (a) IN GENERAL.—Section 3(c)(1) of Public Law 103–450 (108 Stat. 4767) is amended by striking ''the date 5 years after the date of enactment of this Act'' and inserting ''May 2, 2000''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on November 1, 1999.

SEC. 145. NATIONAL PARK PASSPORT PROGRAM. Section 603(c)(1) of the National Park Omnibus Management Act of 1998 (16 U.S.C. 5993(c)(1)) is amended by striking ''10'' and inserting ''15''.

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST AND RANGELAND RESEARCH

For necessary expenses of forest and rangeland research as authorized by law, $202,700,000, to remain available until expended.

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with and providing technical and financial assistance to States, territories, possessions, and others, and for forest health management, cooperative forestry, and education and land conservation activities, $202,534,000, to remain available until expended, as authorized by law.

NATIONAL FOREST SYSTEM

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, and for administrative expenses associated with the management of funds provided under the headings ''Forest and Rangeland Research'', ''State and Private Forestry'', ''National Forest System'', ''Wildland Fire Management'', ''Reconstruction and Maintenance'', and ''Land Acquisition'', $1,269,504,000, to remain available until expended, which shall include 50 percent of all moneys received during prior fiscal years as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 4601–6a(i)): Provided, That unobligated balances available at the start of fiscal year 2000 shall be displayed by extended budget line item in the fiscal year 2001 budget justification.

WILDLAND FIRE MANAGEMENT

For necessary expenses for forest fire presuppression activities on National Forest System lands, for emergency fire suppression on or adjacent to such lands or other lands under fire protection agreement, and for emergency rehabilitation of burned-over National Forest System lands and water, $561,354,000, to remain available until expended: Provided, That such funds are available for repayment of advances from other appropriations accounts previously transferred for such purposes: Provided further, That not less than 50 percent of any unobligated balances remaining (exclusive of amounts for hazardous fuels reduction) at the end of fiscal year 1999 shall be transferred, as repayment for past advances that have not been repaid, to the fund established pursuant to section 3 of Public Law 71–319 (16 U.S.C. 576 et seq.): Provided further, That notwithstanding any other provision of law, up to $4,000,000 of funds appropriated under this appropriation may be used for Fire Science Research in support of the Joint Fire Science Program: Provided further, That all authorities for the use of funds, including the use of contracts, grants, and cooperative agreements, available to execute the Forest Service and Rangeland Research appropriation, are also available in the utilization of these funds for Fire Science Research.

For an additional amount to cover necessary expenses for emergency rehabilitation, presuppression due to emergencies, and wildfire suppression activities of the Forest Service, $90,000,000, to remain available until expended: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That these funds shall be available only to the extent an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

RECONSTRUCTION AND MAINTENANCE

For necessary expenses of the Forest Service, not otherwise provided for, $398,927,000, to remain available until expended for construction, reconstruction, maintenance and acquisition of buildings and other facilities, and for construction, reconstruction, repair and maintenance of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532–538 and 23 U.S.C. 101 and 205: Provided, That up to $15,000,000 of the funds provided herein for road maintenance shall be available for the decommissioning of roads, including unauthorized roads not part of the transportation system, which are no longer needed: Provided further, That no funds shall be expended to decommission any system road until notice and an opportunity for public comment has been provided on each decommissioning project: Provided further, That any unobligated balances of amounts previously appropriated to the Forest Service ''Reconstruction and Construction'' account as well as any unobligated balances remaining in the ''National Forest System'' account for the facility maintenance and trail maintenance extended budget line items at the end of fiscal year 1999 may be transferred to and merged with the ''Reconstruction and Maintenance'' account.

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, $79,575,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, of which not to exceed $40,000,000 may be available for the acquisition of lands or interests within the tract known as the Baca Location No. 1 in New Mexico only upon: (1) the enactment of legislation authorizing the acquisition of lands, or interests in lands, within such tract; (2) completion of a review, not to exceed 90 days, by the Comptroller General of the United States of an appraisal conforming with the Uniform Appraisal Standards for Federal Land Acquisition of all lands and interests therein to be acquired by the United States; and (3) submission of the Comptroller General's review of such appraisal to the Committee on Resources of the House of Representatives, the Committee on Energy and Natural Resources of the Senate, and the Committees on Appropriations of the House and Senate: Provided, That subject to valid existing rights, all federally-owned lands and interests in lands within the New World Mining District comprising approximately 26,223 acres, more or less, which are described in a Federal Register notice dated August 19, 1997 (62 Fed. Reg. 44136–44137), are hereby withdrawn from all forms of entry, appropriation, and disposal under the public land laws, and from location, entry and patent under the mining laws, and from disposition under all mineral and geothermal leasing laws.

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, Sequoia, and Cleveland National Forests, California, as authorized by law, $1,069,000, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, such sums, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended.

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 percent of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the 16 Western States, pursuant to section 401(b)(1) of Public Law 94–579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements.

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

For expenses authorized by 16 U.S.C. 1643(b), $92,000, to remain available until expended, to be derived from the fund established pursuant to the above Act.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (1) purchase of not to exceed 110 passenger motor vehicles of which 15 will be used primarily for law enforcement purposes and of which 109 shall be for replacement; acquisition of 25 passenger motor vehicles from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed three for replacement only, and acquisition of sufficient aircraft from excess sources to maintain the operable fleet at 213 aircraft for use in Forest Service wildland fire programs and other Forest Service programs; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (2) services pursuant to 7 U.S.C. 2225, and not to exceed $100,000 for employment under 5 U.S.C. 3109; (3) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (4) acquisition of land, waters, and interests therein, pursuant to 7 U.S.C. 428a; (5) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, and 558a note); (6) the cost of uniforms as authorized by 5 U.S.C. 5901–5902; and (7) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

None of the funds made available under this Act shall be obligated or expended to abolish any region, to move or close any regional office for National Forest System administration of the Forest Service, Department of Agriculture without the consent of the House and Senate Committees on Appropriations.

Any appropriations or funds available to the Forest Service may be transferred to the Wildland Fire Management appropriation for forest firefighting, emergency rehabilitation of burned-over or damaged lands or waters under its jurisdiction, and fire preparedness due to severe burning conditions if and only if all previously appropriated emergency contingent funds under the heading ''Wildland Fire Management'' have been released by the President and apportioned.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Foreign Agricultural Service in connection with forest and rangeland research, technical information, and assistance in foreign countries, and shall be available to support forestry and related natural resource activities outside the United States and its territories and possessions, including technical assistance, education and training, and cooperation with United States and international organizations.

None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report No. 105–163.

None of the funds available to the Forest Service may be reprogrammed without the advance approval of the House and Senate Committees on Appropriations in accordance with the procedures contained in House Report No. 105–163.

No funds appropriated to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture without the approval of the Chief of the Forest Service.

Funds available to the Forest Service shall be available to conduct a program of not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended by Public Law 93–408.

Of the funds available to the Forest Service, $1,500 is available to the Chief of the Forest Service for official reception and representation expenses.

To the greatest extent possible, and in accordance with the Final Amendment to the Shawnee National Forest Plan, none of the funds available in this Act shall be used for preparation of timber sales using clearcutting or other forms of even-aged management in hardwood stands in the Shawnee National Forest, Illinois.

Pursuant to sections 405(b) and 410(b) of Public Law 101–593, of the funds available to the Forest Service, up to $2,250,000 may be advanced in a lump sum as Federal financial assistance to the National Forest Foundation, without regard to when the Foundation incurs expenses, for administrative expenses or projects on or benefitting National Forest System lands or related to Forest Service programs: Provided, That of the Federal funds made available to the Foundation, no more than $400,000 shall be available for administrative expenses: Provided further, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds made available by the Forest Service: Provided further, That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds: Provided further, That hereafter, the National Forest Foundation may hold Federal funds made available but not immediately disbursed and may use any interest or other investment income earned (before, on, or after the date of the enactment of this Act) on Federal funds to carry out the purposes of Public Law 101–593: Provided further, That such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

Pursuant to section 2(b)(2) of Public Law 98–244, $2,650,000 of the funds available to the Forest Service shall be available for matching funds to the National Fish and Wildlife Foundation, as authorized by 16 U.S.C. 3701–3709, and may be advanced in a lump sum as Federal financial assistance, without regard to when expenses are incurred, for projects on or benefitting National Forest System lands or related to Forest Service programs: Provided, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds advanced by the Forest Service: Provided further, That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds.

Funds appropriated to the Forest Service shall be available for interactions with and providing technical assistance to rural communities for sustainable rural development purposes.

Notwithstanding any other provision of law, 80 percent of the funds appropriated to the Forest Service in the ''National Forest System'' and ''Reconstruction and Construction'' accounts and planned to be allocated to activities under the ''Jobs in the Woods'' program for projects on National Forest land in the State of Washington may be granted directly to the Washington State Department of Fish and Wildlife for accomplishment of planned projects. Twenty percent of said funds shall be retained by the Forest Service for planning and administering projects. Project selection and prioritization shall be accomplished by the Forest Service with such consultation with the State of Washington as the Forest Service deems appropriate.

Funds appropriated to the Forest Service shall be available for payments to counties within the Columbia River Gorge National Scenic Area, pursuant to sections 14(c)(1) and (2), and section 16(a)(2) of Public Law 99–663.

The Secretary of Agriculture is authorized to enter into grants, contracts, and cooperative agreements as appropriate with the Pinchot Institute for Conservation, as well as with public and other private agencies, organizations, institutions, and individuals, to provide for the development, administration, maintenance, or restoration of land, facilities, or Forest Service programs, at the Grey Towers National Historic Landmark: Provided, That, subject to such terms and conditions as the Secretary of Agriculture may prescribe, any such public or private agency, organization, institution, or individual may solicit, accept, and administer private gifts of money and real or personal property for the benefit of, or in connection with, the activities and services at the Grey Towers National Historic Landmark: Provided further, That such gifts may be accepted notwithstanding the fact that a donor conducts business with the Department of Agriculture in any capacity.

Funds appropriated to the Forest Service shall be available, as determined by the Secretary, for payments to Del Norte County, California, pursuant to sections 13(e) and 14 of the Smith River National Recreation Area Act (Public Law 101–612).

For purposes of the Southeast Alaska Economic Disaster Fund as set forth in section 101(c) of Public Law 104–134, the direct grants provided from the Fund shall be considered direct payments for purposes of all applicable law except that these direct grants may not be used for lobbying activities: Provided, That a total of $22,000,000 is hereby appropriated and shall be deposited into the Southeast Alaska Economic Disaster Fund established pursuant to Public Law 104–134, as amended, without further appropriation or fiscal year limitation of which $10,000,000 shall be distributed in fiscal year 2000, $7,000,000 shall be distributed in fiscal year 2001, and $5,000,000 shall be distributed in fiscal year 2002. The Secretary of Agriculture shall allocate the funds to local communities suffering economic hardship because of mill closures and economic dislocation in the timber industry to employ unemployed timber workers and for related community redevelopment projects as follows:

(1) in fiscal year 2000, $4,000,000 for the Ketchikan Gateway Borough, $2,000,000 for the City of Petersburg, $2,000,000 for the City and Borough of Sitka, and $2,000,000 for the Metlakatla Indian Community;

(2) in fiscal year 2001, $3,000,000 for the Ketchikan Gateway Borough, $1,000,000 for the City of Petersburg, $1,500,000 for the City and Borough of Sitka, and $1,500,000 for the Metlakatla Indian Community; and

(3) in fiscal year 2002, $3,000,000 for the Ketchikan Gateway Borough, $500,000 for the City and Borough of Sitka, and $1,500,000 for the Metlakatla Indian Community.

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service not to exceed $500,000 may be used to reimburse the Office of the General Counsel (OGC), Department of Agriculture, for travel and related expenses incurred as a result of OGC assistance or participation requested by the Forest Service at meetings, training sessions, management reviews, land purchase negotiations and similar non-litigation related matters.

Future budget justifications for both the Forest Service and the Department of Agriculture should clearly display the sums previously transferred and the requested funding transfers.

No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

The Forest Service shall fund overhead, national commitments, indirect expenses, and any other category for use of funds which are expended at any units, that are not directly related to the accomplishment of specific work on-the-ground (referred to as ''indirect expenditures''), from funds available to the Forest Service, unless otherwise prohibited by law: Provided, That the Forest Service shall implement and adhere to the definitions of indirect expenditures established pursuant to Public Law 105–277 on a nationwide basis without flexibility for modification by any organizational level except the Washington Office, and when changed by the Washington Office, such changes in definition shall be reported in budget requests submitted by the Forest Service: Provided further, That the Forest Service shall provide in all future budget justifications, planned indirect expenditures in accordance with the definitions, summarized and displayed to the Regional, Station, Area, and detached unit office level. The justification shall display the estimated source and amount of indirect expenditures, by expanded budget line item, of funds in the agency's annual budget justification. The display shall include appropriated funds and the Knutson-Vandenberg, Brush Disposal, Cooperative Work-Other, and Salvage Sale funds. Changes between estimated and actual indirect expenditures shall be reported in subsequent budget justifications: Provided further, That during fiscal year 2000 the Secretary shall limit total annual indirect obligations from the Brush Disposal, Cooperative Work-Other, Knutson-Vandenberg, Reforestation, Salvage Sale, and Roads and Trails funds to 20 percent of the total obligations from each fund.

Any appropriations or funds available to the Forest Service may be used for necessary expenses in the event of law enforcement emergencies as necessary to protect natural resources and public or employee safety: Provided, That such amounts shall not exceed $500,000.

From any unobligated balances available at the start of fiscal year 2000, the amount of $5,000,000 shall be allocated to the Alaska Region, in addition to the funds appropriated to sell timber in the Alaska Region under this Act, for expenses directly related to preparing sufficient additional timber for sale in the Alaska Region to establish a 3-year timber supply.

The Forest Service is authorized through the Forest Service existing budget to reimburse Harry Frey, $143,406 (1997 dollars) because his home was destroyed by arson on June 21, 1990 in retaliation for his work with the Forest Service.

DEPARTMENT OF ENERGY

CLEAN COAL TECHNOLOGY

(DEFERRAL)

Of the funds made available under this heading for obligation in prior years, $156,000,000 shall not be available until October 1, 2000: Provided, That funds made available in previous appropriations Acts shall be available for any ongoing project regardless of the separate request for proposal under which the project was selected.

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in carrying out fossil energy research and development activities, under the authority of the Department of Energy Organization Act (Public Law 95–91), including the acquisition of interest, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, and for conducting inquiries, technological investigations and research concerning the extraction, processing, use, and disposal of mineral substances without objectionable social and environmental costs (30 U.S.C. 3, 1602, and 1603), performed under the minerals and materials science programs at the Albany Research Center in Oregon, $419,025,000, to remain available until expended, of which $24,000,000 shall be derived by transfer from unobligated balances in the Biomass Energy Development account: Provided, That no part of the sum herein made available shall be used for the field testing of nuclear explosives in the recovery of oil and gas.

ALTERNATIVE FUELS PRODUCTION

(INCLUDING TRANSFER OF FUNDS)

Moneys received as investment income on the principal amount in the Great Plains Project Trust at the Norwest Bank of North Dakota, in such sums as are earned as of October 1, 1999, shall be deposited in this account and immediately transferred to the general fund of the Treasury. Moneys received as revenue sharing from operation of the Great Plains Gasification Plant and settlement payments shall be immediately transferred to the general fund of the Treasury.

NAVAL PETROLEUM AND OIL SHALE RESERVES

The requirements of 10 U.S.C. 7430(b)(2)(B) shall not apply to fiscal year 2000: Provided, That, notwithstanding any other provision of law, unobligated funds remaining from prior years shall be available for all naval petroleum and oil shale reserve activities.

ELK HILLS SCHOOL LANDS FUND

For necessary expenses in fulfilling the second installment payment under the Settlement Agreement entered into by the United States and the State of California on October 11, 1996, as authorized by section 3415 of Public Law 104–106, $36,000,000, to become available on October 1, 2000, for payment to the State of California for the State Teachers' Retirement Fund from the Elk Hills School Lands Fund.

ENERGY CONSERVATION

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in carrying out energy conservation activities, $745,242,000, to remain available until expended, of which $25,000,000 shall be derived by transfer from unobligated balances in the Biomass Energy Development account: Provided, That $168,500,000 shall be for use in energy conservation programs as defined in section 3008(3) of Public Law 99–509 (15 U.S.C. 4507): Provided further, That notwithstanding section 3003(d)(2) of Public Law 99–509, such sums shall be allocated to the eligible programs as follows: $135,000,000 for weatherization assistance grants and $33,500,000 for State energy conservation grants: Provided further, That, notwithstanding any other provision of law, in fiscal year 2001 and thereafter sums appropriated for weatherization assistance grants shall be contingent on a cost share of 25 percent by each participating State or other qualified participant.

ECONOMIC REGULATION

For necessary expenses in carrying out the activities of the Office of Hearings and Appeals, $2,000,000, to remain available until expended.

STRATEGIC PETROLEUM RESERVE

For necessary expenses for Strategic Petroleum Reserve facility development and operations and program management activities pursuant to the Energy Policy and Conservation Act of 1975, as amended (42 U.S.C. 6201 et seq.), $159,000,000, to remain available until expended: Provided, That the Secretary of Energy hereafter may transfer to the SPR Petroleum Account such funds as may be necessary to carry out drawdown and sale operations of the Strategic Petroleum Reserve initiated under section 161 of the Energy Policy and Conservation Act (42 U.S.C. 6241) from any funds available to the Department of Energy under this or any other Act: Provided further, That all funds transferred pursuant to this authority must be replenished as promptly as possible from oil sale receipts pursuant to the drawdown and sale.

ENERGY INFORMATION ADMINISTRATION

For necessary expenses in carrying out the activities of the Energy Information Administration, $72,644,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Appropriations under this Act for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase, repair, and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services.

From appropriations under this Act, transfers of sums may be made to other agencies of the Government for the performance of work for which the appropriation is made.

None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriations Act.

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private or foreign: Provided, That revenues and other moneys received by or for the account of the Department of Energy or otherwise generated by sale of products in connection with projects of the department appropriated under this Act may be retained by the Secretary of Energy, to be available until expended, and used only for plant construction, operation, costs, and payments to cost-sharing entities as provided in appropriate cost-sharing contracts or agreements: Provided further, That the remainder of revenues after the making of such payments shall be covered into the Treasury as miscellaneous receipts: Provided further, That any contract, agreement, or provision thereof entered into by the Secretary pursuant to this authority shall not be executed prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full comprehensive report on such project, including the facts and circumstances relied upon in support of the proposed project.

No funds provided in this Act may be expended by the Department of Energy to prepare, issue, or process procurement documents for programs or projects for which appropriations have not been made.

In addition to other authorities set forth in this Act, the Secretary may accept fees and contributions from public and private sources, to be deposited in a contributed funds account, and prosecute projects using such fees and contributions in cooperation with other Federal, State or private agencies or concerns.

The Secretary of Energy in cooperation with the Administrator of General Services Administration shall convey to the City of Bartlesville, Oklahoma, for no consideration, the approximately 15.644 acres of land comprising the

former site of the National Institute of Petroleum Energy Research (including all improvements on the land) described as follows: All of Block 1, Keeler's Second Addition, all of Block 2, Keeler's Fourth Addition, all of Blocks 9 and 10, Mountain View Addition, all in the City of Bartlesville, Washington County, Oklahoma.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles II and III of the Public Health Service Act with respect to the Indian Health Service, $2,078,967,000, together with payments received during the fiscal year pursuant to 42 U.S.C. 238(b) for services furnished by the Indian Health Service: Provided, That funds made available to tribes and tribal organizations through contracts, grant agreements, or any other agreements or compacts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), shall be deemed to be obligated at the time of the grant or contract award and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: Provided further, That $12,000,000 shall remain available until expended, for the Indian Catastrophic Health Emergency Fund: Provided further, That $395,290,000 for contract medical care shall remain available for obligation until September 30, 2001: Provided further, That of the funds provided, up to $17,000,000 shall be used to carry out the loan repayment program under section 108 of the Indian Health Care Improvement Act: Provided further, That funds provided in this Act may be used for 1-year contracts and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: Provided further, That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall remain available until expended for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, or construction of new facilities): Provided further, That funding contained herein, and in any earlier appropriations Acts for scholarship programs under the Indian Health Care Improvement Act (25 U.S.C. 1613) shall remain available for obligation until September 30, 2001: Provided further, That amounts received by tribes and tribal organizations under title IV of the Indian Health Care Improvement Act shall be reported and accounted for and available to the receiving tribes and tribal organizations until expended: Provided further, That, notwithstanding any other provision of law, of the amounts provided herein, not to exceed $228,781,000 shall be for payments to tribes and tribal organizations for contract or grant support costs associated with contracts, grants, self-governance compacts or annual funding agreements between the Indian Health Service and a tribe or tribal organization pursuant to the Indian Self-Determination Act of 1975, as amended, prior to or during fiscal year 2000, of which not to exceed $10,000,000 may be used for such costs associated with new and expanded contracts, grants, self-governance compacts or annual funding agreements: Provided further, That funds available for the Indian Health Care Improvement Fund may be used, as needed, to carry out activities typically funded under the Indian Health Facilities account.

INDIAN HEALTH FACILITIES

For construction, repair, maintenance, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of modular buildings, and purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act, and the Indian Health Care Improvement Act, and for expenses necessary to carry out such Acts and titles II and III of the Public Health Service Act with respect to environmental health and facilities support activities of the Indian Health Service, $318,580,000, to remain available until expended: Provided, That notwithstanding any other provision of law, funds appropriated for the planning, design, construction or renovation of health facilities for the benefit of an Indian tribe or tribes may be used to purchase land for sites to construct, improve, or enlarge health or related facilities: Provided further, That notwithstanding any provision of law governing Federal construction, $3,000,000 of the funds provided herein shall be provided to the Hopi Tribe to reduce the debt incurred by the Tribe in providing staff quarters to meet the housing needs associated with the new Hopi Health Center: Provided further, That not to exceed $500,000 shall be used by the Indian Health Service to purchase TRANSAM equipment from the Department of Defense for distribution to the Indian Health Service and tribal facilities: Provided further, That not to exceed $500,000 shall be used by the Indian Health Service to obtain ambulances for the Indian Health Service and tribal facilities in conjunction with an existing interagency agreement between the Indian Health Service and the General Services Administration: Provided further, That not to exceed $500,000 shall be placed in a Demolition Fund, available until expended, to be used by the Indian Health Service for demolition of Federal buildings: Provided further, That from within existing funds, the Indian Health Service may purchase up to 5 acres of land for expanding the parking facilities at the Indian Health Service hospital in Tahlequah, Oklahoma.

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

Appropriations in this Act to the Indian Health Service shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem rate equivalent to the maximum rate payable for senior-level positions under 5 U.S.C. 5376; hire of passenger motor vehicles and aircraft; purchase of medical equipment; purchase of reprints; purchase, renovation and erection of modular buildings and renovation of existing facilities; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and for uniforms or allowances therefore as authorized by 5 U.S.C. 5901–5902; and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities: Provided, That in accordance with the provisions of the Indian Health Care Improvement Act, non-Indian patients may be extended health care at all tribally administered or Indian Health Service facilities, subject to charges, and the proceeds along with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651–2653) shall be credited to the account of the facility providing the service and shall be available without fiscal year limitation: Provided further, That notwithstanding any other law or regulation, funds transferred from the Department of Housing and Urban Development to the Indian Health Service shall be administered under Public Law 86–121 (the Indian Sanitation Facilities Act) and Public Law 93–638, as amended: Provided further, That funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation: Provided further, That notwithstanding any other provision of law, funds previously or herein made available to a tribe or tribal organization through a contract, grant, or agreement authorized by title I or title III of the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), may be deobligated and reobligated to a self-determination contract under title I, or a self-governance agreement under title III of such Act and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: Provided further, That none of the funds made available to the Indian Health Service in this Act shall be used to implement the final rule published in the Federal Register on September 16, 1987, by the Department of Health and Human Services, relating to the eligibility for the health care services of the Indian Health Service until the Indian Health Service has submitted a budget request reflecting the increased costs associated with the proposed final rule, and such request has been included in an appropriations Act and enacted into law: Provided further, That funds made available in this Act are to be apportioned to the Indian Health Service as appropriated in this Act, and accounted for in the appropriation structure set forth in this Act: Provided further, That with respect to functions transferred by the Indian Health Service to tribes or tribal organizations, the Indian Health Service is authorized to provide goods and services to those entities, on a reimbursable basis, including payment in advance with subsequent adjustment, and the reimbursements received therefrom, along with the funds received from those entities pursuant to the Indian Self-Determination Act, may be credited to the same or subsequent appropriation account which provided the funding, said amounts to remain available until expended: Provided further, That reimbursements for training, technical assistance, or services provided by the Indian Health Service will contain total costs, including direct, administrative, and overhead associated with the provision of goods, services, or technical assistance: Provided further, That the appropriation structure for the Indian Health Service may not be altered without advance approval of the House and Senate Committees on Appropriations.

OTHER RELATED AGENCIES

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Navajo and Hopi Indian Relocation as authorized by Public Law 93–531, $8,000,000, to remain available until expended: Provided, That funds provided in this or any other appropriations Act are to be used to relocate eligible individuals and groups including evictees from District 6, Hopi-partitioned lands residents, those in significantly substandard housing, and all others certified as eligible and not included in the preceding categories: Provided further, That none of the funds contained in this or any other Act may be used by the Office of Navajo and Hopi Indian Relocation to evict any single Navajo or Navajo family who, as of November 30, 1985, was physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided for such household: Provided further, That no relocatee will be provided with more than one new or replacement home: Provided further, That the Office shall relocate any certified eligible relocatees who have selected

and received an approved homesite on the Navajo reservation or selected a replacement residence off the Navajo reservation or on the land acquired pursuant to 25 U.S.C. 640d–10.

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT

PAYMENT TO THE INSTITUTE

For payment to the Institute of American Indian and Alaska Native Culture and Arts Development, as authorized by title XV of Public Law 99–498, as amended (20 U.S.C. 56 part A), $2,125,000.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed 30 years), and protection of buildings, facilities, and approaches; not to exceed $100,000 for services as authorized by 5 U.S.C. 3109; up to five replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees, $372,901,000, of which not to exceed $43,318,000 for the instrumentation program, collections acquisition, Museum Support Center equipment and move, exhibition reinstallation, the National Museum of the American Indian, the repatriation of skeletal remains program, research equipment, information management, and Latino programming shall remain available until expended and of which $2,500,000 shall remain available until expended for the National Museum of Natural History's Arctic Studies Center to include assistance to other museums for the planning and development of institutions and facilities that enhance the display of collections, and including such funds as may be necessary to support American overseas research centers and a total of $125,000 for the Council of American Overseas Research Centers: Provided, That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations: Provided further, That the Smithsonian Institution may expend Federal appropriations designated in this Act for lease or rent payments for long term and swing space, as rent payable to the Smithsonian Institution, and such rent payments may be deposited into the general trust funds of the Institution to the extent that federally supported activities are housed in the 900 H Street, N.W. building in the District of Columbia: Provided further, That this use of Federal appropriations shall not be construed as debt service, a Federal guarantee of, a transfer of risk to, or an obligation of, the Federal Government: Provided further, That no appropriated funds may be used to service debt which is incurred to finance the costs of acquiring the 900 H Street building or of planning, designing, and constructing improvements to such building.

REPAIR, REHABILITATION AND ALTERATION OF FACILITIES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of repair, rehabilitation and alteration of facilities owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed $10,000 for services as authorized by 5 U.S.C. 3109, $47,900,000, to remain available until expended, of which $6,000,000 is provided for repair, rehabilitation and alteration of facilities at the National Zoological Park: Provided, That contracts awarded for environmental systems, protection systems, and repair or rehabilitation of facilities of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price: Provided further, That funds previously appropriated to the ''Construction and Improvements, National Zoological Park'' account and the ''Repair and Restoration of Buildings'' account may be transferred to and merged with this ''Repair, Rehabilitation and Alteration of Facilities'' account.

CONSTRUCTION

For necessary expenses for construction, $19,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS, SMITHSONIAN INSTITUTION

None of the funds in this or any other Act may be used to initiate the design for any proposed expansion of current space or new facility without consultation with the House and Senate Appropriations Committees.

The Smithsonian Institution shall not use Federal funds in excess of the amount specified in Public Law 101–185 for the construction of the National Museum of the American Indian.

None of the funds in this or any other Act may be used for the Holt House located at the National Zoological Park in Washington, D.C., unless identified as repairs to minimize water damage, monitor structure movement, or provide interim structural support.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901–5902); purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, $61,538,000, of which not to exceed $3,026,000 for the special exhibition program shall remain available until expended.

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of repair, restoration and renovation of buildings, grounds and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, $6,311,000, to remain available until expended: Provided, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

For necessary expenses for the operation, maintenance and security of the John F. Kennedy Center for the Performing Arts, $14,000,000.

CONSTRUCTION

For necessary expenses for capital repair and rehabilitation of the existing features of the building and site of the John F. Kennedy Center for the Performing Arts, $20,000,000, to remain available until expended.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356) including hire of passenger vehicles and services as authorized by 5 U.S.C. 3109, $6,790,000.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $85,000,000 shall be available to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to organizations and individuals pursuant to sections 5(c) and 5(g) of the Act, for program support, and for administering the functions of the Act, to remain available until expended.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $13,000,000, to remain available until expended, to the National Endowment for the Arts: Provided, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the chairman or by grantees of the Endowment under the provisions of section 10(a)(2), subsections 11(a)(2)(A) and 11(a)(3)(A) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

NATIONAL ENDOWMENT FOR THE HUMANITIES

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $101,000,000, shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant to section 7(c) of the Act, and for administering the functions of the Act, to remain available until expended.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $14,700,000, to remain available until expended, of which $10,700,000 shall be available to the National Endowment for the Humanities for the purposes of section 7(h): Provided, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

OFFICE OF MUSEUM SERVICES

GRANTS AND ADMINISTRATION

For carrying out subtitle C of the Museum and Library Services Act of 1996, as amended, $24,400,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

None of the funds appropriated to the National Foundation on the Arts and the Humanities may be used to process any grant or contract documents which do not include the text of

18 U.S.C. 1913: Provided, That none of the funds appropriated to the National Foundation on the Arts and the Humanities may be used for official reception and representation expenses: Provided further, That funds from nonappropriated sources may be used as necessary for official reception and representation expenses.

COMMISSION OF FINE ARTS

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), $1,005,000: Provided, That the Commission is authorized to charge fees to cover the full costs of its publications, and such fees shall be credited to this account as an offsetting collection, to remain available until expended without further appropriation.

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

For necessary expenses as authorized by Public Law 99–190 (20 U.S.C. 956(a)), as amended, $7,000,000.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

SALARIES AND EXPENSES

For necessary expenses of the Advisory Council on Historic Preservation (Public Law 89–665, as amended), $3,000,000: Provided, That none of these funds shall be available for compensation of level V of the Executive Schedule or higher positions.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71–71i), including services as authorized by 5 U.S.C. 3109, $6,312,000: Provided, That all appointed members will be compensated at a rate not to exceed the rate for level IV of the Executive Schedule.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

HOLOCAUST MEMORIAL COUNCIL

For expenses of the Holocaust Memorial Council, as authorized by Public Law 96–388 (36 U.S.C. 1401), as amended, $33,286,000, of which $1,575,000 for the museum's repair and rehabilitation program and $1,264,000 for the museum's exhibitions program shall remain available until expended.

PRESIDIO TRUST

PRESIDIO TRUST FUND

For necessary expenses to carry out title I of the Omnibus Parks and Public Lands Management Act of 1996, $24,400,000 shall be available to the Presidio Trust, to remain available until expended, of which up to $1,040,000 may be for the cost of guaranteed loans, as authorized by section 104(d) of the Act: 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 $200,000,000. The Trust is authorized to issue obligations to the Secretary of the Treasury pursuant to section 104(d)(3) of the Act, in an amount not to exceed $20,000,000.

TITLE III—GENERAL PROVISIONS

SEC. 301. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 302. No part of any appropriation under this Act shall be available to the Secretary of the Interior or the Secretary of Agriculture for the leasing of oil and natural gas by noncompetitive bidding on publicly owned lands within the boundaries of the Shawnee National Forest, Illinois: Provided, That nothing herein is intended to inhibit or otherwise affect the sale, lease, or right to access to minerals owned by private individuals.

SEC. 303. No part of any appropriation contained in this Act shall be available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which congressional action is not complete.

SEC. 304. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 305. None of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency except as otherwise provided by law.

SEC. 306. No assessments may be levied against any program, budget activity, subactivity, or project funded by this Act unless advance notice of such assessments and the basis therefor are presented to the Committees on Appropriations and are approved by such committees.

SEC. 307. (a) COMPLIANCE WITH BUY AMERICAN ACT.—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 sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c; popularly known as the ''Buy American Act'').

(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.

(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.

(d) EFFECTIVE DATE.—The provisions of this section are applicable in fiscal year 2000 and thereafter.

SEC. 308. None of the funds in this Act may be used to plan, prepare, or offer for sale timber from trees classified as giant sequoia (Sequoiadendron giganteum) which are located on National Forest System or Bureau of Land Management lands in a manner different than such sales were conducted in fiscal year 1999.

SEC. 309. None of the funds made available by this Act may be obligated or expended by the National Park Service to enter into or implement a concession contract which permits or requires the removal of the underground lunchroom at the Carlsbad Caverns National Park.

SEC. 310. None of the funds appropriated or otherwise made available by this Act may be used for the AmeriCorps program, unless the relevant agencies of the Department of the Interior and/or Agriculture follow appropriate reprogramming guidelines: Provided, That if no funds are provided for the AmeriCorps program by the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000, then none of the funds appropriated or otherwise made available by this Act may be used for the AmeriCorps programs.

SEC. 311. None of the funds made available in this Act may be used: (1) to demolish the bridge between Jersey City, New Jersey, and Ellis Island; or (2) to prevent pedestrian use of such bridge, when it is made known to the Federal official having authority to obligate or expend such funds that such pedestrian use is consistent with generally accepted safety standards.

SEC. 312. (a) LIMITATION OF FUNDS.—None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to accept or process applications for a patent for any mining or mill site claim located under the general mining laws.

(b) EXCEPTIONS.—The provisions of subsection (a) shall not apply if the Secretary of the Interior determines that, for the claim concerned: (1) a patent application was filed with the Secretary on or before September 30, 1994; and (2) all requirements established under sections 2325 and 2326 of the Revised Statutes (30 U.S.C. 29 and 30) for vein or lode claims and sections 2329, 2330, 2331, and 2333 of the Revised Statutes (30 U.S.C. 35, 36, and 37) for placer claims, and section 2337 of the Revised Statutes (30 U.S.C. 42) for mill site claims, as the case may be, were fully complied with by the applicant by that date.

(c) REPORT.—On September 30, 2000, the Secretary of the Interior shall file with the House and Senate Committees on Appropriations and the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on actions taken by the department under the plan submitted pursuant to section 314(c) of the Department of the Interior and Related Agencies Appropriations Act, 1997 (Public Law 104–208).

(d) MINERAL EXAMINATIONS.—In order to process patent applications in a timely and responsible manner, upon the request of a patent applicant, the Secretary of the Interior shall allow the applicant to fund a qualified third-party contractor to be selected by the Bureau of Land Management to conduct a mineral examination of the mining claims or mill sites contained in a patent application as set forth in subsection (b). The Bureau of Land Management shall have the sole responsibility to choose and pay the third-party contractor in accordance with the standard procedures employed by the Bureau of Land Management in the retention of third-party contractors.

SEC. 313. Notwithstanding any other provision of law, amounts appropriated to or earmarked in committee reports for the Bureau of Indian Affairs and the Indian Health Service by Public Laws 103–138, 103–332, 104–134, 104–208, 105–83, and 105–277 for payments to tribes and tribal organizations for contract support costs associated with self-determination or self-governance contracts, grants, compacts, or annual funding agreements with the Bureau of Indian Affairs or the Indian Health Service as funded by such Acts, are the total amounts available for fiscal years 1994 through 1999 for such purposes, except that, for the Bureau of Indian Affairs, tribes and tribal organizations may use their tribal priority allocations for unmet indirect costs of ongoing contracts, grants, self-governance compacts or annual funding agreements.

SEC. 314. Notwithstanding any other provision of law, for fiscal year 2000 the Secretaries of Agriculture and the Interior are authorized to limit competition for watershed restoration project contracts as part of the ''Jobs in the Woods'' component of the President's Forest Plan for the Pacific Northwest or the Jobs in the Woods Program established in Region 10 of the Forest Service to individuals and entities in historically timber-dependent areas in the States of Washington, Oregon, northern California and Alaska that have been affected by reduced timber harvesting on Federal lands.

SEC. 315. None of the funds collected under the Recreational Fee Demonstration program may be used to plan, design, or construct a visitor center or any other permanent structure without prior approval of the House and the Senate Committees on Appropriations if the estimated total cost of the facility exceeds $500,000.

SEC. 316. All interests created under leases, concessions, permits and other agreements associated with the properties administered by the Presidio Trust shall be exempt from all taxes and special assessments of every kind by the State of California and its political subdivisions.

SEC. 317. None of the funds made available in this or any other Act for any fiscal year may be used to designate, or to post any sign designating, any portion of Canaveral National Seashore in Brevard County, Florida, as a clothing-optional area or as an area in which public nudity is permitted, if such designation would be contrary to county ordinance.

SEC. 318. Of the funds provided to the National Endowment for the Arts—

(1) The Chairperson shall only award a grant to an individual if such grant is awarded to such individual for a literature fellowship, National Heritage Fellowship, or American Jazz Masters Fellowship.

(2) The Chairperson shall establish procedures to ensure that no funding provided through a grant, except a grant made to a State or local arts agency, or regional group, may be used to make a grant to any other organization or individual to conduct activity independent of the direct grant recipient. Nothing in this subsection shall prohibit payments made in exchange for goods and services.

(3) No grant shall be used for seasonal support to a group, unless the application is specific to the contents of the season, including identified programs and/or projects.

SEC. 319. The National Endowment for the Arts and the National Endowment for the Humanities are authorized to solicit, accept, receive, and invest in the name of the United States, gifts, bequests, or devises of money and other property or services and to use such in furtherance of the functions of the National Endowment for the Arts and the National Endowment for the Humanities. Any proceeds from such gifts, bequests, or devises, after acceptance by the National Endowment for the Arts or the National Endowment for the Humanities, shall be paid by the donor or the representative of the donor to the Chairman. The Chairman shall enter the proceeds in a special interest-bearing account to the credit of the appropriate endowment for the purposes specified in each case.

SEC. 320. (a) In providing services or awarding financial assistance under the National Foundation on the Arts and the Humanities Act of 1965 from funds appropriated under this Act, the Chairperson of the National Endowment for the Arts shall ensure that priority is given to providing services or awarding financial assistance for projects, productions, workshops, or programs that serve underserved populations.

(b) In this section:

(1) The term ''underserved population'' means a population of individuals, including urban minorities, who have historically been outside the purview of arts and humanities programs due to factors such as a high incidence of income below the poverty line or to geographic isolation.

(2) The term ''poverty line'' means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

(c) In providing services and awarding financial assistance under the National Foundation on the Arts and Humanities Act of 1965 with funds appropriated by this Act, the Chairperson of the National Endowment for the Arts shall ensure that priority is given to providing services or awarding financial assistance for projects, productions, workshops, or programs that will encourage public knowledge, education, understanding, and appreciation of the arts.

(d) With funds appropriated by this Act to carry out section 5 of the National Foundation on the Arts and Humanities Act of 1965—

(1) the Chairperson shall establish a grant category for projects, productions, workshops, or programs that are of national impact or availability or are able to tour several States;

(2) the Chairperson shall not make grants exceeding 15 percent, in the aggregate, of such funds to any single State, excluding grants made under the authority of paragraph (1);

(3) the Chairperson shall report to the Congress annually and by State, on grants awarded by the Chairperson in each grant category under section 5 of such Act; and

(4) the Chairperson shall encourage the use of grants to improve and support community-based music performance and education.

SEC. 321. No part of any appropriation contained in this Act shall be expended or obligated to fund new revisions of national forest land management plans until new final or interim final rules for forest land management planning are published in the Federal Register. Those national forests which are currently in a revision process, having formally published a Notice of Intent to revise prior to October 1, 1997; those national forests having been court-ordered to revise; those national forests where plans reach the 15 year legally mandated date to revise before or during calendar year 2001; national forests within the Interior Columbia Basin Ecosystem study area; and the White Mountain National Forest are exempt from this section and may use funds in this Act and proceed to complete the forest plan revision in accordance with current forest planning regulations.

SEC. 322. No part of any appropriation contained in this Act shall be expended or obligated to complete and issue the 5-year program under the Forest and Rangeland Renewable Resources Planning Act.

SEC. 323. None of the funds in this Act may be used to support Government-wide administrative functions unless such functions are justified in the budget process and funding is approved by the House and Senate Committees on Appropriations.

SEC. 324. Notwithstanding any other provision of law, none of the funds in this Act may be used for GSA Telecommunication Centers or the President's Council on Sustainable Development.

SEC. 325. None of the funds in this Act may be used for planning, design or construction of improvements to Pennsylvania Avenue in front of the White House without the advance approval of the House and Senate Committees on Appropriations.

SEC. 326. (a) SHORT TITLE.—This section may be cited as the ''National Park Service Studies Act of 1999''.

(b) AUTHORIZATION OF STUDIES.—

(1) IN GENERAL.—The Secretary of the Interior (''the Secretary'') shall conduct studies of the geographical areas and historic and cultural themes described in subsection (b)(3) to determine the appropriateness of including such areas or themes in the National Park System.

(2) CRITERIA.—In conducting the studies authorized by this Act, the Secretary shall use the criteria for the study of areas for potential inclusion in the National Park System in accordance with section 8 of Public Law 91–383, as amended by section 303 of the National Parks Omnibus Management Act (Public Law 105–391; 112 Stat. 3501).

(3) STUDY AREAS.—The Secretary shall conduct studies of the following:

(A) Anderson Cottage, Washington, District of Columbia.

(B) Bioluminescent Bay, Puerto Rico.

(C) Civil Rights Sites, multi-State.

(D) Crossroads of the American Revolution, Central New Jersey.

(E) Fort Hunter Liggett, California.

(F) Fort King, Florida.

(G) Gaviota Coast Seashore, California.

(H) Kate Mullany House, New York.

(I) Loess Hills, Iowa.

(J) Low Country Gullah Culture, multi-state.

(K) Nan Madol, State of Ponape, Federated States of Micronesia (upon the request of the Government of the Federated States of Micronesia).

(L) Walden Pond and Woods, Massachusetts.

(M) World War II Sites, Commonwealth of the Northern Marianas.

(N) World War II Sites, Republic of Palau (upon the request of the Government of the Republic of Palau).

(c) REPORTS.—The Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives a report on the findings, conclusions, and recommendations of each study under subsection (b) within three fiscal years following the date on which funds are first made available for each study.

SEC. 327. Amounts deposited during fiscal year 1999 in the roads and trails fund provided for in the fourteenth paragraph under the heading ''FOREST SERVICE'' of the Act of March 4, 1913 (37 Stat. 843; 16 U.S.C. 501), shall be used by the Secretary of Agriculture, without regard to the State in which the amounts were derived, to repair or reconstruct roads, bridges, and trails on National Forest System lands or to carry out and administer projects to improve forest health conditions, which may include the repair or reconstruction of roads, bridges, and trails on National Forest System lands in the wildland-community interface where there is an abnormally high risk of fire. The projects shall emphasize reducing risks to human safety and public health and property and enhancing ecological functions, long-term forest productivity, and biological integrity. The Secretary shall commence the projects during fiscal year 2000, but the projects may be completed in a subsequent fiscal year. Funds shall not be expended under this section to replace funds which would otherwise appropriately be expended from the timber salvage sale fund. Nothing in this section shall be construed to exempt any project from any environmental law.

SEC. 328. None of the funds in this Act may be used to establish a new National Wildlife Refuge in the Kankakee River basin that is inconsistent with the United States Army Corps of Engineers' efforts to control flooding and siltation in that area. Written certification of consistency shall be submitted to the House and Senate Committees on Appropriations prior to refuge establishment.

SEC. 329. None of the funds provided in this or previous appropriations Acts for the agencies funded by this Act or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the

agencies funded by this Act, shall be transferred to or used to fund personnel, training, or other administrative activities at the Council on Environmental Quality or other offices in the Executive Office of the President for purposes related to the American Heritage Rivers program.

SEC. 330. Other than in emergency situations, none of the funds in this Act may be used to operate telephone answering machines during core business hours unless such answering machines include an option that enables callers to reach promptly an individual on-duty with the agency being contacted.

SEC. 331. ENHANCING FOREST SERVICE ADMINISTRATION OF RIGHTS-OF-WAY AND LAND USES. (a) The Secretary of Agriculture shall develop and implement a pilot program for the purpose of enhancing forest service administration of rights-of-way and other land uses. The authority for this program shall be for fiscal years 2000 through 2004. Prior to the expiration of the authority for this pilot program, the Secretary shall submit a report to the House and Senate Committees on Appropriations, and the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives that evaluates whether the use of funds under this section resulted in more expeditious approval of rights-of-way and special use authorizations. This report shall include the Secretary's recommendation for statutory or regulatory changes to reduce the average processing time for rights-of-way and special use permit applications.

(b) DEPOSIT OF FEES.—Subject to subsections (a) and (f), during fiscal years 2000 through 2004, the Secretary of Agriculture shall deposit into a special account established in the Treasury all fees collected by the Secretary to recover the costs of processing applications for, and monitoring compliance with, authorizations to use and occupy National Forest System lands pursuant to section 28(l) of the Mineral Leasing Act (30 U.S.C. 185(l)), section 504(g) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1764(g)), section 9701 of title 31, United States Code, and section 110(g) of the National Historic Preservation Act (16 U.S.C. 470h–2(g)).

(c) USE OF RETAINED AMOUNTS.—Amounts deposited pursuant to subsection (b) shall be available, without further appropriation, for expenditure by the Secretary of Agriculture to cover costs incurred by the Forest Service for the processing of applications for special use authorizations and for monitoring activities undertaken in connection with such authorizations. Amounts in the special account shall remain available for such purposes until expended.

(d) REPORTING REQUIREMENT.—In the budget justification documents submitted by the Secretary of Agriculture in support of the President's budget for a fiscal year under section 1105 of title 31, United States Code, the Secretary shall include a description of the purposes for which amounts were expended from the special account during the preceding fiscal year, including the amounts expended for each purpose, and a description of the purposes for which amounts are proposed to be expended from the special account during the next fiscal year, including the amounts proposed to be expended for each purpose.

(e) DEFINITION OF AUTHORIZATION.—For purposes of this section, the term ''authorizations'' means special use authorizations issued under subpart B of part 251 of title 36, Code of Federal Regulations.

(f) IMPLEMENTATION.—This section shall take effect upon promulgation of Forest Service regulations for the collection of fees for processing of special use authorizations and for related monitoring activities.

SEC. 332. HARDWOOD TECHNOLOGY TRANSFER AND APPLIED RESEARCH. (a) The Secretary of Agriculture (hereinafter the ''Secretary'') is hereby and hereafter authorized to conduct technology transfer and development, training, dissemination of information and applied research in the management, processing and utilization of the hardwood forest resource. This authority is in addition to any other authorities which may be available to the Secretary including, but not limited to, the Cooperative Forestry Assistance Act of 1978, as amended (16 U.S.C. 2101 et seq.), and the Forest and Rangeland Renewable Resources Act of 1978, as amended (16 U.S.C. 1600–1614).

(b) In carrying out this authority, the Secretary may enter into grants, contracts, and cooperative agreements with public and private agencies, organizations, corporations, institutions and individuals. The Secretary may accept gifts and donations pursuant to the Act of October 10, 1978 (7 U.S.C. 2269) including gifts and donations from a donor that conducts business with any agency of the Department of Agriculture or is regulated by the Secretary of Agriculture.

(c) The Secretary is hereby and hereafter authorized to operate and utilize the assets of the Wood Education and Resource Center (previously named the Robert C. Byrd Hardwood Technology Center in West Virginia) as part of a newly formed ''Institute of Hardwood Technology Transfer and Applied Research'' (hereinafter the ''Institute''). The Institute, in addition to the Wood Education and Resource Center, will consist of a Director, technology transfer specialists from State and Private Forestry, the Forestry Sciences Laboratory in Princeton, West Virginia, and any other organizational unit of the Department of Agriculture as the Secretary deems appropriate. The overall management of the Institute will be the responsibility of the Forest Service, State and Private Forestry.

(d) The Secretary is hereby and hereafter authorized to generate revenue using the authorities provided herein. Any revenue received as part of the operation of the Institute shall be deposited into a special fund in the Treasury of the United States, known as the ''Hardwood Technology Transfer and Applied Research Fund'', which shall be available to the Secretary until expended, without further appropriation, in furtherance of the purposes of this section, including upkeep, management, and operation of the Institute and the payment of salaries and expenses.

(e) There are hereby and hereafter authorized to be appropriated such sums as necessary to carry out the provisions of this section.

SEC. 333. No timber sale in Region 10 shall be advertised if the indicated rate is deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar: Provided, That sales which are deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar may be advertised upon receipt of a written request by a prospective, informed bidder, who has the opportunity to review the Forest Service's cruise and harvest cost estimate for that timber. Program accomplishments shall be based on volume sold. Should Region 10 sell, in fiscal year 2000, the annual average portion of the decadal allowable sale quantity called for in the current Tongass Land Management Plan in sales which are not deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar, all of the western red cedar timber from those sales which is surplus to the needs of domestic processors in Alaska, shall be made available to domestic processors in the contiguous 48 United States at prevailing domestic prices. Should Region 10 sell, in fiscal year 2000, less than the annual average portion of the decadal allowable sale quantity called for in the current Tongass Land Management Plan in sales which are not deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar, the volume of western red cedar timber available to domestic processors at prevailing domestic prices in the contiguous 48 United States shall be that volume: (i) which is surplus to the needs of domestic processors in Alaska; and (ii) is that percent of the surplus western red cedar volume determined by calculating the ratio of the total timber volume which has been sold on the Tongass to the annual average portion of the decadal allowable sale quantity called for in the current Tongass Land Management Plan. The percentage shall be calculated by Region 10 on a rolling basis as each sale is sold (for purposes of this amendment, a ''rolling basis'' shall mean that the determination of how much western red cedar is eligible for sale to various markets shall be made at the time each sale is awarded). Western red cedar shall be deemed ''surplus to the needs of domestic processors in Alaska'' when the timber sale holder has presented to the Forest Service documentation of the inability to sell western red cedar logs from a given sale to domestic Alaska processors at price equal to or greater than the log selling value stated in the contract. All additional western red cedar volume not sold to Alaska or contiguous 48 United States domestic processors may be exported to foreign markets at the election of the timber sale holder. All Alaska yellow cedar may be sold at prevailing export prices at the election of the timber sale holder.

SEC. 334. Subsection 104(d) of Public Law 104–333 (110 Stat. 4102) is amended—

(a) in paragraph (3) by striking ''after determining that the projects to be funded from the proceeds thereof are creditworthy and that a repayment schedule is established and only'' and inserting ''including a review of the creditworthiness of the loan and establishment of a repayment schedule,'' after ''and subject to such terms and conditions,''; and

(b) in paragraph (4) by inserting ''paragraph (3) of'' before ''this subsection''.

SEC. 335. The Secretary of Agriculture and the Secretary of the Interior shall:

(1) prepare the report required of them by section 323(a) of the Interior and Related Agencies Appropriations Act, 1998 (Public Law 105–83; 111 Stat. 1543, 1596–7) except that the report describing the estimated production of goods and services for the first 5 years during the course of the decision may be completed for either each individual unit of Federal lands or for each of the Resource Advisory Council or Provincial Advisory Council units that fall within the Basin area;

(2) distribute the report and make such report available for public comment for a minimum of 120 days; and

(3) include detailed responses to the public comment in any final environmental impact statement associated with the Interior Columbia Basin Ecosystem Management Project.

SEC. 336. None of the funds appropriated by this Act shall be used to propose or issue rules, regulations, decrees, or orders for the purpose of implementation, or in preparation for implementation, of the Kyoto Protocol which was adopted on December 11, 1997, in Kyoto, Japan at the Third Conference of the Parties to the United Nations Framework Convention on Climate Change, which has not been submitted to the Senate for advice and consent to ratification pursuant to article II, section 2, clause 2, of the United States Constitution, and which has not entered into force pursuant to article 25 of the Protocol.

SEC. 337. (a) MILLSITES OPINION.—No funds shall be expended by the Department of the Interior or the Department of Agriculture, for fiscal years 2000 and 2001, to limit the number or

acreage of millsites based on the ratio between the number or acreage of millsites and the number or acreage of associated lode or placer claims with respect to any patent application grandfathered pursuant to section 113 of the Department of the Interior and Related Agencies, Appropriations Act, 1995; any operation for which a plan of operations has been previously approved; or any operation for which a plan of operations has been submitted to the Bureau of Land Management or Forest Service prior to November 7, 1997.

(b) NO RATIFICATION.—Nothing in this Act or the Emergency Supplemental Act of 1999 shall be construed as an explicit or tacit adoption, ratification, endorsement, approval, rejection or disapproval of the opinion dated November 7, 1997, by the solicitor of the Department of the Interior concerning millsites.

SEC. 338. The Forest Service, in consultation with the Department of Labor, shall review Forest Service campground concessions policy to determine if modifications can be made to Forest Service contracts for campgrounds so that such concessions fall within the regulatory exemption of 29 CFR 4.122(b). The Forest Service shall offer in fiscal year 2000 such concession prospectuses under the regulatory exemption, except that, any prospectus that does not meet the requirements of the regulatory exemption shall be offered as a service contract in accordance with the requirements of 41 U.S.C. 351–358.

SEC. 339. PILOT PROGRAM OF CHARGES AND FEES FOR HARVEST OF FOREST BOTANICAL PRODUCTS. (a) DEFINITION OF FOREST BOTANICAL PRODUCT.—For purposes of this section, the term ''forest botanical product'' means any naturally occurring mushrooms, fungi, flowers, seeds, roots, bark, leaves, and other vegetation (or portion thereof) that grow on National Forest System lands. The term does not include trees, except as provided in regulations issued under this section by the Secretary of Agriculture.

(b) RECOVERY OF FAIR MARKET VALUE FOR PRODUCTS.—The Secretary of Agriculture shall develop and implement a pilot program to charge and collect not less than the fair market value for forest botanical products harvested on National Forest System lands. The Secretary shall establish appraisal methods and bidding procedures to ensure that the amounts collected for forest botanical products are not less than fair market value.

(c) FEES.—

(1) IMPOSITION AND COLLECTION.—Under the pilot program, the Secretary of Agriculture shall also charge and collect fees from persons who harvest forest botanical products on National Forest System lands to recover all costs to the Department of Agriculture associated with the granting, modifying, or monitoring the authorization for harvest of the forest botanical products, including the costs of any environmental or other analysis.

(2) SECURITY.—The Secretary may require a person assessed a fee under this subsection to provide security to ensure that the Secretary receives the fees imposed under this subsection from the person.

(d) SUSTAINABLE HARVEST LEVELS FOR FOREST BOTANICAL PRODUCTS.—The Secretary of Agriculture shall conduct appropriate analyses to determine whether and how the harvest of forest botanical products on National Forest System lands can be conducted on a sustainable basis. The Secretary may not permit under the pilot program the harvest of forest botanical products at levels in excess of sustainable harvest levels, as defined pursuant to the Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 528 et seq.). The Secretary shall establish procedures and timeframes to monitor and revise the harvest levels established for forest botanical products.

(e) WAIVER AUTHORITY.—

(1) PERSONAL USE.—The Secretary of Agriculture shall establish a personal use harvest level for each forest botanical product, and the harvest of a forest botanical product below that level by a person for personal use shall not be subject to charges and fees under subsections (b) and (c).

(2) OTHER EXCEPTIONS.—The Secretary may also waive the application of subsection (b) or (c) pursuant to such regulations as the Secretary may prescribe.

(f) DEPOSIT AND USE OF FUNDS.—

(1) DEPOSIT.—Funds collected under the pilot program in accordance with subsections (b) and (c) shall be deposited into a special account in the Treasury of the United States.

(2) FUNDS AVAILABLE.—Funds deposited into the special account in accordance with paragraph (1) in excess of the amounts collected for forest botanical products during fiscal year 1999 shall be available for expenditure by the Secretary of Agriculture under paragraph (3) without further appropriation, and shall remain available for expenditure until the date specified in subsection (h)(2).

(3) AUTHORIZED USES.—The funds made available under paragraph (2) shall be expended at units of the National Forest System in proportion to the charges and fees collected at that unit under the pilot program to pay for—

(A) in the case of funds collected under subsection (b), the costs of conducting inventories of forest botanical products, determining sustainable levels of harvest, monitoring and assessing the impacts of harvest levels and methods, and for restoration activities, including any necessary vegetation; and

(B) in the case of fees collected under subsection (c), the costs described in paragraph (1) of such subsection.

(4) TREATMENT OF FEES.—Funds collected under subsections (b) and (c) shall not be taken into account for the purposes of the following laws:

(A) The sixth paragraph under the heading ''FOREST SERVICE'' in the Act of May 23, 1908 (16 U.S.C. 500) and section 13 of the Act of March 1, 1911 (commonly known as the Weeks Act; 16 U.S.C. 500).

(B) The fourteenth paragraph under the heading ''FOREST SERVICE'' in the Act of March 4, 1913 (16 U.S.C. 501).

(C) Section 33 of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1012).

(D) The Act of August 8, 1937, and the Act of May 24, 1939 (43 U.S.C. 1181a et seq.).

(E) Section 6 of the Act of June 14, 1926 (commonly known as the Recreation and Public Purposes Act; 43 U.S.C. 869–4).

(F) Chapter 69 of title 31, United States Code.

(G) Section 401 of the Act of June 15, 1935 (16 U.S.C. 715s).

(H) Section 4 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–6a).

(I) Any other provision of law relating to revenue allocation.

(g) REPORTING REQUIREMENTS.—As soon as practicable after the end of each fiscal year in which the Secretary of Agriculture collects charges and fees under subsections (b) and (c) or expends funds from the special account under subsection (f), the Secretary shall submit to the Congress a report summarizing the activities of the Secretary under the pilot program, including the funds generated under subsections (b) and (c), the expenses incurred to carry out the pilot program, and the expenditures made from the special account during that fiscal year.

(h) DURATION OF PILOT PROGRAM.—

(1) CHARGES AND FEES.—The Secretary of Agriculture may collect charges and fees under the authority of subsections (b) and (c) only during fiscal years 2000 through 2004.

(2) USE OF SPECIAL ACCOUNT.—The Secretary may make expenditures from the special account under subsection (f) until September 30 of the fiscal year following the last fiscal year specified in paragraph (1). After that date, amounts remaining in the special account shall be transferred to the general fund of the Treasury.

SEC. 340. Title III, section 3001 of Public Law 106–31 is amended by inserting after ''Alabama,'' the following: ''in fiscal year 1999 or 2000''.

SEC. 341. Section 347 of title III of section 101(e) of division A of Public Law 105–277 is hereby amended—

(1) in subsection (a)—

(A) by inserting '', via agreement or contract as appropriate,'' before ''may enter into''; and

(B) by striking ''(28) contracts with private persons and'' and inserting ''(28) stewardship contracting demonstration pilot projects with private persons or other public or private'';

(2) in subsection (b), by striking ''contract'' and inserting ''project'';

(3) in subsection (c)—

(A) in the heading, by inserting ''Agreements or'' before ''Contracts'';

(B) in paragraph (1)—

(i) by striking ''a contract'' and inserting ''an agreement or contract''; and

(ii) by striking ''private contracts'' and inserting ''private agreements or contracts'';

(C) in paragraph (3), by inserting ''agreement or'' before ''contracts''; and

(D) in paragraph (4), by inserting ''agreement or'' before ''contracts'';

(4) in subsection (d)—

(A) in paragraph (1), by striking ''a contract'' and inserting ''an agreement or contract''; and

(B) in paragraph (2), by striking ''a contract'' and inserting ''an agreement or contract''; and

(5) in subsection (g)—

(A) in the first sentence by striking ''contract'' and inserting ''pilot project''; and

(B) in the last sentence—

(i) by inserting ''agreements or'' before ''contracts''; and

(ii) by inserting ''agreements or'' before ''contract''.

SEC. 342. Notwithstanding section 343 of Public Law 105–83, increases in recreation residence fees shall be implemented in fiscal year 2000 only to the extent that the fiscal year 2000 fees do not exceed the fiscal year 1999 fee by more than $2,000.

SEC. 343. REDESIGNATION OF BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR IN HONOR OF JOHN H. CHAFEE. (a) CORRIDOR.—

(1) IN GENERAL.—The Blackstone River Valley National Heritage Corridor established by section 1 of Public Law 99–647 (16 U.S.C. 461 note) is redesignated as the ''John H. Chafee Blackstone River Valley National Heritage Corridor''.

(2) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the Blackstone River Valley National Heritage Corridor shall be deemed to be a reference to the John H. Chafee Blackstone River Valley National Heritage Corridor.

(b) COMMISSION.—

(1) IN GENERAL.—The Blackstone River Valley National Heritage Corridor Commission established by section 3 of Public Law 99–647 (16 U.S.C. 461 note) is redesignated as the ''John H. Chafee Blackstone River Valley National Heritage Corridor Commission''.

(2) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the Blackstone River Valley National Heritage Corridor Commission shall be deemed to be a reference to the John H. Chafee Blackstone River Valley National Heritage Corridor Commission.

(c) CONFORMING AMENDMENTS.—

(1) Section 1 of Public Law 99–647 (16 U.S.C. 461 note) is amended in the first sentence by

striking ''Blackstone River Valley National Heritage Corridor'' and inserting ''John H. Chafee Blackstone River Valley National Heritage Corridor''.

(2) Section 3 of Public Law 99–647 (16 U.S.C. 461 note) is amended—

(A) in the section heading, by striking ''BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR COMMISSION'' and inserting ''JOHN H. CHAFEE BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR COMMISSION''; and

(B) in subsection (a), by striking ''Blackstone River Valley National Heritage Corridor Commission'' and inserting ''John H. Chafee Blackstone River Valley National Heritage Corridor Commission''.

SEC. 344. A project undertaken by the Forest Service under the Recreation Fee Demonstration Program as authorized by section 315 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal Year 1996, as amended, shall not result in—

(1) displacement of the holder of an authorization to provide commercial recreation services on Federal lands. Prior to initiating any project, the Secretary shall consult with potentially affected holders to determine what impacts the project may have on the holders. Any modifications to the authorization shall be made within the terms and conditions of the authorization and authorities of the impacted agency.

(2) the return of a commercial recreation service to the Secretary for operation when such services have been provided in the past by a private sector provider, except when—

(A) the private sector provider fails to bid on such opportunities;

(B) the private sector provider terminates its relationship with the agency; or

(C) the agency revokes the permit for noncompliance with the terms and conditions of the authorization.

In such cases, the agency may use the Recreation Fee Demonstration Program to provide for operations until a subsequent operator can be found through the offering of a new prospectus.

SEC. 345. NATIONAL FOREST-DEPENDENT RURAL COMMUNITIES ECONOMIC DIVERSIFICATION. (a) FINDINGS AND PURPOSES.—Section 2373 of the National Forest-Dependent Rural Communities Economic Diversification Act of 1990 (7 U.S.C. 6611) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking ''national forests'' and inserting ''National Forest System land'';

(B) in paragraph (4), by striking ''the national forests'' and inserting ''National Forest System land'';

(C) in paragraph (5), by striking ''forest resources'' and inserting ''natural resources''; and

(D) in paragraph (6), by striking ''national forest resources'' and inserting ''National Forest System land resources''; and

(2) in subsection (b)(1)—

(A) by striking ''national forests'' and inserting ''National Forest System land''; and

(B) by striking ''forest resources'' and inserting ''natural resources''.

(b) DEFINITIONS.—Section 2374(1) of the National Forest-Dependent Rural Communities Economic Diversification Act of 1990 (7 U.S.C. 6612(1)) is amended by striking ''forestry'' and inserting ''natural resources''.

(c) RURAL FORESTRY AND ECONOMIC DIVERSIFICATION ACTION TEAMS.—Section 2375(b) of the National Forest-Dependent Rural Communities Economic Diversification Act of 1990 (7 U.S.C. 6613(b)) is amended—

(1) in the first sentence, by striking ''forestry'' and inserting ''natural resources''; and

(2) in the second and third sentences, by striking ''national forest resources'' and inserting ''National Forest System land resources''.

(d) ACTION PLAN IMPLEMENTATION.—Section 2376(a) of the National Forest-Dependent Rural Communities Economic Diversification Act of 1990 (7 U.S.C. 6614(a)) is amended—

(1) by striking ''forest resources'' and inserting ''natural resources''; and

(2) by striking ''national forest resources'' and inserting ''National Forest System land resources''.

(e) TRAINING AND EDUCATION.—Paragraphs (3) and (4) of section 2377(a) of the National Forest-Dependent Rural Communities Economic Diversification Act of 1990 (7 U.S.C. 6615(a)) are amended by striking ''national forest resources'' and inserting ''National Forest System land resources''.

(f) LOANS TO ECONOMICALLY DISADVANTAGED RURAL COMMUNITIES.—Paragraphs (2) and (3) of section 2378(a) of the National Forest-Dependent Rural Communities Economic Diversification Act of 1990 (7 U.S.C. 6616(a)) are amended by striking ''national forest resources'' and inserting ''National Forest System land resources''.

SEC. 346. INTERSTATE 90 LAND EXCHANGE AMENDMENT. (a) This section shall be referred to as the ''Interstate 90 Land Exchange Amendment''.

(b) Section 604(a) of the Interstate 90 Land Exchange Act of 1998, Public Law 105–277; 112 Stat. 2681–328 (1998), is hereby amended by adding at the end of the first sentence: ''except title to offered lands and interests in lands described as follows: Township 21 North, Range 12 East, Section 15, W.M., Township 21 North, Range 12 East, Section 23, W.M., Township 21 North, Range 12 East, Section 25, W.M., Township 19 North, Range 13 East, Section 7, W.M., Township 19 North, Range 15 East, Section 31, W.M., Township 19 North, Range 14 East, Section 25, W.M., Township 22 North, Range 11 East, Section 3, W.M., and Township 22 North, Range 11 East, Section 19, W.M. must be placed in escrow by Plum Creek, according to terms and conditions acceptable to the Secretary and Plum Creek, for a 3-year period beginning on the later of the date of the enactment of this Act or consummation of the exchange. During the period the lands are held in escrow, Plum Creek shall not undertake any activities on these lands, except for fire suppression and road maintenance, without the approval of the Secretary, which shall not be unreasonably withheld''.

(c) Section 604(a) is further amended by inserting in section (2) after the words ''dated October 1998'' the following: ''except the following parcels: Township 19 North, Range 15 East, Section 29, W.M., Township 18 North, Range 15 East, Section 3, W.M., Township 19 North, Range 14 East, Section 9, W.M., Township 21 North, Range 14 East, Section 7, W.M., Township 22 North, Range 12 East, Section 35, W.M., Township 22 North, Range 13 East, Section 3, W.M., Township 22 North, Range 13 East, Section 9, W.M., Township 22 North, Range 13 East, Section 11, W.M., Township 22 North, Range 13 East, Section 13, W.M., Township 22 North, Range 13 East, Section 15, W.M., Township 22 North, Range 13 East, Section 25, W.M., Township 22 North, Range 13 East, Section 33, W.M., Township 22 North, Range 13 East, Section 35, W.M., Township 22 North, Range 14 East, Section 7, W.M., Township 22 North, Range 14 East, Section 9, W.M., Township 22 North, Range 14 East, Section 11, W.M., Township 22 North, Range 14 East, Section 15, W.M., Township 22 North, Range 14 East, Section 17, W.M., Township 22 North, Range 14 East, Section 21, W.M., Township 22 North, Range 14 East, Section 31, W.M., Township 22 North, Range 14 East, Section 27, W.M. The appraisal approved by the Secretary of Agriculture on June 14, 1999 (the ''Appraisal'') shall be adjusted by subtracting the values for the parcels described in the preceding sentence determined during the Appraisal process in the context of the whole estate to be conveyed''.

(d) Section 604(b) of the Interstate 90 Land Exchange Act of 1998, Public Law 105–277; 112 Stat. 2681–328 (1998), is hereby amended by inserting after the words ''offered land'' the following: '', as provided in section 604(a), and placement in escrow of acceptable title to Township 22 North, Range 11 East, Section 3, W.M., Township 22 North, Range 11 East, Section 19, W.M., Township 21 North, Range 12 East, Section 15, W.M., Township 21 North, Range 12 East, Section 23, W.M., Township 21 North, Range 12 East, Section 25, W.M., Township 19 North, Range 13 East, Section 7, W.M., Township 19 North, Range 15 East, Section 31, W.M., and Township 19 North, Range 14 East, Section 25, W.M.''.

(e) Section 604(b) is further amended by inserting the following before the colon: ''except Township 19 North, Range 10 East, W.M., Section 4, Township 20 North, Range 10 East, W.M., Section 32, and Township 21 North, Range 14 East, W.M., W½W½ of Section 16, Township 12 North, Range 7 East, Sections 4 and 5, W.M., Township 13 North, Range 7 East, Sections 32 and 33, W.M., Township 8 North, Range 4 East, Section 17 and the S½ of 16, W.M., which shall be retained by the United States''. The Appraisal shall be adjusted by subtracting the values determined for Township 19 North, Range 10 East, W.M., Section 4, Township 20 North, Range 10 East, W.M., Section 32, Township 12 North, Range 7 East, Sections 4 and 5, W.M., Township 13 North, Range 7 East, Sections 32 and 33, W.M., Township 8 North, Range 4 East, Section 17 and the S½ of Section 16, W.M. during the Appraisal process in the context of the whole estate to be conveyed.

(f) After adjustment of the Appraisal, the values of the offered and selected lands, including the offered lands held in escrow, shall be equalized as follows:

(1) the appraised value of the offered lands, as such lands and appraised value have been adjusted hereby, minus the appraised value of the offered lands to be placed into escrow, shall be compared to the appraised value of the selected lands, as such lands and appraised value have been adjusted hereby, and the Secretary shall equalize such values by the payment of cash to Plum Creek at the time that deeds are exchanged, such cash to come from currently appropriated funds, or, if necessary, by reprogramming; and

(2) the Secretary shall compensate Plum Creek for the lands placed into escrow, based upon the values determined for each such parcel during the Appraisal process in the context of the whole estate to be conveyed, through the following, including any combination thereof:

(A) conveyance of any other lands under the jurisdiction of the Secretary acceptable to Plum Creek and the Secretary after compliance with all applicable Federal environmental and other laws; and

(B) to the extent sufficient acceptable lands are not available pursuant to paragraph (A) of this subsection, cash payments as and to the extent funds become available through appropriations, private sources, or, if necessary, by reprogramming.

The Secretary shall promptly seek to identify lands acceptable to equalize values under paragraph (A) of this subsection and shall, not later than July 1, 2000, provide a report to the Congress outlining the results of such efforts.

(g) As funds or lands are provided to Plum Creek by the Secretary, Plum Creek shall release to the United States deeds for lands and interests in lands held in escrow based on the values determined during the Appraisal process in the context of the whole estate to be conveyed.

Deeds shall be released for lands and interests in lands in the following order: Township 21 North, Range 12 East, Section 15, W.M., Township 21 North, Range 12 East, Section 23, W.M., Township 21 North, Range 12 East, Section 25, W.M., Township 19 North, Range 13 East, Section 7, Township 19 North, Range 15 East, Section 31, Township 19 North, Range 14 East, Section 25, Township 22 North, Range 11 East, Section 3, W.M., and Township 22 North, Range 11 East, Section 19, W.M.

(h) Section 606(d) is hereby amended to read as follows: ''TIMING.—The Secretary and Plum Creek shall make the adjustments directed in section 604(a) and (b) and consummate the land exchange within 30 days of the enactment of the Interstate 90 Land Exchange Amendment, unless the Secretary and Plum Creek mutually agree to extend the consummation date.''.

(i) The deadline for the Report to Congress required by section 609(c) of the Interstate 90 Land Exchange Act of 1998 is hereby extended. Such Report is due to the Congress 18 months from the date of the enactment of this Interstate 90 Land Exchange Amendment.

(j) Section 610 of the Interstate 90 Land Exchange Act of 1998, is hereby amended by striking ''date of enactment of this Act'' and inserting ''first date on which deeds are exchanged to consummate the land exchange''.

SEC. 347. THE SNOQUALMIE NATIONAL FOREST BOUNDARY ADJUSTMENT ACT OF 1999. (a) IN GENERAL.—The boundary of the Snoqualmie National Forest is hereby adjusted as generally depicted on a map entitled ''Snoqualmie National Forest 1999 Boundary Adjustment'' dated June 30, 1999. Such map, together with a legal description of all lands included in the boundary adjustment, shall be on file and available for public inspection in the Office of the Chief of the Forest Service in Washington, District of Columbia. Nothing in this subsection shall limit the authority of the Secretary of Agriculture to adjust the boundary pursuant to section 11 of the Weeks Law of March 1, 1911.

(b) RULE FOR LAND AND WATER CONSERVATION FUND.—For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–9), the boundary of the Snoqualmie National Forest, as adjusted by this subsection (a), shall be considered to be the boundary of the Forest as of January 1, 1965.

SEC. 348. Section 1770(d) of the Food Security Act of 1985 (7 U.S.C. 2276(d)) is amended by redesignating paragraph (10) as paragraph (11) and by inserting after paragraph (9) the following new paragraph:

''(10) section 3(e) of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1642(e));''.

SEC. 349. None of the funds appropriated or otherwise made available by this Act may be used to implement or enforce any provision in Presidential Executive Order No. 13123 regarding the Federal Energy Management Program which circumvents or contradicts any statutes relevant to Federal energy use and the measurement thereof.

SEC. 350. INVESTMENT OF EXXON VALDEZ OIL SPILL COURT RECOVERY IN HIGH YIELD INVESTMENTS AND IN MARINE RESEARCH. (1) Notwithstanding any other provision of law and subject to the provisions of paragraphs (5) and (7), upon the joint motion of the United States and the State of Alaska and the issuance of an appropriate order by the United States District Court for the District of Alaska, the joint trust funds, or any portion thereof, including any interest accrued thereon, previously received or to be received by the United States and the State of Alaska pursuant to the Agreement and Consent Decree issued in United States v. Exxon Corporation, et al. (No. A91–082 CIV) and State of Alaska v. Exxon Corporation, et al. (No. A91–083 CIV) (hereafter referred to as the 'Consent Decree'), may be deposited in—

(A) the Natural Resource Damage Assessment and Restoration Fund (hereafter referred to as the 'Fund') established in title I of the Department of the Interior and Related Agencies Appropriations Act, 1992 (Public Law 102–154; 43 U.S.C. 1474b);

(B) accounts outside the United States Treasury (hereafter referred to as 'outside accounts'); or

(C) both.

Any funds deposited in an outside account may be invested only in income-producing obligations and other instruments or securities that have been determined unanimously by the Federal and State natural resource trustees for the Exxon Valdez oil spill ('trustees') to have a high degree of reliability and security.

(2) Joint trust funds deposited in the Fund or an outside account that have been approved unanimously by the Trustees for expenditure by or through a State or Federal agency shall be transferred promptly from the Fund or the outside account to the State of Alaska or United States upon the joint request of the governments.

(3) The transfer of joint trust funds outside the Court Registry shall not affect the supervisory jurisdiction of the District Court under the Consent Decree or the Memorandum of Agreement and Consent Decree in United States v. State of Alaska (No. A91–081–CIV) over all expenditures of the joint trust funds.

(4) Nothing herein shall affect the requirement of section 207 of the Dire Emergency Supplemental Appropriations and Transfers for Relief From the Effects of Natural Disasters, for Other Urgent Needs, and for the Incremental Cost of 'Operation Desert Shield/Desert Storm' Act of 1992 (Public Law 102–229, 42 U.S.C. 1474b note) that amounts received by the United States and designated by the trustees for the expenditure by or through a Federal agency must be deposited into the Fund.

(5) All remaining settlement funds are eligible for the investment authority granted under this section so long as they are managed and allocated consistent with the Resolution of the Trustees adopted March 1, 1999, concerning the Restoration Reserve, as follows:

(A) $55 million of the funds remaining on October 1, 2002, and the associated earnings thereafter shall be managed and allocated for habitat protection programs including small parcel habitat acquisitions. Such sums shall be reduced by—

(i) the amount of any payments made after the date of enactment of this Act from the Joint Trust Funds pursuant to an agreement between the Trustee Council and Koniag, Inc. which includes those lands which are presently subject to the Koniag Non-Development Easement, including, but not limited to, the continuation or modification of such Easement; and

(ii) payments in excess of $6.32 million for any habitat acquisition or protection from the joint trust funds after the date of enactment of this Act and prior to October 1, 2002, other than payments for which the Council is currently obligated through purchase agreements with the Kodiak Island Borough, Afognak Joint Venture and the Eyak Corporation.

(B) All other funds remaining on October 1, 2002, and the associated earnings shall be used to fund a program, consisting of—

(i) marine research, including applied fisheries research;

(ii) monitoring; and

(iii) restoration, other than habitat acquisition, which may include community and economic restoration projects and facilities (including projects proposed by the communities of the EVOS Region or the fishing industry), consistent with the Consent Decree.

(6) The Federal trustees and the State trustees, to the extent authorized by State law, are authorized to issue grants as needed to implement this program.

(7) The authority provided in this section shall expire on September 30, 2002, unless by September 30, 2001, the Trustees have submitted to the Congress a report recommending a structure the Trustees believe would be most effective and appropriate for the administration and expenditure of remaining funds and interest received. Upon the expiration of the authorities granted in this section all monies in the Fund or outside accounts shall be returned to the Court Registry or other account permitted by law.

SEC. 351. YOUTH CONSERVATION CORPS AND RELATED PARTNERSHIPS. (a) Notwithstanding any other provision of this Act, there shall be available for high priority projects which shall be carried out by the Youth Conservation Corps as authorized by Public Law 91–378, or related partnerships with non-Federal youth conservation corps or entities such as the Student Conservation Association, up to $1,000,000 of the funds available to the Bureau of Land Management under this Act, in order to increase the number of summer jobs available for youths, ages 15 through 22, on Federal lands.

(b) Within 6 months after the date of the enactment of this Act, the Secretary of Agriculture and the Secretary of the Interior shall jointly submit a report to the House and Senate Committees on Appropriations and the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives that includes the following—

(1) the number of youths, ages 15 through 22, employed during the summer of 1999, and the number estimated to be employed during the summer of 2000, through the Youth Conservation Corps, the Public Land Corps, or a related partnership with a State, local or nonprofit youth conservation corps or other entities such as the Student Conservation Association;

(2) a description of the different types of work accomplished by youths during the summer of 1999;

(3) identification of any problems that prevent or limit the use of the Youth Conservation Corps, the Public Land Corps, or related partnerships to accomplish projects described in subsection (a);

(4) recommendations to improve the use and effectiveness of partnerships described in subsection (a); and

(5) an analysis of the maintenance backlog that identifies the types of projects that the Youth Conservation Corps, the Public Land Corps, or related partnerships are qualified to complete.

SEC. 352. (a) NORTH PACIFIC RESEARCH BOARD.—Section 401 of Public Law 105–83 is amended as follows:

(1) In subsection (c)—

(A) by striking ''available for appropriation, to the extent provided in the subsequent appropriations Acts,'' and inserting ''made available'';

(B) by inserting ''To the extent provided in the subsequent appropriations Acts,'' at the beginning of paragraph (1);

(C) by inserting ''without further appropriation'' after ''20 percent of such amounts shall be made available''; and

(2) by striking subsection (f).

SEC. 353. None of the funds in this Act may be used by the Secretary of the Interior to issue a prospecting permit for hardrock mineral exploration on Mark Twain National Forest land in the Current River/Jack's Fork River—Eleven Point Watershed (not including Mark Twain National Forest land in Townships 31N and 32N, Range 2 and Range 3 West, on which mining activities are taking place as of the date of

the enactment of this Act): Provided, That none of the funds in this Act may be used by the Secretary of the Interior to segregate or withdraw land in the Mark Twain National Forest, Missouri under section 204 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1714).

SEC. 354. Public Law 105–83, the Department of the Interior and Related Agencies Appropriations Act of November 17, 1997, title III, section 331 is hereby amended by adding before the period: ": Provided further, That to carryout the provisions of this section, the Bureau of Land Management and the Forest Service may establish Transfer Appropriation Accounts (also known as allocation accounts) as needed".

SEC. 355. WHITE RIVER NATIONAL FOREST.—The Forest Service shall extend the public comment period on the White River National Forest plan revision for 90 days beyond February 9, 2000.

SEC. 356. The first section of Public Law 99–215 (99 Stat. 1724), as amended by section 597 of the Water Resources Development Act of 1999 (Public Law 106–53), is further amended—

(1) by redesignating subsection (c) as subsection (e); and

(2) by inserting after subsection (b) the following new subsections:

"(c) The National Capital Planning Commission shall vacate and terminate an Easement and Declaration of Covenants, dated February 2, 1989, conveyed by the owner of the adjacent real property pursuant to subsection (b)(1)(D) in exchange for, and not later than 30 days after, the vacation and termination of the Deed of Easement, dated January 4, 1989, conveyed by the Maryland National Capital Park and Planning Commission pursuant to subsection (b)(1).

"(d) Effective on the date of the enactment of this subsection, the memorandum of May 7, 1985, and any amendments thereto, shall terminate.".

SEC. 357. None of the funds in this Act or any other Act shall be used by the Secretary of the Interior to promulgate final rules to revise 43 CFR subpart 3809, except that the Secretary, following the public comment period required by section 3002 of Public Law 106–31, may issue final rules to amend 43 C.F.R. Subpart 3809 which are not inconsistent with the recommendations contained in the National Research Council report entitled "Hardrock Mining on Federal Lands" so long as these regulations are also not inconsistent with existing statutory authorities. Nothing in this section shall be construed to expand the existing statutory authority of the Secretary.

TITLE IV—MISSISSIPPI NATIONAL FOREST IMPROVEMENT ACT OF 1999

SEC. 401. SHORT TITLE.

This title may be cited as the "Mississippi National Forest Improvement Act of 1999".

SEC. 402. DEFINITIONS.

In this title:

(1) AGREEMENT.—The term "Agreement" means the Agreement described in section 405(a).

(2) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

(3) STATE.—The term "State" means the State of Mississippi.

(4) UNIVERSITY.—The term "University" means the University of Mississippi.

(5) UNIVERSITY LAND.—The term "University land" means land described in section 404(a).

SEC. 403. CONVEYANCE OF ADMINISTRATIVE SITES AND SMALL PARCELS.

(a) IN GENERAL.—The Secretary may, under such terms and conditions as the Secretary may prescribe, sell or exchange any or all right, title, and interest of the United States in and to the following tracts of land in the State:

(1) Gulfport Laboratory Site, consisting of approximately 10 acres, as depicted on the map entitled "Gulfport Laboratory Site, May 21, 1998".

(2) Raleigh Dwelling Site No. 1, consisting of approximately 0.44 acre, as depicted on the map entitled "Raleigh Dwelling Site No. 1, May 21, 1998".

(3) Raleigh Dwelling Site No. 2, consisting of approximately 0.47 acre, as depicted on the map entitled "Raleigh Dwelling Site No. 2, May 21, 1998".

(4) Rolling Fork Dwelling Site, consisting of approximately 0.303 acre, as depicted on the map entitled "Rolling Fork Dwelling Site, May 21, 1998".

(5) Gloster Dwelling Site, consisting of approximately 0.55 acre, as depicted on the map entitled "Gloster Dwelling Site, May 21, 1998".

(6) Gloster Office Site, consisting of approximately 1.00 acre, as depicted on the map entitled "Gloster Office Site, May 21, 1998".

(7) Gloster Work Center Site, consisting of approximately 2.00 acres, as depicted on the map entitled "Gloster Work Center Site, May 21, 1998".

(8) Holly Springs Dwelling Site, consisting of approximately 0.31 acre, as depicted on the map entitled "Holly Springs Dwelling Site, May 21, 1998".

(9) Isolated parcels of National Forest land located in Township 5 South, Ranges 12 and 13 West, and in Township 3 North, Range 12 West, sections 23, 33, and 34, St. Stephens Meridian.

(10) Isolated parcels of National Forest land acquired after the date of the enactment of this Act from the University of Mississippi located in George and Jackson Counties.

(11) Approximately 20 acres of National Forest land and structures located in Township 6 North, Range 3 East, Section 30, Washington Meridian.

(b) CONSIDERATION.—Consideration for a sale or exchange of land under subsection (a) may include the acquisition of land, existing improvements, or improvements constructed to the specifications of the Secretary.

(c) APPLICABLE LAW.—Except as otherwise provided in this section, any sale or exchange of land under subsection (a) shall be subject to the laws (including regulations) applicable to the conveyance and acquisition of land for the National Forest System.

(d) CASH EQUALIZATION.—Notwithstanding any other provision of law, the Secretary may accept a cash equalization payment in excess of 25 percent of the value of land exchanged under subsection (a).

(e) SOLICITATION OF OFFERS.—

(1) IN GENERAL.—The Secretary may solicit offers for the sale or exchange of land under this section on such terms and conditions as the Secretary may prescribe.

(2) REJECTION OF OFFERS.—The Secretary may reject any offer made under this section if the Secretary determines that the offer is not adequate or not in the public interest.

(f) DEPOSIT OF PROCEEDS.—The Secretary shall deposit the proceeds of a sale or exchange under subsection (a) in the fund established under Public Law 90–171 (16 U.S.C. 484a) (commonly known as the "Sisk Act").

(g) USE OF PROCEEDS.—Funds deposited under subsection (f) shall be available until expended for—

(1) the construction of a research laboratory and office facility at the Forest Service administrative site located at the Mississippi State University at Starkville, Mississippi;

(2) the acquisition, construction, or improvement of administrative facilities in connection with units of the National Forest System in the State; and

(3) the acquisition of land and interests in land for units of the National Forest System in the State.

SEC. 404. DE SOTO NATIONAL FOREST ADDITION.

(a) ACQUISITION.—The Secretary may acquire for fair market value all right, title, and interest in land owned by the University of Mississippi within or near the boundaries of the De Soto National Forest in Stone, George, and Jackson Counties, Mississippi, comprising approximately 22,700 acres.

(b) BOUNDARIES.—

(1) IN GENERAL.—The boundaries of the De Soto National Forest shall be modified as depicted on the map entitled "De Soto National Forest Boundary Modification—April, 1999" to include any acquisition of University land under this section.

(2) AVAILABILITY OF MAP.—The map described in paragraph (1) shall be available for public inspection in the office of the Chief of the Forest Service in Washington, District of Columbia.

(3) ALLOCATION OF MONEYS FOR FEDERAL PURPOSES.—For the purpose of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–9), the boundaries of the De Soto National Forest, as modified by this subsection, shall be considered the boundaries of the De Soto National Forest as of January 1, 1965.

(c) MANAGEMENT.—

(1) IN GENERAL.—The Secretary shall assume possession and all management responsibilities for University land acquired under this section on the date of acquisition.

(2) COOPERATIVE MANAGEMENT AGREEMENT.—For the fiscal year containing the date of the enactment of this Act and each of the four fiscal years thereafter, the Secretary may enter into a cooperative agreement with the University that provides for Forest Service management of any University land acquired, or planned to be acquired, under this section.

(3) ADMINISTRATION.—University land acquired under this section shall be—

(A) subject to the Act of March 1, 1911 (16 U.S.C. 480 et seq.) (commonly known as the "Weeks Act") and other laws (including regulations) pertaining to the National Forest System; and

(B) managed in a manner that is consistent with the land and resource management plan applicable to the De Soto National Forest on the date of the enactment of this Act, until the plan is revised in accordance with the regularly scheduled process for revision.

SEC. 405. FRANKLIN COUNTY LAND.

(a) IN GENERAL.—The Agreement dated April 24, 1999, entered into between the Secretary, the State, and the Franklin County School Board that provides for the Federal acquisition of land owned by the State for the construction of the Franklin Lake Dam in Franklin County, Mississippi, is ratified and the parties to the Agreement are authorized to implement the terms of the Agreement.

(b) FEDERAL GRANT.—

(1) IN GENERAL.—Subject to reservations and exceptions contained in the Agreement, there is granted and quit claimed to the State all right, title, and interest of the United States in the federally-owned land described in Exhibit A to the Agreement.

(2) MANAGEMENT.—The land granted to the State under the Agreement shall be managed as school land grants.

(c) ACQUISITION OF STATE LAND.—

(1) IN GENERAL.—All right, title, and interest in and to the 655.94 acres of land described as Exhibit B to the Agreement is vested in the United States along with the right of immediate possession by the Secretary.

(2) COMPENSATION.—Compensation owed to the State and the Franklin County School Board for the land described in paragraph (1) shall be provided in accordance with the Agreement.

(d) CORRECTION OF DESCRIPTIONS.—The Secretary and the Secretary of State of the State may, by joint modification of the Agreement, make minor corrections to the descriptions of the

land described on Exhibits A and B to the Agreement.

(e) SECURITY INTEREST.—

(1) IN GENERAL.—Any cash equalization indebtedness owed to the United States pursuant to the Agreement shall be secured only by the timber on the granted land described in Exhibit A of the Agreement.

(2) LOSS OF SECURITY.—The United States shall have no recourse against the State or the Franklin County School Board as the result of the loss of the security described in paragraph (1) due to fire, insects, natural disaster, or other circumstance beyond the control of the State or Board.

(3) RELEASE OF LIENS.—On payment of cash equalization as required by the Agreement, the Secretary (or the Supervisor of the National Forests in the State or other authorized representative of the Secretary) shall release any liens on the granted land described in Exhibit A of the Agreement.

SEC. 406. DISPOSITION OF FUNDS FROM LAND CONVEYANCES.

(a) IN GENERAL.—The Secretary shall deposit any funds received by the United States from land conveyances authorized under section 405 in the fund established under Public Law 90–171 (16 U.S.C. 484a) (commonly known as the ''Sisk Act'').

(b) USE.—Funds deposited in the fund under subsection (a) shall be available until expended for the acquisition of land and interests in land for the National Forest System in the State.

(c) PARTIAL DISTRIBUTION.—Any funds received by the United States from land conveyances authorized under this Act shall not be subject to partial distribution to the State under—

(1) the Act entitled ''An Act making appropriations for the Department of Agriculture for the fiscal year ending June thirtieth, nineteen hundred and nine'', approved May 23, 1908 (35 Stat. 260, chapter 192; 16 U.S.C. 500);

(2) section 13 of the Act of March 1, 1911 (36 Stat. 963, chapter 186; 16 U.S.C. 500); or

(3) any other law.

SEC. 407. PHOTOGRAPHIC REPRODUCTIONS AND MAPS.

Section 387 of the Act of February 16, 1938 (7 U.S.C. 1387) is amended in the first sentence—

(1) by striking ''such'' the first place it appears and inserting ''information such as georeferenced data from all sources,'';

(2) by striking ''(not less than estimated cost of furnishing such reproductions)''; and

(3) by inserting after ''determine'' the following: ''(but not less than the estimated costs of data processing, updating, revising, reformatting, repackaging and furnishing the reproductions and information)''.

SEC. 408. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

TITLE V—UNITED MINE WORKERS OF AMERICA COMBINED BENEFIT FUND

SEC. 501. Notwithstanding any other provision of law, an amount of $68,000,000 in interest credited to the fund established by section 401 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231) for fiscal years 1993 through 1995 not transferred to the Combined Fund identified in section 402(h)(2) of such Act shall be transferred to such Combined Fund within 30 days after the enactment of this Act to pay the amount of any shortfall in any premium account for any plan year under the Combined Fund. The entire amount transferred by this section is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985.

TITLE VI—PRIORITY LAND ACQUISITIONS AND LAND EXCHANGES

SEC. 601. For priority land acquisitions, land exchange agreements, and other activities consistent with the Land and Water Conservation Fund Act of 1965, as amended, $197,500,000, to be derived from the Land and Water Conservation Fund and to remain available until September 30, 2003, of which $81,000,000 is available to the Secretary of Agriculture and $116,500,000 is available to the Secretary of the Interior: Provided, That of the funds made available to the Secretary of Agriculture, not to exceed $61,000,000 may be used to acquire interests to protect and preserve the Baca Ranch, subject to the same terms and conditions placed on other funds provided for this purpose in this Act under the heading ''Forest Service, Land Acquisition'', and $5,000,000 shall be available for the Forest Legacy program notwithstanding any other provision of law: Provided further, That of the funds made available to the Secretary of the Interior, $10,000,000 shall be available for Elwha River ecosystem restoration, and $5,000,000 shall be available for maintenance in the National Park Service, notwithstanding any other provision of law, $20,000,000 shall be available for the State assistance program, not to exceed $5,000,000 may be used to acquire interests to protect and preserve the California desert, not to exceed $2,000,000 may be used to acquire interests to protect and preserve the Rhode Island National Wildlife Refuge Complex, not to exceed $19,500,000 may be used to acquire mineral rights within the Grand Staircase-Escalante National Monument, and not to exceed $35,000,000 may be for State grants for land acquisition in the State of Florida, subject to the same terms and conditions placed on other funds provided for this purpose in this Act under the heading ''National Park Service, Land Acquisition and State Assistance'': Provided further, That none of the funds appropriated under this title for purposes other than for State grants for land acquisition in the State of Florida, the State assistance program, Elwha River ecosystem restoration, or acquisitions of interests in the Baca Ranch, the California desert, the Grand Staircase-Escalante National Monument, and the Rhode Island National Wildlife Refuge Complex shall be available until the House Committee on Appropriations and the Senate Committee on Appropriations approve, in writing, a list of projects to be undertaken with such funds.

This Act may be cited as the ''Department of the Interior and Related Agencies Appropriations Act, 2000''.

Following is explanatory language on H.R. 3423, as introduced on November 17, 1999.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS

The conferees on H.R. 3194 agree with the matter inserted in this division of this conference agreement and the following description of this matter. This matter was developed through negotiations on the differences in H.R. 2466, the Department of the Interior and Related Agencies Appropriations Act, 2000, by members of the subcommittee of both the House and Senate with jurisdiction over H.R. 2466.

The conference agreement with respect to fiscal year 2000 appropriations for the Department of the Interior and Related Agencies incorporates some of the provisions of House Report 106–222 and Senate Report 106–99. Report language and allocations set forth in either of those reports, which are not changed by the conference agreement, are approved. The agreement described herein, while repeating some report language for emphasis, does not negate the language referenced above unless expressly provided. Administrative provisions and general provisions which are identical in the House-passed and Senate-passed versions of H.R. 2466 that are unchanged by the conference agreement are approved unless provided to the contrary herein.

ALLOCATION OF CONGRESSIONAL FUNDING PRIORITIES

When Congressional instructions are provided, these instructions are to be closely monitored and followed. In this and future years, earmarks for Congressional funding priorities shall be allocated for those projects or programs prior to determining and allocating the remaining funds. Field units or programs should not have their allocations reduced because of earmarks for Congressional priorities without direction from or approval of the House and Senate Committees on Appropriations. Further, it is a Congressional responsibility to determine the level of funds provided for Federal agencies and how those funds should be distributed. It is not useful or productive to have Administration officials refer to Congressional directives as condescending and encroaching on executive responsibility to direct agency operations.

TITLE I—DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

The conference agreement provides $646,218,000 for management of lands and resources instead of $631,068,000 as proposed by the House and $634,321,000 as proposed by the Senate.

Increases above the House include $2,500,000 for grazing permits, $1,500,000 for invasive species, $1,000,000 for riparian management, $750,000 for Idaho weed control, $50,000 for Rio Puerco, $1,000,000 for the Colorado plateau ecosystem study, $500,000 for the national laboratory grazing study, $1,400,000 for fisheries, $900,000 for salmon restoration on the Yukon River and Caribou-Poker Creek, $1,330,000 for recreation resource management, $400,000 for the National Petroleum Reserve-Alaska, $4,400,000 for Alaska Conveyance, $300,000 for the Utah wilderness study, $350,000 for the Montana mapping project, and a $1,000,000 restoration of the general decrease.

Decreases below the House include $500,000 from standards and guidelines, $400,000 from wildlife, and $1,330,000 from recreation operations.

In addition to the increase of $2,500,000 as proposed by the House and provided in the conference agreement for the processing of permits for coalbed methane activities, the conference agreement includes bill language that makes the use of some of the Bureau's funds contingent upon a written agreement between the coal mine operator and the gas producer prior to permit issuance if the permitted activity is in an area where there is a conflict between coal mining operations and coalbed methane production. This restrictive language only applies to the additional $2,500,000.

The conference agreement earmarks $750,000 for the Couer d'Alene Basin Commission for mining related cleanup activities with the clear understanding that funding will be provided only on a one-time basis.

The Senate bill calls for a report by USDA's Forest Service dealing with integration of watershed and community needs. It is expected that this report be a joint Forest Service and Bureau of Land Management report as stated on page 75 of Senate Report 106–99.

The Bureau appears to be introducing new burdensome and questionable requirements on domestic oil and gas applications for permits to drill, and it is expected that the Bureau to cease requiring companies to apply paint to ground that will be disturbed by drilling activities.

The conference agreement concurs with the Senate report language providing guidance on the Southern Nevada Public Lands Management Act as stated in Senate Report 106–99.

The conference agreement maintains the funding level for Kane and Garfield counties at the fiscal year 1999 level of $250,000.

The conference agreement contains modified bill language in Title III as proposed by the Senate to allow the Bureau to use up to $1,000,000 for the Youth Conservation Corps.

WILDLAND FIRE MANAGEMENT

The conference agreement provides $292,282,000 for wildland fire management instead of $292,399,000 as proposed by the House and $283,805,000 as proposed by the Senate.

Changes to the House include an increase of $57,500 to reimburse Trinity County for expenses incurred as part of the July 2, 1999, Lowden fire, and a decrease of $175,000 as an offset against the Weber Dam project.

CENTRAL HAZARDOUS MATERIALS FUND

The conference agreement provides $10,000,000 for the central hazardous materials fund as proposed by the House and Senate.

CONSTRUCTION

The conference agreement provides $11,425,000 for construction instead of $11,100,000 as proposed by the House and $12,418,000 as proposed by the Senate.

Increases above the House include $50,000 for the La Puebla pit tank, $250,000 for the California Trail Interpretive Center, and $25,000 for uncontrollable costs.

PAYMENTS IN LIEU OF TAXES

The conference agreement provides $135,000,000 for payments in lieu of taxes as proposed by the Senate instead of $145,000,000 as proposed by the House.

LAND ACQUISITION

The conference agreement provides $15,500,000 for land acquisition instead of $15,000,000 as proposed by the House and $17,400,000 as proposed by the Senate. Funds should be distributed as follows:

State and project	*Amount*
CA—California Wilderness (Catellus property)	$5,000,000
AZ—Cerbat Foothills	500,000
UT—Grafton Preservation	250,000
NM—La Cienega ACEC	1,000,000
CA—Otay Mts./Kuchamaa	750,000
WA—Rock Cr. Watershed (Escure Ranch)	500,000
CA—Santa Rosa Mts. NSA	500,000
CO—Upper Arkansas River Basin	2,500,000
ID—Upper Snake/S. Fork Snake River	500,000
OR—West Eugene Wetlands	500,000
Subtotal	12,000,000
Emergency/Hardships/ Inholdings	500,000
Acquisition Management	3,000,000
Total	15,500,000

The $250,000 provided for Grafton, Utah is for acquisition of a 30-acre portion of the 220-acre Stout property. The 30 acres are foothill land adjacent to BLM managed public land and are appropriate for BLM acquisition. It is expected that the Grafton Heritage Project and the Grand Canyon Trust will be responsible for acquisition and management of the balance of the Stout property.

The conference agreement provides $5,000,000 to the National Park Service (NPS) and $5,000,000 to the Bureau of Land Management (BLM) for land acquisition within the California desert. This funding is based on the understanding that the Wildlands Conservancy will acquire 8,000 additional acres, in consultation with the NPS and BLM, from willing seller and small private inholdings within Joshua Tree National Park and the Mojave National Preserve within the next year. An additional $5,000,000 is provided in Title VI for this acquisition.

No additional funds will be provided for Catellus land acquisition in future years unless and until the Department of the Interior and the Department of Defense completely resolve remaining issues relating to desert tortoise mitigation and land acquisition and expansion at the National Training Center for the Army at Fort Irwin, California.

Furthermore, the House and Senate Committees on Appropriations will consider an additional $15,000,000 for California desert land acquisition of the Catellus lands up to a total of $30,000,000. Future funding decisions will be based upon resolution by the two departments of the issues concerning desert tortoise mitigation and land acquisition and expansion at the National Training Center for the Army of Fort Irwin.

OREGON AND CALIFORNIA GRANT LANDS

The conference agreement provides $99,225,000 for Oregon and California grant lands as proposed by the House and Senate.

RANGE IMPROVEMENTS

The conference agreement provides an indefinite appropriation for range improvements of not less than $10,000,000 as proposed by the House and Senate.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

The conference agreement provides an indefinite appropriation for service charges, deposits, and forfeitures which is estimated to be $8,800,000 as proposed by the House and Senate.

MISCELLANEOUS TRUST FUNDS

The conference agreement provides an indefinite appropriation of $7,700,000 for miscellaneous trust funds as proposed by the House and Senate.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

The conference agreement provides $716,046,000 for resource management instead of $710,700,000 as proposed by the House and $684,569,000 as proposed by the Senate.

Changes to the House position in endangered species programs include an increase of $100,000 in candidate conservation and a decrease of $300,000 in listing. The conference agreement includes increases of $100,000 for the Broughton Ranch demonstration project and $300,000 for a coldwater fish HCP in Montana and a decrease of $300,000 for other program activities in consultation. Also included are increases of $3,857,000 for Washington salmon recovery, $500,000 for the Bruneau hot springs snail, $400,000 for the Prebles meadow jumping mouse, $1,500,000 for small landowner partnerships, and $200,000 for a Weber Dam study, and a decrease of $1,100,000 for other program activities in recovery. The conference agreement includes a decrease of $1,500,000 for the small landowner incentive program.

Changes to the House position in habitat conservation include increases of $250,000 for Hawaii ESA community conservation and $150,000 for Nevada biodiversity and decreases of $200,000 for the Washington State Department of Fish and Wildlife grant program and $500,000 for other program activities in the partners for fish and wildlife program. There is a decrease of $500,000 for FERC relicensing in project planning; an increase of $193,000 for Long Live the Kings and a decrease of $300,000 for other program activities in the coastal program; and a decrease of $500,000 for the National wetlands inventory.

For refuge operations and maintenance changes to the House position include an increase of $200,000 for Spartina grass research at the University of Washington and decreases of $250,000 for coral reefs, $500,000 for the Volunteer and Community Partnership Act, a net decrease of $250,000 for tundra to tropics, leaving $250,000 specifically for Hawaii ecosystems and $1,000,000 for other program activities in refuges operations. There is also a decrease of $500,000 for refuge maintenance. For law enforcement there is a decrease from the House position of $500,000 for operations. In migratory bird management there is an increase over the House position of $400,000 for Canada geese depredation, including dusky Canada geese, and a decrease of $400,000 for other program activities.

Changes to the House position for hatchery operations and maintenance include increases of $200,000 for White Sulphur Springs NFH, $500,000 for other hatchery operations and maintenance, and $3,600,000 for Washington State Hatchery Improvement as discussed below. Changes to the House position for the fish and wildlife management account include increases of $200,000 for Yukon River fisheries management studies, $100,000 for Yukon River Salmon Treaty public education programs, $110,000 for Caribou-Poker Creek salmon passage assistance, $1,018,000 for fish passage improvements in Maine, $600,000 for a prototype machine to mark hatchery reared salmon at the Washington Department of Fish and Wildlife, $400,000 for Great Lakes fish and wildlife restoration, and $368,000 for a fisheries resource project in cooperation with the Juniata Valley School District in Alexandria, PA. There is a decrease of $300,000 for Atlantic salmon recovery.

Changes to the House position in general administration include an increase of $200,000 for the National Conservation Training Center and decreases in international affairs of $700,000 for CITES permits and invasive species, $100,000 for the Russia initiative and $150,000 for neotropical migrants. There is also a decrease of $250,000 for the National Fish and Wildlife Foundation.

Bill Language.—The conference agreement provides that the amount of funding for certain endangered species listing programs may not exceed $6,232,000 instead of $6,532,000 as proposed by the House and $5,932,000 as proposed by the Senate.

The conference agreement makes permanent the authority provided in the Senate bill for National Wildlife Refuges in Louisiana and Texas to retain funds collected from oil and gas related damages under the Comprehensive Environmental Response, Compensation and Liability Act, the Oil Pollution Act and the Clean Water Act. The Senate provision extended the authority only through fiscal year 2000. The House had no similar provision.

Under General Provisions, Department of the Interior, the conference agreement modifies Senate Section 127 limiting the use of funds to implement Secretarial Order 3206. The modification permits implementation of

the order except for two provisions. The first would give preferential treatment to Indian activities at the expense of non-Indian activities in determining conservation restrictions to species listed under the Endangered Species Act. The second would give preferential treatment to tribal lands at the expense of other privately owned lands in designating critical habitat under the Endangered Species Act. The House had no similar provision.

The conference agreement provides for the following:

1. The Service should continue to support the Nez Perce Tribe's wolf monitoring efforts. This program has been very successful and it should be continued at least at the funding level provided in fiscal year 1999.

2. Small landowner partnerships under the ESA recovery program are not transferred to the landowner incentive program as proposed by the House, but the Service should consider seriously consolidating these programs in the fiscal year 2001 budget.

3. The $200,000 for a Weber Dam Study should be used by the Service, through a contract or memorandum of understanding with the Bureau of Reclamation, to (1) investigate alternatives to the modification of Weber Dam on the Walker River Paiute Reservation in Nevada; (2) evaluate the feasibility and effectiveness of the installation of a fish ladder at Weber Dam; and (3) evaluate opportunities for Lahontan cutthroat trout restoration in the Walker River Basin. Any future funding requirements identified for program implementation should not be the responsibility of the U.S. Fish and Wildlife Service.

4. The $600,000 provided to assist with the Tongass Land Management Plan is included with the understanding that the State of Alaska should receive assistance as a partner.

5. The Long Live the Kings salmon program is funded at $393,000 in the coastal program, and $171,500 of that amount is to be provided directly to the Hood Canal Salmon Enhancement Group.

6. The continuing unmet maintenance needs at Ohio River Islands National Wildlife Refuge that not been addressed adequately in Service budget requests. The Service should ensure that: (1) the Refuge's maintenance requirements are fully included by Region 9 in the Maintenance Management System and (2) future budget requests include sufficient funding for the Ohio River Islands National Wildlife Refuge to cover adequately its growing maintenance needs.

7. The funding provided for Caribou-Poker Creek salmon restoration is for one-time fish passage assistance by the Service. Any future operations and maintenance costs associated with this project should not be borne by the Service.

8. The funding for fish passage improvements in Maine, related to removal of Edwards Dam, is provided on a one-time basis to help address a first-year shortfall in funding for fish passage assistance and restoration as anticipated by the Lower Kennebec River Comprehensive Hydropower Settlement Accord, of which the Service is a partner. The Service, as a partner in the Accord, should consider its responsibilities under the Accord as it prepares future budget requests.

9. The funding provided for the Washington Department of Fish and Wildlife for a prototype machine to mark hatchery reared salmon completes the Federal funding for this project.

10. The strategic plan required by the House for dealing with over-populations of snow geese and Canada geese should consider lethal means, including hunting, as possible solutions.

11. The conference agreement notes the Service's failure to gather the necessary information to delist the concho water snake. Before distributing the ESA recovery program increase, the Service should provide $300,000 for the activities required to process the delisting of the concho water snake. It is expected the Service will proceed as quickly as possible, with the goal of gathering the necessary information within one year or as soon thereafter as possible.

12. The House Committee on Appropriations has received several expressions of concern about uncooperative responses from the Carlsbad ecological services office in California. The Service should report to the House and Senate Committees on Appropriations on actions taken to improve communications between that office and State and local agencies and the public. Such actions should not involve increases in operational funding.

13. The increase provided for the coastal program is not limited to any particular coastal areas. The Senate reference to South Carolina and Texas is not intended to limit increased funding to those areas. The Maine coastal program is also commended.

14. Within the funds provided for resource management, the Service should set aside $500,000 for the Blackwater NWR, MD nutria eradication program. There is no objection to the use of carryover funds for a portion of this earmark. This program should serve as a prototype for nutria eradication throughout the country. The Service should notify the House and Senate Committees on Appropriations of what funds will be used for this program within 30 days of enactment of this Act and prior to distribution of program increases to the field. Sufficient funds should be included in the fiscal year 2001 budget request to complete this important project, the cost of which is being shared by several non-Federal partners.

15. The conference agreement notes that the Fish and Wildlife Service designated critical habitat for the cactus ferruginous pygmy-owl on July 12, 1999, and expresses concern regarding the impact this designation will have on activities in southern Arizona. The Service should devote the necessary resources to respond adequately and efficiently to the needs of the people who are affected by this new rule and to conduct appropriate scientific studies.

16. In 1997 Congress requested the Northwest Power Planning Council to conduct a review of all Federally funded fish hatcheries in the Columbia River Basin and to make recommendations for a coordinated hatchery policy. Congress also requested the Council to provide the direction necessary to implement such a policy. The Council's report, ''Artificial Production Review, Report and Recommendations of the Northwest Power Planning Council,'' identifies several immediate actions to begin implementation of its recommendations. The Service should cooperate with the Council, the National Marine Fisheries Service, State fish and wildlife agencies, and the Columbia Basin Indian tribes to begin implementing the report's recommendations. The Service should begin identifying the amount needed for these reforms and to request initial funds in its FY 2001 budget.

17. The $100,000 provided in the ESA consultation account for the Broughton Ranch should be provided as a grant to the Washington Agriculture and Forestry Education Foundation for a demonstration project on the Broughton Ranch in Walla Walla, Washington. This project should serve as a template for how small private landowners can establish habitat conservation plans in cooperation with Federal agencies.

18. To conserve and restore Pacific salmon, the conference agreement includes $3,857,000 in the recovery program for a competitively awarded matching grant program in Washington State. The funds should be provided in an advance payment of the entire amount on October 1, or as soon as practicable thereafter, to the National Fish and Wildlife Foundation, a Congressionally chartered, non-profit organization with a substantial record of leveraging Federal funds with non-Federal funds, coordinating private and public partnerships, managing peer reviewed challenge grant programs, and tracking the expenditure of funds. The funds will be available for award to community-based organizations in Washington State for on-the-ground projects that may include conservation and restoration of in-stream habitat, riparian zones, upland areas, wetlands, and fish passage projects. Within the amount provided, $451,000 is for the River CPR Puget Sound Drain Guard Campaign. The Foundation should work with the affected local community in the Methow Valley in Okanogan County, Washington, on salmon enhancement projects. The Foundation should give priority in awarding funds to cooperative projects in rural communities throughout the State.

19. The funding for Washington State hatchery improvement activities is to support this new program as follows: The $3,600,000 provided for hatchery reform in Washington State should be deposited with the Washington State Interagency Council for Outdoor Recreation. The director of the Interagency Council for Outdoor Recreation shall ensure these funds are expended as specified in the report of May 7, 1999, titled ''The Reform of Salmon and Steelhead Hatcheries in Puget Sound and Coastal Washington to Recover Natural Stocks While Providing Fisheries'', and at the direction of the Hatchery Scientific Review Group (as discussed below).

Funds should be used for the improvement of hatcheries in the Puget Sound area and other coastal communities as follows: (1) $300,000 for activities associated with the Hatchery Scientific Review Group which will work with agencies to produce guidelines and recommended actions and ensure that the goals of hatchery reform are carried out, identify scientific needs, and make recommendations on further experimentation; (2) $800,000 for agencies and tribes to establish a team of scientists to generate and maintain data bases, analyze existing data, determine and undertake needed experiments, purchase scientific equipment, develop technical support infrastructures, initiate changes to the hatcheries based on their findings and establish a science-based decision making process; (3) $1,400,000 to improve hatchery management practices to augment fisheries, protect genetic resources, avoid negative ecological interactions between wild and hatchery fish, promote recovery of naturally spawning populations, and employ new rearing protocols to improve survival and operational efficiencies; (4) $900,000 to conduct scientific research evaluating hatchery management operations; and (5) $200,000 to Long Live the Kings to facilitate co-managers' design and implementation of Puget Sound hatchery reform.

A leading group of scientists representing Federal, State, and tribal agencies has been

meeting for the past year to discuss the role of fish hatcheries in the Pacific Northwest. The listing of over 10 salmon species in the Columbia River over the past decade and the most recent the listing of 3 salmon species in other parts of the State have led many in the Northwest to question and challenge the role of fish hatcheries in the recovery of the listed wild salmon stocks.

Hatcheries can play a positive role in salmon management and the recovery of wild salmon stocks. Scientists are testing ways hatcheries can be retrofitted and managed to provide hatchery stocks to maintain a vibrant fishery in the Pacific Northwest without significantly impacting precious wild stocks.

The efforts of the advisory team that has established a framework designed to guide an effort to reform more than 100 State, tribal, Federal, and private hatcheries in Puget Sound and the Washington coast are commended. Many watersheds on the west coast of Washington have multiple hatcheries run by different agencies and tribes. Hatchery operations must be coordinated within logical geographical management units. There must be a coordinated effort among all levels of government to obtain the positive results expected by hatchery management reform. The framework outlined by the advisory committee should be implemented at hatcheries in Puget Sound and the west coast of Washington.

There is to be established a Hatchery Scientific Review Group which will serve as an independent panel. It should be comprised of five independent scientists selected by the advisory team from a pool of nine candidates nominated by the American Fisheries Society and four agency representatives; one each designated by the Washington Department of Fish and Wildlife, the Northwest Indian Fisheries Commission, the National Marine Fisheries Service and the U.S. Fish and Wildlife Service. Each of these designees should have technical skills in relevant fields such as fish biology or fish genetics. All appointments should be made no later than 30 days after enactment of this Act. The members of the group may be compensated for time and travel through this appropriation. The chair of the Hatchery Scientific Review Group should be one of the independent scientists chosen from the American Fisheries Society nominations and should be selected by the group itself. Hereafter, when an independent scientist on the group steps down, a replacement should be selected by the group from a list of three nominees provided by the American Fisheries Society.

The Hatchery Scientific Review Group should report to Congress by June 1, 2000, on progress made and work remaining in reforming Puget Sound hatcheries. Long Live the Kings should report to Congress by June 1, 2000, on its progress.

CONSTRUCTION

The conference agreement provides $54,583,000 for construction instead of $43,933,000 as proposed by the House and $40,434,000 as proposed by the Senate. Funds are to be distributed as follows:

Project	Description	Amount
6 National Fish Hatcheries in New England	Water treatment improvements	$1,803,000
Alaska Maritime NWR, AK	Headquarters/visitor center	7,900,000
Alchesay/Williams Creek NFH, AZ	Environmental pollution control	373,000
Bear River NWR, UT	Dikes/water control structures	450,000
Bear River NWR, UT	Education/visitor center	1,500,000
Brazoria NWR, TX	Replace Walker Bridge	277,000
Canaan Valley NWR, WV	Repair office/visitor center	150,000
Chase Lake NWR, ND	Construct vehicle shop	625,000
Chincoteague NWR, VA	Headquarters/visitor center	1,000,000
Cross Creeks NWR, TN	5 bridges/water control structures	1,500,000
Dexter NFH, NM	Irrigation wells	524,000
Genoa NFH, WI	Water supply system	1,717,000
Hagerman NFH, ID	Replace main hatchery building	1,000,000
Hatchie NWR,TN	Log Landing Slough Bridge	284,000
Hatchie NWR,TN	Loop Road/Bear Creek Bridge	367,000
Havasu NWR, AZ	Replace/rehabilitate 3 bridges	409,000
J.N. Ding Darling NWR, FL	Construction of exhibits	750,000
Lake Thibadeau NWR, MT	Lake Thibadeau diversion dam	250,000
Little White Salmon NFH, WA	Replace upper raceways	3,990,000
Mattamuskeet NWR, NC	Structural columns in Lodge	600,000
Mattamuskeet NWR, NC	Refuge sewage system	400,000
McKinney Lake NFH, NC	Dam safety construction	600,000
Natchitoches NFH, LA	Aeration & electrical system	750,000
National Eagle & Wildlife Repository, CO	Eagle processing laboratory	176,000
National Eagle & Wildlife Repository, CO	Storage units	65,000
Necedah NWR, WI	Rynearson dam	3,440,000
Neosho NFH, MO	Rehabilitate deficient pond	450,000
NFW Forensics Laboratory, OR	Forensics laboratory expansion	500,000
Parker River NWR, MA	Headquarters complex	2,130,000
Salt Plains NWR, OK	Wilson's Pond Bridge	74,000
San Bernard NWR, TX	Woods Road Bridge	75,000
Seney NWR, MI	Replace water control structure	1,450,000
Sevilleta NWR, NM	Replace office/visitor building	927,000
Silvio O. Conte NWR, VT	Education center	1,500,000
Smith Island NWR, MD	Restoration	450,000
St. Marks NWR, FL	Otter Lake public use facilities	200,000
St. Vincent NWR, FL	Repair/Replace support facilities	556,000
Tern Island, NWR, HI	Rehabilitate seawall	1,800,000
Tishomingo NFH, OK	Pennington Creek Footbridge	44,000
Tishomingo NWR, OK	Replace/rehabilitate 2 bridges	54,000
Upper Mississippi River NWR, IA	Construction & exhibits	1,200,000
White River NFH, VT	Replace roof/modify structures	600,000
White Sulphur Springs NFH, WV	Fingerling tanks and raceways	95,000
Wichita Mountains WR, OK	Road rehabilitation	1,564,000
Wichita Mountains WR, OK	Replace/rehabilitate 23 bridges	1,537,000
Subtotal		46,106,000
Servicewide bridge safety inspections		495,000
Servicewide dam safety inspections		545,000
Construction management		7,437,000
Total		54,583,000

Bill Language.—The conference agreement includes bill language proposed by the Senate authorizing a single procurement for construction of the headquarters and visitors center at the Alaska Maritime NWR.

The conference agreement provides for the following:

1. The funding provided for construction of the headquarters and visitors center at Alaska Maritime NWR completes the Federal funding for this project by the Fish and Wildlife Service.

2. The funding for the education center at the Silvio O. Conte NWR, VT is provided with the understanding that the Federal commitment will not exceed $2,900,000 and that the cost share will be substantially more than 50 percent.

3. Funding for the Tern Island seawall is provided with the understanding that the total cost of the project will not exceed $12,000,000 and that project initiation will be delayed until appropriated funding is sufficient to provide for uninterrupted construction. Such an approach will avoid costly shut down and start up costs associated with piecemeal construction in this remote location. Although the Fish and Wildlife Service's efforts to obtain logistical support from the Navy have been, so far, unsuccessful, the Service is encouraged to continue to pursue such support.

4. Funding provided for the Upper Mississippi River Discovery Center, IA represents the full Federal funding by the Fish and Wildlife Service. Within the $1,200,000 provided, $300,000 is for construction and installation of exhibits detailing the mission of the Fish and Wildlife Service and interpreting the Upper Mississippi River NWR, IA.

5. The $615,000 decrease to the House recommended level for construction management eliminates the proposed increase for seismic compliance. Seismic compliance should be incorporated into overall priorities.

6. The conference agreement notes with concern that the Service has allowed the floodgates on and around Mattamuskeet NWR, North Carolina, to deteriorate substantially over the past 15 years, thus permitting saltwater intrusion onto surrounding farmlands of Hyde County, North Carolina. This situation has been exacerbated by the recent flooding in eastern North Carolina due to hurricanes, including Hurricane Floyd. While the Service has legitimate concerns with respect to water salinity and quality on the refuge, the Service should cooperate with other water users and landowners to ensure that their interests are adequately protected.

LAND ACQUISITION

The conference agreement provides $50,513,000 in new land acquisition funds and a reprogramming of $8,000,000 in prior year funds instead of $42,000,000 as proposed by the House and $56,444,000 as proposed by the Senate. Funds should be distributed as follows:

State and project	*Amount*
SC—ACE Basin NWR	$500,000
LA—Atchafalaya River (LA Black Bear)	1,000,000
TX—Attwater Prairie Chicken NWR	1,000,000
VA—Back Bay NWR	1,000,000
TX—Balcones Canyonlands NWR	1,500,000
LA—Black Bayou NWR	3,000,000
MD—Blackwater NWR	500,000
NE—Boyer Chute NWR	1,000,000
AZ—Buenos Aires NWR (Leslie Canyon)	1,500,000
WV—Canaan Valley NWR	500,000
KY—Clarks River NWR	500,000
IL—Cypress Creek NWR	750,000
CA—Don Edwards SF Bay NWR	1,678,000
NJ—E.B. Forsythe NWR	800,000
AL—Grand Bay NWR	1,000,000
MA—Great Meadows NWR	500,000
NJ—Great Swamp NWR	500,000
FL—J.N. Ding Darling NWR	4,000,000
NH—Lake Umbagog NWR	2,750,000
TX—Lower Rio Grande NWR	2,000,000
ME—Moosehorn NWR	1,000,000
IA—Neal Smith NWR	500,000
WA—Nisqually NWR (Black River)	850,000
ND—North Dakota Prairie NWR	500,000
MN/IA—Northern Tallgrass Prairie Project	500,000
HI—Oahu Forest (proposed NWR)	1,000,000
WV—Ohio River Islands NWR	400,000
OR—Oregon Coast NWR Complex	500,000
IN—Patoka River NWR	500,000
FL—Pelican Island NWR	2,000,000
ME—Petit Manan NWR	250,000
ME—Rachel Carson NWR	750,000
VA—Rappahannock River Valley NWR	1,100,000
MT—Red Rock NWR (Centennial Valley)	1,000,000
RI—Rhode Island Refuge Complex	500,000
CA—San Diego NWR	3,100,000
MI—Shiawassee NWR	835,000
CT—Stewart McKinney NWR (Calves Island)	2,000,000
CT—Stewart McKinney NWR (Great Meadow)	500,000
TX—Trinity River NWR	500,000
SC—Waccamaw NWR	1,500,000
NJ—Wallkill NWR	750,000
MT—Western Montana Project	1,000,000
Reprogram FY99 Funds (Palmyra)	−8,000,000
Subtotal	39,513,000
Emergencies/hardships	1,000,000
Inholdings	750,000
Exchanges	750,000
Acquisition management	8,500,000
Total	50,513,000

The $8,000,000 allocated in fiscal year 1999 for the acquisition of Palmyra Atoll has been reprogrammed because the non-Federal matching funds essential to purchase the property are not available at this time. The House and Senate Committees on Appropriations recognize the unique biological value of this tropical habitat and will consider providing funding in the future should the non-Federal share be secured.

In addition to the funds provided in this account for the Rhode Island Refuge Complex, there is $2,000,000 provided in Title VI.

The House and Senate Committee on Appropriations have conducted a preliminary review of the Federal land management agencies' definition of acquisition management costs. These initial findings indicate that the U.S. Fish and Wildlife Service is out of sync with the other agencies and the Committees are concerned about several issues, including the fact that only 65 percent of the acquisition management staff of the Service is accounted for in its acquisition management account, and that other costs are being assessed against the individual projects such as 10 percent third party costs. The other agencies do not consider such costs. The Department should prepare a complete analysis of land acquisition costs, which includes the Forest Service program, and report to the Committees no later than March 15, 2000, with recommendations for standardizing the situation.

COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND

The conference agreement provides $23,000,000 for the cooperative endangered species conservation fund instead of $15,000,000 as proposed by the House and $21,480,000 as proposed by the Senate. The increase above the House is for habitat conservation planning land acquisition. Bill language is included, as proposed by the Senate, to ensure that these funds are derived from the cooperative endangered species conservation fund.

NATIONAL WILDLIFE REFUGE FUND

The conference agreement provides $10,779,000 for the national wildlife refuge fund as proposed by the House instead of $10,000,000 as proposed by the Senate.

NORTH AMERICAN WETLANDS CONSERVATION FUND

The conference agreement provides $15,000,000 for the North American wetlands conservation fund as proposed by both the House and the Senate.

WILDLIFE CONSERVATION AND APPRECIATION FUND

The conference agreement provides $800,000 for the wildlife conservation and appreciation fund as proposed by both the House and the Senate.

MULTINATIONAL SPECIES CONSERVATION FUND

The conference agreement provides $2,400,000 for the multinational species conservation fund as proposed by the Senate instead of $2,000,000 as proposed by the House.

COMMERCIAL SALMON FISHERY CAPACITY REDUCTION

The conference agreement provides $5,000,000 for the Federal share of a salmon fishery capacity reduction program. The funds should be given as a grant to the State of Washington Department of Fish and Wildlife and will be used to reimburse commercial fishermen for forfeiting their commercial fishing licenses for Fraser River Sockeye. The program will support the implementation of the 1999 Pacific Salmon Treaty Agreement between the United States and Canada.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

The conference agreement provides $1,365,059,000 for operation of the National park system instead of $1,387,307,000 as proposed by the House and $1,355,176,000 as proposed by the Senate. The agreement provides $255,399,000 for Resources Stewardship instead of $265,114,000 as proposed by the House and $247,905,000 as proposed by the Senate. Changes to the House level include decreases of $6,915,000 for special need parks, $500,000 to natural resources preservation, $500,000 to native and exotic species, $500,000 to inventory and monitoring, $500,000 to cultural resources preservation, elimination of $500,000 for the new resource protection act initiative, and a $300,000 decrease for collections management. Despite these reductions from the House position, the conference agreement still provides significant funding for the new science data initiative, as well as increases above the budget request for special need parks and increases to both cultural resource preservation and collections management above current year funding levels. The amount provided does not include funds specifically for the Civil War initiative as proposed by the Senate.

The conference agreement provides $318,970,000 for Visitor Services instead of $320,558,000 as proposed by the House and $317,806,000 as proposed by the Senate. Changes to the House level include a $3,908,000 decrease to special need parks and an increase of $2,320,000 for anti-terrorism base costs.

The conference agreement provides $432,923,000 for Maintenance instead of $442,881,000 as proposed by the House and $432,081,000 as proposed by the Senate. Changes to the House level include decreases of $4,458,000 to special need parks, $3,000,000 for cyclic maintenance and $2,500,000 for repair and rehabilitation. Therefore, the conference agreement provides a $1,000,000 increase for cyclic maintenance and a $2,500,000 increase for repair and rehabilitation above the current year funding levels.

The conference agreement provides $248,482,000 for park support instead of $248,895,000 as proposed by the House and $248,099,000 as proposed by the Senate. Changes to the House level include an increase of $137,000 for special need parks, a decrease of $250,000 for partners for parks, a decrease of $500,000 for the challenge cost share program and an increase of $200,000 for cooperative agreements on the Lamprey Wild and Scenic River.

The conference agreement provides $109,285,000 for external administrative costs as proposed by the Senate instead of $109,859,000 as proposed by the House. Changes to the House level include a decrease of $800,000 for GSA space and an increase of $226,000 for electronic acquisition system.

The success of the bear management program at Yosemite National Park is noted

and is encouraged the Park Service to continue this worthwhile effort.

The conference agreement does not provide an earmark for the Kawerak Eskimo Heritage Program within the funds provided for Beringia as proposed by the Senate.

The beneficial uses at the Lake Roosevelt National Recreation Area include historical and traditional agriculture, grazing, recreation and cultural uses pursuant to a permit issued by the Service. Pursuant to the Lake Roosevelt National Recreation Area's new general management plan, existing and past historical use, and community moorage/public access facilities permitted by the Service at the Area may remain permitted under Service authority until it is determined by the Service that the permitted facility or activity is in conflict with a new or expanded concession facility. At such time the Service may choose to terminate that specific permit.

The Civil War battlefields throughout the country hold great significance and provide vital historic educational opportunities for millions of Americans. There is concern, however, about the isolated existence of these Civil War battle sites in that they are often not placed in the proper historical context.

The Service does an outstanding job of documenting and describing the particular battle at any given site, but in the public displays and multi-media presentations, it does not always do a similarly good job of documenting and describing the historical social, economic, legal, cultural and political forces and events that originally led to the larger war which eventually manifested themselves in specific battles. In particular, the Civil War battlefields are often weak or missing vital information about the role that the institution of slavery played in causing the American Civil War.

The Secretary of the Interior is directed to encourage the National Park Service managers of Civil War battle sites to recognize and include in all of their public displays and multi-media educational presentations the unique role that the institution of slavery played in causing the Civil War and its role, if any, at the individual battle sites. The Secretary is further directed to prepare a report by January 15, 2000, on the status of the educational information currently included at Civil War sites that are consistent with and reflect this concern.

The conference agreement expresses concern over the unsafe conditions at the intersection of Routes 29 and 234 in Manassas National Battlefield, in Prince William County, Virginia which remain hazardous to local residents and visitors traveling through the intersection. The safety concerns at Routes 29 and 234 have been a long-standing problem for the local communities. The National Park Service and the Virginia Department of Transportation are strongly encouraged to finalize plans to allow for construction to begin by March, 2000.

The conference agreement has not provided funding as proposed in the budget request for full implementation of a new maintenance management system. The Service is approved to pursue a pilot demonstration program for a new facility management system, and understand that base funds will be applied toward this effort during fiscal year 2000. The Service is expected to provide an update on the results of the pilot program before proceeding with service-wide implementation.

The House and Senate Committees on Appropriations continue to monitor closely the Recreational Fee Demonstration program authorized in fiscal year 1996, particularly the National Park Service portion because of the size of that particular program. It is the Appropriations Committees' understanding that the Assistant Secretary for Policy, Management and Budget and the Assistant Secretary for Fish and Wildlife and Parks have both agreed upon a procedure for the National Park Service to follow in obtaining review and approval of expenditures of Recreational Fee Demonstration funds. All 80 percent projects for which the estimated total cost is $500,000 or greater are reviewed by the NPS Development Advisory Board and require approval by the Director and both Assistant Secretaries, and are then submitted to the House and Senate Committees on Appropriations for approval prior to the obligation of funds for the project. For 80 percent projects for which the estimated total cost is $100,000 or less, projects are reviewed against established program criteria and are approved by the respective NPS Regional Directors. All 80 percent projects over $100,000 but less than $500,000 require approval by the NPS Director and the Assistant Secretary for Fish and Wildlife and Parks, unless the project is replacement in kind or routine maintenance that protects prior investments, for which approval authority remains with the Regional Director. All 20 percent projects require approval by the NPS Director and both Assistant Secretaries, and those over $500,000 are submitted to the Committees for approval. Listings of all projects, regardless of dollar amounts, are to be provided quarterly to the House and Senate Committees on Appropriations. Once the lists have been provided to the Committees for approval, any subsequent changes to these lists must also be forwarded to the Appropriations Committees for approval.

The Committees are aware of proposals to address needs in parks through the pursuit of non-Federal sponsors. The Committees have been, and continue to be, supportive of partnerships that further the Service's mission. The need for a certain degree of flexibility in order to respond to private philanthropic opportunities is understood. However, the conference agreement reiterates that partnerships should be linked to the accomplishment of service-wide goals and not pursued strictly for enhancing park infrastructure.

Partnership arrangements, including those where no Federal funds are involved, are not to be viewed as a way to bypass compliance with or adherence to existing policies, procedures, and approval requirements. Partnerships that benefit NPS sites or programs must have active involvement by NPS managers, and should be subject to the same review and approval requirements as projects funded with NPS funds. Review by the Development Advisory Board is expected for all partnership donation projects with a total cost above $500,000. While some projects may be proposed to be accomplished without any Federal funds, the operation and maintenance requirements are frequently assumed to be the responsibility of the Service, and for this reason full review is expected before commitments are made.

Within the amounts provided, not less than $500,000 is for maintenance activities at Isle Royale National Park to address infrastructure and visitor facility deterioration.

The National Park Service is directed to prepare a General Management Plan for the Lower East Side Tenement National Historic Site by November 2000 pursuant to section 104(c) of Public Law 105–378.

South Florida.—The conference agreement retains bill language in the land acquisition and state assistance account, as proposed by the House, that makes the $10,000,000 grant to the State of Florida in the land acquisition account and the $35,000,000 in Title VI subject to a fifty percent match of newly appropriated non-Federal funds. The State may not use funds for land acquisition which were previously provided in another fiscal year as the match. These funds are also subject to an agreement that the lands to be acquired will be managed in perpetuity for the restoration of the Everglades and other natural areas.

The conference agreement includes modified bill language in the land acquisition account which makes the release of the $10,000,000 State grant funds subject to the Administration submitting legislative language that will ensure a guaranteed water supply to Everglades National Park and the remaining natural system areas located in the Everglades watershed, including but not limited to Big Cypress National Preserve, Biscayne National Park, Loxahatchee National Wildlife Refuge and Water Conservation Areas 2 and 3, as well as Biscayne Bay. While there has been recent testimony by the other partners, including the Army Corps of Engineers and the Florida Water Management District, assuring the Congress that there will be adequate water supply to the natural areas, the water supply must include high-quality water and not merely storm water runoff.

It would be useful to have a complete estimate of the total costs to restore the South Florida ecosystem. The House and Senate Committees on Appropriations believe that this new estimate will exceed the $7,800,000,000 estimate that has been used over the last five years. This recalculated estimate should include all three goals of this initiative, namely, (1) getting the water right, (2) restoring and enhancing the natural habitat, and (3) transforming the built environment. The Congress and the American people are committed to this project. Over $1,300,000,000 has been appropriated to date; however, and the public deserves to know how much this project will truly cost. This information should be submitted to the House and Senate Committees on Appropriations no later than February 1, 2000, and should be updated biennially.

The Secretary of the Interior, in his capacity as Chair of the South Florida Restoration Task Force, is directed to develop a region-wide strategic plan as recommended by the General Accounting Office. The plan should coordinate and integrate Federal and non-Federal activities necessary to achieve the three ecosystem restoration goals. The Secretary is directed to submit a progress report to the House and Senate Committees on Appropriations in February, 2000, and the final strategic plan no later than July 31, 2000. This plan should be updated every two years.

The timely resolution of disputes regarding South Florida ecosystem restoration is important to avoid cost overruns and unnecessary delays in attaining the goals and benefits of the initiative. The Secretary of the Interior is directed to develop recommendations for resolving the most difficult conflicts and submit recommendations to the House and Senate Committees on Appropriations by February 15, 2000. These recommendations should be developed in consultation with the other major partners in this effort.

The Committees, through previous appropriations, have supported the preparation of

a new General Management Plan for Gettysburg NMP to enable the NPS to interpret more adequately the Battle of Gettysburg and to preserve the artifacts and landscapes that help to tell the story of this great conflict of the Civil War. Accordingly, the conference agreement acknowledges the need for a new visitors facility and supports the proposed public-private partnership as a unique approach to the interpretive needs of our National Parks.

NATIONAL RECREATION AND PRESERVATION

The conference agreement provides $53,899,000 for National recreation and preservation instead of $49,449,000 as proposed by the House and $51,451,000 as proposed by the Senate. The agreement provides $533,000 for Recreation programs, the same as the House and Senate. The agreement provides $10,090,000 for Natural programs as proposed by the House instead of $10,555,000 as proposed by the Senate. This includes a $500,000 general program increase and a $285,000 increase for hydropower relicensing. While the conference agreement has not earmarked the River and Trails Conservation Assistance program, consideration should be given to the following projects: Mt. Independence NHL trail work, the Back to the River initiative, NE, and the Harlan County coal heritage project, KY. This is a technical assistance program, and therefore it is not meant to provide for annual operating expenses or technical assistance beyond two years.

The conference agreement provides $19,614,000 for Cultural programs instead of $19,364,000 as proposed by the House and $19,914,000 as proposed by the Senate. The change to the House level is an increase of $250,000 for a Revolutionary War/War of 1812 Study. The conference agreement does not provide the increase of $300,000 as proposed by the Senate for a pilot demonstration project to provide technical preservation and development assistance to non-Federal National Historic Landmarks. However, in providing funds for this core program, it is expected that the National Park Service will provide technical assistance to non-Federal National Historic Landmarks. This is the core mission of the National Historic Landmarks program: to identify and help protect significant historic properties possessing exceptional value such as the Weston State Hospital in West Virginia.

The conference agreement provides $1,699,000 for International park affairs as proposed by the House and Senate, $373,000 for environmental and compliance review as proposed by the House and Senate and $1,819,000 for Grant administration as proposed by the House and Senate.

The conference agreement provides $6,886,000 for the heritage partnership program as proposed by the House instead of $5,886,000 as proposed by the Senate. The conference agreement provides the following disbursements of funds: $1,000,000 each for the Ohio and Erie Canal National Heritage Corridor, the Essex National Heritage Area and the Rivers of Steel National Heritage Area, $800,000 each for the Hudson Valley National Heritage Area and the South Carolina National Heritage Corridor and the balance of $1,400,000 for the other four areas. The conference agreement provides $886,000 for technical assistance, of which not more than $150,000 may be provided for the Service's overhead expenses and the balance of which should be made available to the heritage areas for technical assistance agreed to by both the Alliance of National Heritage Areas and the National Park Service.

The conference agreement provides $10,885,000 for Statutory or Contractual Aid instead of $4,685,000 as proposed by the House and $9,172,000 as proposed by the Senate. Funds are to be distributed as follows:

Alaska Native Cultural Center	$750,000
Aleutian World War II National Historic Area	800,000
Automobile Heritage Area	300,000
John H. Chafee Blackstone River Valley National Heritage Corridor Commission	450,000
Brown Foundation	102,000
Chesapeake Bay Gateways	600,000
Dayton Aviation Heritage Commission	48,000
Delaware and Lehigh Navigation Canal	450,000
Ice Age National Scientific Reserve	806,000
Illinois and Michigan Canal National Heritage Corridor Commission	242,000
Johnstown Area Heritage Association	50,000
Lackawanna Heritage	450,000
Mandan On-a-Slant Village	400,000
Martin Luther King, Jr. Center	534,000
National Constitution Center	500,000
National First Ladies Library	300,000
Native Hawaiian culture and arts program	750,000
New Orleans Jazz Commission	67,000
Oklahoma City Memorial	866,000
Quinebaug-Shetucket National Heritage Preservation Commission	250,000
Roosevelt Campobello International Park Commission	670,000
Sewall-Belmont House	500,000
Vancouver National Historic Reserve	400,000
Wheeling National Heritage Area	600,000

The conference agreement provides $600,000 for a new Chesapeake Bay Gateways and Water Trails network and grants assistance program pursuant to Public Law 105–312. Of this amount, up to $200,000 is provided for completing a Chesapeake Bay Watershed-wide framework for implementing this law. It is expected that this framework and the criteria and procedures for the proposed assistance program will be completed by the Service and approved by the House and Senate Committees on Appropriations prior to providing any specific grants and technical assistance to states, communities or other groups. The remaining $400,000 will be available for competitive grants to meet the goals of the framework. A report is to be provided to the House and Senate Committees on Appropriations by April 1, 2000, on the framework goals and grants criteria and an annual end-of-year report, that details how the grants and technical assistance were allocated, the specific results of those individual grants and technical assistance and specifically how those projects relate to the framework and goals of the program.

The conference agreement provides on a one-time only basis, $866,000 for the operation of the Oklahoma City Memorial, OK. It is noted that there was an unexpected delay in the construction of the memorial museum, which is the planned revenue source for the memorial.

The conference agreement provides $2,000,000 for the Urban Parks and Recreation Recovery program instead of $4,000,000 as provided by the House and $1,500,000 as provided by the Senate.

The conference agreement includes language in the bill providing authority for the retention of fees for historic preservation tax certifications. Similar language was proposed by both the House and Senate.

HISTORIC PRESERVATION FUND

The conference agreement provides $75,212,000 for the Historic preservation fund instead of $46,712,000 as proposed by the House and $42,412,000 as proposed by the Senate. Changes to the House level include decreases of $500,000 for the State Historic Preservation Offices and $1,000,000 for Historically Black Colleges and Universities. The amounts provided for each program are increases above the fiscal year 1999 levels.

The conference agreement also includes $30,000,000 for the second and last year of the Millennium Program. These grants are subject to a fifty percent cost share and no single project may receive more than one grant from this program. The funds are to be distributed as follows:

Project	*Amount*
Admiral Theatre (WA)	$400,000
African American Heritage Center (KY)	1,000,000
Aurora Civil War Memorial (IL)	300,000
Benjamin Franklin National Memorial (PA)	300,000
Intrepid Sea Air Space Museum (NY)	2,500,000
Mari Sandoz Cultural Center (NE)	450,000
Mark Twain House (CT)	2,000,000
McKinley Monument (OH)	100,000
Mission San Juan Capistrano (CA)	320,000
Montpelier (VA)	1,000,000
Mukai Farm and Garden (WA)	150,000
Nathaniel Orr Pioneer Home Site (WA)	250,000
National First Ladies Library—City National Bank Building (OH)	2,500,000
National Home for Disabled Volunteer Soldiers (OH)	130,000
River Heritage Museum (KY)	300,000
Saturn V Rocket, U.S. Space and Rocket Center (AL)	700,000
Sewell Building, Dimock Center (MA)	300,000
Sitka Pioneer Home (AK)	150,000
St. Nicholas Cathedral (FL)	150,000
Tacoma Art Museum (WA)	600,000
Tannehill/Brierfield Ironworks Restoration Project (AL)	250,000
Thaddeus Stevens Hall at Gettysburg College (PA)	300,000
Unalaska Aerology Building (AK)	100,000
Weston State Hospital (WV)	750,000

Additional project recommendations for funding shall be subject to formal approval of the House and Senate Appropriations Committees prior to any distribution of funds.

CONSTRUCTION

The conference agreement provides $225,493,000 for construction instead of $169,856,000 as proposed by the House and $223,153,000 as proposed by the Senate. The funds are to be distributed as follows:

Project	*Amount*
Apostle Islands NL, WI	$500,000
Assateague Island NS, MD/VA	973,000
Badlands NP, SD	1,572,000
Big Cypress N. Pres., FL	4,965,000
Black Archives (FL A&M), FL	2,800,000

Project	Amount
John H. Chafee Blackstone River Valley NHC, MA/RI	1,000,000
Boston NHP, MA	1,049,000
Brown v. Board of Education NHS, KS	4,300,000
Castle Clinton NM, NY	460,000
Chickasaw NRA, OK	1,275,000
Colonial NHP, VA	714,000
Crater Lake NP, OR	1,733,000
Cumberland Island NS, GA	1,400,000
Cuyahoga Valley NRA, OH	3,850,000
Dayton Aviation NHP, OH	242,000
Death Valley NP, CA	6,335,000
Delaware Water Gap NRA, NJ	500,000
Delaware Lehigh Heritage, PA	500,000
Denali NP&P, AK	3,200,000
Edison NHS, NJ	3,032,000
Everglades NP (water delivery), FL	12,000,000
Everglades NP (water treatment), FL	1,288,000
Florissant Fossil Beds NM, CO	1,131,000
Fort Stanwix NM, NY	1,100,000
Fort Sumter NM, SC	8,250,000
Gateway NRA, NJ	1,593,000
George Washington Memorial Parkway, MD	1,800,000
George Washington Memorial Parkway, VA	500,000
Gettysburg NMP, PA	1,100,000
Glacier Bay NP&P, AK	2,300,000
Golden Gate NRA, CA	1,075,000
Grand Canyon NP, AZ	779,000
Harpers Ferry NHP, WV	800,000
Hispanic Cultural Center, NM	3,000,000
Historic Preservation Training Ctr., MD	568,000
Home of FDR NHS, NY	1,400,000
Hot Springs NP, AR	1,000,000
Hovenweep NM, UT	1,000,000
Ice Age NST, WI	125,000
Indiana Dunes NL, IN	500,000
Kaloko-Honokohau NHP, HI	1,169,000
Lake Mead NRA, AZ	3,839,000
Lewis & Clark Bicentennial	500,000
Lincoln Home NHS, IL	600,000
Lincoln Library, IL	3,000,000
Missouri River NRA	200,000
Mount Rushmore NM, SD	4,568,000
Natchez Trace Parkway, MS	500,000
National Capital Region (FDR Memorial), DC	3,000,000
National Constitution Center, PA	10,000,000
National Underground R.R. Freedom Center, OH	1,000,000
New Bedford Whaling NHP, MA	800,000
New Jersey Coastal Heritage Trail, NJ	100,000
New River Gorge NR, WV	675,000
Olympic NP, WA	12,000,000
Padre Island NS, TX	823,000
Perry's Victory & IPM, OH	200,000
Salem Maritime NHS, MA	704,000
Sequoia & Kings Canyon NP, CA	5,621,000
Shiloh NMP, TN (shore erosion)	1,500,000
Shiloh NMP, MS (Corinth visitor center)	700,000
Sitka NHP, AK	3,645,000
Southwest Penn. Heritage, PA	3,000,000
Statue of Liberty & Ellis Island, NY/NJ	1,000,000
Timucuan Reserve, FL	550,000
Tonto NM, AZ	703,000
Vancouver NHR, WA	817,000
Wheeling National Heritage Area, WV	3,000,000
Wilson's Creek NB, MO	500,000
Yellowstone NP, WY	5,715,000
Yosemite NP, CA	1,850,000
Zion NP, UT	1,800,000
Subtotal, line-item projects	155,788,000
Emerg/unscheduled housing	3,500,000
Dam safety	1,440,000
Equipment replacement	18,000,000
General management plans	9,225,000
Construction planning	15,940,000
Pre-planning & supplementary	4,500,000
Construction program management	17,100,000
Total	225,493,000

The conference agreement provides $15,940,000 for planning, which includes the budget request of $10,195,000, as well as adjustments between the planning and line-item activities. The increases are provided for the following projects:

Chickasaw NRA	$286,000
Cuyahoga Valley NRA	150,000
Dayton Aviation Heritage NHP	186,000
Delaware Water Gap NRA	64,000
Denali NP&P (front country)	450,000
Fort Stanwix NM	250,000
Great Smoky Mountains NP	450,000
Lincoln Home NHS (Morse House)	92,000
Mammoth Cave NP (water system)	221,000
Mojave National Preserve	731,000
Mount Rainier NP:	
Paradise Visitor Center	1,400,000
Guide House	170,000
National Constitution Center	30,000
Shiloh NMP (erosion control)	360,000
Shiloh NMP (Corinth visitor center)	300,000
Timucuan Reserve (boat docks)	55,000
Washita Battlefield NHS	250,000
Vancouver NHR	100,000
Yosemite NP	200,000

Bill Language.—The conference agreement does not include bill language as proposed by the House permitting Ellis Island to retain 100 percent of franchise fees subject to a requirement that these revenues be matched with non-Federal funds in fiscal year 2001.

The conference agreement earmarks $885,000 for realignment of the Denali National Park and Preserve entrance road instead of $1,100,000 as proposed by the Senate.

The conference agreement provides authority for the use of $3,000,000 for the FDR Memorial instead of $3,500,000 as proposed by the Senate. The Service is directed to modify the scope of the project to accomplish the same goal of providing an appropriate space for the privately funded new sculpture. The National Park Service should work closely with the National Organization on Disability on the plans for installing a statue at the FDR Memorial in Washington, D.C.

There are no earmarked funds for planning and development of interpretive sites at Saint Croix Island NHS as proposed in the Senate bill. Funds for this purpose should be derived from available planning funds.

The conference agreement provides $500,000, subject to authorization, for studies on the preservation of certain Civil War battlefields along the Vicksburg Campaign Trail instead of $1,000,000 as proposed by the Senate.

The conference agreement provides $3,000,000 for the Wheeling National Heritage Area construction instead of $5,000,000 as proposed by the Senate.

Language is included that provides one-year authorization of funding for the Lincoln Library and the Southwest Pennsylvania Heritage Area.

Language in Title I, General Provisions provides the National Park Service with authority to obligate certain fees for transportation services at Zion National Park in advance of the receipt of such fees.

The conference agreement provides $4,300,000 for the Brown v. Board of Education NHS in Kansas. These funds are to complete the rehabilitation of the building and for exhibit planning. The amount provided is based on a revised estimate of obligations in fiscal year 2000.

Funds are provided for rehabilitation of sewer systems at Glacier National Park. The National Park Service has determined that the existing system cannot be upgraded sufficiently to meet state standards, and that therefore a replacement system likely will be required. Due to the additional time required to redesign the project, construction funds for this project cannot be obligated in fiscal year 2000.

The conference agreement provides $2,300,000 for Glacier Bay National Park and Preserve in Alaska. It is intended that $1,400,000 be expended on the clean-up of contaminated soils at the site of the proposed visitor center. Another $400,000 is provided for the Secretary to enter into a memorandum of understanding with the park concessionaire to design a visitor center that will be co-managed and co-operated by the Service and the concessionaire. Design costs are to be shared equally between the Service and the concessionaire except that the concessionaire may use in-kind services, cash, or a combination of both, as its share. The facility is expected to be at least 6,500 square feet and reserve an appropriate amount of space for non-exclusive use by the Hoonah Indian Association. In 1998, Congress approved the Glacier Bay National Park Boundary Adjustment Act of 1998 (P.L. 105–317), the purpose of which was to establish a process that could lead to the construction of a hydroelectric facility to provide power to Gustavus, Alaska. The hydroelectric project should be built and connected to the Park to protect the environment and to be more consistent with the purposes of the Park than the Park's use of diesel generators for power. Accordingly, $500,000 is expected to be made available as a grant to Gustavus Electric Company to pay for studies required by the Act.

The conference agreement provides a total of $3,650,000 for Denali National Park and Preserve in Alaska. These funds are intended for the following projects: $2,015,000 for site work, $885,000 for road realignment, $175,000 for the South Denali/CIRI plan, $125,000 for wildlife inventories and $450,000 for planning for Phase I. The conference agreement directs funding of $175,000 for the further development of plans to site National Park Service visitor services in facilities on Native lands near Talkeetna, Alaska.

The conference agreement does not earmark planning funds specifically for Kenai Fjords National Park. To the extent funds

previously appropriated for this project are not sufficient to continue planning through fiscal year 2000, the Service should seek to provide any necessary funds from available planning funds.

The conference agreement provides $500,000 for the G.W. Memorial Parkway in Virginia. Of this total, $400,000 is available for a temporary alternative route at the Humpback Bridge, and $100,000 is to conduct and complete a study to extend the Mt. Vernon multi-use trail north to I–495 in Virginia.

The conference agreement includes $1,000,000 for the National Underground Railroad Freedom Center in Cincinnati subject to a non-Federal match and the enactment of authorization.

While the conference agreement has provided $3,000,000 in funds for a new Lincoln Library in Springfield, Illinois, $3,000,000 for Southwest Pennsylvania Heritage and $3,000,000 for construction at the Wheeling National Heritage Area in West Virginia in fiscal year 2000, any future funding for these projects will be contingent on enacted authorization.

The conference agreement provides a total of $500,000 for the research library administrative annex at Wilson's Creek National Battlefield Visitor Center in Missouri. This completes the federal share of this project.

The conference agreement provides an appropriation of $675,000 for the New River Gorge National River, West Virginia, for various construction projects. The agreement notes that $500,000 in unobligated prior year funds are available to the New River Gorge for construction and that these funds are intended to be added to the $675,000 in new appropriations (for a total of $1,175,000) to carry out the highest priority construction needs of the New River Gorge National River for fiscal year 2000 as identified in Senate Report 106–99.

The conference agreement has not provided funds for unscheduled housing because the unobligated balance in this account exceeds $22,000,000. The Committees have not agreed to release these funds until the Park Service agrees on a consistent new housing policy and standard construction designs that will be used for all trailer replacement units. The Service was supposed to present a complete package to the Committees on Appropriations in September 1999. As of November 5, 1999, no such proposal had been forwarded. The Service is strongly encouraged to submit the information to the Committees on Appropriations for approval so that these funds can be released.

The conference agreement provides $12,000,000 for the Olympic National Park Elwha dam removal project. Within the funds provided, the National Park Service is directed to use up to $5,500,000 to plan and design water supply mitigation measures for the City of Port Angeles. The National Park Service shall report final recommendations to the House and Senate Appropriations Committees no later than September 30, 2000. The Park Service shall also reimburse the City for current and future sunk costs reasonably incurred in studying and preparing water supply mitigation options associated with removing the Elwha dams up to $500,000. The Park Service is urged to enter into a memorandum of understanding with the City of Port Angeles and other regional stakeholders setting forth the federal government's specific obligation with regard to the design, construction, operation, and maintenance of the domestic and industrial water mitigation measures as required by the Elwha River Ecosystem and Fisheries Restoration Act of 1992. The MOU should also define the specific roles of relevant federal agencies, the City of Port Angeles, and/or other regional stakeholders in the development and operation of the necessary water mitigation measures. The City of Port Angeles is encouraged to pursue an appropriate share of the costs related to upgrading its water system from the Environmental Protection Agency. An additional $10,000,000 is included for this project in Title VI.

The National Park Service is urged to acquire title to the Elwha and Glines Canyon Dams by February 29, 2000, subject to agreement between the owners and the National Park Service on the details of the transfer. Pending completion of planning, design, and engineering work for removal of the dams, the Secretary may cease power production if he determines that such production is not cost effective.

The Service is directed to prepare special resource studies on the following areas: Anderson Cottage, Washington, District of Columbia; Bioluminescent Bay, Puerto Rico; Civil Rights Sites, multi-state; Crossroads of the American Revolution, Central New Jersey; Fort Hunter Liggett, California; Fort King, Florida; Gaviota Coast Seashore, California; Kate Mullany House, New York; Loess Hills, Iowa; Low Country Gullah Culture, multi-state; Nan Madol, State of Ponape, Federated States of Micronesia; Walden Pond and Woods, Massachusetts; World War II Sites, Commonwealth of the Northern Marianas; and World War II Sites, Republic of Palau. Bill language is included in Section 326 authorizing these studies.

LAND AND WATER CONSERVATION FUND

(RESCISSION)

The conference agreement rescinds the contract authority provided for fiscal year 2000 by 16 U.S.C. 4601–10a as proposed by both the House and the Senate.

LAND ACQUISITION AND STATE ASSISTANCE

The conference agreement provides $120,700,000 for land acquisition including stateside grants instead of $132,000,000 as proposed by the House and $107,725,000 as proposed by the Senate. Funds should be distributed as follows:

State and Project	*Amount*
MD—Antietam NB	$2,000,000
WI—Apostle Islands NL	250,000
FL—Big Cypress N Pres	11,300,000
FL—Biscayne NP	600,000
MA—Boston Harbor Islands NRA	2,000,000
PA—Brandywine Battlefield	500,000
MA—Cape Cod NS	500,000
MD—Chesapeake and Ohio Canal NHP	800,000
OH—Cuyahoga Valley NRA	1,000,000
WA—Ebey's Landing NH Res	1,000,000
FL—Everglades NP	20,000,000
VA—Fredericksburg and Spotsylvania NMP	2,000,000
WV—Gauley River NRA	750,000
PA—Gettysburg NMP	1,600,000
FL—Grant to State of FL	10,000,000
HI—Haleakala NP	1,500,000
HI—Hawaii Volcanoes NP	1,500,000
WI—Ice Age National Scenic Trail	2,000,000
IN—Indiana Dunes NL	1,200,000
MI—Keweenaw NHP	1,700,000
VA—Manassas NB	400,000
CA—Mojave NP&P (Catellus property)	5,000,000
MD—Monocacy NB	500,000
WV—New River Gorge NR	250,000
WI—North Country NST	500,000
PA—Paoli Battlefield	1,250,000
NM—Pecos NHP	1,800,000
NM—Petroglyph NP	3,000,000
AZ—Saguaro NP	2,800,000
CA—Santa Monica NRA	2,000,000
TN—Stones River NB	1,500,000
VI—Virgin Islands NP (St. John's)	1,000,000
GU—War in the Pacific NHP	500,000
CT—Weir Farm NHS	2,000,000
Subtotal	84,700,000
Emergencies/hardships	3,000,000
Inholdings and Exchanges	2,000,000
Acq. Management	10,000,000
Stateside Land Acquisition Grants	20,000,000
State Grants Administration	1,000,000
Total	120,700,000

The conference agreement provides $2,000,000 to purchase an easement on Thompson Island as part of the Boston Harbor Islands National Recreation Area in Massachusetts. The release of these funds is contingent upon a non-federal match to acquire the balance of the easement on the property.

The conference agreement provides $5,000,000 to the National Park Service (NPS) and $5,000,000 to the Bureau of Land Management (BLM) for land acquisition within the California desert. This funding is based on the understanding that the Wildlands Conservancy will acquire 8,000 additional acres, in consultation with the NPS and BLM, from willing sellers and small private inholdings within Joshua Tree National Park and the Mojave National Preserve during the next year. An additional $5,000,000 is provided in Title VI for this land acquisition.

No additional funds will be provided for Catellus land acquisition in future years unless and until the Department of the Interior and Department of Defense completely resolve remaining issues relating to desert tortoise mitigation and land acquisition and expansion at the National Training Center for the Army at Fort Irwin in California.

Furthermore, the House and Senate Committees on Appropriations will consider an additional $15,000,000 for California desert land acquisition up to a total of $30,000,000. Future funding decisions will be based upon resolution by the two departments of the issues concerning desert tortoise mitigation and land acquisition and expansion at the National Training Center for the Army at Fort Irwin.

The conference agreement provides $2,000,000 for land purchases at the Fredericksburg-Spotsylvania National Military Park in Virginia. Nearly $2,000,000 in previously appropriated funds have not been obligated. The Park is strongly urged to obligate fully the funds provided in fiscal years 1999 and 2000. Future funding will not be provided until these funds are expended.

The conference agreement provides an additional $1,600,000 for the Gettysburg National Military Park in Pennsylvania. This amount together with the $4,500,000 in unobligated balances from prior fiscal years will complete the purchase of the Brown Ranch and provide for the acquisition of the Tower, which was appraised at $3,000,000.

The conference agreement provides the following: Lands shall not be acquired for more than the provided appraised value (as addressed in section 301(3) of Public Law 91–646) except for condemnations and declarations of taking and tracts with an appraised value

of $50,000 or less, unless such acquisitions are submitted to the Committees on Appropriations for approval in compliance with established procedures.

The funds included for Paoli and Brandywine Battlefields are contingent upon authorization and a fifty percent non-Federal match.

The conference agreement provides the full $31,900,000 to complete the land acquisition needs of the Everglades National Park, Biscayne National Park and Big Cypress National Preserve. The agreement provides $10,000,000 for grants to Florida which are subject to a fifty percent match of newly appropriated non-Federal funds. An additional $35,000,000 for these grants are provided in Title VI. The House bill language has been modified to make release of the grant funds to Florida subject to the submission of:

(1) detailed legislative language to the House and Senate Committees on Appropriations, agreed to by the Secretaries of the Interior and Army and the Governor of Florida, that provides assurances for the guaranteed supply of water to the natural areas in Southern Florida including all National Parks, Preserves, Wildlife Refuges and other natural areas; and

(2) a complete prioritized list of non-Federal land acquisitions. All State grant funds are contingent on new matching non-Federal funds and are subject to an agreement that the lands to be acquired will be managed in perpetuity for the restoration of the Everglades.

The conference agreement also provides the additional $1,000,000 requested in the budget for acquisition management costs in Southern Florida but this amount is incorporated in the total acquisition management account. There was no need to provide a separate line for this purpose.

The conference agreement provides $20,000,000 for Grants to States; an additional $20,000,000 is provided for this purpose in Title VI.

Bill language allows the State of Wisconsin to receive grants for the purchase of lands for the Ice Age National Scenic Trail and North Country National Scenic Trail.

UNITED STATES GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

The conference agreement provides $823,833,000 for surveys, investigations, and research instead of $820,444,000 as proposed by the House and $813,093,000 as proposed by the Senate.

Increases above the House include $250,000 for the Hawaiian volcano program, $2,000,000 for minerals at risk, $500,000 for the Great Lakes mapping coalition project, $998,000 for watershed modeling, $100,000 for the endocrine disrupter study in the Las Vegas Wash, $500,000 for a monitoring well in Hawaii, $200,000 for a hydrologic study of Noyes Slough, $140,000 for the Southern Maryland ground water study, $180,000 for a Yukon River salmon study, $250,000 (for a total of $500,000) for repairs to the Leetown science center, and $500,000 for the Great Lakes boat restoration.

Decreases below the House include $729,000 for technological efficiencies, $500,000 for the real time hazards program in the water resources division, $500,000 for amphibian research, and $500,000 for the cooperative research units.

The House and Senate Committees on Appropriations have agreed to approve in part the Survey's proposed budget restructuring by establishing new ''science support'' and ''facilities'' budget line items. This action will improve the Survey's business practices and its relationship with its customers, and represents truth in budgeting. However, the Survey's proposal to establish a new ''integrated science'' budget activity is not agreed to. The House and Senate Committees on Appropriations see the need for and importance of an integrated approach to science, but believe that establishing such a policy is primarily a management issue and not a function of the structure of the budget. The Director is encouraged to employ the appropriate management, operational, fiscal, and programmatic means at the Director's disposal in order to achieve the goal of establishing an integrated science approach where appropriate.

Because of the severe budget constraints imposed on the appropriations process, no additional funds for new programs that were proposed in this year's budget were provided for. Therefore, no funds were provided for the community information partnership initiative or for the disaster information network.

The Survey should give priority consideration to the installation of water gages on the Alabama, Coosa, Tallapoosa, Apalachicola, Chattahoochee and Flint Rivers.

The conference agreement restores $3,500,000 for coastal and marine geology programs. The conference agreement provides that a total of $1,250,000 is designated for continuation of the joint Survey-Sea Grant Consortium South Carolina/Georgia Coastal Erosion Study as outlined in the Phase II Study Plan, of which $250,000 is provided for the South Carolina coastal erosion monitoring program. Further, the Survey should continue its other high priority coastal and marine research programs, such as major studies of the Louisiana barrier islands, wetlands, hypoxia, and Lake Ponchartrain with the remaining available funds.

The conference agreement provides $1,600,000 for the purchase of seismographic equipment as proposed by the House. It is expected that these funds will be allocated as indicated in the budget estimate.

MINERALS MANAGEMENT SERVICE

ROYALTY AND OFFSHORE MINERALS MANAGEMENT

The conference agreement provides $110,682,000 for royalty and offshore minerals management as proposed by the Senate instead of $110,082,000 as proposed by the House.

The $600,000 increase above the House is for the Center for Marine Resources and the Environmental Technology program.

Within the funds provided $1,400,000 is earmarked for the Offshore Technology Resource Center at Texas A&M University for high-priority offshore research associated with deepwater development.

OIL SPILL RESEARCH

The conference agreement provides $6,118,000 for oil spill research as proposed by both the House and the Senate.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

The conference agreement provides $95,891,000 for regulation and technology as proposed by the Senate instead of $95,693,000 as proposed by the House. Funding for the activities should follow the Senate recommendation.

ABANDONED MINE RECLAMATION FUND

The conference agreement provides $196,208,000 for the abandoned mine reclamation fund instead of $196,458,000 as proposed by the House and $185,658,000 as proposed by the Senate. The agreement provides $181,019,000 for the environmental restoration activity, an increase of $10,879,000 above the fiscal year 1999 funding level. Funding for the other activities follows the House recommendation. The House and Senate Committees on Appropriations have agreed on the House proposal to designate $300,000 for the western Pennsylvania water quality demonstration project. The conference agreement authorizes up to $8,000,000 for the Appalachian clean streams initiative as proposed by the House. The agreement includes the Senate proposed language allowing all funds from Title IV of the Surface Mining Control and Reclamation Act to be used as non-Federal cost shares.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

The conference agreement provides $1,670,444,000 for the operation of Indian programs instead of $1,631,050,000 as proposed by the House and $1,633,296,000 as proposed by the Senate.

Increases above the House include $5,000,000 for the Indian Self Determination Fund, $5,000,000 for other contract support costs, $320,000 for new tribes, $1,000,000 for student transportation, $3,000,000 for facilities operations, $2,000,000 for facilities maintenance, $3,000,000 for tribally controlled community colleges,$1,000,000 for fisheries enhancement, $500,000 for tribal resource management, $5,000,000 for implementation of the National Academy of Public Administration Report recommendations, $3,000,000 for environmental management, $20,000,000 for law enforcement, $250,000 for the Crownpoint Institute of Technology, and $600,000 for post secondary schools.

Decreases below the House include $100,000 for Alaska legal services, $108,000 for general program activities, $3,573,000 for probate backlog, and $1,495,000 for land records improvement. From within available funds, the Bureau of Indian Affairs is directed to provide $108,000 to the United Sioux Tribes of South Dakota Development Corporation.

Over the past several years, the House and Senate Committees on Appropriations and the Department of the Interior have been concerned with improving the management of the Bureau of Indian Affairs which has consistently been criticized for organizational shortcomings. During this period, a number of reforms have been put in place which were designed to improve the Bureau's effectiveness and accountability. To the Bureau's credit it has made substantial progress in addressing its management problems. However, to truly address these issues one needs an analysis of the structure of the Bureau, how its management has changed over time due to increased tribal contracting and compacting, and the lack of concurrent shifts in the Bureau's management structure to these changing circumstances. To this end, the House and Senate Committees on Appropriations working with the Department of the Interior commissioned a study of the Bureau by the National Academy of Public Administration (NAPA). The NAPA study was tasked with providing recommendations for improving the quality, efficiency, and cost-effectiveness of the Bureau's operations.

The House and Senate Committees on Appropriations have received copies of the NAPA report titled, ''A Study of Management and Administration: the Bureau of Indian Affairs''. The report provides some excellent recommendations to improve the administrative activities of the Bureau and managerial control over the Bureau. The most startling finding of the NAPA study was that some of the basic administrative

functions that are necessary for effective management, and that exist in other organizations, are absent in the Bureau. This finding led NAPA to conclude that Bureau personnel are hard working dedicated employees who are not provided with the tools to effectively do their jobs. For example, NAPA concluded that, ''there is no existing capability to provide budget, human resources, policy, and other types of assistance to the Assistant Secretary—Indian Affairs and the Bureau.'' Even prior to the NAPA report, the House and Senate Committees on Appropriations were aware that the Office of the Assistant Secretary—Indian Affairs did not have the capability to develop and analyze policy recommendations. Therefore, $250,000 has been provided under central office general administration as part of the fiscal year 2000 budget for the establishment of an office of policy analysis and planning in support of NAPA-related program reform efforts.

Consequently, the House and Senate Committees on Appropriations have provided $5,000,000 to allow the Bureau to proceed with implementation of the NAPA report. In addition, the Bureau should incorporate the NAPA recommendations as part of the Bureau's fiscal year 2001 budget. It is recognized that implementation of the NAPA recommendations may require a reprogramming of funds. The Committees on Appropriations will look favorably on such requests and will try to expedite their approval. Lastly, the conference agreement directs the Bureau and the Department to keep the Committees on Appropriations fully informed as to the progress being made in implementing the NAPA recommendations.

The conference agreement provides $592,000 for the Gila River Farms project with the understanding that the funding completes this multi-year agriculture project.

Within the funds provided for the Indian Arts and Crafts Board $290,000 is earmarked for enforcement and compliance activities.

In recognition of the many pressing needs in public safety and justice and in order to allow the tribes and the Bureau to determine the priorities among those needs, the conference agreement has not earmarked funds for animal welfare and control efforts within the funds provided for law enforcement. However, there is concern about the growing problems related to animal welfare and control on reservations and encourage the Bureau and the tribes to work with the Indian Health Service to determine if funding to address these problems should be included in future budget requests.

CONSTRUCTION

The conference agreement provides $169,884,000 for construction instead of $146,884,000 as proposed by the Senate and $126,023,000 as proposed by the House.

Changes to the House number include an increase of $45,374,000 for replacement school construction and decreases of $500,000 for employee housing and $1,013,000 from the safety of dams program. The funding increase provided for replacement school construction completes the next three schools on the priority list.

The House and Senate Committees on Appropriations remain troubled over the growing number of requests to use unobligated prior year school operations funds for replacement or repair of Bureau funded schools. The Congress has increased school operations funding every year for the past five years based on analysis by the Department, the Bureau, and the tribes showing that school operation funds remain well below the per student national average. Based on this analysis the House and Senate Committees on Appropriations are not convinced that any school should have carryover operations funds at the end of the school year. Nevertheless, bill language has been included to allow the Tate Topa Tribal School, the Black Mesa Community School, and the Alamo Navajo School to use prior year operations funds for repair and replacement purposes. However, to ensure that the additional flexibility provided by this language does not create an incentive for schools to divert scarce operations dollars, any future requests require approval by the Secretary of the Interior. In addition, if this authority is used, the Secretary is directed to certify in writing to the House and Senate Committees on Appropriations that this request will not negatively impact the school's academic standards.

INDIAN LAND AND WATER CLAIM SETTLEMENTS AND MISCELLANEOUS PAYMENTS TO INDIANS

The conference agreement provides $27,256,000 for Indian land and water claim settlements and miscellaneous payments to Indians instead of $25,901,000 as proposed by the House and $27,131,000 as proposed by the Senate.

Increases above the House level include $1,000,000 for Aleutian Pribilof church repairs, $230,000 for the Truckee River, and $125,000 for the Walker River Paiute Tribe.

INDIAN GUARANTEED LOAN PROGRAM ACCOUNT

The conference agreement provides $5,008,000 for the Indian guaranteed loan program as proposed by the House instead of $5,004,000 as proposed by the Senate.

ADMINISTRATIVE PROVISIONS

The conference agreement includes bill language under the Bureau of Indian Affairs Administrative Provisions as proposed by the Senate that allows the use of prior year school operations funds to be used for replacement or repair of Bureau schools if approved by the Secretary.

The conference agreement modifies Senate proposed bill language included under the Bureau of Indian Affairs Administrative Provisions which clarifies that Bureau funded schools may share their campus with other schools that do not receive Bureau funding and have expanded grades, provided that any additional costs be provided by non-Federal sources.

The conference agreement modifies Senate proposed bill language under Title I General Provisions to direct that the allocation of funds to post secondary schools during fiscal year 2000 be determined by the post secondary funding formula adopted by the Office of Indian Education.

The Senate proposed bill language under General Provisions, Department of the Interior has been modified to allow the Secretary to redistribute Tribal Priority Allocation funds to address unmet needs, dual enrollment, overlapping service areas, or inaccurate distribution methodologies.

DEPARTMENTAL OFFICES

INSULAR AFFAIRS

ASSISTANCE TO TERRITORIES

The conference agreement provides $70,171,000 for assistance to territories instead of $62,320,000 as proposed by the House and $67,325,000 as proposed by the Senate. The conference agreement follows the funding levels proposed by the Senate for the activities, except for a decrease of $154,000 from the level proposed by the Senate for the Office of Insular Affairs and an increase of $3,000,000 to the territorial assistance activity for Compact-Impact aid to Guam as authorized by the Compact of Free Association Act (P.L. 99-239). The conference agreement includes funding, as suggested by the Senate, for the Compact renegotiation process. The conference agreement also includes the language proposed by the Senate deferring part of the Covenant mandatory payment to the Commonwealth of the Northern Mariana Islands. The deferred funds are allocated to the Virgin Islands for federal mandates as directed by the Senate report. The Secretary should ensure that representatives of Hawaii are consulted during the upcoming compact renegotiation process so the impact to Hawaii of migrating citizens from the freely associated states is appropriately considered.

COMPACT OF FREE ASSOCIATION

The conference agreement provides $20,545,000 for the Compact of Free Association as proposed by both the House and the Senate.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

The conference agreement provides $62,864,000 for Departmental Management as proposed by the House instead of $62,203,000 as proposed by the Senate. The conference agreement provides for the following distribution of funds:

Departmental direction	$11,665,000
Management and coordination	22,780,000
Hearings and appeals	8,047,000
Central services	19,527,000
Bureau of Mines workers compensation/unemployment	845,000

OFFICE OF THE SOLICITOR

SALARIES AND EXPENSES

The conference agreement provides $40,196,000 for the Office of the Solicitor instead of $36,784,000 as proposed by the House and the Senate. None of the funds may be used to hire new staff other than filling authorized vacancies and replacement of departing staff. The conference agreement provides for the following distribution of funds:

Legal services	$33,630,000
General administration	6,566,000

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

The conference agreement provides $26,086,000 for the Office of Inspector General as proposed by the House instead of $26,614,000 as proposed by the Senate. The conference agreement provides for the following distribution of funds:

Audit	$15,266,000
Investigations	4,940,000
Administration	5,880,000

OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS

FEDERAL TRUST PROGRAMS

The conference agreement provides $90,025,000 for Federal trust programs as proposed by the House instead of $73,836,000 as proposed by the Senate.

Prior to the Department deploying the Trust Asset and Accounting Management System (TAAMS) in any Bureau of Indian Affairs Area Office, with the exception of locations in the Billings area, the Secretary should advise the Committees on Appropriations that, based on the Secretary's review and analysis, such systems meet TAAMS contract requirements and user requirements.

The conference agreement modifies House proposed bill language under Title I General

Provisions to allow the Department to hire individuals other than administrative law judges (ALJ) to hear Indian probate cases, and to allow the Department to secure the services of ALJs from other Federal agencies as a means of reducing the Indian probate backlog.

INDIAN LAND CONSOLIDATION PILOT

The conference agreement provides $5,000,000 for the Indian land consolidation pilot as proposed by the House and Senate.

The conference agreement includes a technical correction to the bill language to allow funds to be transferred to the Bureau of Indian Affairs for the administration of the consolidation pilot.

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION

NATURAL RESOURCE DAMAGE ASSESSMENT FUND

The conference agreement provides $5,400,000 for the natural resource damage assessment fund as proposed by the House instead of $4,621,000 as proposed by the Senate.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

The conference agreement includes sections 101 through 112 and sections 114 and 115 from the Senate bill which continue provisions carried in past years.

Section 113 contains a technical correction to the Senate language dealing with contract support costs paid by the Department of the Interior on Indian self-determination contracts and self-governance compacts as proposed by the House.

Section 116 changes the name of the Steel Industry American Heritage Area to the ''Rivers of Steel National Heritage Area'' as proposed by the House. The Senate had no similar provision.

Section 117 retains the text of section 116 as proposed by the Senate and provides for the protection of lands of the Huron Cemetery for religious and cultural uses and as a burial ground. The House had no similar provision.

Section 118 retains the text of section 114 as proposed by the House and section 118 as proposed by the Senate which permits the retention of rebates from credit card services for deposit to the Departmental Working Capital Fund.

Section 119 retains the text of section 115 as proposed by the House and section 119 as proposed by the Senate which permits the transfer of funds between the Bureau of Indian Affairs and the Office of Special Trustee for American Indians for the Trust Management Improvement Project High Level Implementation Plan.

Section 120 makes permanent the exemption from certain taxes and special assessments for properties at Fort Baker, Golden Gate National Recreation Area. The Senate had provided the exemption for one year.

Section 121 retains the text of section 117 as proposed by the House and section 121 as proposed by the Senate which permits the retention of proceeds from agreements and leases at Fort Baker, Golden Gate National Recreation Area for preservation, restoration, operation, maintenance, interpretation and related activities.

The conference agreement does not include language proposed in section 118 of the House bill requiring the renewal of grazing permits in the Lake Roosevelt National Recreation Area. Senate section 124 contained a similar provision and it is not included in the agreement either.

The House and Senate Committees on Appropriations are deeply concerned with the National Park Service's change in policy regarding historical grazing in the Lake Roosevelt National Recreation Area. The NRA was established on Federal lands acquired or withdrawn for the Grand Coulee Dam project. In 1946 and again in 1990, the Secretary of the Interior designated the NPS as the manager of the Federal lands within the NRA.

The House and Senate Committees on Appropriations recognize the cultural, custom and historic uses of the Lake Roosevelt National Recreation Area and expect the National Park Service to provide documentation to the Committees no later than July 1, 2000, on the history of grazing and all other uses that have existed since 1935 under the terms and provisions of the Columbia Basin Act and since 1946 under the terms and provisions of the Tri-Party Agreement. The report shall include the following: parties affected, acreage affected, description of uses, impacts of such custom and culture on the local economy, an analysis of the circumstances surrounding the National Park Service assumption of management of the area and suggestions for appropriate legislative language.

Section 122 makes a technical correction to the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333, 110 Stat. 4110) relating to a map reference to the Page Landing addition to the Colonial National Historical Park.

Section 123 modifies language proposed by the House in section 119 and by the Senate in section 117. The modification renews grazing permits based on the same terms and conditions as the expiring permits or until the Department completes processing the existing grazing permit backlog. The Department is directed to develop and implement a schedule to address and alleviate this backlog as soon as possible. To this end the conference agreement has provided an additional $2,500,000 to expedite the grazing permit and lease renewal process. The House and Senate Committees on Appropriations expect these renewals to be completed in a timely manner so there will no longer be a need to continue to address this problem.

Section 124 modifies House section 120 and allows the Department to hire individuals other than administrative law judges and to secure the services of administrative law judges from other Federal agencies to address the Indian probate backlog. The Senate had no similar provision.

Section 125 retains the text of section 121 as proposed by the House allowing American Samoa to receive a loan which will be repaid from its proceeds from a settlement agreement with tobacco manufacturers. The Senate had no similar provision. The House and Senate Committees on Appropriations remain very concerned about the fiscal situation in American Samoa. The conference agreement includes the Senate proposal that the Secretary should not release certain funds withheld in fiscal year 1999 until the Secretary certifies that American Samoa implements activities regarding repayment for health care in Hawaii. It is expected that the substantial loan will be used effectively by American Samoa to provide a long-lasting fiscal remedy and economic development. The government is strongly encouraged to use some of these new funds for health care repayments which remain outstanding. The Secretary is directed to craft the final loan agreement so that the principal of $18,600,000, and interest calculated at the Congressional Budget Office's estimate of 5.4 percent, be fully repaid through the assignment of the tobacco lawsuit settlement funds over the next 26 years. At such time as these costs have been fully repaid the Secretary should act promptly to restore the tobacco settlement payments directly to American Samoa. The Secretary and the American Samoa government are also encouraged to work cooperatively to identify and bring economic development to the Territory. In addition, the Secretary is encouraged to consult with other Federal departments and agencies in this effort and make use of the recently established President's Interagency Group on Insular Areas to help achieve this goal.

The conference agreement does not include language proposed by the Senate in section 122 prohibiting the use of funds for the removal of the Elwha and Glines Canyon dams.

Section 126 modifies language as proposed by the Senate on a feasibility study for designating Midway Atoll as a National Memorial. The modification directs the Secretary, acting through the Fish and Wildlife Service (and its operating partner, Midway Phoenix Corporation) in coordination with the National Park Service, to pursue designation of Midway Atoll as a National Memorial to the Battle of Midway. It requires no study before establishment of the designation. The House had no similar provision. The Fish and Wildlife Service has an aggressive program underway at Midway relating to historic site protection, restoration and interpretation, and the House and Senate Committees on Appropriations fully support that effort by the Service and its operating partner.

Section 127 modifies section 125 as proposed by the Senate and provides the Secretary one year to redistribute Tribal Priority Allocation funds to address unmet needs, dual enrollment, overlapping service areas or inaccurate distribution methodologies. The House had no similar provision.

Section 128 retains the text of section 126 as proposed by the Senate prohibiting the use of funds to transfer land into trust status for the Shoalwater Bay Indian Tribe in Clark County, Washington, until the tribe and county reach agreement on development issues. The House had no similar provision.

Section 129 modifies section 127 as proposed by the Senate and limits the use of funds to implement Secretarial Order 3206 regarding the administration of the Endangered Species Act on Indian tribal lands. The modification permits implementation of the order except for two provisions. The first provision, which may not be implemented, would give preferential treatment to Indian activities at the expense of non-Indian activities in determining conservation restrictions to species listed under the Endangered Species Act. The second would give preferential treatment to tribal lands at the expense of other privately owned lands in designating critical habitat under the Endangered Species Act. The House had no similar provision.

Section 130 retains the text of section 128 as proposed by the Senate providing authority for the Bureau of Land Management to provide land acquisition grants to two local governments in Alaska. The House had no similar provision.

The conference agreement does not include section 129 as proposed by the Senate dealing with alternatives for the modification of Weber Dam. The projects listed in the section, however, have been funded and incorporated in the appropriate accounts. The House had no similar provision.

Section 131 retains the text of section 130 as proposed by the Senate redirecting $1,000,000 from fiscal year 1999 appropriated

funds for acquisition of the Howard Farm near Metzger Marsh, Ohio. The House had no similar provision.

The conference agreement does not include language proposed in section 131 of the Senate bill to place a moratorium on the issuance of final procedures for class III Indian gaming. This action is based on assurances from the Secretary that he will not implement final procedures until the Federal courts have ruled on this issue.

Section 132 modifies the text of section 132 as proposed by the Senate conveying certain lands to Nye County, Nevada. The House had no similar provision. The modification requires the county to pay an appropriate amount for the land.

Section 133 modifies the text of section 133 as proposed by the Senate conveying certain lands to the City of Mesquite, Nevada. The House had no similar provision. The modification requires the completion of environmental review prior to land conveyance.

Section 134 clarifies that section 134 as proposed by the Senate expresses the Sense of the Senate regarding exhibits commemorating the quadricentennial of European settlement at St. Croix Island IHS.

Section 135 retains the text of section 135 as proposed by the Senate prohibiting the Department of the Interior from studying or implementing any plan to drain Lake Powell or reduce water levels below levels required for the operation of Glen Canyon Dam. The House had no similar provision.

Section 136 modifies section 136 as proposed by the Senate dealing with the prohibition of inspection fees on certain exported hides and skins. The modification specifies that the prohibition on fees does not apply to any person who ships more than 2,500 hides, skins or parts during the course of one year. The House had no similar provision.

The conference agreement does not include language proposed by the Senate in section 138 prohibiting the implementation of sound thresholds at Grand Canyon National Park until 90 days after the National Park Service has provided a report detailing the scientific basis for such thresholds. The House had no similar provision.

Section 137 directs the Bureau of Indian Affairs to begin implementing the National Academy of Public Administration recommendations for improving the administration of the Bureau of Indian Affairs. In addition, this language directs that certain administrative functions be transferred from central office west to central office east. To facilitate this transfer and reduce any disruption, the House and Senate Committees on Appropriations have provided $5,000,000 and language on employee compensation to alleviate the impact of reductions in force.

Section 138 modifies language as proposed by the Senate regarding funds appropriated in fiscal year 1998 for land acquisition in Haines Borough, Alaska.

Section 139 modifies section 142 as proposed by the Senate so that funds appropriated for Bureau of Indian Affairs Post Secondary Schools for fiscal year 2000 shall be allocated by the Post Secondary Funding Formula adopted by the Office of Indian Education Programs. The House had no similar provision.

Section 140 clarifies section 143 as proposed by the Senate that land and other reimbursement the Secretary may receive in the conveyance of the Twin Cities Research Center must be used for the benefit of the National Wildlife Refuge System in Minnesota and for activities authorized by Public Law 104–134. The House had no similar provision.

Section 141 modifies section 144 as proposed by the Senate regarding oil valuation regulations. This language places a moratorium on the issuance of the Minerals Management Service oil valuation regulations until March 15, 2000.

Section 142 extends through 2003 the authority of the Thomas Paine National Historical Association to establish a memorial to Thomas Paine in the District of Columbia.

Section 143 provides new contract authority regarding transportation concessions at Zion NP, Utah.

Section 144 provides an extension of the deadline for Red Rock Canyon National Conservation Area to allow the Bureau of Land Management sufficient time to process a pending rights-of-way application.

Section 145 increases to 15 percent the amount of funds that may be used by the National Park Foundation to administer the National Park Passport program.

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST AND RANGELAND RESEARCH

The conference agreement provides $202,700,000 for forest and rangeland research instead of $204,373,000 as proposed by the House or $187,444,000 as proposed by the Senate. The agreement includes to the Senate proposal to direct $250,000 to study hydrological and biological impacts of lead and zinc mining on the Mark Twain National Forest, MO. The bill language concerning prospecting permits and land withdrawals on this national forest has been moved to Title III. The agreement includes a funding decrease of $2,574,000 from lower priority research but it does not include the Senate proposal to reduce non-forest health and productivity research specifically; nor are funds included for uncontrollable fixed cost support as proposed by the House.

The conference agreement includes the House proposed funding level for the forest inventory and analysis program. This program should focus on cost share opportunities with state partners and give first priority to those states that have demonstrated a commitment to achieving the 20 percent annual plot measurement objective through cash or in-kind contributions.

The conference agreement includes the funding for the activities at Mount St. Helens proposed by the House. The Pacific Northwest (PNW) research station should collaborate with the National Monument staff and non-Federal scientists to assemble, summarize and archive long-term data sets on 20 years of biological responses at Mount St. Helens. The PNW should convene scientists with past or future involvement with ecological studies at Mount St. Helens to synthesize current knowledge and promote future studies.

The conference agreement provides no funding in the research account for the University of Washington landscape ecology study; rather, funds for this activity have been provided in the State and Private Forestry appropriation to maintain this effort at the fiscal year 1999 level.

The conference agreement includes the Senate proposal for a funding increase at the Sitka, AK, forest center and includes a $300,000 increase above the fiscal year 1999 level for the Purdue University hardwood center. Funding for the Sitka facility should be included in the fiscal year 2001 budget justification.

The conference agreement does not include the Senate proposal for the University of Montana research nor the Senate proposed expansion of the CROP program, but it does maintain the CROP program at the fiscal year 1999 level at the Colville National Forest, WA.

The conference agreement moves $1,000,000 from the national forest system account for the PNW station to fund the demonstration of ecosystem management options (DEMO) program; if additional funds are needed, they should be taken from the national allocation to research. The agreement concurs with the Senate colloquy that projects at West Virginia, Vermont, and the Forest Products lab should be funded at the fiscal year 1999 level as should the Coweeta and Bent Creek projects as proposed by the House. The agreement also provides that funding for the forest science laboratory in Juneau, AK, should be maintained at the fiscal year 1999 level.

The conference agreement directs that up to $500,000 from the national allocation should be used, in a cost-share effort, to revise and update the Forest Service publication, ''Carbon Changes in U.S. Forests''. The updated publication should include all documentation of assumptions and methodologies used in estimating and projecting carbon sequestration using the forest carbon accounting model (FORCARB). A final draft of the updated publication should be presented to an accredited forestry school for scientific peer review by June 30, 2000, and an updated publication should be completed by September 30, 2000, and submitted to the House and Senate Committees on Appropriations.

The conference agreement revises instructions regarding services provided by Forest Service scientists in support of National Forest System (NFS) projects. Scientists should be available to support NFS project implementation as an important aspect of their professional public service and technology transfer responsibilities. The Forest Service is also encouraged to increase efforts at extramural research and pursue additional cost-sharing for the full scope of forest and rangeland research.

STATE AND PRIVATE FORESTRY

The conference agreement provides $202,534,000 for State and private forestry instead of $181,464,000 as proposed by the House and $190,793,000 as proposed by the Senate.

The conference agreement provides $38,825,000 for Federal lands forest health management and $21,850,000 for cooperative lands forest health management. The agreement includes the House proposal on Asian long-horned beetle work in urban areas and the Senate proposal for the Vermont forest cooperative. The agreement fully funds the gypsy moth slow-the-spread program. The agreement redirects the Senate proposal for Kenai Peninsula Borough, AK, assistance to the state fire assistance activity. The conference agreement directs the Forest Service to improve the control or eradication of the pine beetles in the Rocky Mountain region of the United States; to conduct a study of the causes and effects of, and solutions for, the infestation of pine beetles in the Rocky Mountain region of the United States; and to submit to the House and Senate Committees on Appropriations a report on the results of the study within six months of enactment of this Act.

The conference agreement includes $24,760,000 for state fire assistance, including a special allocation of $250,000 for the Senate-proposed project for wildfire training and equipment in Kentucky and $2,000,000 for hazardous tree removal resulting from spruce bark beetle infestations in the Kenai

Peninsula Borough, AK. The agreement includes the Senate direction concerning a direct lump sum payment to the Kenai Peninsula Borough and other direction concerning this funding. The conference agreement includes $3,250,000 for volunteer fire assistance, an increase of $1,250,000 above the fiscal year 1999 funding level.

The conference agreement includes $29,430,000 for forest stewardship as proposed by the House. This funding includes the House-proposed funding for the New York City watershed and the NE Pennsylvania community forestry program and the Senate proposed funding for the Chesapeake Bay program. The conference agreement includes $25,000,000 for the forest legacy program of which $1,500,000 is directed for the Jefferson and Randolph, NH, project as proposed by the Senate, $2,000,000 is included for the Nicatous Lake, Phase 2 project in Maine and $1,500,000 is for the Panguitch Lake, UT, project. The Forest Service and the States should develop forest legacy selection criteria that emphasize projects which enhance federal lands, federal investments, or past federal assistance efforts. The conference agreement includes $31,300,000 for the urban and community forestry program which includes the House-proposed increase for the NE Pennsylvania forestry program and $500,000 for the Senate-proposed Salt Lake City Olympic tree program. The Forest Service is encouraged to work with and help support the Chicago green streets program for urban forestry. The agreement does not include the Senate direction concerning headquarters staffing for the urban and community forestry program, but greater cost savings are encouraged at headquarters and regional office levels. In addition, the Forest Service is directed to commission an independent study or panel to assess the feasibility and potential for enhanced efficiency by block-granting all or portions of the cooperative forestry program. This evaluation should be done in consultation with the state foresters, the Society of American Foresters, and other interested professional or citizens groups.

The conference agreement includes the following funding for the economic action program and the Pacific Northwest assistance program:

ECONOMIC ACTION PROGRAM

Economic recovery	$4,900,000
Rural development through forestry	5,425,000
Forest product conservation and recycling	2,475,000
Wood in transportation	1,205,000
Program subtotal	14,005,000
Special projects:	
NY City watershed	500,000
Lake Tahoe erosion control grants	1,000,000
Hood River beach facilities OR	275,000
The Dalles riverfront trail OR	1,169,000
Columbia River Gorge county payment	280,000
Hawaii forestry workers training	100,000
Princeton WV hardwood center increase	975,000
Four Corners sustainable forestry initiative increase	500,000
Skamania County Drano Lake project WA	515,000
UW landscape ecology (moved from research)	300,000
Nordic Ski Center rehab, Chugach NF, AK	500,000
Projects subtotal	6,114,000
Economic Action Program total	20,119,000
Pacific Northwest Assistance program:	
Base program	6,500,000
Forks WA training center	600,000
UW and WSU technology transfer extension	900,000
Pacific Northwest Assistance program total	8,000,000

The conference agreement directs that within the funds provided for the rural development through forestry program $3,000,000 is directed for the Northeast-Midwest area. The agreement includes $500,000 for the Northern Forest Heritage Park, NH, within the available funds for the economic recovery program but the agreement stipulates that this will be the final Forest Service commitment for this effort and that this funding shall come from the allocation otherwise available to the Northeastern area.

The conference agreement provides an increase of $100,000 in addition to the $100,000 for the Hawaii forests and communities initiative within the economic action program as requested by the Administration. The agreement provides an increase of $975,000 for the Princeton, WV, hardwood center in addition to $1,520,000 included in the forest products conservation and recycling activity within the economic action program as requested by the administration. This brings the Princeton hardwood center funding to the FY 1999 level. The agreement also provides an increase of $500,000 for the Four Corners sustainable forestry initiative which is in addition to $500,000 that the agreement includes within the rural development through forestry activity as requested by the administration; this latter $500,000 should come from the region's allocation. The agreement concurs with the Senate direction on lump sum payments with respect to the Forks, WA, Training Center.

The conference agreement revises instructions proposed by the House concerning the American Heritage Rivers initiative; the Forest Service may allocate up to $300,000 for this effort. This funding should be used entirely for field activities, and no funds should be transferred to or used to fund personnel, training or other administrative activities at the Council on Environmental Quality or national interdepartmental coordination or training efforts. Bill language is also included in Title III concerning this matter. The agreement does not object to the Forest Service continuing to provide headquarters and regional administrative or technical support for this effort as they would for any program, but no staff at regional, headquarters or departmental levels should be substantially dedicated to this initiative. The Forest Service is encouraged to develop cost-share efforts for this initiative to the maximum extent feasible.

NATIONAL FOREST SYSTEM

The conference agreement provides $1,269,504,000 for the national forest system instead of $1,254,434,000 as proposed by the House and $1,239,051,000 as proposed by the Senate. Funds should be distributed as follows:

Land management planning	$40,000,000
Inventory and monitoring	88,350,000
Recreation management	155,500,000
Wilderness management	30,151,000
Heritage resources	13,214,000
Wildlife habitat management	32,561,000
Inland fish habitat management	23,341,000
Anadromous fish habitat management	26,091,000
TE&S species habitat management	26,932,000
Grazing management	28,982,000
Rangeland vegetation management	29,850,000
Timber sales management	224,500,000
Forestland vegetation management	63,340,000
Soil, water and air operations	26,932,000
Watershed improvements	36,850,000
Minerals and geology management	37,200,000
Real estate management	47,554,000
Land line location	15,468,000
Law enforcement operations	67,288,000
General administration	250,000,000
Land Between the Lakes NRA	5,400,000
Total, NFS	1,269,504,000

The conference agreement includes the following congressional priorities: recreation management includes a $500,000 increase for the Monongahela National Forest, WV, as proposed by the Senate; rangeland vegetation management includes $300,000 for noxious weed control on the Okanogan NF, WA, as proposed by the Senate and $400,000 for Region 5 grazing monitoring as proposed by the House; timber sales management includes $2,000,000 for the aspen program in Colorado as proposed by the Senate; forestland vegetation management includes $240,000 for pinelands work on the Mark Twain NF, MO, and $500,000 for spruce budworm work on the Gifford Pinchot NF, WA, proposed by the Senate and $300,000 for the CROP project on the Colville NF, WA, and $300,000 for Cradle of Forestry, NC, environmental education as proposed by the House. The agreement provides no funds for the newly proposed forest ecosystem restoration and improvement activity but $2,000,000 is included in the forestland vegetation management activity for work of this nature as well as $1,000,000 for the Blue Ridge project on the Apache-Sitgreaves NF that the Senate had proposed funding within the forest ecosystem restoration and improvement activity. The Forest Service should consider enhancing the ecosystem restoration program, including the use of partnerships, in Region 3. The conference agreement also includes $1,000,000 for the Wayne NF, OH, acid mine drainage work as proposed by the House; $750,000 for Lake Tahoe basin watershed improvements proposed by the Senate; and $750,000 for the Weyerhaeuser-Huckleberry land exchange supplemental environmental impact statement in Washington state as proposed by the Senate.

The conference agreement modifies bill language proposed by the House to require the display of unobligated balances by extended budget line items in the fiscal year 2001 budget justification.

The conference agreement provides funding in the timber sales management activity sufficient to maintain the same total timber sale volume as was proposed for fiscal year

1999; the total sale volume for fiscal year 2000 should be no less than the volume in fiscal year 1999. The report proposed by the Senate concerning timber growth, inventory and mortality should be submitted to the House and Senate Committees on Appropriations within 180 days of enactment. The drug law enforcement effort in Kentucky funding should be maintained at the 1999 level. The Forest Service should cooperate with the City of Fredonia, AZ, on standards for facilities for the North Kaibab ranger station and consider entering into an agreement with the city to occupy the facilities upon completion.

The conference agreement revises instructions proposed by the House concerning a detailed report on USDA and Forest Service fiscal, budget and related business activities. The Forest Service and the Department of Agriculture should present a clear exposition in their budget justifications explaining their respective responsibilities and funding concerning fiscal, budget and related business activities. The agreement also requests that the Forest Service provide a report to the House and Senate Committees on Appropriations within 180 days of enactment describing the public affairs and communications programs and outlining objectives, performance measures and expected costs for this effort. The agreement concurs with House recommended language concerning the Knutson-Vandenburg reforestation fund, salvage sale and brush disposal funds except that these funds may be used for national commitments within the Forest Service if the project relates to the fund's administration, management or authorized activity.

The conference agreement concurs with the House language that directs that no funds be used for the natural resource agenda or conservation education national commitment categories until a detailed, agency-wide spending plan, including funding sources and expected results, is approved by the House and Senate Committees on Appropriations. The agreement directs that no funds be used for the construction of a national museum or visitor center in the Sidney R. Yates building without the review and approval of the House and Senate Committees on Appropriations. The agreement does not request the GSA report requested by the Senate concerning alternative office space for the Washington Office at this time.

Land Between the Lakes National Recreation Area—The agreement notes that the Energy and Water Development Appropriations Act, 2000, does not include funding for operation of the Land Between the Lakes National Recreation Area, KY and TN. Therefore, the management of this area will be transferred from the Tennessee Valley Authority to the U.S. Forest Service as directed by the Land Between the Lakes Protection Act of 1998 Title V of Sec. 101(e) of Public Law 105–277). The Land Between the Lakes (LBL) shall be managed as part of the national forest system for recreation in a manner consistent with the multiple use mandate of the Forest Service and the original 1972 LBL mission statement. The conference agreement also directs an orderly transfer of management from the Tennessee Valley Authority to the Forest Service. The agreement directs that the previously published guidelines for the transfer be followed; these are delineated on pages 1246 and 1247 of House Report 105–825 accompanying P.L. 105–277, the Omnibus Consolidated and Emergency Supplemental Appropriations Act for fiscal year 1999. The agreement includes a total of $7,000,000 for the operation of LBL; this includes $5,400,000 in the national forest system appropriation, $1,300,000 in the reconstruction and maintenance appropriation and $300,000 in the wildland fire management appropriation account.

The Forest Service wilderness management policy should consider the need for mitigating the adverse effect of human impact on vegetation, soil, water and wildlife. The agreement suggests that the policy should consider solitude as one among a number of qualities valuable to a wilderness experience but recognize that the 1964 Wilderness Act does not require solitude on every trail. The Forest Service should not impose a wilderness-wide blanket of determining use by social encounters (solitude).

The conference agreement recognizes the structural problems of the Long Park Dam in Daggett County, Utah. Recognizing the unique circumstances of the dam, its proximity to the Flaming Gorge National Recreation Area, and its significant contribution to the local economy of Daggett County, Utah, the agreement encourages the Secretary of Agriculture to make repair of the dam a priority within the Department of Agriculture's Natural Resource Conservation Service appropriation. The State of Utah is participating in the project on a 50/50 cost share basis. Should budgetary adjustments be necessary to provide for the federal share, the Secretary should do so in consultation with the House and Senate Committees on Appropriations.

WILDLAND FIRE MANAGEMENT

The conference agreement provides $651,354,000 for wildland fire management instead of $561,354,000 as proposed by the House and $650,980,000 as proposed by the Senate. The conference agreement includes funding for fire operations and preparedness (including Land Between the Lakes NRA) as proposed by the House and contingent emergency funding as proposed by the Senate. The agreement concurs with the Senate direction concerning acquisition of a high band radio system for the Monongahela NF, WV. The agreement calls for about $70,000,000 to be reserved for hazardous fuel operations of which $500,000 is designated for hazardous tree removal on the Chugach National Forest, AK, and $1,500,000 is for implementing the Quincy Library group project as proposed by the Senate. The agreement does not specify any set amount of funding for particularly severe forest health areas as proposed by the House, but the Forest Service should follow other House and Senate instructions concerning this program, including a report within 120 days and full integration of this program with other vegetation, habitat management and watershed improvement programs. The agreement includes bill language proposed by the House which requires the transfer of not less than 50 percent of the unobligated balances remaining at the end of fiscal year 1999 to pay back funds previously advanced from the Knutson-Vandenburg reforestation fund during severe emergencies. This fund is still owed $392,871,000 which was advanced for emergency wildfire fighting during previous years. The administration is again encouraged to make efforts to repay this important environmental restoration and protection fund.

RECONSTRUCTION AND MAINTENANCE

The conference agreement provides $398,927,000 for reconstruction and maintenance instead of $396,602,000 as proposed by the House and $362,095,000 as proposed by the Senate. The conference agreement provides for the following distribution of funds:

Facilities Reconstruction and Construction

	Amount
Research facilities:	
Auburn University research facility AL	$4,000,000
Inst. Pacific Islands Forestry HI	400,000
Admin. request projects	7,510,000
Subtotal: Research facilities	11,910,000
Fire, admin, other facilities:	
Marienville RS consolidation PA	1,140,000
Black Hills NF fire training facility SD	800,000
Wayne NF supervisors office completion OH	475,000
Admin. request projects	22,946,000
Subtotal: FAO facilities	25,361,000
Recreation facilities:	
Allegheny NF rec facilities PA	400,000
Angeles NF toilet and water system rehab CA	1,200,000
Badin Lake campground NC	400,000
Boone NF Rockcastle and Noe's Dock boat ramp KY	425,000
Chugach NF, Begich Boggs visitor center AK	1,400,000
Cradle of Forestry NC	1,078,000
Franklin County dam MS	2,000,000
Ocoee boater put-in and Thunder Rock campgd TN	600,000
Sacajewea education center, Salmon ID	75,000
San Bernardino NF Dogwood campground CA	1,125,000
Santa Inez First Crossing recreation area CA	950,000
Talladega NF Pinhoti trail bridge AL	30,000
Waldo Lake sanitation OR	700,000
Admin. request projects	32,949,000
Subtotal: Recreation facilities	43,332,000
Subtotal facilities reconstruction and construction	80,603,000

Trail Reconstruction and Construction

Continental Divide trail (various)	500,000
Florida National Scenic Trail	250,000
Taft Tunnel ID	750,000
Winding Stair Mt NRWA OK	130,000
Ocoee river trail system TN	300,000
VA Creeper trail repair VA	500,000
Admin. request projects	12,979,000
Other trail reconstruction base program	14,173,000
Subtotal trails reconstruction and construction	29,582,000

Road Reconstruction and Construction

Boone NF Tunnel Ridge road KY,	1,000,000

Increase for timber support	2,091,000
Monongahela NF landslide damage WV	641,000
Olympic NF Hamma Hamma road WA	800,000
Admin. request projects	96,468,000
Subtotal road reconstruction and construction	101,000,000
Reconstruction and construction subtotal	211,185,000
Maintenance	
Facilities	54,813,000
Road maintenance and decommissioning	111,184,000
Trails	20,445,000
Maintenance subtotal	186,442,000
Land Between the Lakes, maintenance, repairs	1,300,000
Total reconstruction and maintenance	398,927,000

The conference agreement has included bill language as proposed by the Senate that requires the Forest Service to provide an opportunity for public comment on each road decommissioning project. The conference agreement has provided sufficient road reconstruction and construction funding to allow the timber sales program to offer the same level of harvest as in fiscal year 1999. The agreement notes that funds will not be used for the direct construction of new timber access roads; rather, the timber purchasers will provide for the actual construction, although the Forest Service will continue to provide all needed engineering support and project guidance. The agreement does not include the Senate recommendation that road reconstruction decreases should come from the Region 10 funding. The agreement includes $100,000 for Noe's Dock boat ramp and $325,000 for the Rockcastle project on the Daniel Boone NF, KY, and directs that the $300,000 in the budget request originally designated for the Region 9 office move shall be used for the heating, ventilation and air conditioning systems at the Forest Products Lab, WI. The agreement emphasizes that the funding authorization for the Auburn University forestry school construction project requires the University to provide the Forest Service with rent-free use of space for the life of the building for collaborative research.

LAND ACQUISITION

The conference agreement provides $79,575,000 in new land acquisition funds and a reprogramming of $40,000,000 in prior year funds instead of a total of $1,000,000 as proposed by the House and $36,370,000 as proposed by the Senate. Funds should be distributed as follows:

State and project	*Amount*
CA—Angeles NF (Pacific Crest Trail)	$1,500,000
CA—Big Sur Ecosystem (Los Padres NF)	4,000,000
MT—Bitterroot NF (Rye Creek)	3,500,000
UT—Bonneville Shoreline Trail	750,000
WI—Chequamegon-Nicolet NF	1,500,000
TN—Cherokee NF (Gulf Tract)	3,500,000
AZ—Coconino NF (Bar-T-Bar Ranch)	5,000,000
AZ—Coconino NF (Sedona)	3,500,000
Multi.—Continental Divide Trail	700,000
KY—Daniel Boone NF	1,500,000
SC—Francis Marion NF	3,000,000
VT—Green Mtn. NF	3,000,000
ID—Hells Canyon NRA	600,000
IN—Hoosier NF	750,000
NV/CA—Lake Tahoe Basin	3,000,000
MT—Lindbergh Lake (Flathead NF)	3,000,000
MO—Mark Twain NF	1,000,000
WV—Monongahela NF (Elk River)	275,000
WA—Mountains To Sound Greenway	2,500,000
NC—Nantahala/Pisgah NF (Lake Logan)	1,000,000
FL—Osceola NF (N. FL. Wildlife Corridor)	1,000,000
WA—Pacific NW Streams	3,000,000
CA—San Bernardino NF	2,500,000
NM—Santa Fe NF (Jemez R.)	1,000,000
ID—Sawtooth NRA	1,000,000
MS—Univ. of Mississippi	12,000,000
OH—Wayne NF	1,000,000
NH—White Mt. NF (Pond of Safety Tract)	1,500,000
NH—White Mt. NF (Scenic Areas)	1,000,000
Subtotal	67,575,000
Acquisition Management	8,500,000
Cash Equalization	1,500,000
Emergency Acquisitions	1,500,000
Wilderness Protection	500,000
Total	$79,575,000

The conference agreement provides $1,000,000 for the Osceola National Forest, FL, to acquire black bear habitat. The agreement makes these funds contingent on an equal match from non-Federal sources. The project need is in excess of $100,000,000. The State of Florida should partner with the Federal government on this and other projects which are under serious development threat. The conference agreement notes that the State's annual land acquisition budget exceeds that of the Federal program; the agreement provides Stateside land and water grants within the National Park Service appropriation for the first time in five years.

The conference agreement provides $3,000,000 for the Pacific Northwest Streams initiative. Of this amount, $2,000,000 is available for the Bowe Ranch, WA, and $1,000,000 for the Bonanza Queen Mine, WA.

Senate Report 105–56, which accompanied the Fiscal Year 1999 Interior and Related Agencies Act, included a limitation on the purchase price for the acquisition of certain lands in the Columbia River Gorge NSA (CRGNSA), and also required a donation of a 40-acre tract adjacent to the CRGNSA. Both of these directives are hereby rescinded. The Forest Service shall notify the House and Senate Committees on Appropriations before finalizing the acquisition of these properties if the combined value of the acquisition of the Cannard Tract and the adjacent 40-acre parcel totals more than $625,000. The agreement includes $40,000,000 in previously appropriated funds for acquisition of the Baca Ranch subject to a specific authorization. An additional $61,000,000 for the Baca Ranch acquisition is included in Title VI.

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

The conference agreement provides $1,069,000 for the acquisition of lands for national forests special acts as proposed by both the House and the Senate.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

The conference agreement provides an indefinite appropriation estimated to be $210,000 for the acquisition of lands to complete land exchanges as proposed by both the House and the Senate.

RANGE BETTERMENT FUND

The conference agreement provides an indefinite appropriation estimated to be $3,300,000 for the range betterment fund as proposed by both the House and the Senate.

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

The conference agreement provides $92,000 for gifts, donations and bequests for forest and rangeland research as proposed by both the House and the Senate.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

The conference agreement does not include language proposed by the House concerning Committee approval of organizational restructuring. However, the House and Senate Committees on Appropriations are concerned that the Forest Service is not doing all that is practicable to see that the maximum amount of funding gets to the field where there is so much need for management action and public service. In addition, the House and Senate Committees on Appropriations are concerned that the Forest Service has established new staff units within the Washington Office with very little Congressional consultation. While the agreement concurs that additional resources may be necessary to improve agency accountability, such increases should be strictly limited in order to assure maximum availability of funds for program accomplishment. The agreement directs the Forest Service to consult the House and Senate Committees on Appropriations prior to establishing new units in the Washington Office where such units report to Associate Deputy Chiefs or above and for major reorganizations in the field where there is a significant deviation from the current organizational structure. Such deviation would be significant if the reorganizations involve a net increase in administrative support needs or where groups of employees are geographically relocated.

The conference agreement does not include language proposed by the House allowing the Secretary to use any available funds during wildland fire emergencies; the conference agreement continues the previous procedures as proposed by the Senate. The agreement includes House language which allows the release of non-wildland fire management funds for wildland emergencies only when all previously appropriated emergency contingent wildland fire funds have been released by the President and apportioned. The House and Senate Committees on Appropriations remain concerned that this Administration has been overly anxious to spend the KV reforestation fund on wildland fire emergencies and not sufficiently interested in paying the KV fund back. This fund provides for vital environmental restoration and protection activities including tree planting, watershed restoration, and wildlife and fish habitat enhancement.

The conference agreement does not include language proposed by the House preventing the transfer of Forest Service funds to the USDA working capital fund without advance approval from the House and Senate Committees on Appropriations. Clear statements should be included in future budget justifications concerning these and other departmental charges; the Forest Service should

not be charged for Department of Agriculture administrative activities which should be funded by the Agriculture appropriations bill. In addition to the display contained in the agency budget justification, the agency should inform the House and Senate Committees on Appropriations immediately if the estimated total amount of funds to be transferred during the fiscal year differs from the agency estimate by more than 10 percent. The conference agreement further instruct the Secretary to provide the House and Senate Committees on Appropriations with a plan no later than March 31, 2000, for reduction of total charges against the agency beginning in fiscal year 2000.

The conference agreement includes language proposed by the Senate concerning clearcutting on the Shawnee National Forest, IL; this language was carried in previous bills. The conference agreement includes the Senate proposed funding level for the National Forest Foundation and includes the House proposed language concerning the payment to the National Fish and Wildlife Foundation. The agreement includes bill language proposed by the Senate concerning the definition of overhead and indirect expenses and limiting indirect expenses to 20 percent for certain trust funds and cooperative work funds. The House language is included which allows up to $500,000 to be transferred to the Office of the General Counsel for certain travel and related expenses; the Senate had included similar language. The agreement modifies language proposed by the Senate allowing any funds available to the Forest Service to be used for law enforcement during emergencies; the modified language allows any funds to be used up to a maximum of $500,000 per year. This authority should only be used during real emergencies and every effort should be made to pay back the borrowed funds promptly during subsequent years. The agreement concurs with the House direction regarding the International Forestry program and it includes the Senate provision authorizing use of Forest Service funds to pay a certain employee for part of the cost of his house and possessions which were destroyed by arson because this arson appears to be retaliation for him performing his official job duties.

The agreement includes bill language directing that $5,000,000 be allocated to the Alaska Region from fiscal year 1999 unobligated balances (excluding unobligated balances from the Alaska region) in addition to the $20,600,000 appropriated to sell timber in the normal base program for fiscal year 2000. The funds provided from unobligated balances, plus $5,100,000 from the base program, shall be used to prepare and make available timber sales to establish a three year timber supply for operators on the Tongass National Forest. Sales are to be prepared which have a high probability of being sold in order to facilitate a reliable Federal timber supply and transition to value added processing for the forest products industry in Southeast Alaska.

The conference agreement also includes bill language which appropriates $22,000,000 to the Southeast Alaska economic disaster fund to be distributed over three years to the Ketchikan Gateway Borough, the City of Petersburg, the City and Borough of Sitka and the Metlakatla Indian Community. These funds are to be provided as direct lump sum payments and are to be used to employ unemployed timber workers and for related community redevelopment projects.

The House and Senate Committees on Appropriations have received the report from the National Academy of Public Administration (NAPA) on the Forest Service financial systems and budget structures. The House and Senate Committees on Appropriations are currently reviewing this important study and have assurances from the Secretary that he and the Forest Service will provide, by October 31, 1999, a report outlining specific steps, with deadlines, that the Forest Service will take to evaluate and implement NAPA recommendations as appropriate. The Academy's findings that the Forest Service has shown a substantial lack of leadership concerning managerial accountability are of great concern. The Forest Service and the Secretary should continue consultation with the House and Senate Committees on Appropriations concerning changes required to respond to this NAPA study. The Forest Service budget formulation and allocation processes do not provide sufficient linkage between on-the-ground needs and funding priority work. The Service must also address the consequences of inadequate performance. Development and implementation of sound performance measures will be needed before major budget restructuring is likely to be accepted by the House and Senate Committees on Appropriations. Another concern involves about the Forest Service granting approval to expand greatly the chief financial officer's staffing at headquarters: the Forest Service should pay close attention to NAPA recommendations concerning this matter and organizational structure.

DEPARTMENT OF ENERGY

CLEAN COAL TECHNOLOGY

(DEFERRAL)

The conference agreement provides for the deferral of $156,000,000 in previously appropriated funds for the clean coal technology program as proposed by the Senate instead of a deferral of $256,000,000 as proposed by the House. Up to $14,400,000 may be used for program direction.

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides $419,025,000 for fossil energy research and development instead of $280,292,000 as proposed by the House and $390,975,000 as proposed by the Senate. Of the amount provided, $24,000,000 is derived by transfer from the biomass energy development account.

Changes to the House position in advanced clean fuels research include increases of $300,000 for coal preparation/carbon extraction from coal and $250,000 for indirect liquefaction and a decrease of $1,475,000 for direct liquefaction. For the advanced clean efficient power system program there is a decrease of $1,000,000 for low emissions boiler systems and an increase of $1,500,000 for Vision 21.

For natural gas programs there are increases to the House position in exploration and production of $375,000 for arctic research and $1,000,000 for methane hydrates; increases in advanced turbine systems of $800,000 for mid-size turbines, $2,500,000 for ramgen technology (coalbed methane), and $41,008,000 for the utility turbines program that the House had proposed to transfer to the Energy Conservation account; and increases in emerging process technology of $1,000,000 for gas-to-liquids/ITM Syngas and $2,000,000 for coal mine methane.

Changes to the House position in the oil technology program include increases of $375,000 for arctic research and $250,000 for reservoir characterization/northern mid-continent atlas in exploration and production; an increase of $750,000 for risk based data management systems and a decrease of $2,000,000 for preferred petroleum upstream management in recovery field demonstrations; and an increase of $3,500,000 for diesel biodesulfurization in Alaska.

Other changes to the House position include increases of $5,000,000 for the black liquor gasification program, $600,000 for cooperative research and development, $2,400,000 for federal energy technology center program direction, $600,000 for general plant projects, and $79,000,000 which eliminates a general reduction to fossil energy programs.

The conference agreement provides for the following:

1. The black liquor gasification program should include the active involvement of the appropriate officials within the industries of the future program in energy conservation.

2. The funds provided for laser drilling may be used for other innovative technologies in addition to laser drilling.

3. Within the methane hydrate program, the Department is encouraged to consider the expertise of the Gulf of Mexico Hydrate Research Consortium in safety-related research.

4. Consideration should be given to a proposal to enhance the quality of low-grade sub-bituminous coal from the Powder River Basin by permanently removing moisture from the coal. This proposal also would provide economic development benefits for the Crow Nation. The Department is urged to evaluate this proposal and to consider providing technical assistance or other funding support to the extent the project represents a significant advance in coal dewatering technology, is consistent with the goals and objectives of the fossil energy program, and involves an appropriate degree of cost sharing.

5. The Department's PM 2.5 monitoring and research efforts should focus on developing data that respond to the fine particulate research needs identified in the Congressionally-mandated ''National Research Council Priorities for Airborne Particulate Matter.'' To the extent feasible, the Department should coordinate with industry, State and university research efforts to clarify the uncertainties in the current understanding of fine particulate matter concentration, chemical composition and the relationship between personal exposure and ambient air quality. Research results should help Federal and State environmental regulators design plans that comply with the PM 2.5 ambient air standard and protect the public health.

ALTERNATIVE FUELS PRODUCTION

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides, as proposed by both the House and the Senate, for the deposit of investment income earned as of October 1, 1999, on principal amounts in a trust fund established as part of the sale of the Great Plains Gasification Plant in Beulah, ND, and immediate transfer of the funds to the General Fund of the Treasury. The amount available as of October 1, 1999, is estimated to be $1,000,000.

NAVAL PETROLEUM AND OIL SHALE RESERVES

The conference agreement provides no new funding for the Naval petroleum and oil shale reserves as proposed by both the House and the Senate. Unobligated funds from previous fiscal years should be sufficient to continue necessary operations in fiscal year 2000.

ELK HILLS SCHOOL LANDS FUND

The conference agreement provides $36,000,000 for the second payment from the Elk Hills school lands fund as proposed by

the House instead of no funding as proposed by the Senate. This payment will be delayed until October 1, 2000, and the payment should be made on that date or as soon thereafter as possible.

ENERGY CONSERVATION

(INCLUDING TRANSFER OF FUNDS)

The conference agreement includes $745,242,000 for energy conservation instead of $731,822,000 as proposed by the House and $684,817,000 as proposed by the Senate. Of the amount provided, $25,000,000 is derived by transfer from the biomass energy development account.

Changes to the House position in building research and standards include increases of $2,201,000 for building America and $500,000 for technology roadmaps and a decrease of $300,000 for industrialized housing in residential buildings; an increase of $1,700,000 for commercial buildings research and development; and increases of $470,000 for lighting research and development, $3,250,000 for space conditioning and refrigeration, $1,800,000 for cogeneration/fuel cells and $1,797,000 for lighting and appliance standards in equipment, materials and tools. For the building technology and assistance program there is an increase of $2,000,000 for the weatherization assistance program and an increase of $500,000 for State energy program grants. For management and planning there is a decrease of $300,000 in support for State and local grants. There are also increases of $1,000,000 for Rebuild America, $2,000,000 for cooperative programs with States and $3,900,000 for the energy efficiency science initiative.

Changes to the House position in industry programs include increases of $1,000,000 for the petroleum refining vision for biodesulfurization of gasoline, $2,000,000 for reciprocating engines $2,000,000 for a cogeneration field test and $2,000,000 for characterization of oxidation behavior and a decrease of $3,000,000 for industrial turbines in distributed generation; an increase of $300,000 for technical assistance/integrated delivery; an increase of $500,000 for precision forging; a decrease of $41,008,000 for utility turbines that the House had proposed to transfer from the fossil energy account; and decreases of $550,000 for NICE^3, $100,000 for inventions and innovations, $200,000 for industrial assessment centers, $400,000 for motors and compressed air, and $250,000 for steam challenge. There are also increases of $2,000,000 for cooperative programs with the States and $3,900,000 for the energy efficiency science initiative.

Changes to the House position for transportation programs/vehicle technology include an increase of $3,000,000 for advanced power electronics and a decrease of $1,900,000 in hybrid systems; increases of $400,000 for fuel cell systems, $1,600,000 for stock components, and $2,620,000 for fuel processing and storage in fuel cell research and development; decreases of $500,000 each for light truck engines and for heavy truck engines in the advanced combustion engine program; and increases of $800,000 each for CARAT and GATE in cooperative research. For fuels utilization there are increases of $1,600,000 for advanced petroleum fuels for heavy trucks and $1,000,000 for alternative fuels for automobiles/light trucks. For technology deployment there is a decrease of $10,000 for advanced vehicle competitions. There are also increases of $1,000,000 for high power energy storage, $2,000,000 for heavy vehicle propulsion systems, $3,000,000 for combustion and aftertreatment, $1,000,000 for heavy vehicle systems, $1,500,000 for advanced petroleum fuels for automobiles and light trucks, $1,000,000 for automotive lightweight materials, $2,000,000 for cooperative programs with the States, and $3,900,000 for the energy efficiency science initiative. In policy and management there is an increase of $1,000,000 for a National Academy of Sciences review of fossil fuel and conservation research efforts as described below and decreases of $100,000 for the headquarters working capital fund, $300,000 for international market development programs, and $200,000 for information and communications.

Bill Language.—Bill language proposed by the House that requires a 25 percent State cost share for the weatherization assistance program has been modified. The modification delays the cost-sharing requirement until fiscal year 2001 and thereafter to allow sufficient time for the States to prepare for this new requirement. The cost share must be non-Federal for each State or other qualified participant but is not strictly limited to funds appropriated by each State or other qualified participant.

The conference agreement provides for the following:

1. While language in the bill earmarking funds for grants to municipal governments as proposed by the Senate has not been included, the Department is urged to continue working closely with municipal governments and with the States to address municipal and community energy challenges. The Department should support worthy project proposals that address these issues within the amount provided for the buildings, industry and transportation programs.

2. The direction in the House report with respect to continuing fiscal year 1999 programs does not preclude the program eliminations and consolidations proposed in the budget request unless expressly identified to the contrary.

3. In addition to the development project identified in the Senate report, the amount provided for fuel cells for buildings includes $750,000 to continue the partnership established with Materials and Electrochemical Research Corporation to work on polymer electrolyte membrane (PEM) fuel cells in collaboration with the Oak Ridge National Laboratory.

4. Within the funds provided for the Industries of the Future petroleum program, the Department is encouraged to continue support for research on the biocatalytic desulfurization of gasoline.

5. The reciprocating engine program should include the active involvement of the appropriate officials within the fossil energy program.

6. The increase for characterization of oxidation behavior is for rig testing in the turbine program. The Oak Ridge National Laboratory should be involved in this effort.

7. The Department has placed a high priority on combustion and aftertreatment in the transportation program an increase is provided in that program area. The House and Senate Committees on Appropriations are willing to consider a reprogramming request for additional funds if acceptable offsets are identified.

8. The Department should support hybrid-electric buses by funding integration and refinement of advance hybrid-electric drive trains by bus makers and propulsion teams that have demonstrated the successful application of hybrid-electric drive trains in actual transit programs.

9. The Department should use the expertise of the Consortium for Advanced Transportation Technologies and its streamlined competitive, cost-shared procurement process across the various transportation programs.

10. Continued industry support for the hybrid lighting partnership is encouraging and the Department should continue the program in fiscal year 2000.

11. Reports that cost accounting standards and cost principles in the Federal Acquisition Regulations may be hindering contracting with certain commercial entities are of concern and the Department should submit a report by December 15, 1999 detailing problems in this area and making recommendations for addressing these problems in the future.

12. The $1,000,000 provided for a National Academy of Sciences study is for a retrospective examination of the costs and benefits of Federal research and development technologies in the areas of fossil energy and energy efficiency. The study should identify improvements that have occurred because of Federal funding for: (1) fossil energy production with regard to performance aspects such as efficiency of conversion into electricity, lower emissions to the environment and cost reduction; and (2) energy efficiency technologies with regard to more efficient use of energy, reductions in emissions and cost impacts in the industrial, transportation, commercial and residential sectors. If the full amount provided is not needed for this study, the House and Senate Committees on Appropriations should be notified of the available balance. None of these funds may be used to fund overhead costs or other energy conservation programs. The Department has an arrangement with the National Academy of Sciences that will streamline the procurement process and the Department should expedite the necessary paperwork to get this study underway within 30 days of enactment of this Act.

13. A total of $6,000,000 is provided for crosscutting cooperative programs with the States. No funds should be assessed for this activity from other activities funded by this Act.

14. A total of $11,700,000 is provided for peer-reviewed, cost-shared, competitively awarded grants in support of an energy efficiency science initiative as approved by the Science Committee in the House of Representatives.

ECONOMIC REGULATION

The conference agreement provides $2,000,000 for economic regulation as proposed by both the House and the Senate.

STRATEGIC PETROLEUM RESERVE

The conference agreement provides $159,000,000 for the strategic petroleum reserve as proposed by the Senate instead of $146,000,000 as proposed by the House. Bill language is included dealing with borrowing authority in the event of an SPR drawdown under this account as proposed by the Senate rather than addressing this provision under Administrative Provisions, Department of Energy as proposed by the House.

ENERGY INFORMATION ADMINISTRATION

The conference agreement provides $72,644,000 for the energy information administration as proposed by the House instead of $70,500,000 as proposed by the Senate.

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Bill language is included directing the Secretary of Energy, in cooperation with the Administrator of the General Services Administration, to transfer the site of the former National Institute of Petroleum Energy Research to the city of Bartlesville,

Oklahoma. The House and Senate Committees on Appropriations understand that the Department agrees that this is an appropriate way to dispose of this property that is no longer needed by the Department because of the privatization of NIPER.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

The conference agreement provides $2,078,967,000 for Indian health services instead of $2,085,407,000 as proposed by the House and $2,138,001,000 as proposed by the Senate.

Changes to the House position in hospital and clinic programs include increases of $2,440,000 for the operation of Alaska facilities and $200,000 for epidemiology centers and decreases of $1,000,000 for the health care improvement fund and $110,000 for Shoalwater Bay infant mortality prevention.

There are also increases of $1,500,000 for dental services and $1,030,000 for public health nursing and a decrease of $500,000 for mental health services. For contract support costs, there is a decrease of $10,000,000.

Bill Language.—Language is included permitting the use of Indian Health Care Improvement Fund monies for activities typically funded under the Indian Health Facilities account. The Service should notify the House and Senate Committees on Appropriations on the distribution and use of these funds. A total of $10,000,000 has been provided. Indian Health Care Improvement Fund monies should be distributed to increase the level of need funded for the most underfunded tribes. Language also is included permitting the use of up to $10,000,000 in contract support cost funding for new and expanded contracts and compacts.

The conference agreement provides for the following:

1. The $4,000,000 provided for the Alaska telemedicine project is for the Alaska Federal Health Care Access Network.

2. The increase provided for epidemiology centers includes a $100,000 increase for the Portland, OR center. The state-of-the-art work done by this center is impressive and the Service should use the expertise at the Portland center to assist the other epidemiology centers.

3. At least $1,000,000 of the program increase for dental health should be used to develop four clinical and preventive dental support centers.

4. Within the program increase for public health nursing, the Service should hire a nurse for the Havasupai, AZ clinic.

5. The lack of a resolution to the contract support costs distribution disparity in IHS continues to be a great concern. The Service is strongly encouraged to continue its work with the tribes to resolve the discrepancies that exist currently and ensure that these costs can be funded fairly. Any resolution to the issue should not be made at the expense of funding for medical services and facilities for non-contracting and non-compacting tribes.

6. With respect to the House language on distribution of funds, fixed cost increases that are provided should be distributed equitably across all Service-operated and tribally-operated programs. Other program increases should not automatically be distributed on a pro-rata basis. For example, a $1,000,000 program increase distributed across all health programs would give each program an insignificant amount of additional funding. In such a case, the Service should select a very limited number of projects so that demonstrable results can be achieved. The Service should develop objective criteria for evaluating project proposals prior to the distribution of program-specific increases that are unrelated to fixed costs.

7. Fetal alcohol syndrome and its impact on Indian families and Indian communities continues to be a great concern and there is a need for more collaborative efforts to address this important health problem. The University of Washington's fetal alcohol syndrome research program should consider a partnership with the Northwest Portland Indian Health Board to provide more direct services to the American Indian and Alaska Native communities through training and consultation and collaborative analysis of the data surrounding fetal alcohol syndrome and fetal alcohol effect.

8. The Service is encouraged to ensure that adequate funding is provided to support IHS and tribal epidemiological activities related to the surveillance and monitoring of AIDS/HIV and other communicable and infectious diseases.

9. On October 27, 1999, the United States Court of Appeals for the Federal Circuit overturned a judgment by the Department of the Interior Board of Contract Appeals with respect to contract support costs (Bruce Babbitt, Secretary of the Interior v. Oglala Sioux Tribal Public Safety Department). The court decision clearly states that the law unequivocally makes contracts providing such costs subject to the availability of appropriations and that any agency can only spend as much money as has been appropriated for contract support costs. Any shortfall does not create an unfunded liability for the Federal government.

INDIAN HEALTH FACILITIES

The conference agreement provides $318,580,000 for Indian health facilities instead of $312,478,000 as proposed by the House and $189,252,000 as proposed by the Senate.

Changes to the House position include increases of $1,500,000 for sanitation construction, $2,942,000 for the Parker, AZ clinic construction and $1,000,000 for Fort Defiance, AZ hospital construction and a decrease of $1,745,000 for the Pawnee, OK clinic design. There is also an increase of $2,405,000 for facilities and environmental health support.

Bill Language.—Several provisions are included to ensure that the facilities program is able to take advantage of certain purchase opportunities from other agencies and that construction projects can be successfully completed.

Language is included to assist the Hopi Tribe with the debt associated with the construction of staff quarters that is being financed with tribal funds.

Language is included permitting the use of up to $500,000 to purchase equipment from the Department of Defense and permitting the use of up to $500,000 to purchase ambulances, including medical equipment, from the General Services Administration.

Language is included permitting the use of up to $500,000 for demolition of Federal facilities.

Language is included permitting the purchase of up to 5 acres to expand the parking facilities at the IHS hospital in Tahlequah, OK.

The conference agreement provides for the following:

1. The funds provided for Fort Defiance, AZ, hospital construction do not include staff quarters construction which is subject to the guidance provided in item number five below.

2. The funds for staff quarters at Zuni are for uniform building code approved modular housing.

3. The program increase provided for facilities and environmental health support is not specifically earmarked for individual programs; however, a portion of the total increase should be dedicated to injury prevention efforts. The Service should notify the House and Senate Committees on Appropriations on how the Service proposes to distribute these funds.

4. Within the funds provided for maintenance and improvement, $1,000,000 is to be used for environmental remediation at Talihina, OK.

5. The Service needs to develop a standardized methodology for construction of staff quarters. That methodology should assume the use of uniform building code approved modular housing unless there is a compelling reason why such housing is not appropriate. The methodology should be applied fairly to all quarters projects on the priority list and should encourage tribal funding and alternative financing. The Service should address the new methodology in their 2001 budget request.

6. The Service may use up to $5,000,000 in sanitation funding for projects to clean up and replace open dumps on Indian lands pursuant to the Indian Lands Open Dump Cleanup Act of 1994.

7. The Service should work closely with the tribes and the Administration to make needed revisions to the facilities construction priority system. Given the extreme need for new and replacement hospitals and clinics, there should be a base funding amount, which serves as a minimum annual amount in the budget request. Issues which need to be examined in revising the current system include, but are not limited to, projects funded primarily by the tribes, anomalies such as extremely remote locations like Havasupai, recognition of projects that involve no or minimal increases in operational costs such as the Portland area pilot project, and alternative financing and modular construction options. The Service in re-examining the current system for construction of health facilities, should develop a more flexible and responsive program can be developed that will more readily accommodate the wide variances in tribal needs and capabilities.

OTHER RELATED AGENCIES

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

SALARIES AND EXPENSES

The conference agreement provides $8,000,000 for salaries and expenses of the Office of Navajo and Hopi Indian Relocation as proposed by the Senate instead of $13,400,000 as proposed by the House.

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT

PAYMENT TO THE INSTITUTE

The conference agreement provides $2,125,000 for payment to the institute instead of the $4,250,000 proposed by the Senate and zero funding as proposed by the House.

The conference agreement provides $2,125,000 to the institute with the understanding that these funds are subject to a one-to-one match from non-Federal sources. In addition, the House and Senate Committees on Appropriations note that this is the last year that Federal funding will be provided for institute operations.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

The conference agreement provides $372,901,000 for salaries and expenses instead

of $371,501,000 as proposed by the House and $367,062,000 as proposed by the Senate. Included in this amount is $18,329,000 to fund fully the estimated cost increases associated with pay and benefits, utilities, communications and postage, rental space, and implementation of the Panama Canal Treaty at the Tropical Research Institute. A revised estimate of utilities costs by the Smithsonian has resulted in a decrease of $1,100,000 from the original budget submission and is reflected in the foregoing total. In agreement with the House, an additional amount of $5,000,000 is provided to the National Museum of the American Indian to meet anticipated expenses that will be incurred in moving staff and collections from New York City to the Cultural Resources Center in Suitland, Maryland. An additional amount of $2,500,000 is provided to the National Museum of Natural History's Arctic Studies Center. A provision included in the House bill that would allow federal appropriations designated for lease or rent payments to be used as rent payable to the Smithsonian and deposited in the Institution's general trust fund account has been retained in the conference report.

REPAIR, REHABILITATION AND ALTERATION OF FACILITIES

(INCLUDING TRANSFERS OF FUNDS)

The conference agreement provides an amount of $47,900,000 to fund activities in this account, as proposed by the House and agreed to by the Senate. Within this total, $6,000,000 is provided specifically for repairs and improvements at the National Zoological Park. The conference agreement includes the proposal put forward by the Smithsonian to consolidate their previous budget structure, whereby separate accounts for Zoo Construction and Improvements, Repair and Restoration of Buildings, as well as the Alterations and Modifications portion of the Construction account, have been merged into one broad account designated as Repair, Rehabilitation and Alteration of Facilities. In agreeing to the proposal, the House and Senate Committees on Appropriations want to underscore the Institution's responsibility for ensuring that future budget estimates contain sufficiently detailed information for the various activities covered by this new account. In addition, the Smithsonian Institution is directed to provide the Committees on Appropriations with a report to be submitted annually by December 1, which details expenditures, obligations and remaining balances for this account from the previous fiscal year.

CONSTRUCTION

The conference agreement provides $19,000,000 for construction as proposed by both the House and the Senate. With this appropriation, the Congress has fulfilled its commitment to provide Federal funding for construction of the National Museum of the American Indian on the National Mall in Washington, D.C.

ADMINISTRATIVE PROVISIONS, SMITHSONIAN INSTITUTION

The conference agreement includes a modification of language included in the House bill that will permit the Smithsonian to make minimal necessary repairs to the Holt House.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

The conference agreement provides $61,538,000 for salaries and expenses of the National Gallery of Art as proposed by the House instead of $61,438,000 as proposed by the Senate.

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

The conference agreement provides $6,311,000 for repair, restoration and renovation of buildings as proposed by both the House and the Senate.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

The conference agreement provides $14,000,000 for operations and maintenance as proposed by the Senate instead of $12,441,000 as proposed by the House.

CONSTRUCTION

The conference agreement provides $20,000,000 for construction as proposed by both the House and Senate.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

The conference agreement provides $6,790,000 for salaries and expenses of the Wilson Center instead of $7,040,000 as proposed by the House and $6,040,000 as proposed by the Senate. Funds should be distributed as follows:

Fellowship program	$983,000
Scholar support	705,000
Public service	1,897,000
Administration	1,796,000
Smithsonian fee	135,000
Conference/Outreach	1,109,000
Building requirements	165,000

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

The conference agreement provides $85,000,000 for grants and administration instead of $83,500,000 as proposed by the House and $90,000,000 as proposed by the Senate. The conference agreement includes the Senate proposal to redirect $1,500,000 from matching grants to program grants.

MATCHING GRANTS

The conference agreement provides $13,000,000 for matching grants as proposed by the Senate instead of $14,500,000 as proposed by the House. The conference agreement includes the Senate proposal to redirect $1,500,000 from matching grants to program grants.

NATIONAL ENDOWMENT FOR THE HUMANITIES

GRANTS AND ADMINISTRATION

The conference agreement provides $101,000,000 for grants and administration as proposed by the Senate instead of $96,800,000 as proposed by the House. The National Endowment for the Humanities has for several years supported important efforts to preserve disintegrating books, periodicals and other published materials. While the Endowment acknowledges that other elements of our culture and heritage—such as films and sound recordings—are also at risk, its efforts in these areas have been considerably less. The House and Senate Committees on Appropriations are concerned that much of the musical heritage of the nation—as represented by early sound recordings—is irrevocably lost with each passing year. Consequently, the National Endowment for the Humanities is strongly encouraged to strengthen and expand its support of efforts to preserve the rich and important heritage of early sound recordings. Within this effort, the NEH is encouraged to place emphasis on such traditional music forms as folk, jazz and the blues. The Endowment is directed to provide a report to the House and Senate Committees on Appropriations by March 30, 2000, detailing the state by state distribution of the various grants and other NEH funding.

MATCHING GRANTS

The conference agreement provides $14,700,000 for matching grants as proposed by the Senate instead of $13,900,000 as proposed by the House.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

OFFICE OF MUSEUM SERVICES

GRANTS AND ADMINISTRATION

The conference agreement provides $24,400,000 for the Office of Museum Services as proposed by the House instead of $23,905,000 as proposed by the Senate. The conference agreement provides the funding proposed by the House for program administration and agree that the remaining funding increase above that provided in fiscal year 1999 should be designated for national leadership grants for museums.

COMMISSION OF FINE ARTS

SALARIES AND EXPENSES

The conference agreement provides $1,005,000 for the Commission of Fine Arts instead of $935,000 as proposed by the House and $1,078,000 as proposed by the Senate. The conference agreement includes the House proposal to provide one-year authority for the Commission to charge fees to cover publication costs and use the fees without subsequent appropriation. The conference agreement includes all House report language.

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

The conference agreement provides $7,000,000 for National Capital Arts and Cultural Affairs as proposed by both the House and the Senate.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

SALARIES AND EXPENSES

The conference agreement provides $3,000,000 as proposed by the House instead of $2,906,000 as proposed by the Senate.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

The conference agreement provides $6,312,000 as proposed by both the House and the Senate. The conference agreement includes the Senate proposal to provide one-year authority for appointed members of the Commission to be compensated in a manner similar to other Federal boards and commissions.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

HOLOCAUST MEMORIAL COUNCIL

The conference agreement provides $33,286,000 for the Holocaust Memorial Council as proposed by both the House and the Senate.

The United States Holocaust Memorial Council was established in 1980 to support the planning and construction of a permanent, living memorial museum to the victims of the Holocaust. Having opened in 1993, the United States Holocaust Memorial Museum has achieved remarkable success. Following these first six years of operation, the House Appropriations Committee requested the National Academy of Public Administration (NAPA) to conduct a review of the Council and the Museum. NAPA has completed its report and included a number of recommendations to improve the operation and management of the two entities that will set them on a strong course to ensure

future success. The House and Senate Committees on Appropriations strongly support the NAPA findings and recommendations and urge the entities to include those reforms that require statutory changes in a reauthorization bill to the Congress by the opening of the second session of the 106th Congress. Further, the organizations should implement fully the administrative changes recommended in the report by February 15, 2000 and to report to the House and Senate Committees on Appropriations on the completion of their implementation by March 1, 2000.

PRESIDIO TRUST

PRESIDIO TRUST FUND

The conference agreement provides $44,400,000 for the Presidio Trust as proposed by both the House and the Senate.

TITLE III—GENERAL PROVISIONS

The conference agreement includes sections 301 through 306, sections 308 through 315, sections 317 through 319 and section 325 from the Senate bill, which continue provisions carried in past years. Section 314 adds a reference to Alaska for the Jobs-in-the-Woods program as proposed by the Senate.

Section 307 makes permanent the provision on compliance with the Buy American Act, which was included in the House bill as section 306. The Senate had extended the provision for one year.

The conference agreement does not include language proposed by the House in section 315 and by the Senate in section 316 prohibiting the use of funds for biosphere reserves as part of the Man and Biosphere Program.

Section 316 exempts the Presidio Trust from certain taxes and assessments. While the Presidio Trust, and all property under its administrative jurisdiction, is exempt by law from all taxes of any kind, the conference agreement provides clarification that any interests created under leases or any other agreement associated with Presidio properties are exempt from taxes of any kind, including but not limited to possessory interest taxes.

Section 320 continues the provision contained in the bill in previous years regarding outreach efforts to rural and underserved communities by the NEA, as amended by the House to include urban minorities.

Section 321 modifies a provision concerning Forest Service land management planning which was proposed by the House and the Senate and which was included in previous Appropriations acts. The modification now allows national forests to begin planning if their existing plans reach the fifteen year mandated date to revise before or during calendar year 2001.

Section 322 continues the limitation on funding for completion and issuance of the five-year program under the Forest and Rangeland Renewable Resources Planning Act as proposed by the Senate. The House had no similar provision.

Section 323 prohibits the use of funds to support government-wide administrative functions unless they are in the budget justification and approved by the House and Senate Committees on Appropriations as proposed by the House. The Senate had no similar provision.

Section 324 modifies a provision proposed by the House prohibiting the use of funds for certain programs. The modification retains the limitation on the use of funds for General Services Administration Telecommunications Centers and for the President's Council on Sustainable Development and deletes the limitation dealing with the National Telecommunications and Information Administration. The Senate had no similar provision.

The conference agreement does not include language proposed by the Senate in section 324 that would continue the moratorium on new or expanded Indian self-determination and self-governance contracts and compacts with the Bureau of Indian Affairs and Indian Health Service. The House had no similar provision.

Section 326 authorizes certain special resource studies. This issue is addressed in more detail under the construction account in the National Park Service.

Section 327 retains the text of section 324 as proposed by the House and section 325 as proposed by the Senate which permits the Forest Service to use the roads and trails fund for backlog maintenance and priority forest health treatments.

Section 328 modifies language proposed by the House in section 325 dealing with the establishment of a National Wildlife Refuge in the Kankakee watershed in northwestern Indiana and northeastern Illinois. The modification stipulates that refuge establishment must be consistent with the U. S. Army Corps of Engineers' efforts to control flooding and siltation in that area. Written certification of consistency and compatibility must be submitted to the House and Senate Committees on Appropriations prior to refuge establishment. The Committees note that any land acquisition for such a refuge may only occur after funds have been requested in subsequent budget submissions and approved by the Committees.

Section 329 modifies language proposed by the House in Section 326 concerning the American Heritage Rivers initiative. The modified language specifically prevents funds from being transferred to, or used to fund personnel, training or other administrative activities at, the Council on Environmental Quality (CEQ) for purposes related to this program, but the language no longer prevents headquarters or departmental activities for these purposes. The Council on Environmental Quality, as part of the Executive Office of the President, is funded through a different appropriations bill to cover all of its program needs, including those associated with the American Heritage Rivers initiative. The Committees note that the appropriations act funding the CEQ provides that no funds other than those specifically appropriated to the CEQ may be used for or by the CEQ. Thus, no detailees from agencies funded by this Act may be used for or by the CEQ. The House and Senate Committees on Appropriations do not object to the agencies covered by this bill from participating in this initiative if it is a normal part of their programs. In fact, the technical assistance programs funded in this bill are intended to help respond to local initiatives and needs. The House and Senate Committees on Appropriations encourage maximum cost-sharing and expect the agencies to emphasize field-level accomplishments rather than headquarters or regional office bureaucratic efforts.

The House and Senate Committees on Appropriations are very concerned about reports that individuals employed by the Federal government who work on the American Heritage Rivers initiative have engaged in inappropriate lobbying activities with Congressional offices and Federal career employees concerning this legislative issue. Such activities should cease immediately and disciplinary actions should be taken. Such inappropriate behavior by Federal employees should not be tolerated, and staff should not be allowed to interfere with Congressional efforts to improve management and accountability.

Section 330 modifies language proposed by the House in section 327 restricting the use of answering machines during core business hours except in case of emergency. The modification requires that there be an option that permits the caller to reach immediately another individual. The American taxpayer deserves to receive personal attention from public servants. The Senate had no similar provision.

Section 331 modifies a provision proposed by the House concerning Forest Service administration of rights-of-way and land uses. The Senate had no similar provision. The modification retains most of the language proposed by the House, with technical modifications, but the provision now makes this a five-year pilot program and requires annual reports to the House and Senate Committees on Appropriations summarizing activities and funds involved during the previous year. The Forest Service is directed to follow the instructions proposed by the House regarding this provision. The House and Senate Committees on Appropriations and the authorizing committees of jurisdiction will review this pilot program and determine subsequently if it warrants permanent authority.

Section 332 modifies a provision included in the fiscal year 1999 act regarding the Institute of Hardwood Technology Transfer and Applied Research to make the related authorities permanent as proposed by the Senate in section 326. The House had no similar provision.

Section 333 modifies language proposed by the Senate in section 327 to continue a program by which Alaska's surplus western red cedar is made available preferentially to U.S. domestic mills outside Alaska, prior to export abroad. The House had no similar provision. The provision has been modified to conform to the standard transaction evidence timber appraisal system used elsewhere in the national forest system and recently implemented in Region 10.

The conference agreement does not include the Senate-proposed section 328 concerning Forest Service and Bureau of Land Management inventorying, monitoring and surveying requirements. The House had no similar provision.

Section 334 includes language clarifying the Presidio Trust's borrowing authority by requiring that obligations issued to the Secretary of the Treasury be subject to terms and conditions prescribed by the Secretary of the Treasury including a review of the creditworthiness of the properties designed as the source of repayment of the obligations.

Section 335 modifies language regarding reports on the feasibility and cost of implementing the Interior Columbia Basin Ecosystem Management Project as proposed by the House in section 329. The Senate proposed similar language in section 330. The provision has been modified so that a report describing the estimated production of goods and services produced in the study area for the first five years during the course of the decision may be reported for each Resource Advisory Council or Provincial Advisory Council rather than for each individual unit of Federal land as required in the House and Senate passed versions.

The conference agreement does not include section 330 as proposed by the House which would have provided authority for breastfeeding in the National Park Service,

the Smithsonian, the John F. Kennedy Center, the Holocaust Memorial Museum and the National Gallery of Art. A separate appropriations bill funding general government programs includes a similar provision, but one that is broader in its application. The Senate bill had no similar provision.

Section 336 prohibits the use of funds to propose or issue rules, regulations, decrees or orders for implementing the Kyoto Protocol prior to Senate ratification as proposed by the House in section 331. The Senate had no similar provision.

The conference agreement does not include House proposed bill language included under section 333 prohibiting the use of funds to directly construct timber access roads in the National Forest System. The Senate had no similar provision.

The conference agreement does not include either the across the board cut proposed by the House in section 333 or the across the board cut proposed by the Senate in section 348.

Section 337 modifies language proposed by the House in section 334 and the Senate in section 335 regarding patent applications. The modification exempts from the Solicitor's opinion of November 7, 1997 mining operations with approved plans of operation, patents that were grandfathered as part of the 1995 mining patent moratorium, and plans of operation submitted prior to the Solicitor's opinion of November 7, 1997. It is inequitable to apply the Solicitor's millsite opinion to those plans of operation retroactively, since the Department of the Interior and the Forest Service have been approving and modifying plans of operation routinely for years without raising an issue with operators about the ratio of millsites to claims. The Departments of the Interior and Agriculture may not implement the millsite opinion for existing plans of operation. Further, the Departments of the Interior and Agriculture may not reopen decisions already made and relied upon by the stakeholders when these existing plans were approved.

The conference agreement does not include language proposed by the House in section 335 prohibiting certain uses of leghold traps and neck snares within the National Wildlife Refuge system.

The conference agreement does not include language as proposed by the House in section 336 that would prohibit implementation of certain portions of the Gettysburg NMP general management plan.

Section 338 modifies a Senate provision in section 330 concerning consistency among federal land managing agencies for the exemption to the Service Contract Act for concession contracts. The modified language deals only with the Forest Service and applies only in fiscal year 2000. The House had no similar provision.

Section 339 modifies section 331 as proposed by the Senate regarding the establishment of a five-year pilot program for the Forest Service to collect fair market value for forest botanical products. The House had no similar provision. The provision is modified to clarify the definition of forest botanical products, to ensure that the harvest of such products will be sustainable, to exempt some personal use harvest from fee collection at the discretion of the agency, and to return a portion of the funds collected to the national forest unit at which they are generated. The House and Senate Committees on Appropriations want to encourage the development of appropriate small-scale industries but also ensure that the Forest Service carefully manages this program so that plants and fungi are not over-collected. This provision has been modified so that the funds which exceed the level collected in fiscal year 1999 can be used right away rather than delaying expenditure of the funds until fiscal year 2001 as proposed by the Administration and the Senate. Fees will be returned to the forest unit where they are generated and will be used to provide for program administration, inventory, monitoring, sustainable harvest level and impact of harvest determination and restoration activities. The Forest Service is encouraged to develop harvest guidelines that cover species ranges so sharing of fees among units may be required to properly deal with wide-ranging species.

Section 340 includes the Senate-proposed section 333 extending the authorization for the Forest Service to provide funds to Auburn University, AL, for construction of a non-federal building. The House bill had no similar provision.

Section 341 modifies the Senate-proposed section 334 dealing with Forest Service stewardship end-results contracting. The modification deletes the Senate proposal to provide the Northern region with nine additional projects. The modified provision includes technical changes to the language which authorized the pilot program. These changes make it clear that the Forest Service can enter into a contract or agreement with either a public or private entity; that an agreement as opposed to a contract can be the primary vehicle for implementing a pilot project; and there is a national limit on projects, as opposed to contracts. This will allow, if necessary, use of more than one contract to implement a project. The House bill had no similar provision.

The conference agreement does not include Senate proposed bill language included under section 335 that provides that residents living within the boundaries of the White Mountain National Forest are exempt from certain user fees. The House bill had no similar provision.

Section 342 modifies the Senate-proposed section 336 dealing with special use fees paid for recreation residences on Forest Service managed lands. This provision supersedes section 343 of P.L. 105–83 and limits fee increases during fiscal year 2000 to $2,000 per permit. The House had no similar provision.

The conference agreement does not include language proposed by the Senate in section 337 concerning acquisition of lands within the Columbia River Gorge National Scenic Area. The House had no similar provision.

Section 343 redesignates the Blackstone River Valley National Heritage Corridor as the John H. Chafee Blackstone River Valley National Heritage Corridor.

Section 344 provides that the Forest Service may not use the Recreation Fee Demonstration program to supplant existing recreation contracts on the national forests as proposed by the Senate in section 338. The House bill had no similar provision.

Section 345 amends the National Forest-Dependent Rural Communities Economic Diversification Act, as proposed by the Senate in section 339, to make Forest Service grasslands eligible for economic recovery funding. The House bill had no similar provision.

Section 346 modifies language proposed by the Senate in section 340 regarding the I–90 Land Exchange Act of 1998 to reflect a recently negotiated settlement of a federal district court case involving Plum Creek and five environmental groups. The settlement reconfigures the exchange in a way not reflected in the original amendment in the Senate Interior Appropriations bill. The settlement significantly reduces the scope of the exchange. Several parcels in the Gifford Pinchot National Forest were dropped from the exchange, along with several Plum Creek parcels destined for public ownership. As a result, the new language reflects the settlement agreement. The House had no similar provision.

Section 347 modifies language proposed by the Senate in section 341 adjusting the boundary of the Snoqualmie National Forest. Eight Plum Creek parcels will be placed in escrow for three years to be eligible for Forest Service ownership through either appropriations, additional land conveyances or private donation. If the parcels are not acquired after three years, the titles revert back to Plum Creek. The original section in the Senate Interior Appropriations bill placed five Plum Creek parcels in escrow. However, the value of the lands in escrow remains the same. The House had no similar provision.

Section 348 amends the Food Security Act to protect the confidentiality of Forest Inventory and Analysis data on private lands as proposed by the Senate in section 342. The House bill had no similar provision.

Section 349 provides, as proposed by the Senate in section 343, that none of the funds appropriated or otherwise made available by this Act may be used to implement or enforce any provision in Presidential Executive Order 13123 regarding the Federal Energy Management Program which circumvents or contradicts any statutes relevant to Federal energy use and the measurement thereof. The Department is expected to adhere to existing law governing energy conservation and efficiency in implementing the Federal Energy Management Program. The House had no similar provision.

The conference agreement does not include Senate proposed bill language included under section 344 directing the Forest Service to use funds to improve the control or eradication of pine beetles in the Rocky Mountain region of the United States. The conference agreement provides direction on this matter under the Forest Service heading.

The conference agreement does not include Senate proposed bill language included under section 346 prohibiting the use of funds for certain activities on the Shawnee National Forest, IL.

The conference agreement does not include language proposed by the Senate in section 345 prohibiting funds for the physical relocation of grizzly bears into the Selway-Bitterroot Wilderness of Idaho and Montana. The House had no similar provision. This action is based on written assurances, by letter of November 8, 1999, from the Fish and Wildlife Service that the Service will not reintroduce or relocate grizzly bears during fiscal year 2000.

Section 350 provides for the investment of Exxon Valdez oil spill funds in high yield investments and in marine research.

Section 351 directs that up to $1,000,000 of Bureau of Land Management funds be used to fund high priority projects to be conducted by the Youth Conservation Corps as proposed by the Senate in section 347. The House bill had no similar provision.

Section 352 makes a permanent appropriation for the North Pacific Research Board. To date, these funds have been subject to appropriation.

Section 353 prohibits the withdrawal of certain lands on the Mark Twain NF, MO, from mining activities and prohibits the issuance of new prospecting permits. The House had no similar provision.

Section 354 makes a minor technical modification to a previously established pilot program. This modification authorizes the Bureau of Land Management and the Forest Service to establish transfer appropriation accounts in order to facilitate efficient inter-agency fund transfers. The House and Senate Committees on Appropriations support the pilot effort of the two agencies to accomplish mutually beneficial management of respective lands. The agencies are expected to provide a combined report to the House and Senate Committees on Appropriations on the use of these accounts by June 30, 2000.

Section 355 provides for an extension of the public comment period for the White River National Forest, CO, forest plan revision for ninety days past the February 9, 2000, deadline currently in place.

Section 356 provides direction to the National Capital Planning Commission concerning a certain easement and other matters regarding the National Harbor project, MD.

Section 357 allows the Bureau of Land Management to promulgate new hardrock mining regulations so long as these regulations are not inconsistent with the recommendations contained in the National Research Council (NRC) report on hardrock mining and with BLM's statutory authority. To the extent necessary to accomplish this, the BLM is permitted to finalize the Draft Environmental Impact Statement on Surface Management Regulations for Locatable Mineral Operations. If the Department of the Interior wishes to implement any regulatory changes that go beyond the recommendations contained in the NRC report and existing statutes, it should provide a detailed report on such recommendations and the rationale for such changes in the fiscal year 2001 budget submission. In addition, the Department should submit any legislative proposals that might be required to implement changes that go beyond the NRC recommendations and existing statutes.

TITLE IV—MISSISSIPPI NATIONAL FOREST IMPROVEMENT ACT OF 1999

The conference agreement includes the Mississippi National Forest Improvement Act of 1999. This new bill language provides for the sale of surplus Forest Service research property and other surplus administrative sites in Mississippi; facilitates a cooperative agreement between the Forest Service and the University of Mississippi; and facilitates a land exchange on the Homochitto National Forest for the Franklin County Dam.

TITLE V—UNITED MINE WORKERS OF AMERICA COMBINED BENEFIT FUND

Title V provides an emergency transfer of interest earned by the Abandoned Mine Reclamation Fund to the United Mine Workers of America Combined Benefit Fund. The Abandoned Mine Reclamation Fund was established by the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231). The Abandoned Mine Land Reclamation Act of 1990 provides for the investment of the unappropriated balances of the fund and the crediting of earned interest to the Abandoned Mine Reclamation Fund. The Coal Industry Retiree Health Benefit Act of 1992 (26 U.S.C. 9701–9722) was included as part of the Energy Policy Act of 1992 and provides for an annual transfer of part of the interest earned by the Abandoned Mine Reclamation Fund to the United Mine Workers of America Combined Benefit Fund.

The transfer of funds provided by this title is in response to rising health care costs and recent court decisions which have combined to seriously erode the solvency of the United Mine Workers of America Combined Benefit Fund. Consequently, the Trustees of the Fund have determined that without the relief provided by this section, cuts in health care benefits to the more than 66,000 retired miners and their dependents throughout the nation are imminent.

The House and Senate Committees on Appropriations recognize that the emergency transfer provided by this title is not the long-term answer to the financial problems associated with the United Mine Workers of America Combined Benefit Fund. It is expected that the legislation necessary to remedy the financial problems of the United Mine Workers of America Combined Benefit Fund will be taken up by the legislative committees of jurisdiction and will be enacted into law in a timely manner. The committees of jurisdiction are urged to work with miners and the contributing companies in ensuring the long-term solvency of the fund. The best long-term solution to the financial problems associated with the fund must include a review of and action on appropriate adjustments to private sector contributions to the fund, including contributions currently being made by the so-called ''reach back'' companies. At the same time, the long-term solution for the fund should cover all eligible retired miners and their dependents, including the unassigned beneficiaries, as provided for in current law.

The more than 66,000 elderly retired miners and their dependents should not again be brought to the precipice, not knowing whether the Federal Government will continue to meet fully its commitment to provide their health care benefits, as provided in the Coal Industry Retiree Health Benefits Act of 1992.

TITLE VI—PRIORITY LAND ACQUISITION AND LAND EXCHANGES

The conference agreement provides $197,500,000 for high priority land acquisition and other purposes. This amount is in addition to the $266,288,000 provided in previous titles of this Act, for a total of $463,788,000. The agreement provides the following additional funds for specific projects: $61,000,000 for the Baca Ranch in New Mexico, subject to the same terms and conditions contained under the heading ''Forest Service, Land Acquisition'', $20,000,000 for the State Assistance program, $5,000,000 for the Catellus property in southern California with the expectation that certain conditions involving the National Training Center for the Army at Fort Irwin will be resolved in the future, $2,000,000 for the Rhode Island National Wildlife Refuge Complex, $19,500,000 for the purchase of mining rights in Utah, $10,000,000 for Elwha River ecosystem restoration, $5,000,000 for backlog maintenance in the National Park Service, $5,000,000 for the Forest Legacy program in the Forest Service, and $35,000,000 for State grants for land acquisition in the State of Florida subject to conditions on guaranteed water supply contained under the heading ''National Park Service, Land Acquisition and State Assistance''.

With respect to the remainder of the funds totaling $35,000,000, the conference agreement provides $20,000,000 to the Department of the Interior and $15,000,000 to the Department of Agriculture, Forest Service for land acquisitions. These funds and the Forest Legacy funding in this title are made available with the understanding that the House and Senate Committees on Appropriations will notify the Secretaries of Agriculture and the Interior in writing on the individual projects to be funded with these additional monies.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2000 recommended by the Committee of Conference, with comparisons to the fiscal year 1999 amount, the 2000 budget estimates, and the House and Senate bills for 2000 follow:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 1999	$14,297,803
Budget estimates of new (obligational) authority, fiscal year 2000	15,266,137
House bill, fiscal year 2000	13,934,609
Senate bill, fiscal year 2000	14,055,710
Conference agreement, fiscal year 2000	14,928,411
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1999	+630,608
Budget estimates of new (obligational) authority, fiscal year 2000	−337,726
House bill, fiscal year 2000	+993,802
Senate bill, fiscal year 2000	+872,701

The conference agreement would enact the provisions of H.R. 3424 as introduced on November 17, 1999. The text of that bill follows:

A BILL Making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2000, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Labor, Health and Human Services, and Educaiton, and related agencies for the fiscal year ending September 30, 2000, and for other purposes, namely:

TITLE I—DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

For necessary expenses of the Workforce Investment Act, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Workforce Investment Act; the Stewart B. McKinney Homeless Assistance Act; the Women in Apprenticeship and Nontraditional Occupations Act; the National Skill Standards Act of 1994; and the School-to-Work Opportunities Act; $3,002,618,000 plus reimbursements, of which $1,650,153,000 is available for obligation for the period July 1, 2000 through June 30, 2001; of which $1,250,965,000 is available for obligation for the period April 1, 2000 through June 30, 2001; of which $35,500,000 is available for the period July 1, 2000 through June 30, 2003 including $34,000,000 for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers, and $1,500,000 under authority of section 171(d) of the Workforce Investment Act for use by the Organizing Committee for the 2001 Special Olympics World Winter Games in Alaska to promote employment opportunities for individuals with disabilities and other staffing needs; and of which $55,000,000 shall be available from July 1, 2000 through September 30, 2001, for carrying out activities of the School-to-

Work Opportunities Act: Provided, That $58,800,000 shall be for carrying out section 166 of the Workforce Investment Act, including $5,000,000 for carrying out section 166(j)(1) of the Workforce Investment Act, including the provision of assistance to American Samoans who reside in Hawaii for the co-location of federally funded and State-funded workforce investment activities, and $7,000,000 shall be for carrying out the National Skills Standards Act of 1994: Provided further, That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers: Provided further, That funds provided to carry out section 171(d) of such Act may be used for demonstration projects that provide assistance to new entrants in the workforce and incumbent workers: Provided further, That funding provided to carry out projects under section 171 of the Workforce Investment Act of 1998 that are identified in the Conference Agreement, shall not be subject to the requirements of section 171(b)(2)(B) of such Act, the requirements of section 171(c)(4)(D) of such Act, or the joint funding requirements of sections 171(b)(2)(A) and 171(c)(4)(A) of such Act: Provided further, That funding appropriated herein for Dislocated Worker Employment and Training Activities under section 132(a)(2)(A) of the Workforce Investment Act of 1998 may be distributed for Dislocated Worker Projects under section 171(d) of the Act without regard to the 10 percent limitation contained in section 171(d) of the Act.

For necessary expenses of the Workforce Investment Act, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Workforce Investment Act; $2,463,000,000 plus reimbursements, of which $2,363,000,000 is available for obligation for the period October 1, 2000 through June 30, 2001; and of which $100,000,000 is available for the period October 1, 2000 through June 30, 2003, for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

To carry out the activities for national grants or contracts with public agencies and public or private nonprofit organizations under paragraph (1)(A) of section 506(a) of title V of the Older Americans Act of 1965, as amended, or to carry out older worker activities as subsequently authorized, $343,356,000.

To carry out the activities for grants to States under paragraph (3) of section 506(a) of title V of the Older Americans Act of 1965, as amended, or to carry out older worker activities as subsequently authorized, $96,844,000.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of trade adjustment benefit payments and allowances under part I; and for training, allowances for job search and relocation, and related State administrative expenses under part II, subchapters B and D, chapter 2, title II of the Trade Act of 1974, as amended, $415,150,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For authorized administrative expenses, $163,452,000, together with not to exceed $3,090,288,000 (including not to exceed $1,228,000 which may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980), which may be expended from the Employment Security Administration account in the Unemployment Trust Fund including the cost of administering section 1201 of the Small Business Job Protection Act of 1996, section 7(d) of the Wagner-Peyser Act, as amended, the Trade Act of 1974, as amended, the Immigration Act of 1990, and the Immigration and Nationality Act, as amended, and of which the sums available in the allocation for activities authorized by title III of the Social Security Act, as amended (42 U.S.C. 502–504), and the sums available in the allocation for necessary administrative expenses for carrying out 5 U.S.C. 8501–8523, shall be available for obligation by the States through December 31, 2000, except that funds used for automation acquisitions shall be available for obligation by the States through September 30, 2002; and of which $163,452,000, together with not to exceed $738,283,000 of the amount which may be expended from said trust fund, shall be available for obligation for the period July 1, 2000 through June 30, 2001, to fund activities under the Act of June 6, 1933, as amended, including the cost of penalty mail authorized under 39 U.S.C. 3202(a)(1)(E) made available to States in lieu of allotments for such purpose, and of which $125,000,000 shall be available only to the extent necessary for additional State allocations to administer unemployment compensation laws to finance increases in the number of unemployment insurance claims filed and claims paid or changes in a State law: Provided, That to the extent that the Average Weekly Insured Unemployment (AWIU) for fiscal year 2000 is projected by the Department of Labor to exceed 2,638,000, an additional $28,600,000 shall be available for obligation for every 100,000 increase in the AWIU level (including a pro rata amount for any increment less than 100,000) from the Employment Security Administration Account of the Unemployment Trust Fund: Provided further, That funds appropriated in this Act which are used to establish a national one-stop career center network may be obligated in contracts, grants or agreements with non-State entities: Provided further, That funds appropriated under this Act for activities authorized under the Wagner-Peyser Act, as amended, and title III of the Social Security Act, may be used by the States to fund integrated Employment Service and Unemployment Insurance automation efforts, notwithstanding cost allocation principles prescribed under Office of Management and Budget Circular A–87.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, as amended; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, and to the ''Federal unemployment benefits and allowances'' account, to remain available until September 30, 2001, $356,000,000.

In addition, for making repayable advances to the Black Lung Disability Trust Fund in the current fiscal year after September 15, 2000, for costs incurred by the Black Lung Disability Trust Fund in the current fiscal year, such sums as may be necessary.

PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, $100,944,000, including $6,431,000 to support up to 75 full-time equivalent staff, the majority of which will be term Federal appointments lasting no more than 1 year, to administer welfare-to-work grants, together with not to exceed $45,056,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

PENSION AND WELFARE BENEFITS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Pension and Welfare Benefits Administration, $99,000,000.

PENSION BENEFIT GUARANTY CORPORATION

PENSION BENEFIT GUARANTY CORPORATION FUND

The Pension Benefit Guaranty Corporation is authorized to make such expenditures, including financial assistance authorized by section 104 of Public Law 96–364, within limits of funds and borrowing authority available to such 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 (31 U.S.C. 9104), as may be necessary in carrying out the program through September 30, 2000, for such Corporation: Provided, That not to exceed $11,155,000 shall be available for administrative expenses of the Corporation: Provided further, That expenses of such Corporation in connection with the termination of pension plans, for the acquisition, protection or management, and investment of trust assets, and for benefits administration services shall be considered as non-administrative expenses for the purposes hereof, and excluded from the above limitation.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, $337,260,000, together with $1,740,000 which may be expended from the Special Fund in accordance with sections 39(c), 44(d) and 44(j) of the Longshore and Harbor Workers' Compensation Act: Provided, That $2,000,000 shall be for the development of an alternative system for the electronic submission of reports as required to be filed under the Labor-Management Reporting and Disclosure Act of 1959, as amended, and for a computer database of the information for each submission by whatever means, that is indexed and easily searchable by the public via the Internet: Provided further, That the Secretary of Labor is authorized to accept, retain, and spend, until expended, in the name of the Department of Labor, all sums of money ordered to be paid to the Secretary of Labor, in accordance with the terms of the Consent Judgment in Civil Action No. 91–0027 of the United States District Court for the District of the Northern Mariana Islands (May 21, 1992): Provided further, That the Secretary of Labor is authorized to establish and, in accordance with 31 U.S.C. 3302, collect and deposit in the Treasury fees for processing applications and issuing certificates under sections 11(d) and 14 of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 211(d) and 214) and for processing applications and issuing registrations under title I of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1801 et seq.).

SPECIAL BENEFITS

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title 5, chapter 81 of the United States Code; continuation of benefits as provided for under the heading ''Civilian War Benefits'' in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and 50 percent of the additional compensation and benefits required by

section 10(h) of the Longshore and Harbor Workers' Compensation Act, as amended, $79,000,000 together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to August 15 of the current year: Provided, That amounts appropriated may be used under section 8104 of title 5, United States Code, by the Secretary of Labor to reimburse an employer, who is not the employer at the time of injury, for portions of the salary of a reemployed, disabled beneficiary: Provided further, That balances of reimbursements unobligated on September 30, 1999, shall remain available until expended for the payment of compensation, benefits, and expenses: Provided further, That in addition there shall be transferred to this appropriation from the Postal Service and from any other corporation or instrumentality required under section 8147(c) of title 5, United States Code, to pay an amount for its fair share of the cost of administration, such sums as the Secretary determines to be the cost of administration for employees of such fair share entities through September 30, 2000: Provided further, That of those funds transferred to this account from the fair share entities to pay the cost of administration, $21,849,000 shall be made available to the Secretary as follows: (1) for the operation of and enhancement to the automated data processing systems, including document imaging and medical bill review, in support of Federal Employees' Compensation Act administration, $13,433,000; (2) for program staff training to operate the new imaging system, $1,300,000; (3) for the periodic roll review program, $7,116,000; and (4) the remaining funds shall be paid into the Treasury as miscellaneous receipts: Provided further, That the Secretary may require that any person filing a notice of injury or a claim for benefits under chapter 81 of title 5, United States Code, or 33 U.S.C. 901 et seq., provide as part of such notice and claim, such identifying information (including Social Security account number) as such regulations may prescribe.

BLACK LUNG DISABILITY TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

For payments from the Black Lung Disability Trust Fund, $1,013,633,000, of which $963,506,000 shall be available until September 30, 2001, for payment of all benefits as authorized by section 9501(d)(1), (2), (4), and (7) of the Internal Revenue Code of 1954, as amended, and interest on advances as authorized by section 9501(c)(2) of that Act, and of which $28,676,000 shall be available for transfer to Employment Standards Administration, Salaries and Expenses, $20,783,000 for transfer to Departmental Management, Salaries and Expenses, $312,000 for transfer to Departmental Management, Office of Inspector General, and $356,000 for payment into miscellaneous receipts for the expenses of the Department of Treasury, for expenses of operation and administration of the Black Lung Benefits program as authorized by section 9501(d)(5) of that Act: Provided, That, in addition, such amounts as may be necessary may be charged to the subsequent year appropriation for the payment of compensation, interest, or other benefits for any period subsequent to August 15 of the current year.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, $382,000,000, including not to exceed $82,000,000 which shall be the maximum amount available for grants to States under section 23(g) of the Occupational Safety and Health Act, which grants shall be no less than 50 percent of the costs of State occupational safety and health programs required to be incurred under plans approved by the Secretary under section 18 of the Occupational Safety and Health Act of 1970; and, in addition, notwithstanding 31 U.S.C. 3302, the Occupational Safety and Health Administration may retain up to $750,000 per fiscal year of training institute course tuition fees, otherwise authorized by law to be collected, and may utilize such sums for occupational safety and health training and education grants: Provided, That, notwithstanding 31 U.S.C. 3302, the Secretary of Labor is authorized, during the fiscal year ending September 30, 2000, to collect and retain fees for services provided to Nationally Recognized Testing Laboratories, and may utilize such sums, in accordance with the provisions of 29 U.S.C. 9a, to administer national and international laboratory recognition programs that ensure the safety of equipment and products used by workers in the workplace: Provided further, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 which is applicable to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs 10 or fewer employees: Provided further, That no funds appropriated under this paragraph shall be obligated or expended to administer or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 with respect to any employer of 10 or fewer employees who is included within a category having an occupational injury lost workday case rate, at the most precise Standard Industrial Classification Code for which such data are published, less than the national average rate as such rates are most recently published by the Secretary, acting through the Bureau of Labor Statistics, in accordance with section 24 of that Act (29 U.S.C. 673), except—

(1) to provide, as authorized by such Act, consultation, technical assistance, educational and training services, and to conduct surveys and studies;

(2) to conduct an inspection or investigation in response to an employee complaint, to issue a citation for violations found during such inspection, and to assess a penalty for violations which are not corrected within a reasonable abatement period and for any willful violations found;

(3) to take any action authorized by such Act with respect to imminent dangers;

(4) to take any action authorized by such Act with respect to health hazards;

(5) to take any action authorized by such Act with respect to a report of an employment accident which is fatal to one or more employees or which results in hospitalization of two or more employees, and to take any action pursuant to such investigation authorized by such Act; and

(6) to take any action authorized by such Act with respect to complaints of discrimination against employees for exercising rights under such Act:

Provided further, That the foregoing proviso shall not apply to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs 10 or fewer employees.

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Mine Safety and Health Administration, $228,373,000, including purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work, and the hire of passenger motor vehicles; including not to exceed $750,000 may be collected by the National Mine Health and Safety Academy for room, board, tuition, and the sale of training materials, otherwise authorized by law to be collected, to be available for mine safety and health education and training activities, notwithstanding 31 U.S.C. 3302; the Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private; the Mine Safety and Health Administration is authorized to promote health and safety education and training in the mining community through cooperative programs with States, industry, and safety associations; and any funds available to the department may be used, with the approval of the Secretary, to provide for the costs of mine rescue and survival operations in the event of a major disaster.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, $357,781,000, of which $6,986,000 shall be for expenses of revising the Consumer Price Index and shall remain available until September 30, 2001, together with not to exceed $55,663,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for Departmental Management, including the hire of three sedans, and including up to $7,250,000 for the President's Committee on Employment of People With Disabilities, and including the management or operation of Departmental bilateral and multilateral foreign technical assistance, $241,478,000; together with not to exceed $310,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund: Provided, That no funds made available by this Act may be used by the Solicitor of Labor to participate in a review in any United States court of appeals of any decision made by the Benefits Review Board under section 21 of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 921) where such participation is precluded by the decision of the United States Supreme Court in Director, Office of Workers' Compensation Programs v. Newport News Shipbuilding, 115 S. Ct. 1278 (1995), notwithstanding any provisions to the contrary contained in Rule 15 of the Federal Rules of Appellate Procedure: Provided further, That no funds made available by this Act may be used by the Secretary of Labor to review a decision under the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 901 et seq.) that has been appealed and that has been pending before the Benefits Review Board for more than 12 months: Provided further, That any such decision pending a review by the Benefits Review Board for more than 1 year shall be considered affirmed by the Benefits Review Board on the 1-year anniversary of the filing of the appeal, and shall be considered the final order of the Board for purposes of obtaining a review in the United States courts of appeals: Provided further, That these provisions shall not be applicable to the review or appeal of any decision issued under the Black Lung Benefits Act (30 U.S.C. 901 et seq.).

ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING

Not to exceed $184,341,000 may be derived from the Employment Security Administration account in the Unemployment Trust Fund to carry out the provisions of 38 U.S.C. 4100–4110A, 4212, 4214, and 4321–4327, and Public Law 103–353, and which shall be available for obligation by the States through December 31, 2000.

OFFICE OF INSPECTOR GENERAL

For salaries and expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $48,095,000, together with not to exceed $3,830,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

GENERAL PROVISIONS

SEC. 101. None of the funds appropriated in this title for the Job Corps shall be used to pay the compensation of an individual, either as direct costs or any proration as an indirect cost, at a rate in excess of Executive Level II.

(TRANSFER OF FUNDS)

SEC. 102. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the current fiscal year for the Department of Labor in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

SEC. 103. The Secretary of Labor shall transfer, without charge or consideration, to the City of Salinas in the State of California, all right, title, and interest (including any equitable interest) the United States holds in the real property located at 342 Front Street, Salinas, California (Reference No. SSL–493), to the extent such right, such title, or such interest was acquired as a result of any loan, grant, guarantee, or other benefit provided by the Secretary to or for the benefit of such city.

This title may be cited as the ''Department of Labor Appropriations Act, 2000''.

TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

For carrying out titles II, III, VII, VIII, X, XII, XIX, and XXVI of the Public Health Service Act, section 427(a) of the Federal Coal Mine Health and Safety Act, title V and section 1820 of the Social Security Act, the Health Care Quality Improvement Act of 1986, as amended, and the Native Hawaiian Health Care Act of 1988, as amended, $4,584,721,000, of which $150,000 shall remain available until expended for interest subsidies on loan guarantees made prior to fiscal year 1981 under part B of title VII of the Public Health Service Act, and of which $122,182,000 shall be available for the construction and renovation of health care and other facilities, and of which $25,000,000 from general revenues, notwithstanding section 1820(j) of the Social Security Act, shall be available for carrying out the Medicare rural hospital flexibility grants program under section 1820 of such Act: Provided, That the Division of Federal Occupational Health may utilize personal services contracting to employ professional management/administrative and occupational health professionals: Provided further, That of the funds made available under this heading, $250,000 shall be available until expended for facilities renovations at the Gillis W. Long Hansen's Disease Center: Provided further, That in addition to fees authorized by section 427(b) of the Health Care Quality Improvement Act of 1986, fees shall be collected for the full disclosure of information under the Act sufficient to recover the full costs of operating the National Practitioner Data Bank, and shall remain available until expended to carry out that Act: Provided further, That no more than $5,000,000 is available for carrying out the provisions of Public Law 104–73: Provided further, That of the funds made available under this heading, $238,932,000 shall be for the program under title X of the Public Health Service Act to provide for voluntary family planning projects: Provided further, That amounts provided to said projects under such title shall not be expended for abortions, that all pregnancy counseling shall be nondirective, and that such amounts shall not be expended for any activity (including the publication or distribution of literature) that in any way tends to promote public support or opposition to any legislative proposal or candidate for public office: Provided further, That $528,000,000 shall be for State AIDS Drug Assistance Programs authorized by section 2616 of the Public Health Service Act: Provided further, That, notwithstanding section 502(a)(1) of the Social Security Act, not to exceed $109,307,000 is available for carrying out special projects of regional and national significance pursuant to section 501(a)(2) of such Act: Provided further, That of the amount provided under this heading, $40,000,000 shall be available for children's hospitals graduate medical education payments, subject to authorization: Provided further, That of the amount provided under this heading, $900,000 shall be for the American Federation of Negro Affairs Education and Research Fund.

MEDICAL FACILITIES GUARANTEE AND LOAN FUND

FEDERAL INTEREST SUBSIDIES FOR MEDICAL FACILITIES

For carrying out subsections (d) and (e) of section 1602 of the Public Health Service Act, $1,000,000, together with any amounts received by the Secretary in connection with loans and loan guarantees under title VI of the Public Health Service Act, to be available without fiscal year limitation for the payment of interest subsidies. During the fiscal year, no commitments for direct loans or loan guarantees shall be made.

HEALTH EDUCATION ASSISTANCE LOANS PROGRAM

Such sums as may be necessary to carry out the purpose of the program, as authorized by title VII of the Public Health Service Act, as amended. For administrative expenses to carry out the guaranteed loan program, including section 709 of the Public Health Service Act, $3,688,000.

VACCINE INJURY COMPENSATION PROGRAM TRUST FUND

For payments from the Vaccine Injury Compensation Program Trust Fund, such sums as may be necessary for claims associated with vaccine-related injury or death with respect to vaccines administered after September 30, 1988, pursuant to subtitle 2 of title XXI of the Public Health Service Act, to remain available until expended: Provided, That for necessary administrative expenses, not to exceed $3,000,000 shall be available from the Trust Fund to the Secretary of Health and Human Services.

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH, AND TRAINING

To carry out titles II, III, VII, XI, XV, XVII, XIX and XXVI of the Public Health Service Act, sections 101, 102, 103, 201, 202, 203, 301, and 501 of the Federal Mine Safety and Health Act of 1977, sections 20, 21, and 22 of the Occupational Safety and Health Act of 1970, title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980; including insurance of official motor vehicles in foreign countries; and hire, maintenance, and operation of aircraft, $2,910,761,000 of which $60,000,000 shall remain available until expended for equipment and construction and renovation of facilities, and in addition, such sums as may be derived from authorized user fees, which shall be credited to this account: Provided, That in addition to amounts provided herein, up to $71,690,000 shall be available from amounts available under section 241 of the Public Health Service Act, to carry out the National Center for Health Statistics surveys: Provided further, That none of the funds made available for injury prevention and control at the Centers for Disease Control and Prevention may be used to advocate or promote gun control: Provided further, That the Director may redirect the total amount made available under authority of Public Law 101–502, section 3, dated November 3, 1990, to activities the Director may so designate: Provided further, That the Congress is to be notified promptly of any such transfer: Provided further, That notwithstanding any other provision of law, a single contract or related contracts for the development and construction of the infectious disease laboratory through the General Services Administration may be employed which collectively include the full scope of the project: Provided further, That the solicitation and contract shall contain the clause ''availability of funds'' found at 48 CFR 52.232–18: Provided further, That not to exceed $10,000,000 may be available for making grants under section 1509 of the Public Health Service Act to not more than 10 States: Provided further, That of the amount provided under this heading, $3,000,000 shall be for the Center for Environmental Medicine and Toxicology at the University of Mississippi Medical Center at Jackson; $2,000,000 shall be for the University of Mississippi phytomedicine project; $500,000 shall be for the Alaska aviation safety initiative; and $1,000,000 shall be for the University of South Alabama birth defects monitoring and prevention activities.

In addition, $51,000,000, to be derived from the Violent Crime Reduction Trust Fund, for carrying out sections 40151 and 40261 of Public Law 103–322.

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cancer, $3,332,317,000.

NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cardiovascular, lung, and blood diseases, and blood and blood products, $2,040,291,000.

NATIONAL INSTITUTE OF DENTAL AND CRANIOFACIAL RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to dental disease, $270,253,000.

NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to diabetes and digestive and kidney disease, $1,147,588,000.

NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

For carrying out section 301 and title IV of the Public Health Service Act with respect to neurological disorders and stroke, $1,034,886,000.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to allergy and infectious diseases, $1,803,063,000.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to general medical sciences, $1,361,668,000.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

For carrying out section 301 and title IV of the Public Health Service Act with respect to child health and human development, $862,884,000.

NATIONAL EYE INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to eye diseases and visual disorders, $452,706,000.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For carrying out sections 301 and 311 and title IV of the Public Health Service Act with respect to environmental health sciences, $444,817,000.

NATIONAL INSTITUTE ON AGING

For carrying out section 301 and title IV of the Public Health Service Act with respect to aging, $690,156,000.

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to arthritis and musculoskeletal and skin diseases, $351,840,000.

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

For carrying out section 301 and title IV of the Public Health Service Act with respect to deafness and other communication disorders, $265,185,000.

NATIONAL INSTITUTE OF NURSING RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to nursing research, $90,000,000.

NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM

For carrying out section 301 and title IV of the Public Health Service Act with respect to alcohol abuse and alcoholism, $293,935,000.

NATIONAL INSTITUTE ON DRUG ABUSE

For carrying out section 301 and title IV of the Public Health Service Act with respect to drug abuse, $689,448,000.

NATIONAL INSTITUTE OF MENTAL HEALTH

For carrying out section 301 and title IV of the Public Health Service Act with respect to mental health, $978,360,000.

NATIONAL HUMAN GENOME RESEARCH INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to human genome research, $337,322,000.

NATIONAL CENTER FOR RESEARCH RESOURCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to research resources and general research support grants, $680,176,000: Provided, That none of these funds shall be used to pay recipients of the general research support grants program any amount for indirect expenses in connection with such grants: Provided further, That $75,000,000 shall be for extramural facilities construction grants.

JOHN E. FOGARTY INTERNATIONAL CENTER

For carrying out the activities at the John E. Fogarty International Center, $43,723,000.

NATIONAL LIBRARY OF MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to health information communications, $215,214,000, of which $4,000,000 shall be available until expended for improvement of information systems: Provided, That in fiscal year 2000, the Library may enter into personal services contracts for the provision of services in facilities owned, operated, or constructed under the jurisdiction of the National Institutes of Health.

NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to complementary and alternative medicine, $68,753,000.

OFFICE OF THE DIRECTOR

(INCLUDING TRANSFER OF FUNDS)

For carrying out the responsibilities of the Office of the Director, National Institutes of Health, $283,509,000, of which $44,953,000 shall be for the Office of AIDS Research: Provided, That funding shall be available for the purchase of not to exceed 29 passenger motor vehicles for replacement only: Provided further, That the Director may direct up to 1 percent of the total amount made available in this or any other Act to all National Institutes of Health appropriations to activities the Director may so designate: Provided further, That no such appropriation shall be decreased by more than 1 percent by any such transfers and that the Congress is promptly notified of the transfer: Provided further, That the National Institutes of Health is authorized to collect third party payments for the cost of clinical services that are incurred in National Institutes of Health research facilities and that such payments shall be credited to the National Institutes of Health Management Fund: Provided further, That all funds credited to the National Institutes of Health Management Fund shall remain available for one fiscal year after the fiscal year in which they are deposited: Provided further, That up to $500,000 shall be available to carry out section 499 of the Public Health Service Act: Provided further, That, notwithstanding section 499(k)(10) of the Public Health Service Act, funds from the Foundation for the National Institutes of Health may be transferred to the National Institutes of Health.

BUILDINGS AND FACILITIES

For the study of, construction of, and acquisition of equipment for, facilities of or used by the National Institutes of Health, including the acquisition of real property, $135,376,000, to remain available until expended.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

For carrying out titles V and XIX of the Public Health Service Act with respect to substance abuse and mental health services, the Protection and Advocacy for Mentally Ill Individuals Act of 1986, and section 301 of the Public Health Service Act with respect to program management, $2,654,953,000.

AGENCY FOR HEALTH CARE POLICY AND RESEARCH

HEALTH CARE POLICY AND RESEARCH

For carrying out titles III and IX of the Public Health Service Act, and part A of title XI of the Social Security Act, $111,424,000; in addition, amounts received from Freedom of Information Act fees, reimbursable and interagency agreements, and the sale of data tapes shall be credited to this appropriation and shall remain available until expended: Provided, That the amount made available pursuant to section 926(b) of the Public Health Service Act shall not exceed $88,576,000.

HEALTH CARE FINANCING ADMINISTRATION

GRANTS TO STATES FOR MEDICAID

For carrying out, except as otherwise provided, titles XI and XIX of the Social Security Act, $86,087,393,000, to remain available until expended.

For making, after May 31, 2000, payments to States under title XIX of the Social Security Act for the last quarter of fiscal year 2000 for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

For making payments to States or in the case of section 1928 on behalf of States under title XIX of the Social Security Act for the first quarter of fiscal year 2001, $30,589,003,000, to remain available until expended.

Payment under title XIX may be made for any quarter with respect to a State plan or plan amendment in effect during such quarter, if submitted in or prior to such quarter and approved in that or any subsequent quarter.

PAYMENTS TO HEALTH CARE TRUST FUNDS

For payment to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g) and 1844 of the Social Security Act, sections 103(c) and 111(d) of the Social Security Amendments of 1965, section 278(d) of Public Law 97–248, and for administrative expenses incurred pursuant to section 201(g) of the Social Security Act, $69,289,100,000.

PROGRAM MANAGEMENT

For carrying out, except as otherwise provided, titles XI, XVIII, XIX, and XXI of the Social Security Act, titles XIII and XXVII of the Public Health Service Act, and the Clinical Laboratory Improvement Amendments of 1988, not to exceed $1,994,548,000, to be transferred from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as authorized by section 201(g) of the Social Security Act; together with all funds collected in accordance with section 353 of the Public Health Service Act and such sums as may be collected from authorized user fees and the sale of data, which shall remain available until expended, and together with administrative fees collected relative to Medicare overpayment recovery activities, which shall remain available until expended: Provided, That all funds derived in accordance with 31 U.S.C. 9701 from organizations established under title XIII of the Public Health Service Act shall be credited to and available for carrying out the purposes of this appropriation: Provided further, That $18,000,000 appropriated under this heading for the managed care system redesign shall remain available until expended: Provided further, That $2,000,000 of the amount available for research, demonstration, and evaluation activities shall be available to continue carrying out demonstration projects on Medicaid coverage of community-based attendant care services for people with disabilities which ensures maximum control by the consumer to select and manage their attendant care services: Provided further, That $3,000,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to an application from the University of Pennsylvania Medical Center, the University of Louisville Sciences Center, and St. Vincent's Hospital in Montana to conduct a demonstration to reduce hospitalizations among high-risk patients with congestive heart failure: Provided further, That $2,000,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the AIDS Healthcare Foundation in Los Angeles: Provided further, That $100,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to Littleton Regional Hospital in New Hampshire, to assist in the development of rural emergency medical services: Provided further, That $250,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the University of Missouri-Kansas City to test behavorial interventions of nursing home residents with moderate to severe dementia: Provided further, That $1,000,000 of the amount available for research, demonstration, and evaluation activities shall be awarded for a children's hospice care demonstration program in Virginia, Florida, Kentucky, New York, and Utah: Provided further, That $150,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to L.A. Care Health Plan in Los Angeles, California for a Medicaid outreach demonstration project to provide access to medical care for uninsured workers: Provided further, That $500,000 of the amount available for research, demonstration, and evaluation activities shall be awarded to the Baystate Medical Center in Springfield, Massachusetts for the Partners for a Healthier Community childhood immunization

demonstration project: Provided further, That $250,000 shall be awarded to the Shelby County Regional Medical Center to establish a Master Patient Index to determine patient Medicaid/TennCare eligibility: Provided further, That the Secretary of Health and Human Services is directed to collect, in aggregate, $95,000,000 in fees in fiscal year 2000 from Medicare+Choice organizations pursuant to section 1857(e)(2) of the Social Security Act and from eligible organizations with risk-sharing contracts under section 1876 of that Act pursuant to section 1876(k)(4)(D) of that Act.

HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN GUARANTEE FUND

For carrying out subsections (d) and (e) of section 1308 of the Public Health Service Act, any amounts received by the Secretary in connection with loans and loan guarantees under title XIII of the Public Health Service Act, to be available without fiscal year limitation for the payment of outstanding obligations. During fiscal year 2000, no commitments for direct loans or loan guarantees shall be made.

ADMINISTRATION FOR CHILDREN AND FAMILIES

PAYMENTS TO STATES FOR CHILD SUPPORT ENFORCEMENT AND FAMILY SUPPORT PROGRAMS

For making payments to States or other non-Federal entities under titles I, IV–D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), for the first quarter of fiscal year 2001, $650,000,000.

For making payments to each State for carrying out the program of Aid to Families with Dependent Children under title IV–A of the Social Security Act before the effective date of the program of Temporary Assistance to Needy Families (TANF) with respect to such State, such sums as may be necessary: Provided, That the sum of the amounts available to a State with respect to expenditures under such title IV–A in fiscal year 1997 under this appropriation and under such title IV–A as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall not exceed the limitations under section 116(b) of such Act.

For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under titles I, IV–D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), for the last 3 months of the current year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

LOW INCOME HOME ENERGY ASSISTANCE

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, $1,100,000,000, to be available for obligation in the period October 1, 2000 through September 30, 2001.

For making payments under title XXVI of such Act, $300,000,000: Provided, That these funds are hereby designated by Congress to be emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985: Provided further, That these funds shall be made available only after submission to Congress of a formal budget request by the President that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985.

The $1,100,000,000 provided in the first paragraph under this heading in the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1999 (as contained in section 101(f) of division A of Public Law 105–277) is hereby designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985: Provided, That such funds shall be available only if the President submits to the Congress one official budget request for $1,100,000,000 that includes designation of the entire amount as an emergency requirement pursuant to such section: Provided further, That such funds shall be distributed in accordance with section 2604 of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 8623), other than subsection (e) of such section.

REFUGEE AND ENTRANT ASSISTANCE

For making payments for refugee and entrant assistance activities authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96–422), $419,005,000: Provided, That funds appropriated pursuant to section 414(a) of the Immigration and Nationality Act under Public Law 105–78 for fiscal year 1998 and under Public Law 105–277 for fiscal year 1999 shall be available for the costs of assistance provided and other activities through September 30, 2001.

For carrying out section 5 of the Torture Victims Relief Act of 1998 (Public Law 105–320), $7,500,000.

The $426,505,000 provided under this heading is hereby designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985: Provided, That such funds shall be available only if the President submits to the Congress one official budget request for $426,505,000 that includes designation of the entire amount as an emergency requirement pursuant to such section.

PAYMENTS TO STATES FOR THE CHILD CARE AND DEVELOPMENT BLOCK GRANT

For carrying out sections 658A through 658R of the Omnibus Budget Reconciliation Act of 1981 (The Child Care and Development Block Grant Act of 1990), to become available on October 1, 2000 and remain available through September 30, 2001, $1,182,672,000: Provided, That $19,120,000 shall be available for child care resource and referral and school-aged child care activities: Provided further, That of the funds provided for fiscal year 2001, $172,672,000 shall be reserved by the States for activities authorized under section 658G of the Omnibus Budget Reconciliation Act of 1981 (The Child Care and Development Block Grant Act of 1990), such funds to be in addition to the amounts required to be reserved by the States under section 658G: Provided further, That of the funds provided for fiscal year 2000 under Public Law 105–277, $500,000 shall be for a toll-free child care services program hotline to be operated by Child Care Aware.

SOCIAL SERVICES BLOCK GRANT

For making grants to States pursuant to section 2002 of the Social Security Act, $1,775,000,000: Provided, That notwithstanding section 2003(c) of such Act, as amended, the amount specified for allocation under such section for fiscal year 2000 shall be $1,775,000,000.

CHILDREN AND FAMILIES SERVICES PROGRAMS

(INCLUDING RESCISSIONS)

For carrying out, except as otherwise provided, the Runaway and Homeless Youth Act, the Developmental Disabilities Assistance and Bill of Rights Act, the Head Start Act, the Child Abuse Prevention and Treatment Act, the Native American Programs Act of 1974, title II of Public Law 95–266 (adoption opportunities), the Adoption and Safe Families Act of 1997 (Public Law 105–89), the Abandoned Infants Assistance Act of 1988, part B(1) of title IV and sections 413, 429A, 1110, and 1115 of the Social Security Act; for making payments under the Community Services Block Grant Act, section 473A of the Social Security Act, and title IV of Public Law 105–285; and for necessary administrative expenses to carry out said Acts and titles I, IV, X, XI, XIV, XVI, and XX of the Social Security Act, the Act of July 5, 1960 (24 U.S.C. ch. 9), the Omnibus Budget Reconciliation Act of 1981, title IV of the Immigration and Nationality Act, section 501 of the Refugee Education Assistance Act of 1980, section 5 of the Torture Victims Relief Act of 1998 (Public Law 105–320), sections 40155, 40211, and 40241 of Public Law 103–322 and section 126 and titles IV and V of Public Law 100–485, $6,734,133,000, of which $43,000,000, to remain available until September 30, 2001, shall be for grants to States for adoption incentive payments, as authorized by section 473A of title IV of the Social Security Act (42 U.S.C. 670–679); of which $587,065,000 shall be for making payments under the Community Services Block Grant Act; and of which $5,267,000,000 shall be for making payments under the Head Start Act, of which $1,400,000,000 shall become available October 1, 2000 and remain available through September 30, 2001: Provided, That to the extent Community Services Block Grant funds are distributed as grant funds by a State to an eligible entity as provided under the Act, and have not been expended by such entity, they shall remain with such entity for carryover into the next fiscal year for expenditure by such entity consistent with program purposes: Provided further, That the Secretary shall establish procedures regarding the disposition of intangible property which permits grant funds, or intangible assets acquired with funds authorized under section 680 of the Community Services Block Grant Act, as amended, to become the sole property of such grantees after a period of not more than 12 years after the end of the grant for purposes and uses consistent with the original grant: Provided further, That $1,700,000,000 of the amount provided for making payments under the Head Start Act is hereby designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985: Provided further, That such funds shall be available only if the President submits to the Congress one official budget request for $1,700,000,000 that includes designation of the entire amount as an emergency requirement pursuant to such section.

In addition, $101,000,000, to be derived from the Violent Crime Reduction Trust Fund for carrying out sections 40155, 40211, and 40241 of Public Law 103–322.

Funds appropriated for fiscal year 2000 under section 429A(e), part B of title IV of the Social Security Act shall be reduced by $6,000,000.

Funds appropriated for fiscal year 2000 under section 413(h)(1) of the Social Security Act shall be reduced by $15,000,000.

PROMOTING SAFE AND STABLE FAMILIES

For carrying out section 430 of the Social Security Act, $295,000,000.

PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

For making payments to States or other non-Federal entities under title IV–E of the Social Security Act, $4,307,300,000 of which $105,000,000 shall be for making payments under sections 470 and 477 of title IV–E of the Social Security Act;

For making payments to States or other non-Federal entities under title IV–E of the Social Security Act, for the first quarter of fiscal year 2001, $1,538,000,000.

ADMINISTRATION ON AGING

AGING SERVICES PROGRAMS

For carrying out, to the extent not otherwise provided, the Older Americans Act of 1965, as amended, and section 398 of the Public Health Service Act, $934,285,000: Provided, That notwithstanding section 308(b)(1) of the Older Americans Act of 1965, as amended, the amounts available to each State for administration of the State plan under title III of such Act shall be reduced not more than 5 percent below the

amount that was available to such State for such purpose for fiscal year 1995: Provided further, That in considering grant applications for nutrition services for elder Indian recipients, the Assistant Secretary shall provide maximum flexibility to applicants who seek to take into account subsistence, local customs, and other characteristics that are appropriate to the unique cultural, regional, and geographic needs of the American Indian, Alaska and Hawaiian Native communities to be served.

OFFICE OF THE SECRETARY

GENERAL DEPARTMENTAL MANAGEMENT

For necessary expenses, not otherwise provided, for general departmental management, including hire of six sedans, and for carrying out titles III, XVII, and XX of the Public Health Service Act, and the United States-Mexico Border Health Commission Act, $227,051,000, of which $20,000,000 shall become available on October 1, 2000, and shall remain available until September 30, 2001, together with $5,851,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund: Provided, That $450,000 shall be for a contract with the National Academy of Sciences to conduct a study of the proposed tuberculosis standard promulgated by the Occupational Safety and Health Administration: Provided further, That said contract shall be awarded not later than 60 days after the enactment of this Act: Provided further, That said study shall be submitted to the Congress not later than 12 months after award of the contract: Provided further, That of the funds made available under this heading for carrying out title XX of the Public Health Service Act, $10,569,000 shall be for activities specified under section 2003(b)(2), of which $9,131,000 shall be for prevention service demonstration grants under section 510(b)(2) of title V of the Social Security Act, as amended, without application of the limitation of section 2010(c) of said title XX: Provided further, That $500,000 shall be available to the Office of the Surgeon General, within the Office of Public Health and Science, to prepare and disseminate the findings of the Surgeon General's report on youth violence, and to coordinate activities across the Department of Health and Human Services: Provided further, That the Secretary may transfer a portion of such funds to other Federal entities for youth violence prevention coordination activities: Provided further, That $2,000,000 shall be available to the Lawton Chiles Foundation.

OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $31,500,000.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, $18,838,000, together with not to exceed $3,314,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund.

POLICY RESEARCH

For carrying out, to the extent not otherwise provided, research studies under section 1110 of the Social Security Act, $17,000,000.

RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits of Public Health Service Commissioned Officers as authorized by law, for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan, for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C. ch. 55), and for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), such amounts as may be required during the current fiscal year.

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

For expenses necessary to support activities related to countering potential biological, disease and chemical threats to civilian populations, $214,600,000: Provided, That this amount is distributed as follows: Centers for Disease Control and Prevention, $155,000,000, of which $30,000,000 shall be for the Health Alert Network, $1,000,000 shall be for the Carnegie Mellon Research Institute, $1,000,000 shall be for the St. Louis University School of Public Health, $1,000,000 shall be for the University of Texas Medical Branch at Galveston, $1,000,000 shall be for the Noble Army Hospital of Alabama bioterrorism program and $1,000,000 shall be for the Johns Hopkins University Center for Civilian Biodefense; Office of the Secretary, $30,000,000, Agency for Health Care Policy and Research, $5,000,000, and Office of Emergency Preparedness, $24,600,000. In addition, for expenses necessary for the portion of the Global Health Initiative conducted by the Centers for Disease Control and Prevention, $69,000,000: Provided further, That this amount is distributed as follows: $35,000,000 shall be for international HIV/AIDS programs, $9,000,000 shall be for malaria programs, $5,000,000 shall be for global micronutrient malnutrition programs and $20,000,000 shall be for carrying out polio eradication activities. In addition, $150,000,000 for carrying out the Department's Year 2000 computer conversion activities, $5,000,000 for the environmental health laboratory at the Centers for Disease Control and Prevention, $50,000,000 for minority AIDS prevention and treatment activities, $20,000,000 for the National Institutes of Health challenge grant program, and $75,000,000 to support the Ricky Ray Hemophilia Relief Fund Act of 1998: Provided further, That notwithstanding any other provision of law, up to $10,000,000 of the amount provided for the Ricky Ray Hemophilia Relief Fund Act may be available for administrative expenses: Provided further, That the entire amount under this heading is hereby designated by the Congress to be emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount under this heading shall be made available only after submission to the Congress of a formal budget request by the President that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That no funds shall be obligated until the Department of Health and Human Services submits an operating plan to the House and Senate Committees on Appropriations.

GENERAL PROVISIONS

SEC. 201. Funds appropriated in this title shall be available for not to exceed $37,000 for official reception and representation expenses when specifically approved by the Secretary.

SEC. 202. The Secretary shall make available through assignment not more than 60 employees of the Public Health Service to assist in child survival activities and to work in AIDS programs through and with funds provided by the Agency for International Development, the United Nations International Children's Emergency Fund or the World Health Organization.

SEC. 203. None of the funds appropriated under this Act may be used to implement section 399L(b) of the Public Health Service Act or section 1503 of the National Institutes of Health Revitalization Act of 1993, Public Law 103–43.

SEC. 204. None of the funds appropriated in this Act for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of Executive Level II.

SEC. 205. None of the funds appropriated in this Act may be expended pursuant to section 241 of the Public Health Service Act, except for funds specifically provided for in this Act, or for other taps and assessments made by any office located in the Department of Health and Human Services, prior to the Secretary's preparation and submission of a report to the Committee on Appropriations of the Senate and of the House detailing the planned uses of such funds.

(TRANSFER OF FUNDS)

SEC. 206. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the current fiscal year for the Department of Health and Human Services in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

SEC. 207. The Director of the National Institutes of Health, jointly with the Director of the Office of AIDS Research, may transfer up to 3 percent among institutes, centers, and divisions from the total amounts identified by these two Directors as funding for research pertaining to the human immunodeficiency virus: Provided, That the Congress is promptly notified of the transfer.

SEC. 208. Of the amounts made available in this Act for the National Institutes of Health, the amount for research related to the human immunodeficiency virus, as jointly determined by the Director of the National Institutes of Health and the Director of the Office of AIDS Research, shall be made available to the ''Office of AIDS Research'' account. The Director of the Office of AIDS Research shall transfer from such account amounts necessary to carry out section 2353(d)(3) of the Public Health Service Act.

SEC. 209. None of the funds appropriated in this Act may be made available to any entity under title X of the Public Health Service Act unless the applicant for the award certifies to the Secretary that it encourages family participation in the decision of minors to seek family planning services and that it provides counseling to minors on how to resist attempts to coerce minors into engaging in sexual activities.

SEC. 210. The final rule entitled ''Organ Procurement and Transplantation Network'', promulgated by the Secretary of Health and Human Services on April 2, 1998 (63 Fed. Reg. 16295 et seq.) (relating to part 121 of title 42, Code of Federal Regulations), together with the amendments to such rules promulgated on October 20, 1999 (64 Fed. Reg. 56649 et seq.) shall not become effective before the expiration of the 42 day period beginning on the date of the enactment of this Act.

SEC. 211. None of the funds appropriated by this Act (including funds appropriated to any trust fund) may be used to carry out the Medicare+Choice program if the Secretary denies participation in such program to an otherwise eligible entity (including a Provider Sponsored Organization) because the entity informs the Secretary that it will not provide, pay for, provide coverage of, or provide referrals for abortions: Provided, That the Secretary shall make appropriate prospective adjustments to the capitation payment to such an entity (based on an actuarially sound estimate of the expected

costs of providing the service to such entity's enrollees): Provided further, That nothing in this section shall be construed to change the Medicare program's coverage for such services and a Medicare+Choice organization described in this section shall be responsible for informing enrollees where to obtain information about all Medicare covered services.

SEC. 212. (a) MENTAL HEALTH.—Section 1918(b) of the Public Health Service Act (42 U.S.C. 300x–7(b)) is amended to read as follows:

''(b) MINIMUM ALLOTMENTS FOR STATES.—With respect to fiscal year 2000, the amount of the allotment of a State under section 1911 shall not be less than the amount the State received under section 1911 for fiscal year 1998.''.

(b) SUBSTANCE ABUSE.—Section 1933(b) of the Public Health Service Act (42 U.S.C. 300x–33(b)) is amended to read as follows:

''(b) MINIMUM ALLOTMENTS FOR STATES.—Each State's allotment for fiscal year 2000 for programs under this subpart shall be equal to such State's allotment for such programs for fiscal year 1999, except that, if the amount appropriated in fiscal year 2000 is less than the amount appropriated in fiscal year 1999, then the amount of a State's allotment under section 1921 shall be equal to the amount that the State received under section 1921 in fiscal year 1999 decreased by the percentage by which the amount appropriated for fiscal year 2000 is less than the amount appropriated for such section for fiscal year 1999.''.

SEC. 213. Notwithstanding any other provision of law, no provider of services under title X of the Public Health Service Act shall be exempt from any State law requiring notification or the reporting of child abuse, child molestation, sexual abuse, rape, or incest.

SEC. 214. EXTENSION OF CERTAIN ADJUDICATION PROVISIONS.—The Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990 (Public Law 101–167) is amended—

(1) in section 599D (8 U.S.C. 1157 note)—

(A) in subsection (b)(3), by striking ''1997, 1998, and 1999'' and inserting ''1997, 1998, 1999, and 2000''; and

(B) in subsection (e), by striking ''October 1, 1999'' each place it appears and inserting ''October 1, 2000''; and

(2) in section 599E (8 U.S.C. 1255 note) in subsection (b)(2), by striking ''September 30, 1999'' and inserting ''September 30, 2000''.

SEC. 215. None of the funds provided in this Act or in any other Act making appropriations for fiscal year 2000 may be used to administer or implement in Arizona or in the Kansas City, Missouri or in the Kansas City, Kansas area the Medicare Competitive Pricing Demonstration Project (operated by the Secretary of Health and Human Services under authority granted in section 4011 of the Balanced Budget Act of 1997 (Public Law 105–33)).

SEC. 216. Of the funds appropriated for the National Institutes of Health for fiscal year 2000, $3,000,000,000 shall not be available for obligation until September 29, 2000. Of the funds appropriated for the Health Resources and Services Administration for fiscal year 2000, $450,000,000 shall not be available for obligation until September 29, 2000. Of the funds appropriated for the Centers for Disease Control and Prevention for fiscal year 2000, $500,000,000 shall not be available for obligation until September 29, 2000. Of the funds appropriated for the Children and Families Services Programs for fiscal year 2000, $400,000,000 shall not be available for obligation until September 29, 2000. Of the funds appropriated for the Social Services Block Grant for fiscal year 2000, $425,000,000 shall not be available for obligation until September 29, 2000. Of the funds appropriated for the Substance Abuse and Mental Health Services Administration for fiscal year 2000, $200,000,000 shall not be available for obligation until September 29, 2000. Such funds delayed by this section shall be available for obligation until October 15, 2000.

SEC. 217. STUDY AND REPORT ON THE GEOGRAPHIC ADJUSTMENT FACTORS UNDER THE MEDICARE PROGRAM. (a) STUDY.—The Secretary of Health and Human Services shall conduct a study on—

(1) the reasons why, and the appropriateness of the fact that, the geographic adjustment factor (determined under paragraph (2) of section 1848(e) (42 U.S.C. 1395w–4(e)) used in determining the amount of payment for physicians' services under the Medicare program is less for physicians' services provided in New Mexico than for physicians' services provided in Arizona, Colorado, and Texas; and

(2) the effect that the level of the geographic cost-of-practice adjustment factor (determined under paragraph (3) of such section) has on the recruitment and retention of physicians in small rural States, including New Mexico, Iowa, Louisiana, and Arkansas.

(b) REPORT.—Not later than 3 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit a report to Congress on the study conducted under subsection (a), together with any recommendations for legislation that the Secretary determines to be appropriate as a result of such study.

SEC. 218. WITHHOLDING OF SUBSTANCE ABUSE FUNDS. (a) IN GENERAL.—None of the funds appropriated by this Act may be used to withhold substance abuse funding from a State pursuant to section 1926 of the Public Health Service Act (42 U.S.C. 300x–26) if such State certifies to the Secretary of Health and Human Services that the State will commit additional State funds, in accordance with subsection (b), to ensure compliance with State laws prohibiting the sale of tobacco products to individuals under 18 years of age.

(b) AMOUNT OF STATE FUNDS.—The amount of funds to be committed by a State under subsection (a) shall be equal to 1 percent of such State's substance abuse block grant allocation for each percentage point by which the State misses the retailer compliance rate goal established by the Secretary of Health and Human Services under section 1926 of such Act, except that the Secretary may agree to a smaller commitment of additional funds by the State.

(c) SUPPLEMENT NOT SUPPLANT.—Amounts expended by a State pursuant to a certification under subsection (a) shall be used to supplement and not supplant State funds used for tobacco prevention programs and for compliance activities described in such subsection in the fiscal year preceding the fiscal year to which this section applies.

(d) ENFORCEMENT OF STATE EXPENDITURE.—The Secretary shall exercise discretion in enforcing the timing of the State expenditure required by the certification described in subsection (a) as late as July 31, 2000.

SEC. 219. None of the funds made available under this title may be used to carry out the transmittal of August 13, 1997 (relating to self-administered drugs) of the Deputy Director of the Division of Acute Care of the Health Care Financing Administration to regional offices of such Administration or to promulgate any regulation or other transmittal or policy directive that has the effect of imposing (or clarifying the imposition of) a restriction on the coverage of injectable drugs under section 1861(s)(2) of the Social Security Act beyond the restrictions applied before the date of such transmittal.

SEC. 220. In accordance with section 1557 of title 31, United States Code, funds obligated and awarded in fiscal years 1994 and 1995 under the heading ''National Cancer Institute'' for the Cancer Therapy and Research Center in San Antonio, Texas, grant numbers 1 C06 CA58690–01 and 3 C06 CA58690–01S1, shall be exempt from subchapter IV of chapter 15 of such title and the obligated unexpended dollars shall remain available to the grantee for expenditure without fiscal year limitation to fulfill the purpose of the award.

SEC. 221. Not later than January 15, 2000, the Secretary of Health and Human Services shall transfer $20,000,000 from the appropriation in this Act for ''National Institutes of Health—National Institute of Allergy and Infectious Diseases'' to the appropriation in this Act for ''Centers for Disease Control and Prevention—Disease Control, Research, and Training''.

This title may be cited as the ''Department of Health and Human Services Appropriations Act, 2000''.

TITLE III—DEPARTMENT OF EDUCATION

EDUCATION REFORM

For carrying out activities authorized by titles III and IV of the Goals 2000: Educate America Act, the School-to-Work Opportunities Act, and sections 3122, 3132, 3136, and 3141, parts B, C, and D of title III, and part I of title X of the Elementary and Secondary Education Act of 1965, $1,768,370,000, of which $456,500,000 for the Goals 2000: Educate America Act and $55,000,000 for the School-to-Work Opportunities Act shall become available on July 1, 2000 and remain available through September 30, 2001, and of which $109,500,000 shall be for section 3122: Provided, That none of the funds appropriated under this heading shall be obligated or expended to carry out section 304(a)(2)(A) of the Goals 2000: Educate America Act, except that no more than $1,500,000 may be used to carry out activities under section 314(a)(2) of that Act: Provided further, That section 315(a)(2) of the Goals 2000: Educate America Act shall not apply: Provided further, That up to one-half of 1 percent of the amount available under section 3132 shall be set aside for the outlying areas, to be distributed on the basis of their relative need as determined by the Secretary in accordance with the purposes of the program: Provided further, That if any State educational agency does not apply for a grant under section 3132, that State's allotment under section 3131 shall be reserved by the Secretary for grants to local educational agencies in that State that apply directly to the Secretary according to the terms and conditions published by the Secretary in the Federal Register: Provided further, That of the funds made available to carry out section 3136 and notwithstanding any other provision of law, $500,000 shall be awarded to the Houston Independent School District for technology infrastructure, $8,000,000 shall be awarded to the I CAN LEARN program, $3,000,000 shall be awarded to the Linking Education Technology and Educational Reform (LINKS) project for educational technology, $1,000,000 shall be awarded to the Center for Advanced Research and Technology (CART) for comprehensive secondary education reform, $250,000 shall be awarded to the Vaughn Reno Starks Community Center in Elizabethtown, Kentucky for a technology program, $125,000 shall be awarded to the Wyandanch Compel Youth Academy Educational Assistance Program in New York, $3,000,000 shall be awarded to Hi-Technology High School in San Bernardino County, California for technology enhancement, $300,000 shall be awarded to the Long Island 21st Century Technology and E-Commerce Alliance, $800,000 shall be awarded to Montana State University-Billings for a distance learning initiative, $2,000,000 for the Tupelo School District in Tupelo, Mississippi for technology innovation in education, $900,000 for the University of Alaska at Anchorage for distance learning education, $1,000,000 shall be awarded to the Seton

Hill College in Greensburg, Pennsylvania for a model education technology training program, $500,000 shall be awarded to the University of Alaska-Fairbanks, in Fairbanks, Alaska for a teacher technology training program, $200,000 shall be awarded to the Alaska Department of Education for the Alaska State Distance Education Technology Consortium, $1,000,000 shall be awarded to the North East Vocational Area Cooperative in Washington State for a multi-district technology education center, $400,000 shall be awarded to the University of Vermont for the Vermont Learning Gateway Program, $2,500,000 shall be awarded to the State University of New Jersey for the RUNet 2000 project at Rutgers for an integrated voice-video-data network to link students, faculty and administration via a high-speed, broad band fiber optic network, $500,000 shall be awarded to the Iowa Area Education Agency 13 for a public/private partnership to demonstrate the effective use of technology in grades 1–3, $235,000 shall be for the Louisville Deaf Oral School for technology enhancements: Provided further, That in the State of Alabama $50,000 shall be awarded to the Bibb County Board of Education for technology enhancements, $50,000 shall be awarded to the Calhoun County Board of Education for technology enhancements, $50,000 shall be awarded to the Chambers County Board of Education for technology enhancements, $50,000 shall be awarded to the Chilton County Board of Education for technology enhancements, $50,000 shall be awarded to the Clay County Board of Education for technology enhancements, $50,000 shall be awarded to the Cleburne County Board of Education for technology enhancements, $50,000 shall be awarded to the Coosa County Board of Education for technology enhancements, $50,000 shall be awarded to the Lee County Board of Education for technology enhancements, $50,000 shall be awarded to the Macon County Board of Education for technology enhancements, $50,000 shall be awarded to the St. Clair County Board of Education for technology enhancements, $50,000 shall be awarded to the Talladega County Board of Education for technology enhancements, $50,000 shall be awarded to the Tallapoosa County Board of Education for technology enhancements, $50,000 shall be awarded to the Randolph County Board of Education for technology enhancements, $50,000 shall be awarded to the Russell County Board of Education for technology enhancements, $50,000 shall be awarded to the Alexander City Board of Education for technology enhancements, $50,000 shall be awarded to the Anniston City Board of Education for technology enhancements, $50,000 shall be awarded to the Lanett City Board of Education for technology enhancements, $50,000 shall be awarded to the Pell City Board of Education for technology enhancements, $50,000 shall be awarded to the Roanoke City Board of Education for technology enhancements, $50,000 shall be awarded to the Talledega City Board of Education for technology enhancements, $500,000 shall be to continue a state-of-the-art information technology system at Mansfield University, Mansfield, Pennsylvania, $250,000 shall be awarded to the Chicago Public School Science and Technology Academy to establish a curriculum of math, science and technology, $500,000 shall be awarded to Prairie Hills, Illinois Elementary School District 144 for a public/private teacher technology training program, $1,000,000 shall be awarded to Adelphi University in New York for the Information Commons project, $250,000 shall be awarded to the Oakland School District in California to support a distance education initiative, $800,000 shall be awarded to the Kennedy Krieger Career and Technology Center in Maryland for a distance learning project, $1,000,000 shall be awarded to Augsburg College and Twin Cities Public Television to demonstrate interactive technology to assist teachers and parents in effectively using emerging innovations in education, $100,000 shall be awarded to the Santa Barbara Industry Education Council in California to provide technology education to area students and teachers, $200,000 shall be awarded to the Nebraska Community College for technology training, and $250,000 shall be awarded to the Providence Public School System, in partnership with the Metropolitan Regional Career and Technical Center, for Project Family Net to provide computer technology training to children and their parents: Provided further, That of the funds made available to carry out title III, part B of the Elementary and Secondary Education Act of 1965 and notwithstanding any other provision of law, $750,000 shall be awarded to the Technology Literacy Center at the Museum of Science and Industry, Chicago, $1,000,000 shall be awarded to an on-line math and science training program at Oklahoma State University, $4,000,000 shall be awarded to continue and expand the Iowa Communications Network statewide fiber optic demonstration project, and $250,000 shall be awarded to the WinstonNet distance learning project in Winston Salem, North Carolina: Provided further, That of the funds made available for title X, part I of the Elementary and Secondary Education Act of 1965 and notwithstanding any other provision of law, $6,000 shall be awarded to the Study Partners Program, Inc., in Louisville, Kentucky, $12,000 shall be awarded to the Shawnee Gardens Tenants Association Inc., in Louisville, Kentucky for a tutorial program, $12,000 shall be awarded to the 100 Black Men of Louisville, Kentucky for a mentoring and leadership training program, $500,000 shall be awarded to the Omaha, Nebraska Public Schools for the OPS 21st Century Learning Grant, $25,000 shall be for the Plymouth Renewal Center in Kentucky for a tutoring program, $25,000 shall be for the Canaan Community Development Corporation's Village Learning Center Program, $25,000 shall be for the St. Stephen Life Center After School Program, $25,000 shall be for the Louisville Central Community Centers Youth Education Program, $15,000 shall be for the Trinity Family Life Center tutoring program, $15,000 shall be for the New Zion Community Development Foundation, Inc., after school mentoring program, $20,000 shall be for the St. Joseph Catholic Orphan Society program for abused and neglected children, $25,000 shall be for the Portland Neighborhood House after school program, $25,000 shall be for the St. Anthony Community Outreach Center, Inc., for the Education PAYs program, $250,000 shall be awarded to the Harvey Public School District 152 in Chicago, Illinois for the ''Project CAFÉ'' after-school program, $200,000 shall be awarded to the St. Clair County, Michigan Intermediate School District for after-school programs, $400,000 shall be awarded to the Macomb County, Michigan Intermediate School District for after-school programs, $200,000 shall be awarded to the Danbury Public School System in Connecticut for an ESCAPE Arts after-school program, $50,000 shall be awarded to the Tuckahoe School District for an after-school program in Eastchester, New York, $100,000 shall be awarded to Innovative Directions, an Educational Alliance (IDEA), based at the City Island School (P.S. 175) in the Bronx, New York City, New York, $250,000 shall be awarded to the New York Hall of Science in Queens, New York for after-school education programs, $60,000 shall be awarded to the Mamaroneck School District in Mamaroneck, New York for expansion of an after-school program, $250,000 shall be awarded to the White Plains School District for an after-school program in White Plains, New York, $200,000 shall be awarded to the New Rochelle School District for an after-school program in New Rochelle, New York, $250,000 shall be awarded to the Community School District 30 in Queens, New York for the expansion of after-school activities, $500,000 shall be awarded to the Jefferson Elementary School for a joint after-school program with the Madison Elementary School in Stevens Point, Wisconsin, $400,000 shall be awarded to the School District of Superior in Wisconsin for an after-school center, $100,000 shall be awarded to the Independence School District in Kansas City, Missouri for an after-school program, and $500,000 shall be awarded to the Clark County School District in Nevada for an after-school program.

EDUCATION FOR THE DISADVANTAGED

For carrying out title I of the Elementary and Secondary Education Act of 1965, and section 418A of the Higher Education Act of 1965, $8,700,986,000, of which $2,461,823,000 shall become available on July 1, 2000, and shall remain available through September 30, 2001, and of which $6,204,763,000 shall become available on October 1, 2000 and shall remain available through September 30, 2001, for academic year 2000–2001: Provided, That $6,783,000,000 shall be available for basic grants under section 1124: Provided further, That $134,000,000 shall be allocated among the States in the same proportion as funds are allocated among the States under section 1122, to carry out section 1116(c): Provided further, That 100 percent of these funds shall be allocated by States to local educational agencies for the purposes of carrying out section 1116(c) and that local educational agencies shall provide all students enrolled in a school identified under section 1116(c) with the option to transfer to another public school within the local educational agency, including a public charter school, that has not been identified for school improvement under section 1116(c): Provided further, That if the local educational agency demonstrates to the satisfaction of the State educational agency that the local educational agency lacks the capacity to provide all students with the option to transfer to another public school, and after giving notice to the parents of children affected that it is not possible, consistent with state and local law, to accommodate the transfer request of every student, the local educational agency shall permit as many students as possible (who shall be selected by the local educational agency on an equitable basis) to transfer to a public school that has not been identified for school improvement under section 1116(c): Provided further, That up to $3,500,000 of these funds shall be available to the Secretary on October 1, 1999, to obtain updated local-educational-agency-level census poverty data from the Bureau of the Census: Provided further, That $1,158,397,000 shall be available for concentration grants under section 1124A: Provided further, That $8,900,000 shall be available for evaluations under section 1501 and not more than $8,500,000 shall be reserved for section 1308, of which not more than $3,000,000 shall be reserved for section 1308(d): Provided further, That grant awards under sections 1124 and 1124A of title I of the Elementary and Secondary Education Act of 1965 shall be made to each State and local educational agency at no less than 100 percent of the amount such State or local educational agency received under this authority for fiscal year 1999: Provided further, That notwithstanding any other provision of law, grant awards under section 1124A of title I of the Elementary and Secondary Education Act of 1965 shall be made to those local educational agencies that received a Concentration Grant under the Department of Education Appropriations Act, 1998, but are not eligible to receive such a grant for fiscal year 2000: Provided further, That each such local educational agency

shall receive an amount equal to the Concentration Grant the agency received in fiscal year 1998, ratably reduced, if necessary, to ensure that these local educational agencies receive no greater share of their hold-harmless amounts than other local educational agencies: Provided further, That the Secretary shall not take into account the hold harmless provisions in this section in determining State allocations under any other program administered by the Secretary in any fiscal year: Provided further, That $170,000,000 shall be available under section 1002(g)(2) to demonstrate effective approaches to comprehensive school reform to be allocated and expended in accordance with the instructions relating to this activity in the statement of the managers on the conference report accompanying Public Law 105–78 and in the statement of the managers on the conference report accompanying Public Law 105–277: Provided further, That in carrying out this initiative, the Secretary and the States shall support only approaches that show the most promise of enabling children served by title I to meet challenging State content standards and challenging State student performance standards based on reliable research and effective practices, and include an emphasis on basic academics and parental involvement.

IMPACT AID

For carrying out programs of financial assistance to federally affected schools authorized by title VIII of the Elementary and Secondary Education Act of 1965, $910,500,000, of which $737,200,000 shall be for basic support payments under section 8003(b), $50,000,000 shall be for payments for children with disabilities under section 8003(d), $76,000,000, to remain available until expended, shall be for payments under section 8003(f), $10,300,000 shall be for construction under section 8007, $32,000,000 shall be for Federal property payments under section 8002 and $5,000,000 to remain available until expended shall be for facilities maintenance under section 8008: Provided, That of the funds available for section 8007 and notwithstanding any other provision of law, $500,000 shall be awarded to the Fort Sam Houston Independent School District, Texas, $800,000 shall be awarded to the Hays Lodgepole School District, Montana, and $2,000,000 shall be awarded to the North Chicago Community Unit SD 187: Provided further, That these funds shall remain available until expended: Provided further, That the Secretary of Education shall treat as timely filed, and shall process for payment, an application for a fiscal year 1999 payment from the local educational agency for Brookeland, Texas under section 8002 of the Elementary and Secondary Education Act of 1965 if the Secretary has received that application not later than 30 days after the enactment of this Act: Provided further, That section 8002(f) of the Elementary and Secondary Education Act of 1965 is amended by adding a new paragraph ''(3)'' at the end to read as follows:

''(3) For each fiscal year beginning with fiscal year 2000, the Secretary shall treat the Central Union, California; Island, California; Hill City, South Dakota; and Wall, South Dakota local educational agencies as meeting the eligibility requirements of subsection (a)(1)(C) of this section.'':

Provided further, That the Secretary of Education shall consider all payments received by the educational agency for Hatboro-Horsham and Delaware Valley, Pennsylvania for fiscal year 1995 under section 8002(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702(a)), and all payments under section 8002(h)(2)(A) for subsequent years through fiscal year 1999, to be correct: Provided further, That section 8002(f) of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof a new paragraph (4) to read as follows:

''(4) For the purposes of payments under this section for each fiscal year beginning with fiscal year 2000, the Secretary shall treat the Hot Springs, South Dakota local educational agency as if it had filed a timely application under section 8002 of the Elementary and Secondary Education Act of 1965 for fiscal year 1994 if the Secretary has received the fiscal year 1994 application, as well as Exhibits A and B not later than December 1, 1999.'':

Provided further, That section 8002(f) of the Elementary and Secondary Education Act of 1965 is amended by adding at the end thereof a new paragraph (5) to read as follows:

''(5) For purposes of payments under this section for each fiscal year beginning with fiscal year 2000, the Secretary shall treat the Hueneme, California local educational agency as if it had filed a timely application under section 8002 of the Elementary and Secondary Education Act of 1965 if the Secretary has received the fiscal year 1995 application not later than December 1, 1999.'':

Provided further, That the Secretary of Education shall treat as timely filed, and shall process for payment, an application for a fiscal year 1998 payment from the local educational agency for Hydaburg, Alaska, under section 8003 of the Elementary and Secondary Education Act of 1965 if the Secretary has received that application not later than 30 days after the enactment of this Act: Provided further, That the Secretary of Education shall treat as timely, and process for payment, an application for fiscal years 1996 and 1997 payment from the local education agency for Fallbrook Unified High School District, California, under section 8002 of the Elementary and Secondary Education Act of 1965, if the Secretary has received that application not later than 30 days after the enactment of this Act: Provided further, That for the purpose of computing the amount of a payment for a local educational agency for children identified under section 8003 of the Elementary and Secondary Education Act of 1965, children residing in housing initially acquired or constructed under section 801 of the Military Construction Authorization Act of 1984 (Public Law 98–115) (''Build to Lease'' program) shall be considered as children described under section 8003(a)(1)(B) if the property described is within the fenced security perimeter of the military facility upon which such housing is situated: Provided further, That if such property is not owned by the Federal Government, is subject to taxation by a State or political subdivision of a State, and thereby generates revenues for a local educational agency which received a payment from the Secretary under section 8003, the Secretary shall: (1) require such local educational agency to provide certification from an appropriate official of the Department of Defense that such property is being used to provide military housing; and (2) reduce the amount of such payment by an amount equal to the amount of revenue from such taxation received in the second preceding fiscal year by such local educational agency, unless the amount of such revenue was taken into account by the State for such second preceding fiscal year and already resulted in a reduction in the amount of State aid paid to such local educational agency.

SCHOOL IMPROVEMENT PROGRAMS

For carrying out school improvement activities authorized by titles II, IV, V–A and B, VI, IX, X, and XIII of the Elementary and Secondary Education Act of 1965 (''ESEA''); the Stewart B. McKinney Homeless Assistance Act; and the Civil Rights Act of 1964 and part B of title VIII of the Higher Education Act of 1965; $3,026,884,000, of which $975,300,000 shall become available on July 1, 2000, and remain available through September 30, 2001, and of which $1,515,000,000 shall become available on October 1, 2000 and shall remain available through September 30, 2001 for academic year 2000–2001: Provided, That of the amount appropriated, $335,000,000 shall be for Eisenhower professional development State grants under title II–B and $1,680,000,000 shall be for title VI and up to $750,000 shall be for an evaluation of comprehensive regional assistance centers under title XIII of ESEA: Provided further, That of the amount made available for title VI $1,300,000,000 shall be available, notwithstanding any other provision of law, to carry out title VI of the Elementary and Secondary Education Act of 1965 in accordance with section 310 of this Act, in order to reduce class size, particularly in the early grades, using highly qualified teachers to improve educational achievement for regular and special needs children.

READING EXCELLENCE

For necessary expenses to carry out the Reading Excellence Act, $65,000,000, which shall become available on July 1, 2000 and shall remain available through September 30, 2001 and $195,000,000 which shall become available on October 1, 2000 and remain available through September 30, 2001.

INDIAN EDUCATION

For expenses necessary to carry out, to the extent not otherwise provided, title IX, part A of the Elementary and Secondary Education Act of 1965, as amended, $77,000,000.

BILINGUAL AND IMMIGRANT EDUCATION

For carrying out, to the extent not otherwise provided, bilingual, foreign language and immigrant education activities authorized by parts A and C and section 7203 of title VII of the Elementary and Secondary Education Act of 1965, without regard to section 7103(b), $406,000,000: Provided, That State educational agencies may use all, or any part of, their part C allocation for competitive grants to local educational agencies.

SPECIAL EDUCATION

For carrying out the Individuals with Disabilities Education Act, $6,036,646,000, of which $2,047,885,000 shall become available for obligation on July 1, 2000, and shall remain available through September 30, 2001, and of which $3,742,000,000 shall become available on October 1, 2000 and shall remain available through September 30, 2001, for academic year 2000–2001: Provided, That $1,500,000 shall be for the recipient of funds provided by Public Law 105–78 under section 687(b)(2)(G) of the Act to provide information on diagnosis, intervention, and teaching strategies for children with disabilities: Provided further, That $1,500,000 shall be awarded to the Organizing Committee for the 2001 Special Olympics World Winter Games in Alaska and $1,000,000 shall be awarded to the Salt Lake City Organizing Committee for the VIII Paralympic Winter Games: Provided further, That $1,000,000 shall be for the Early Childhood Development Project of the National Easter Seal Society for the Mississippi Delta Region, which funds shall be used to provide training, technical support, services and equipment to address personnel and other needs: Provided further, That $1,000,000 shall be awarded to the Center for Literacy and Assessment at the University of Southern Mississippi for research dissemination and teacher and parent training.

REHABILITATION SERVICES AND DISABILITY RESEARCH

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, the Assistive Technology Act of 1998, and the Helen Keller National Center Act, $2,707,522,000: Provided, That notwithstanding section 105(b)(1) of the Assistive Technology Act of 1998 (''the AT

Act''), each State shall be provided $50,000 for activities under section 102 of the AT Act: Provided further, That of the funds available for section 303 of the Rehabilitation Act of 1973 and notwithstanding any other provision of law, $750,000 shall be awarded to the Krasnow Institute at George Mason University for a Receptive Language Disorders research center, $1,000,000 shall be awarded to the University of Central Florida for a virtual reality-based education and training program for the deaf, $2,000,000 shall be awarded to the Seattle Lighthouse for the Blind for interpreter, orientation, mobility, and education services for deaf, blind and other visually impaired adults, $1,000,000 shall be awarded to the Professional Development and Research Institute on Blindness in Louisiana for the training of professionals in the field of education and rehabilitation of blind adults and children, $600,000 shall be awarded to the Alaska Center for Independent Living in Anchorage, Alaska to develop capacity to implement a self-directed model for personal assistance services, including training of self-employed personal assistants and their clients, and $250,000 shall be awarded to the Center for Discovery International Family Institute in Sullivan County, New York to provide educational opportunities and support to individuals with severe mental and physical disabilities: Provided further, That of the funds available for section 305 of the Rehabilitation Act of 1973 and notwithstanding any other provision of law, $1,000,000 shall be awarded to the California State University at Northridge for a Western Center for Adaptive Therapy: Provided further, That of the funds available for title II of the Rehabilitation Act of 1973 and notwithstanding any other provision of law, $500,000 shall be awarded to the Albert Einstein Medical Center healthcare network in Philadelphia for research on post polio syndrome.

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101 et seq.), $10,100,000.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For the National Technical Institute for the Deaf under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), $48,151,000, of which $2,651,000 shall be for construction and shall remain available until expended: Provided, That from the total amount available, the Institute may at its discretion use funds for the endowment program as authorized under section 207.

GALLAUDET UNIVERSITY

For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf, and the partial support of Gallaudet University under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), $85,980,000, of which $2,500,000 shall be for construction and shall remain available until expended: Provided, That from the total amount available, the University may at its discretion use funds for the endowment program as authorized under section 207.

VOCATIONAL AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, the Carl D. Perkins Vocational and Technical Education Act, the Adult Education and Family Literacy Act, and title VIII–D of the Higher Education Act of 1965, as amended, and Public Law 102–73, $1,681,750,000, of which $3,500,000 shall remain available until expended, and of which $858,150,000 shall become available on July 1, 2000 and shall remain available through September 30, 2001 and of which $791,000,000 shall become available on October 1, 2000 and shall remain available through September 30, 2001: Provided, That of the amounts made available for the Carl D. Perkins Vocational and Technical Education Act, $4,600,000 shall be for tribally controlled vocational institutions under section 117: Provided further, That of the $450,000,000 for Adult Education State Grants, 30 percent of the amount exceeding the amount appropriated in fiscal year 1999 shall be made available for integrated English literacy and civics education services to immigrants and other limited English proficient populations: Provided further, That of the amount reserved for integrated English literacy and civics education, half shall be allocated to the States with the largest absolute need for such services and half shall be allocated to the States with the largest recent growth in need for such services, based on the best available data, notwithstanding section 211 of the Adult Education and Family Literacy Act: Provided further, That $9,000,000 shall be for carrying out section 118 of such Act for all activities conducted by and through the National Occupational Information Coordinating Committee: Provided further, That of the amounts made available for the Adult Education and Family Literacy Act, $14,000,000 shall be for national leadership activities under section 243 and $6,000,000 shall be for the National Institute for Literacy under section 242: Provided further, That $19,000,000 shall be for Youth Offender Grants, of which $5,000,000, which shall become available on July 1, 2000, and remain available through September 30, 2001, shall be used in accordance with section 601 of Public Law 102–73 as that section was in effect prior to the enactment of Public Law 105–220.

STUDENT FINANCIAL ASSISTANCE

For carrying out subparts 1, 3 and 4 of part A, part C and part E of title IV of the Higher Education Act of 1965, as amended, $9,435,000,000, which shall remain available through September 30, 2001.

The maximum Pell Grant for which a student shall be eligible during award year 2000–2001 shall be $3,300: Provided, That notwithstanding section 401(g) of the Act, if the Secretary determines, prior to publication of the payment schedule for such award year, that the amount included within this appropriation for Pell Grant awards in such award year, and any funds available from the fiscal year 1999 appropriation for Pell Grant awards, are insufficient to satisfy fully all such awards for which students are eligible, as calculated under section 401(b) of the Act, the amount paid for each such award shall be reduced by either a fixed or variable percentage, or by a fixed dollar amount, as determined in accordance with a schedule of reductions established by the Secretary for this purpose.

For an additional amount for ''STUDENT FINANCIAL ASSISTANCE'' for payment of allocations to institutions of higher education for Federal Supplemental Educational Opportunity Grants for award years 1999–2000 and 2000–2001, made under title IV, part A, subpart 3, of the Higher Education Act of 1965, as amended, $10,000,000: Provided, That notwithstanding any other provision of law, the Secretary of Education may waive or modify any statutory or regulatory provision applicable to the Federal Supplemental Educational Opportunity Grant program and the determination of need for such grants, that the Secretary deems necessary to assist individuals who suffered financial harm resulting from the hurricanes, and the flooding associated with the hurricanes, that struck the eastern United States in August and September 1999, and who, at the time of the disaster were residing, attending an institution of higher education, or employed within an area affected by such a disaster on the date which the President declared the existence of a major disaster (or, in the case of an individual who is a dependent student, whose parent or stepparent suffered financial harm from such disaster, and who resided, or was employed in such an area at that time): Provided further, That notwithstanding section 437 of the General Education Provisions Act (20 U.S.C. 1232) and section 553 of title 5, United States Code, the Secretary shall, by notice in the Federal Register, exercise this authority, through publication of waivers or modifications of statutory and regulatory provisions, as the Secretary deems necessary to assist such individuals: Provided further, That notwithstanding section 413D of the Higher Education Act of 1965, allocations from such additional amount shall not be taken into account in determining institutional allocations under such section in future years: Provided further, That the entire amount made available under this paragraph is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, and that the entire amount shall be available only to the extent an official budget request for the entire amount, that includes designation of the entire amount as an emergency requirement pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, is transmitted by the President to the Congress.

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

For Federal administrative expenses to carry out guaranteed student loans authorized by title IV, part B, of the Higher Education Act of 1965, as amended, $48,000,000.

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, section 121 and titles II, III, IV, V, VI, VII, and VIII of the Higher Education Act of 1965, as amended, and the Mutual Educational and Cultural Exchange Act of 1961; $1,533,659,000, of which $12,000,000 for interest subsidies authorized by section 121 of the Higher Education Act of 1965, shall remain available until expended: Provided, That of the funds available for part A, subpart 2 of title VII of the Higher Education Act of 1965, $10,000,000 shall be available to fund awards for academic year 2000–2001, and $10,000,000 to remain available through September 30, 2001, shall be available to fund awards for academic year 2001–2002, for fellowships under part A, subpart 1 of title VII of said Act, under the terms and conditions of part A, subpart 1: Provided further, That section 852(b)(1) of the Higher Education Amendments of 1998 is amended—

(1) in the matter preceding subparagraph (A), by striking ''14'' and inserting ''16'';

(2) in subparagraph (E), by striking ''and'' after the semicolon;

(3) in subparagraph (F), by striking the period and inserting a semicolon; and

(4) by adding at the end the following:

''(G) one member shall be appointed by the Chairperson of the Committee on Health, Education, Labor, and Pensions of the Senate from among members of the Senate; and

''(H) one member shall be appointed by the Chairperson of the Committee on Education and the Workforce of the House of Representatives from among members of the House of Representatives.'':

Provided further, That the matter preceding paragraph (1) of section 853(b) of the Higher Education Amendments of 1998 is amended by striking ''6 months'' and inserting ''12 months'': Provided further, That the amounts provided under this heading in division A, section 101(f) of Public Law 105–277 for the Web-Based Education Commission, authorized by part J of title VIII of the Higher Education Amendments of 1998, shall remain available through September 30, 2000: Provided further, That $3,000,000 is for data collection and evaluation activities for programs under the Higher Education Act of 1965,

including such activities needed to comply with the Government Performance and Results Act of 1993: Provided further, That of the funds available for title IV, part A, subpart 8 of the Higher Education Act of 1965 and notwithstanding any other provision of law, $3,000,000 shall be awarded to the University of South Florida for a distance learning program, $190,000 shall be awarded to the New York Global Communication Center in West Islip, New York for a distance learning program, $2,000,000 shall be awarded to the Alliance for Technology, Learning and Society (ATLAS) at the University of Colorado for technology-enhanced learning, $2,500,000 shall be awarded to the Illinois Community College Board to develop a systemwide, on-line virtual degree program for the community college system in Illinois, and $1,250,000 shall be made available to the University of Idaho Interactive Learning Environments to develop and improve Internet-based delivery of education programs.

HOWARD UNIVERSITY

For partial support of Howard University (20 U.S.C. 121 et seq.), $219,444,000, of which not less than $3,530,000 shall be for a matching endowment grant pursuant to the Howard University Endowment Act (Public Law 98–480) and shall remain available until expended.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

For Federal administrative expenses authorized under section 121 of the Higher Education Act of 1965, $737,000 to carry out activities related to existing facility loans entered into under the Higher Education Act of 1965.

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT

The total amount of bonds insured pursuant to section 344 of title III, part D of the Higher Education Act of 1965 shall not exceed $357,000,000, and the cost, as defined in section 502 of the Congressional Budget Act of 1974, of such bonds shall not exceed zero.

For administrative expenses to carry out the Historically Black College and University Capital Financing Program entered into pursuant to title III, part D of the Higher Education Act of 1965, as amended, $207,000.

EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT

For carrying out activities authorized by the Educational Research, Development, Dissemination, and Improvement Act of 1994, including part E; the National Education Statistics Act of 1994, including sections 411 and 412; section 2102 of title II, and parts A, B, and K and section 10102, section 10105, and 10601 of title X, and part C of title XIII of the Elementary and Secondary Education Act of 1965, as amended, and title VI of Public Law 103–227, $596,892,000: Provided, That $50,000,000 shall be available to demonstrate effective approaches to comprehensive school reform, to be allocated and expended in accordance with the instructions relating to this activity in the statement of managers on the conference report accompanying Public Law 105–78 and in the statement of the managers on the conference report accompanying Public Law 105–277: Provided further, That the funds made available for comprehensive school reform shall become available on July 1, 2000, and remain available through September 30, 2001, and in carrying out this initiative, the Secretary and the States shall support only approaches that show the most promise of enabling children to meet challenging State content standards and challenging State student performance standards based on reliable research and effective practices, and include an emphasis on basic academics and parental involvement: Provided further, That $30,000,000 of the funds provided for the national education research institutes shall be allocated notwithstanding section 912(m)(1)(B–F) and subparagraphs (B) and (C) of section 931(c)(2) of Public Law 103–227: Provided further, That of the funds appropriated under section 10601 of title X of the Elementary and Secondary Education Act of 1965, as amended, $1,500,000 shall be used to conduct a violence prevention demonstration program: Provided further, That $45,000,000 shall be available to support activities under section 10105 of Part A of Title X of the Elementary and Secondary Education Act of 1965, of which up to $2,250,000 may be available for evaluation, technical assistance, and school networking activities: Provided further, That funds made available to local educational agencies under this section shall be used only for activities related to establishing smaller learning communities in high schools: Provided further, That funds made available for section 10105 of Part A of Title X of the Elementary and Secondary Education Act of 1965 shall become available on July 1, 2000 and remain available through September 30, 2001: Provided further, That of the funds available for part A of title X of the Elementary and Secondary Education Act of 1965, $10,000,000 shall be awarded to the National Constitution Center, established by Public Law 100–433, for exhibition design, program planning and operation of the center, $10,000,000 shall be provided to continue a demonstration of public school facilities to the Iowa Department of Education, $1,000,000 shall be made available to the New Mexico Department of Education for school performance improvement and drop-out prevention, $300,000 shall be made available to Semos Unlimited, Inc., in New Mexico to support bilingual education and literacy programs, $700,000 shall be awarded to Loyola University Chicago for recruitment and preparation of new teacher candidates for employment in rural and inner-city schools, $500,000 shall be awarded to Shedd Aquarium/Brookfield Zoo for science education/exposure programs for local elementary school students, $3,000,000 shall be awarded to Big Brothers/Big Sisters of America to expand school-based mentoring, $2,500,000 shall be awarded to the Chicago Public School System to support a substance abuse pilot program in conjunction with Elgin and East Aurora School Systems, $1,000,000 shall be awarded to the University of Virginia Center for Governmental Studies for the Youth Leadership Initiative, $800,000 shall be awarded to the Institute for Student Achievement at Holmes Middle School and Annandale High School in Virginia for academic enrichment programs, $100,000 shall be awarded to the Mountain Arts Center for educational programming, $1,500,000 shall be awarded to the University of Louisville for research in the area of academic readiness, $500,000 shall be awarded to the West Ed Regional Educational Laboratory for the 24 Challenge and Jumping Levels Math Demonstration Project, $1,000,000 shall be awarded to Central Michigan University for a charter schools development and performance institute, $950,000 shall be awarded to the Living Science Interactive Learning Model partnership in Indian River, Florida for a science education program, $825,000 shall be awarded to the North Babylon Community Youth Services for an educational program, $1,000,000 shall be awarded to the Los Angeles County Office of Education/Educational Telecommunications and Technology for a pilot program for teachers, $650,000 shall be awarded to the University of Northern Iowa for an institute of technology for inclusive education, $500,000 shall be awarded to Youth Crime Watch of America to expand a program to prevent crime, drugs and violence in schools, $892,000 shall be awarded to Muhlenberg College in Pennsylvania for an environmental science program, $560,000 shall be awarded to the Western Suffolk St. Johns-LaSalle Academy Science and Technology Mentoring Program, $4,000,000 shall be awarded to the National Teaching Academy of Chicago for a model teacher recruitment, preparation and professional development program, $2,000,000 shall be awarded to the University of West Florida for a teacher enhancement program, $1,000,000 shall be awarded to Delta State University in Mississippi for innovative teacher training, $1,000,000 shall be awarded to the Alaska Humanities Forum, Inc., in Anchorage, Alaska, $250,000 shall be awarded to An Achievable Dream in Newport News, Virginia to improve academic performance of at-risk youths, $250,000 shall be awarded to the Rock School of Ballet in Philadelphia, Pennsylvania, to expand its community-outreach programs for inner-city children and underprivileged youth in Camden, New Jersey and southern New Jersey, $1,000,000 shall be awarded to the University of Maryland Center for Quality and Productivity to provide a link for the Blue Ribbon Schools, $1,000,000 shall be awarded to the Continuing Education Center and Teachers' Institute in South Boston, Virginia to promote participation among youth in the United States democratic process, $1,000,000 shall be for the National Museum of Women in the Arts to expand its ''Discovering Art'' program to elementary and secondary schools and other educational organizations, $400,000 shall be awarded to the Alaska Department of Education's summer reading program, $400,000 shall be awarded to the Partners in Education, Inc., to foster successful business-school partnerships, $250,000 shall be for the Kodiak Island Borough School District for development of an environmental education program, $2,000,000 shall be for the Reach Out and Read Program to expand literacy and health awareness for at-risk families, $1,000,000 shall be for the Virginia Living Museum in Newport News, Virginia for an educational program, $450,000 shall be for the Challenger Learning Center in Hardin County, Kentucky for technology assistance and teacher training, $250,000 shall be for the Crawford County School System in Georgia for technology and curriculum support, $500,000 shall be for the Berrien County School System in Georgia for technology development, $35,000 shall be for the Louisville Salvation Army Boys and Girls Club Diversion Enhancement Program, $100,000 shall be awarded to the Philadelphia Orchestra's Philly Pops to operate the Jazz in the Schools program in the Philadelphia school district, $500,000 for the Mississippi Delta Education for a teacher incentive program initiative, $500,000 shall be for A Community of Agile Partners in Education and the Pennsylvania Telecommunications Exchange Network for a technology resource sharing initiative, $500,000 shall be for enhanced teacher training in reading in the District of Columbia, $100,000 shall be awarded to the Project 2000 D.C. mentoring project, and $1,250,000 shall be awarded to Helen Keller World Wide to expand the ChildSight vision screening program and provide eyeglasses to additional children whose educational performance may be hindered by poor vision, $750,000 shall be awarded to the Explornet Technology Learning Project in North Carolina, $1,750,000 shall be awarded to the Connecticut Early Reading Success Institute to broaden the training of professionals in best practices in reading instruction, $400,000 shall be awarded to the National Academy of Recording Artists and Sciences Foundation for the GRAMMY in the Schools program to provide music education to high school students, $1,000,000 shall be awarded to the Rosa and Raymond Parks Institute for Self-Development for the Pathways to Freedom program for civil rights education for young people and for community learning centers, $500,000 shall be awarded to the Milton S. Eisenhower Foundation to replicate and scientifically

evaluate full-service community schools, $500,000 shall be awarded to the Henry Abbott Technical High School in Danbury, Connecticut for workforce education and training activities, $1,000,000 shall be awarded to the Educational Performance Foundation, CPI music education program called ''From the Top'', $250,000 shall be awarded to the Mount Vernon School District in Mount Vernon, New York for the Institute of Student Achievement program, $2,000,000 shall be awarded to the National Council of La Raza for a project to improve educational outcomes and opportunities for Hispanic children, $250,000 shall be awarded to the Oakland Unified School District in California for an African American Literacy and Culture Project, $300,000 shall be awarded to the Vasona Center Youth Science Institute, $750,000 shall be awarded to the Life Learning Academy Charter School in San Francisco, California, $250,000 shall be awarded to the National Urban Coalition Say YES To A Youngster's Future Program to provide math and science education, $750,000 shall be awarded to the Wisconsin Academy Staff Development Initiative in Chippewa Falls, Wisconsin to provide math, science, and technology teacher training, $500,000 shall be awarded to the University of Missouri-St. Louis to develop a plan to improve the education system in the City of St. Louis, Missouri, $313,000 shall be awarded to the City of Houston for the ASPIRE after-school program, $900,000 shall be awarded to Boston Music Education Collaborative comprehensive interdisciplinary music program and teacher resource center in Boston, Massachusetts, $250,000 shall be awarded to the Baltimore Reads after-school tutoring program in Baltimore, Maryland, $300,000 shall be awarded to the School of International Training in Brattleboro, Vermont to develop an education curriculum addressing child labor issues in collaboration with the Brattleboro Union High School, $750,000 shall be awarded to the University of Puerto Rico for the continuation and expansion of the Hispanic Educational Linkages Program in New York City, including the South Bronx, New York, $250,000 shall be awarded to the Community Service Society of New York for mentoring, tutoring and technology activities in New York City public schools, including schools in the South Bronx, $250,000 shall be awarded to the Smithsonian Institution for a jazz music education program in Washington, D.C., $500,000 shall be awarded to Johnson Elementary School in Cedar Rapids, Iowa to develop an innovative arts education model which could be replicated in other schools, $2,000,000 shall be awarded to the Boys and Girls Clubs of America for after-school programs, $500,000 shall be for the University of New Orleans for a teacher preparation and educational technology initiative, and $250,000 shall be for the Florida Department of Education for an Internet-based teacher recruitment model, $250,000 shall be awarded to the Kennedy Center for the Performing Arts for the ''Make a Ballet'' arts education program in the New York City area: Provided further, That of the funds available for section 10601 of title X of such Act, $2,000,000 shall be awarded to the Center for Educational Technologies for production and distribution of an effective CD-ROM product that would complement the ''We the People: The Citizen and the Constitution'' curriculum: Provided further, That, in addition to the funds for title VI of Public Law 103–227 and notwithstanding the provisions of section 601(c)(1)(C) of that Act, $1,000,000 shall be available to the Center for Civic Education to conduct a civic education program with Northern Ireland and the Republic of Ireland and, consistent with the civics and Government activities authorized in section 601(c)(3) of Public Law 103–227, to provide civic education assistance to democracies in developing countries. The term ''developing countries'' shall have the same meaning as the term ''developing country'' in the Education for the Deaf Act.

DEPARTMENTAL MANAGEMENT

PROGRAM ADMINISTRATION

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of two passenger motor vehicles, $383,184,000.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, $71,200,000.

OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General, as authorized by section 212 of the Department of Education Organization Act, $34,000,000.

GENERAL PROVISIONS

SEC. 301. No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

SEC. 302. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing or clustering. The prohibition described in this section does not include the establishment of magnet schools.

SEC. 303. No funds appropriated under this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

(TRANSFER OF FUNDS)

SEC. 304. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended) which are appropriated for the Department of Education in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations Committees of both Houses of Congress are notified at least 15 days in advance of any transfer.

SEC. 305. (a) From the funds appropriated for payments to local educational agencies under section 8003(f) of the Elementary and Secondary Education Act of 1965 (''ESEA'') for fiscal year 2000, the Secretary of Education shall distribute supplemental payments for certain local educational agencies, as follows:

(1) First, from the amount of $74,000,000, the Secretary shall make supplemental payments to the following agencies under section 8003(f) of ESEA:

(A) Local educational agencies that received assistance under section 8003(f) for fiscal year 1999—

(i) in fiscal year 1997 had at least 40 percent federally connected children described in section 8003(a)(1) in average daily attendance; and in fiscal year 1997 had a tax rate for general fund purposes which was at least 95 percent of the State average tax rate for general fund purposes; or

(ii) whose boundary is coterminous with the boundary of a Federal military installation.

(B) Local educational agencies that received assistance under section 8003(f) for fiscal year 1999; and in fiscal year 1997 had at least 30 percent federally connected children described in section 8003(a)(1) in average daily attendance; and in fiscal year 1997 had a tax rate for general fund purposes which was at least 125 percent of the State average tax rate for general fund purposes.

(C) Any eligible local educational agency that in fiscal year 1997, which had at least 25,000 children in average daily attendance, at least 50 percent federally connected children described in section 8003(a)(1) in average daily attendance, and at least 6,000 children described in subparagraphs (A) and (B) of section 8003(a)(1) in average daily attendance.

(2) From the remaining $2,000,000 and any amounts available after making payments under paragraph (1), the Secretary shall then make supplemental payments to local educational agencies that are not described in paragraph (1) of this subsection, but that meet the requirements of paragraphs (2) and (4) of section 8003(f) of ESEA for fiscal year 2000.

(3) After making payments to all eligible local educational agencies described in paragraph (2) of subsection (a), the Secretary shall use any remaining funds from paragraph (2) for making payments to the eligible local educational agencies described in paragraph (1) of subsection (a) if the amount available under paragraph (1) is insufficient to fully fund all eligible local educational agencies.

(4) After making payments to all eligible local educational agencies as described in paragraphs 1 through 3, the Secretary shall use any remaining funds to increase basic support payments under section 8003(b) for fiscal year 2000 for all eligible applicants.

(b) In calculating the amounts of supplemental payments for agencies described in subparagraphs (1)(A) and (B) and paragraph (2) of subsection (a), the Secretary shall use the formula contained in section 8003(b)(1)(C) of ESEA, except that—

(1) eligible local educational agencies may count all children described in section 8003(a)(1) in computing the amount of those payments;

(2) maximum payments for any of those agencies that use local contribution rates identified in section 8003(b)(1)(C) (i) or (ii) shall be computed by using four-fifths instead of one-half of those rates;

(3) the learning opportunity threshold percentage of all such agencies under section 8003(b)(2)(B) shall be deemed to be 100;

(4) for an eligible local educational agency with 35 percent or more of its children in average daily attendance described in either subparagraph (D) or (E) of section 8003(a)(1) in fiscal year 1997, the weighted student unit figure from its regular basic support payment shall be recomputed by using a factor of 0.55 for such children;

(5) for an eligible local educational agency with fewer than 100 children in average daily attendance in fiscal year 1997, the weighted student unit figure from its regular basic support payment shall be recomputed by multiplying the total number of children described in section 8003(a)(1) by a factor of 1.75; and

(6) for an eligible local educational agency whose total number of children in average daily attendance in fiscal year 1997 was at least 100, but fewer than 750, the weighted student unit figure from its regular basic support payment shall be recomputed by multiplying the total number of children described in section 8003(a)(1) by a factor of 1.25.

(c) For a local educational agency described in subsection (a)(1)(C) above, the Secretary shall use the formula contained in section 8003(b)(1)(C) of ESEA, except that the weighted student unit total from its regular basic support payment shall be recomputed by using a factor of 1.35 for children described in subparagraphs (A) and (B) of section 8003(a)(1) and its learning opportunity threshold percentage shall be deemed to be 100.

(d) For each eligible local educational agency, the calculated supplemental section 8003(f) payment shall be reduced by subtracting the agency's fiscal year 2000 section 8003(b) basic support payment.

(e) If the sums described in subsections (a)(1) and (2) above are insufficient to pay in full the calculated supplemental payments for the local educational agencies identified in those subsections, the Secretary shall ratably reduce the supplemental section 8003(f) payment to each local educational agency.

SEC. 306. (a) Section 1204(b)(1)(A) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6364(b)(1)(a)) is amended—

(1) in clause (iv), by striking ''and'' after the semicolon;

(2) by striking clause (v) and adding the following:

''(v) 50 percent in the fifth, sixth, seventh, and eighth such years; and

''(vi) 35 percent in any subsequent such year.''.

(b) Section 1208(b) of the Elementary and Secondary Education Act of 1965 is amended—

(1) by striking paragraph (3) and inserting the following:

''(3) CONTINUING ELIGIBILITY.—In awarding subgrant funds to continue a program under this part after the first year, the State educational agency shall review the progress of each eligible entity in meeting the goals of the program referred to in section 1207(c)(1)(A) and shall evaluate the program based on the indicators of program quality developed by the State under section 1210.''; and

(2) in paragraph (5)(A), by striking the last sentence.

SEC. 307. (a) Notwithstanding sections 401(j) and 435(a)(2) of the Higher Education Act of 1965 (20 U.S.C. 1070a(j) and 1085(a)(2)) and subject to the requirements of subsection (b), the Secretary of Education shall—

(1) recalculate the official fiscal year 1996 cohort default rate for Jacksonville College of Jacksonville, Texas, on the basis of data corrections confirmed by the Texas Guaranteed Student Loan Corporation; and

(2) restore the eligibility of Jacksonville College to participate in the Federal Pell Grant Program for the 1999–2000 award year and succeeding award years.

(b) Jacksonville College shall implement a default management plan that is satisfactory to the Secretary of Education.

(c) For purposes of determining its Federal Pell Grant Program eligibility, Jacksonville College shall be deemed to have withdrawn from the Federal Family Education Loan program as of October 6, 1998.

SEC. 308. An amount of $14,500,000 from the balances of returned reserve funds, formerly held by the Higher Education Assistance Foundation, that are currently held in Higher Education Assistance Foundation Claims Reserves, Treasury account number 91X6192, and $12,000,000 from funds formerly held by the Higher Education Assistance Foundation, that are currently held in trust, shall be deposited in the general fund of the Treasury.

SEC. 309. Of the funds provided in title III of this Act, under the heading ''Higher Education'', for title VII, part B of the Higher Education Act of 1965, $250,000 shall be awarded to the Snelling Center for Government at the University of Vermont for a model school program, $750,000 shall be awarded to Texas A&M University, Corpus Christi, for operation of the Early Childhood Development Center, $1,000,000 shall be awarded to Southeast Missouri State University for equipment and curriculum development associated with the University's Polytechnic Institute, $800,000 shall be awarded to the Washington Virtual Classroom Consortium to develop, equip and implement an ecosystem curriculum, $500,000 shall be provided to the Puget Sound Center for Technology for faculty development activities for the use of technology in the classroom, $500,000 shall be awarded to the Center for the Advancement of Distance Education in Rural America, $3,000,000, to be available until expended, shall be awarded to the University Center of Lake County, Illinois and $1,000,000, to be available until expended, shall be awarded to the Oregon University System for activities authorized under title III, part A, section 311(c)(2), of the Higher Education Act of 1965, as amended, $500,000 shall be awarded to Columbia College Illinois for a freshman retention program, $1,500,000 shall be awarded to the University of Hawaii at Manoa for a Globalization Research Center, $2,000,000 shall be awarded to the University of Arkansas at Pine Bluff for technology infrastructure, $1,000,000 shall be awarded to the I Have a Dream Foundation, $1,000,000 shall be awarded to a demonstration program for activities authorized under part G of title VIII of the Higher Education Act of 1965, as amended, $3,000,000 shall be awarded to the Daniel J. Evans School of Public Policy at the University of Washington, $200,000 shall be awarded to North Dakota State University for the Career Program for Dislocated Farmers and Ranchers, $350,000 shall be awarded to North Dakota State University for the Tech-based Industry Traineeship Program, $3,000,000 shall be awarded to Washington State University for the Thomas S. Foley Institute to support programs in congressional studies, public policy, voter education, and to ensure community access and outreach, $200,000 shall be awarded to Minot State University for the Rural Communications Disabilities Program, $300,000 shall be awarded to Bryant College for the Linking International Trade Education Program (LITE), $1,000,000 shall be awarded to Concord College, West Virginia for a technology center to further enhance the technical skills of West Virginia teachers and students, $200,000 shall be awarded to Peirce College in Philadelphia, Pennsylvania for education and training programs, $250,000 shall be awarded to the Philadelphia Zoo for educational programs, $800,000 shall be awarded to Spelman College in Georgia for educational operations, $1,000,000 shall be awarded to the Philadelphia University Education Center for technology education, $725,000 shall be awarded to Lock Haven University for technology innovations, $250,000 for Middle Georgia College for an advanced distributed learning center demonstration program, $1,000,000 for the University of the Incarnate Word in San Antonio, Texas, to improve teacher capabilities in technology, $1,000,000 for Elmira College in New York for a technology enhancement initiative, $1,000,000 shall be awarded to the Southeastern Pennsylvania Consortium on Higher Education for education programs, $400,000 shall be awarded to Lehigh University Iacocca Institute for educational training, $250,000 shall be awarded to Lafayette College for arts education, $1,000,000 shall be awarded to Lewis and Clark College for the Crime Victims Law Institute, $1,650,000 for Rust College in Mississippi for technology infrastructure, $500,000 for the University of Notre Dame for a teacher quality initiative, $2,400,000 shall be awarded to the Western Governors University for a distance learning initiative, $1,000,000 shall be awarded to the Alabama A&M University for the development of a research institute, $1,000,000 shall be awarded to Tarleton State University in Stephenville, Texas for the Center for Astronomy Education and Research summer science programs for students and teachers, $1,500,000 shall be awarded to the Great Plains Network at Kansas University, $350,000 shall be awarded to the Science Education and Literacy Center at Rider University in New Jersey, $1,500,000 shall be awarded to the Indiana State University DegreeLink Partnership for a distance learning program, $1,000,000 shall be awarded to the Ivy Technical State College in Indiana for a machine tool training program, $1,250,000 shall be awarded to the Connecticut State University System Center for Education Technology Assessment, $400,000 shall be awarded to Monmouth University in New Jersey for the 21st Century Science Teachers Skills Project, $58,000 shall be awarded to the Black Hawk College International Business Education Center in Moline, Illinois for training in international economics, $325,000 shall be awarded to the World Learning School of International Training in Brattleboro, Vermont for the expansion of a language study program, $500,000 shall be awarded to the Diablo Valley Community College at Contra-Costa Community College District for a model teacher program to foster interest in teaching careers among high school and community college students, $1,000,000 shall be awarded to the Urban College of Boston, Massachusetts, for tutoring and mentoring services for educationally disadvantaged students, $1,000,000 shall be awarded to the University of Rhode Island Center for Environmental Design, Planning, and Policy in Kingston, Rhode Island to foster environmental education, $800,000 shall be awarded to the Wisconsin Indianhead Technical College at Ashland and Superior to provide high technology education and training, $400,000 shall be for an award to the University of Wisconsin at Superior for Project SPARKS to link faculty with schools in the Superior School District in Wisconsin, and $100,000 shall be awarded to the University of Nevada at Las Vegas for the Nevada Institute for Children Children's literacy program.

SEC. 310. (a) From the amount appropriated for title VI of the Elementary and Secondary Education Act of 1965 in accordance with this section, the Secretary of Education—(1) shall make available a total of $6,000,000 to the Secretary of the Interior (on behalf of the Bureau of Indian Affairs) and the outlying areas for activities under this section; and (2) shall allocate the remainder by providing each State the same percentage of that remainder as it received of the funds allocated to States under section 307(a)(2) of the Department of Education Appropriations Act, 1999.

(b)(1) Each State that receives funds under this section shall distribute 100 percent of such funds to local educational agencies, of which—(A) 80 percent of such amount shall be allocated to such local educational agencies in proportion to the number of children, aged 5 to 17, who reside in the school district served by such local educational agency from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved for the most recent fiscal year for which satisfactory data are available compared to the number of such individuals who reside in the school districts served by all the local educational agencies in the State for that fiscal year; and (B) 20 percent of such amount shall be allocated to such local educational agencies in

accordance with the relative enrollments of children, aged 5 to 17, in public and private nonprofit elementary and secondary schools within the boundaries of such agencies.

(2) Notwithstanding paragraph (1), if the award to a local educational agency under this section is less than the starting salary for a new fully qualified teacher in that agency who is certified within the State (which may include certification through State or local alternative routes), has a baccalaureate degree, and demonstrates the general knowledge, teaching skills, and subject matter knowledge required to teach in his or her content areas, that agency may use funds under this section to (A) help pay the salary of a full- or part-time teacher hired to reduce class size, which may be in combination with other Federal, State, or local funds; or (B) pay for activities described in subsection (c)(2)(A)(iii) which may be related to teaching in smaller classes.

(c)(1) The basic purpose and intent of this section is to reduce class size with fully qualified teachers. Each local educational agency that receives funds under this section shall use such funds to carry out effective approaches to reducing class size with fully qualified teachers who are certified within the State, including teachers certified through State or local alternative routes, and who demonstrate competency in the areas in which they teach, to improve educational achievement for both regular and special needs children, with particular consideration given to reducing class size in the early elementary grades for which some research has shown class size reduction is most effective.

(2)(A) Each such local educational agency may use funds under this section for

(i) recruiting (including through the use of signing bonuses, and other financial incentives), hiring, and training fully qualified regular and special education teachers (which may include hiring special education teachers to team-teach with regular teachers in classrooms that contain both children with disabilities and non-disabled children) and teachers of special-needs children, who are certified within the State, including teachers certified through State or local alternative routes, have a baccalaureate degree and demonstrate the general knowledge, teaching skills, and subject matter knowledge required to teach in their content areas;

(ii) testing new teachers for academic content knowledge, and to meet State certification requirements that are consistent with title II of the Higher Education Act of 1965; and

(iii) providing professional development (which may include such activities as promoting retention and mentoring) to teachers, including special education teachers and teachers of special-needs children, in order to meet the goal of ensuring that all instructional staff have the subject matter knowledge, teaching knowledge, and teaching skills necessary to teach effectively in the content area or areas in which they provide instruction, consistent with title II of the Higher Education Act of 1965.

(B)(i) Except as provided under clause (ii) a local educational agency may use not more than a total of 25 percent of the award received under this section for activities described in clauses (ii) and (iii) of subparagraph (A).

(ii) A local educational agency in an Ed-Flex Partnership State under Public Law 106–25, the Education Flexibility Partnership Act, and in which 10 percent or more of teachers in elementary schools as defined by section 14101(14) of the Elementary and Secondary Education Act of 1965 have not met applicable State and local certification requirements (including certification through State or local alternative routes), or if such requirements have been waived, may apply to the State educational agency for a waiver that would permit it to use more than 25 percent of the funds it receives under this section for activities described in subparagraph (A)(iii) for the purpose of helping teachers who have not met the certification requirements become certified.

(iii) If the State educational agency approves the local educational agency's application for a waiver under clause (ii), the local educational agency may use the funds subject to the waiver for activities described in subparagraph (A)(iii) that are needed to ensure that at least 90 percent of the teachers in elementary schools are certified within the State.

(C) A local educational agency that has already reduced class size in the early grades to 18 or less children (or has already reduced class size to a State or local class size reduction goal that was in effect on the day before the enactment of the Department of Education Appropriations Act, 2000, if that State or local educational agency goal is 20 or fewer children) may use funds received under this section—

(i) to make further class size reductions in grades kindergarten through 3;

(ii) to reduce class size in other grades; or

(iii) to carry out activities to improve teacher quality, including professional development.

(D) If a local educational agency has already reduced class size in the early grades to 18 or fewer children and intends to use funds provided under this section to carry out professional development activities, including activities to improve teacher quality, then the State shall make the award under subsection (b) to the local educational agency.

(3) Each such agency shall use funds under this section only to supplement, and not to supplant, State and local funds that, in the absence of such funds, would otherwise be spent for activities under this section.

(4) No funds made available under this section may be used to increase the salaries or provide benefits, other than participation in professional development and enrichment programs, to teachers who are not hired under this section. Funds under this section may be used to pay the salary of teachers hired under section 307 of the Department of Education Appropriations Act, 1999.

(d)(1) Each State receiving funds under this section shall report on activities in the State under this section, consistent with section 6202(a)(2) of the Elementary and Secondary Education Act of 1965.

(2) Each State and local educational agency receiving funds under this section shall publicly report to parents on its progress in reducing class size, increasing the percentage of classes in core academic areas taught by fully qualified teachers who are certified within the State and demonstrate competency in the content areas in which they teach, and on the impact that hiring additional highly qualified teachers and reducing class size, has had, if any, on increasing student academic achievement.

(3) Each school receiving funds under this section shall provide to parents upon request, the professional qualifications of their child's teacher.

(e) If a local educational agency uses funds made available under this section for professional development activities, the agency shall ensure for the equitable participation of private nonprofit elementary and secondary schools in such activities. Section 6402 of the Elementary and Secondary Education Act of 1965 shall not apply to other activities under this section.

(f) ADMINISTRATIVE EXPENSES.—A local educational agency that receives funds under this section may use not more than 3 percent of such funds for local administrative costs.

(g) REQUEST FOR FUNDS.—Each local educational agency that desires to receive funds under this section shall include in the application required under section 6303 of the Elementary and Secondary Education Act of 1965 a description of the agency's program to reduce class size by hiring additional highly qualified teachers.

(h) No funds under this section may be used to pay the salary of any teacher hired with funds under section 307 of the Department of Education Appropriations Act, 1999, unless, by the start of the 2000–2001 school year, the teacher is certified within the State (which may include certification through State or local alternative routes) and demonstrates competency in the subject areas in which he or she teaches.

(i) Titles III and IV of the Goals 2000: Educate America Act are repealed on September 30, 2000.

LIMITATION ON PUNITIVE DAMAGES AWARDED AGAINST INSTITUTIONS OF HIGHER EDUCATION

SEC. 311. Section 5 of the Y2K Act (15 U.S.C. 6604) is amended by adding at the end the following:

''(d) INSTITUTIONS OF HIGHER EDUCATION.—

''(1) IN GENERAL.—Subject to paragraph (2), punitive damages in a Y2K action may not be awarded against an instituion of higher education as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

''(2) EXCEPTION.—Paragraph (1) shall not apply to an institution of higher education if the Y2K failure in the Y2K action occurred in a computer-based student financial aid system of that institution of higher education, and the institution—

''(A) has passed Y2K data exchange testing with the Department of Education; or

''(B) is not or was not in the process of performing data exchange testing with the Department of Education at the time the Department terminates such testing.''.

SEC. 312. Section 4 of P.L. 106–71 is amended by striking subsection (c).

SEC. 313. HOLD HARMLESS.

(a) LOCAL CONTRIBUTION RATE.—For purposes of calculating a payment under section 8003(b) of the Elementary and Secondary Education Act of 1965 for fiscal year 1999 or 2000 with respect to any local educational agency described in subsection (b), the Secretary of Education shall not use a local contribution rate for the fiscal year that is less than the local contribution rate used for the local educational agency for fiscal year 1998.

(b) LOCAL EDUCATIONAL AGENCIES.—A local educational agency referred to in subsection (a) is any local educational agency that—

(1) is eligible to receive a payment under section 8003(b) of the Elementary and Secondary Education Act of 1965 for fiscal year 1999 or 2000, as the case may be; and

(2) received a payment under such section for fiscal year 1998 that was calculated on the basis of a local contribution rate based on generally comparable school districts using the special additional factors method.

(c) EFFECTIVE DATE.—This section shall be effective for fiscal years 1999 and 2000.

SEC. 314. VOTER REGISTRATION OF COLLEGE STUDENTS.

Subparagraph (C) of section 487(a)(23) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)(23)) is amended to read as follows:

''(C) This paragraph shall apply to general and special elections for Federal office, as defined in section 301(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(3)), and to the elections for Governor or other chief executive within such State).''.

This title may be cited as the ''Department of Education Appropriations Act, 2000''.

TITLE IV—RELATED AGENCIES

ARMED FORCES RETIREMENT HOME

For expenses necessary for the Armed Forces Retirement Home to operate and maintain the United States Soldiers' and Airmen's Home and

the United States Naval Home, to be paid from funds available in the Armed Forces Retirement Home Trust Fund, $68,295,000, of which $12,696,000 shall remain available until expended for construction and renovation of the physical plants at the United States Soldiers' and Airmen's Home and the United States Naval Home: Provided, That, notwithstanding any other provision of law, a single contract or related contracts for development and construction, to include construction of a long-term care facility at the United States Naval Home, may be employed which collectively include the full scope of the project: Provided further, That the solicitation and contract shall contain the clause ''availability of funds'' found at 48 CFR 52.232–18 and 252.232–7007, Limitation of Government Obligations.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

DOMESTIC VOLUNTEER SERVICE PROGRAMS, OPERATING EXPENSES

For expenses necessary for the Corporation for National and Community Service to carry out the provisions of the Domestic Volunteer Service Act of 1973, as amended, $295,645,000: Provided, That none of the funds made available to the Corporation for National and Community Service in this Act for activities authorized by part E of title II of the Domestic Volunteer Service Act of 1973 shall be used to provide stipends to volunteers or volunteer leaders whose incomes exceed the income guidelines established for payment of stipends under the Foster Grandparent and Senior Companion programs: Provided further, That the foregoing proviso shall not apply to the Seniors for Schools program.

CORPORATION FOR PUBLIC BROADCASTING

For payment to the Corporation for Public Broadcasting, as authorized by the Communications Act of 1934, an amount which shall be available within limitations specified by that Act, for the fiscal year 2002, $350,000,000: Provided, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for Government officials or employees: Provided further, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity from which any person is excluded, or is denied benefits, or is discriminated against, on the basis of race, color, national origin, religion, or sex: Provided further, That in addition to the amounts provided above, $10,000,000 shall be for digitalization, only if specifically authorized by subsequent legislation enacted by September 30, 2000.

FEDERAL MEDIATION AND CONCILIATION SERVICE

SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor Management Relations Act, 1947 (29 U.S.C. 171–180, 182–183), including hire of passenger motor vehicles; for expenses necessary for the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a); and for expenses necessary for the Service to carry out the functions vested in it by the Civil Service Reform Act, Public Law 95–454 (5 U.S.C. ch. 71), $36,834,000, including $1,500,000, to remain available through September 30, 2001, for activities authorized by the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a): Provided, That notwithstanding 31 U.S.C. 3302, fees charged, up to full-cost recovery, for special training activities and other conflict resolution services and technical assistance, including those provided to foreign governments and international organizations, and for arbitration services shall be credited to and merged with this account, and shall remain available until expended: Provided further, That fees for arbitration services shall be available only for education, training, and professional development of the agency workforce: Provided further, That the Director of the Service is authorized to accept and use on behalf of the United States gifts of services and real, personal, or other property in the aid of any projects or functions within the Director's jurisdiction.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Federal Mine Safety and Health Review Commission (30 U.S.C. 801 et seq.), $6,159,000.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

OFFICE OF LIBRARY SERVICES: GRANTS AND ADMINISTRATION

For carrying out subtitle B of the Museum and Library Services Act, $166,885,000, of which $22,991,000 shall be awarded to national leadership projects, notwithstanding any other provision of law: Provided, That of the amount provided, $700,000 shall be awarded to the Library and Archives of New Hampshire's Political Tradition at the New Hampshire State Library, $1,000,000 shall be awarded to the Vermont Department of Libraries in Montpelier, Vermont, $750,000 shall be awarded to consolidation and preservation of archives and special collections at the University of Miami Library in Coral Gables, Florida, $1,900,000 shall be awarded to exhibits and library improvements for the Mississippi River Museum and Discovery Center in Dubuque, Iowa, $750,000 shall be awarded to the Alaska Native Heritage Center in Anchorage, Alaska, $750,000 shall be awarded to the Peabody-Essex Museum in Salem, Massachusetts, $750,000 shall be awarded to the Bishop Museum in Hawaii, $200,000 shall be awarded to Oceanside Public Library in California for a local cultural heritage project, $1,000,000 shall be awarded to the Urban Children's Museum Collaborative to develop and implement pilot programs dedicated to serving at-risk children and their families, $150,000 shall be awarded to the Troy State University Dothan in Alabama for archival of a special collection, $450,000 shall be awarded to Chadron State College in Nebraska for the Mari Sandoz Center, $350,000 shall be awarded to the Alabama A&M University Alabama State Black Archives Research Center and Museum, $350,000 shall be awarded to Mystic Seaport, the Museum of America and the Sea, in Connecticut to develop an educational outreach and informal learning laboratory, $100,000 shall be awarded to the Museum for African Art in New York City, New York, for community programming, $35,000 shall be awarded to the Children's Museum of Manhattan in New York City, New York for family programming, $400,000 shall be awarded to the Full Service Library in Molalla, Oregon for technology training and community education programs, $250,000 shall be awarded to Temple University Libraries African American library digitization initiative, and $1,000,000 shall be awarded to the Natural History Museum of Los Angeles County, for a science education program that targets a Spanish speaking audience, $1,000,000 for Dakota Wesleyan University to support enhanced use of technology in the delivery of library services and $500,000 shall be for the Portland State Millar Library for technology based information and research networks.

MEDICARE PAYMENT ADVISORY COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out section 1805 of the Social Security Act, $7,015,000, to be transferred to this appropriation from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

SALARIES AND EXPENSES

For necessary expenses for the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91–345, as amended), $1,300,000.

NATIONAL COUNCIL ON DISABILITY

SALARIES AND EXPENSES

For expenses necessary for the National Council on Disability as authorized by title IV of the Rehabilitation Act of 1973, as amended, $2,400,000.

NATIONAL EDUCATION GOALS PANEL

For expenses necessary for the National Education Goals Panel, as authorized by title II, part A of the Goals 2000: Educate America Act, $2,250,000.

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141–167), and other laws, $206,500,000: Provided, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 percent of the water stored or supplied thereby is used for farming purposes.

NATIONAL MEDIATION BOARD

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Railway Labor Act, as amended (45 U.S.C. 151–188), including emergency boards appointed by the President, $9,600,000: Provided, That unobligated balances at the end of fiscal year 2000 not needed for emergency boards shall remain available for other statutory purposes through September 30, 2001.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Occupational Safety and Health Review Commission (29 U.S.C. 661), $8,500,000.

RAILROAD RETIREMENT BOARD

DUAL BENEFITS PAYMENTS ACCOUNT

For payment to the Dual Benefits Payments Account, authorized under section 15(d) of the Railroad Retirement Act of 1974, $174,000,000, which shall include amounts becoming available in fiscal year 2000 pursuant to section 224(c)(1)(B) of Public Law 98–76; and in addition, an amount, not to exceed 2 percent of the amount provided herein, shall be available proportional to the amount by which the product of recipients and the average benefit received exceeds $174,000,000: Provided, That the total amount provided herein shall be credited in 12 approximately equal amounts on the first day of each month in the fiscal year.

FEDERAL PAYMENTS TO THE RAILROAD RETIREMENT ACCOUNTS

For payment to the accounts established in the Treasury for the payment of benefits under the Railroad Retirement Act for interest earned on unnegotiated checks, $150,000, to remain available through September 30, 2001, which

shall be the maximum amount available for payment pursuant to section 417 of Public Law 98–76.

LIMITATION ON ADMINISTRATION

For necessary expenses for the Railroad Retirement Board for administration of the Railroad Retirement Act and the Railroad Unemployment Insurance Act, $91,000,000, to be derived in such amounts as determined by the Board from the railroad retirement accounts and from moneys credited to the railroad unemployment insurance administration fund.

LIMITATION ON THE OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General for audit, investigatory and review activities, as authorized by the Inspector General Act of 1978, as amended, not more than $5,400,000, to be derived from the railroad retirement accounts and railroad unemployment insurance account: Provided, That none of the funds made available in any other paragraph of this Act may be transferred to the Office; used to carry out any such transfer; used to provide any office space, equipment, office supplies, communications facilities or services, maintenance services, or administrative services for the Office; used to pay any salary, benefit, or award for any personnel of the Office; used to pay any other operating expense of the Office; or used to reimburse the Office for any service provided, or expense incurred, by the Office.

SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance trust funds, as provided under sections 201(m), 228(g), and 1131(b)(2) of the Social Security Act, $20,764,000.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Mine Safety and Health Act of 1977, $383,638,000, to remain available until expended.

For making, after July 31 of the current fiscal year, benefit payments to individuals under title IV of the Federal Mine Safety and Health Act of 1977, for costs incurred in the current fiscal year, such amounts as may be necessary.

For making benefit payments under title IV of the Federal Mine Safety and Health Act of 1977 for the first quarter of fiscal year 2001, $124,000,000, to remain available until expended.

SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out titles XI and XVI of the Social Security Act, section 401 of Public Law 92–603, section 212 of Public Law 93–66, as amended, and section 405 of Public Law 95–216, including payment to the Social Security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, $21,503,085,000, to remain available until expended: Provided, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury.

From funds provided under the previous paragraph, not less than $100,000,000 shall be available for payment to the Social Security trust funds for administrative expenses for conducting continuing disability reviews.

In addition, $200,000,000, to remain available until September 30, 2001, for payment to the Social Security trust funds for administrative expenses for continuing disability reviews as authorized by section 103 of Public Law 104–121 and section 10203 of Public Law 105–33. The term ''continuing disability reviews'' means reviews and redeterminations as defined under section 201(g)(1)(A) of the Social Security Act, as amended.

For making, after June 15 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

For making benefit payments under title XVI of the Social Security Act for the first quarter of fiscal year 2001, $9,890,000,000, to remain available until expended.

LIMITATION ON ADMINISTRATIVE EXPENSES

For necessary expenses, including the hire of two passenger motor vehicles, and not to exceed $10,000 for official reception and representation expenses, not more than $6,111,871,000 may be expended, as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: Provided, That not less than $1,800,000 shall be for the Social Security Advisory Board: Provided further, That unobligated balances at the end of fiscal year 2000 not needed for fiscal year 2000 shall remain available until expended to invest in the Social Security Administration computing network, including related equipment and nonpayroll administrative expenses associated solely with this network: Provided further, That reimbursement to the trust funds under this heading for expenditures for official time for employees of the Social Security Administration pursuant to section 7131 of title 5, United States Code, and for facilities or support services for labor organizations pursuant to policies, regulations, or procedures referred to in section 7135(b) of such title shall be made by the Secretary of the Treasury, with interest, from amounts in the general fund not otherwise appropriated, as soon as possible after such expenditures are made.

From funds provided under the previous paragraph, notwithstanding the provision under this heading in Public Law 105–277 regarding unobligated balances at the end of fiscal year 1999 not needed for such fiscal year, an amount not to exceed $100,000,000 from such unobligated balances shall, in addition to funding already available under this heading for fiscal year 2000, be available for necessary expenses.

From funds provided under the first paragraph, not less than $200,000,000 shall be available for conducting continuing disability reviews.

In addition to funding already available under this heading, and subject to the same terms and conditions, $405,000,000, to remain available until September 30, 2001, for continuing disability reviews as authorized by section 103 of Public Law 104–121 and section 10203 of Public Law 105–33. The term ''continuing disability reviews'' means reviews and redeterminations as defined under section 201(g)(1)(A) of the Social Security Act, as amended.

In addition, $80,000,000 to be derived from administration fees in excess of $5.00 per supplementary payment collected pursuant to section 1616(d) of the Social Security Act or section 212(b)(3) of Public Law 93–66, which shall remain available until expended. To the extent that the amounts collected pursuant to such section 1616(d) or 212(b)(3) in fiscal year 2000 exceed $80,000,000, the amounts shall be available in fiscal year 2001 only to the extent provided in advance in appropriations Acts.

From amounts previously made available under this heading for a state-of-the-art computing network, not to exceed $100,000,000 shall be available for necessary expenses under this heading, subject to the same terms and conditions.

From funds provided under the first paragraph, the Commissioner of Social Security may direct up to $3,000,000, in addition to funds previously appropriated for this purpose, to continue Federal-State partnerships which will evaluate means to promote Medicare buy-in programs targeted to elderly and disabled individuals under titles XVIII and XIX of the Social Security Act.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $15,000,000, together with not to exceed $51,000,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

In addition, an amount not to exceed 3 percent of the total provided in this appropriation may be transferred from the ''Limitation on Administrative Expenses'', Social Security Administration, to be merged with this account, to be available for the time and purposes for which this account is available: Provided, That notice of such transfers shall be transmitted promptly to the Committees on Appropriations of the House and Senate.

UNITED STATES INSTITUTE OF PEACE

OPERATING EXPENSES

For necessary expenses of the United States Institute of Peace as authorized in the United States Institute of Peace Act, $13,000,000.

TITLE V—GENERAL PROVISIONS

SEC. 501. The Secretaries of Labor, Health and Human Services, and Education are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: Provided, That such transferred balances are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

SEC. 502. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 503. (a) No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support or defeat legislation pending before the Congress or any State legislature, except in presentation to the Congress or any State legislature itself.

(b) No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any State legislature.

SEC. 504. The Secretaries of Labor and Education are authorized to make available not to exceed $20,000 and $15,000, respectively, from funds available for salaries and expenses under titles I and III, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed $2,500 from the funds available for ''Salaries and expenses, Federal Mediation and Conciliation Service''; and the Chairman of the National Mediation Board is authorized to make available for official reception and representation expenses not to exceed $2,500 from funds available for ''Salaries and expenses, National Mediation Board''.

SEC. 505. Notwithstanding any other provision of this Act, no funds appropriated under this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.

SEC. 506. (a) 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 in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) 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. 507. When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds included in this Act, including but not limited to State and local governments and recipients of Federal research grants, shall clearly state: (1) the percentage of the total costs of the program or project which will be financed with Federal money; (2) the dollar amount of Federal funds for the project or program; and (3) percentage and dollar amount of the total costs of the project or program that will be financed by nongovernmental sources.

SEC. 508. (a) None of the funds appropriated under this Act, and none of the funds in any trust fund to which funds are appropriated under this Act, shall be expended for any abortion.

(b) None of the funds appropriated under this Act, and none of the funds in any trust fund to which funds are appropriated under this Act, shall be expended for health benefits coverage that includes coverage of abortion.

(c) The term ''health benefits coverage'' means the package of services covered by a managed care provider or organization pursuant to a contract or other arrangement.

SEC. 509. (a) The limitations established in the preceding section shall not apply to an abortion—

(1) if the pregnancy is the result of an act of rape or incest; or

(2) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.

(b) Nothing in the preceding section shall be construed as prohibiting the expenditure by a State, locality, entity, or private person of State, local, or private funds (other than a State's or locality's contribution of Medicaid matching funds).

(c) Nothing in the preceding section shall be construed as restricting the ability of any managed care provider from offering abortion coverage or the ability of a State or locality to contract separately with such a provider for such coverage with State funds (other than a State's or locality's contribution of Medicaid matching funds).

SEC. 510. (a) None of the funds made available in this Act may be used for—

(1) the creation of a human embryo or embryos for research purposes; or

(2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.208(a)(2) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).

(b) For purposes of this section, the term ''human embryo or embryos'' includes any organism, not protected as a human subject under 45 CFR 46 as of the date of the enactment of this Act, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes or human diploid cells.

SEC. 511. (a) LIMITATION ON USE OF FUNDS FOR PROMOTION OF LEGALIZATION OF CONTROLLED SUBSTANCES.—None of the funds made available in this Act may be used for any activity that promotes the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established by section 202 of the Controlled Substances Act (21 U.S.C. 812).

(b) EXCEPTIONS.—The limitation in subsection (a) shall not apply when there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that federally sponsored clinical trials are being conducted to determine therapeutic advantage.

SEC. 512. None of the funds made available in this Act may be obligated or expended to enter into or renew a contract with an entity if—

(1) such entity is otherwise a contractor with the United States and is subject to the requirement in section 4212(d) of title 38, United States Code, regarding submission of an annual report to the Secretary of Labor concerning employment of certain veterans; and

(2) such entity has not submitted a report as required by that section for the most recent year for which such requirement was applicable to such entity.

SEC. 513. Except as otherwise specifically provided by law, unobligated balances remaining available at the end of fiscal year 2000 from appropriations made available for salaries and expenses for fiscal year 2000 in this Act, shall remain available through December 31, 2000, for each such account for the purposes authorized: Provided, That the House and Senate Committees on Appropriations shall be notified at least 15 days prior to the obligation of such funds.

SEC. 514. None of the funds made available in this Act may be used to promulgate or adopt any final standard under section 1173(b) of the Social Security Act (42 U.S.C. 1320d–2(b)) providing for, or providing for the assignment of, a unique health identifier for an individual (except in an individual's capacity as an employer or a health care provider), until legislation is enacted specifically approving the standard.

SEC. 515. Section 520(c)(2)(D) of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1997, as amended, is further amended by striking ''December 31, 1997'' and inserting ''March 31, 2000''.

SEC. 516. The United States-Mexico Border Health Commission Act (22 U.S.C. 290n et seq.) is amended—

(1) by striking section 2 and inserting the following:

''SEC. 2. APPOINTMENT OF MEMBERS OF BORDER HEALTH COMMISSION.

''Not later than 30 days after the date of the enactment of this section, the President shall appoint the United States members of the United States-Mexico Border Health Commission, and shall attempt to conclude an agreement with Mexico providing for the establishment of such Commission.''; and

(2) in section 3—

(A) in paragraph (1), by striking the semicolon and inserting ''; and'';

(B) in paragraph (2)(B), by striking ''; and'' and inserting a period; and

(C) by striking paragraph (3).

SEC. 517. The applicable time limitations with respect to the giving of notice of injury and the filing of a claim for compensation for disability or death by an individual under the Federal Employees' Compensation Act, as amended, for injuries sustained as a result of the person's exposure to a nitrogen or sulfur mustard agent in the performance of official duties as an employee at the Department of the Army's Edgewood Arsenal before March 20, 1944, shall not begin to run until the date of the enactment of this Act.

SEC. 518. Section 169(d)(2)(B) of Public Law 105–220, the Workforce Investment Act of 1998, is amended by striking ''or Alaska Native villages or Native groups (as such terms are defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)).'' and inserting ''or Alaska Natives.''.

TITLE VI—EARLY DETECTION, DIAGNOSIS, AND INTERVENTIONS FOR NEWBORNS AND INFANTS WITH HEARING LOSS

SEC. 601. (a) DEFINITIONS.—For the purposes of this section only, the following terms in this section are defined as follows:

(1) HEARING SCREENING.—Newborn and infant hearing screening consists of objective physiologic procedures to detect possible hearing loss and to identify newborns and infants who, after rescreening, require further audiologic and medical evaluations.

(2) AUDIOLOGIC EVALUATION.—Audiologic evaluation consists of procedures to assess the status of the auditory system; to establish the site of the auditory disorder; the type and degree of hearing loss, and the potential effects of hearing loss on communication; and to identify appropriate treatment and referral options. Referral options should include linkage to State IDEA part C coordinating agencies or other appropriate agencies, medical evaluation, hearing aid/sensory aid assessment, audiologic rehabilitation treatment, national and local consumer, self-help, parent, and education organizations, and other family-centered services.

(3) MEDICAL EVALUATION.—Medical evaluation by a physician consists of key components including history, examination, and medical decision making focused on symptomatic and related body systems for the purpose of diagnosing the etiology of hearing loss and related physical conditions, and for identifying appropriate treatment and referral options.

(4) MEDICAL INTERVENTION.—Medical intervention is the process by which a physician provides medical diagnosis and direction for medical and/or surgical treatment options of hearing loss and/or related medical disorder associated with hearing loss.

(5) AUDIOLOGIC REHABILITATION.—Audiologic rehabilitation (intervention) consists of procedures, techniques, and technologies to facilitate the receptive and expressive communication abilities of a child with hearing loss.

(6) EARLY INTERVENTION.—Early intervention (e.g., nonmedical) means providing appropriate services for the child with hearing loss and ensuring that families of the child are provided comprehensive, consumer-oriented information about the full range of family support, training, information services, communication options and are given the opportunity to consider the full range of educational and program placements and options for their child.

(b) PURPOSES.—The purposes of this section are to clarify the authority within the Public Health Service Act to authorize statewide newborn and infant hearing screening, evaluation and intervention programs and systems, technical assistance, a national applied research program, and interagency and private sector collaboration for policy development, in order to assist the States in making progress toward the following goals:

(1) All babies born in hospitals in the United States and its territories should have a hearing screening before leaving the birthing facility. Babies born in other countries and residing in the United States via immigration or adoption should have a hearing screening as early as possible.

(2) All babies who are not born in hospitals in the United States and its territories should have a hearing screening within the first 3 months of life.

(3) Appropriate audiologic and medical evaluations should be conducted by 3 months for all newborns and infants suspected of having hearing loss to allow appropriate referral and provisions for audiologic rehabilitation, medical and early intervention before the age of 6 months.

(4) All newborn and infant hearing screening programs and systems should include a component for audiologic rehabilitation, medical and early intervention options that ensures linkage to any new and existing statewide systems of intervention and rehabilitative services for newborns and infants with hearing loss.

(5) Public policy in regard to newborn and infant hearing screening and intervention should be based on applied research and the recognition that newborns, infants, toddlers, and children who are deaf or hard-of-hearing have unique language, learning, and communication needs, and should be the result of consultation with pertinent public and private sectors.

(c) STATEWIDE NEWBORN AND INFANT HEARING SCREENING, EVALUATION AND INTERVENTION PROGRAMS AND SYSTEMS.—Under the existing authority of the Public Health Service Act, the Secretary of Health and Human Services (in this section referred to as the ''Secretary''), acting through the Administrator of the Health Resources and Services Administration, shall make awards of grants or cooperative agreements to develop statewide newborn and infant hearing screening, evaluation and intervention programs and systems for the following purposes:

(1) To develop and monitor the efficacy of statewide newborn and infant hearing screening, evaluation and intervention programs and systems. Early intervention includes referral to schools and agencies, including community, consumer, and parent-based agencies and organizations and other programs mandated by part C of the Individuals with Disabilities Education Act, which offer programs specifically designed to meet the unique language and communication needs of deaf and hard-of-hearing newborns, infants, toddlers, and children.

(2) To collect data on statewide newborn and infant hearing screening, evaluation and intervention programs and systems that can be used for applied research, program evaluation and policy development.

(d) TECHNICAL ASSISTANCE, DATA MANAGEMENT, AND APPLIED RESEARCH.—

(1) CENTERS FOR DISEASE CONTROL AND PREVENTION.—Under the existing authority of the Public Health Service Act, the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall make awards of grants or cooperative agreements to provide technical assistance to State agencies to complement an intramural program and to conduct applied research related to newborn and infant hearing screening, evaluation and intervention programs and systems. The program shall develop standardized procedures for data management and program effectiveness and costs, such as—

(A) to ensure quality monitoring of newborn and infant hearing loss screening, evaluation, and intervention programs and systems;

(B) to provide technical assistance on data collection and management;

(C) to study the costs and effectiveness of newborn and infant hearing screening, evaluation and intervention programs and systems conducted by State-based programs in order to answer issues of importance to State and national policymakers;

(D) to identify the causes and risk factors for congenital hearing loss;

(E) to study the effectiveness of newborn and infant hearing screening, audiologic and medical evaluations and intervention programs and systems by assessing the health, intellectual and social developmental, cognitive, and language status of these children at school age; and

(F) to promote the sharing of data regarding early hearing loss with State-based birth defects and developmental disabilities monitoring programs for the purpose of identifying previously unknown causes of hearing loss.

(2) NATIONAL INSTITUTES OF HEALTH.—Under the existing authority of the Public Health Service Act, the Director of the National Institutes of Health, acting through the Director of the National Institute on Deafness and Other Communication Disorders, shall for purposes of this section, continue a program of research and development on the efficacy of new screening techniques and technology, including clinical studies of screening methods, studies on efficacy of intervention, and related research.

(e) COORDINATION AND COLLABORATION.—

(1) IN GENERAL.—Under the existing authority of the Public Health Service Act, in carrying out programs under this section, the Administrator of the Health Resources and Services Administration, the Director of the Centers for Disease Control and Prevention, and the Director of the National Institutes of Health shall collaborate and consult with other Federal agencies; State and local agencies, including those responsible for early intervention services pursuant to title XIX of the Social Security Act (Medicaid Early and Periodic Screening, Diagnosis and Treatment Program); title XXI of the Social Security Act (State Children's Health Insurance Program); title V of the Social Security Act (Maternal and Child Health Block Grant Program); and part C of the Individuals with Disabilities Education Act; consumer groups of and that serve individuals who are deaf and hard-of-hearing and their families; appropriate national medical and other health and education specialty organizations; persons who are deaf and hard-of-hearing and their families; other qualified professional personnel who are proficient in deaf or hard-of-hearing children's language and who possess the specialized knowledge, skills, and attributes needed to serve deaf and hard-of-hearing newborns, infants, toddlers, children, and their families; third-party payers and managed care organizations; and related commercial industries.

(2) POLICY DEVELOPMENT.—Under the existing authority of the Public Health Service Act, the Administrator of the Health Resources and Services Administration, the Director of the Centers for Disease Control and Prevention, and the Director of the National Institutes of Health shall coordinate and collaborate on recommendations for policy development at the Federal and State levels and with the private sector, including consumer, medical and other health and education professional-based organizations, with respect to newborn and infant hearing screening, evaluation and intervention programs and systems.

(3) STATE EARLY DETECTION, DIAGNOSIS, AND INTERVENTION PROGRAMS AND SYSTEMS; DATA COLLECTION.—Under the existing authority of the Public Health Service Act, the Administrator of the Health Resources and Services Administration and the Director of the Centers for Disease Control and Prevention shall coordinate and collaborate in assisting States to establish newborn and infant hearing screening, evaluation and intervention programs and systems under subsection (c) and to develop a data collection system under subsection (d).

(f) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to preempt any State law.

(g) AUTHORIZATION OF APPROPRIATIONS.—

(1) STATEWIDE NEWBORN AND INFANT HEARING SCREENING, EVALUATION AND INTERVENTION PROGRAMS AND SYSTEMS.—For the purpose of carrying out subsection (c) under the existing authority of the Public Health Service Act, there are authorized to the Health Resources and Services Administration appropriations in the amount of $5,000,000 for fiscal year 2000, $8,000,000 for fiscal year 2001, and such sums as may be necessary for fiscal year 2002.

(2) TECHNICAL ASSISTANCE, DATA MANAGEMENT, AND APPLIED RESEARCH; CENTERS FOR DISEASE CONTROL AND PREVENTION.—For the purpose of carrying out subsection (d)(1) under the existing authority of the Public Health Service Act, there are authorized to the Centers for Disease Control and Prevention, appropriations in the amount of $5,000,000 for fiscal year 2000, $7,000,000 for fiscal year 2001, and such sums as may be necessary for fiscal year 2002.

(3) TECHNICAL ASSISTANCE, DATA MANAGEMENT, AND APPLIED RESEARCH; NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS.—For the purpose of carrying out subsection (d)(2) under the existing authority of the Public Health Service Act, there are authorized to the National Institute on Deafness and Other Communication Disorders appropriations for such sums as may be necessary for each of the fiscal years 2000 through 2002.

TITLE VII—DENALI COMMISSION

SEC. 701. DENALI COMMISSION.—Section 307 of Title III—Denali Commission of Division C—Other Matters of Public Law 105–277 is amended by adding a new subsection at the end thereof as follows:

(c) DEMONSTRATION HEALTH PROJECTS.—In order to demonstrate the value of adequate health facilities and services to the economic development of the region, the Secretary of Health and Human Services is authorized to make grants to the Denali Commission to plan, construct, and equip demonstration health, nutrition, and child care projects, including hospitals, health care clinics, and mental health facilities (including drug and alcohol treatment centers) in accordance with the Work Plan referred to under section 304 of Title III—Denali Commission of Division C—Other Matters of Public Law 105–277. No grant for construction or equipment of a demonstration project shall exceed 50 percentum of such costs, unless the project is located in a severely economically distressed community, as identified in the Work Plan referred to under section 304 of Title III—Denali Commission of Division C—Other Matters of Public Law 105–277, in which case no grant shall exceed 80 percentum of such costs. To carry out this section, there is authorized to be appropriated such sums as may be necessary.

TITLE VIII—WELFARE-TO-WORK AND CHILD SUPPORT AMENDMENTS OF 1999

SEC. 801. FLEXIBILITY IN ELIGIBILITY FOR PARTICIPATION IN WELFARE-TO-WORK PROGRAM.

(a) IN GENERAL.—Section 403(a)(5)(C)(ii) of the Social Security Act (42 U.S.C. 603(a)(5)(C)(ii)) is amended to read as follows:

''(ii) GENERAL ELIGIBILITY.—An entity that operates a project with funds provided under this paragraph may expend funds provided to the project for the benefit of recipients of assistance under the program funded under this part of the State in which the entity is located who—

''(I) has received assistance under the State program funded under this part (whether in effect before or after the amendments made by section 103 of the Personal Responsibility and

Work Opportunity Reconciliation Act of 1996 first apply to the State) for at least 30 months (whether or not consecutive); or

''(II) within 12 months, will become ineligible for assistance under the State program funded under this part by reason of a durational limit on such assistance, without regard to any exemption provided pursuant to section 408(a)(7)(C) that may apply to the individual.''.

(b) NONCUSTODIAL PARENTS.—

(1) IN GENERAL.—Section 403(a)(5)(C) of such Act (42 U.S.C. 603(a)(5)(C)) is amended—

(A) by redesignating clauses (iii) through (viii) as clauses (iv) through (ix), respectively; and

(B) by inserting after clause (ii) the following:

''(iii) NONCUSTODIAL PARENTS.—An entity that operates a project with funds provided under this paragraph may use the funds to provide services in a form described in clause (i) to noncustodial parents with respect to whom the requirements of the following subclauses are met:

''(I) The noncustodial parent is unemployed, underemployed, or having difficulty in paying child support obligations.

''(II) At least 1 of the following applies to a minor child of the noncustodial parent (with preference in the determination of the noncustodial parents to be provided services under this paragraph to be provided by the entity to those noncustodial parents with minor children who meet, or who have custodial parents who meet, the requirements of item (aa)):

''(aa) The minor child or the custodial parent of the minor child meets the requirements of subclause (I) or (II) of clause (ii).

''(bb) The minor child is eligible for, or is receiving, benefits under the program funded under this part.

''(cc) The minor child received benefits under the program funded under this part in the 12-month period preceding the date of the determination but no longer receives such benefits.

''(dd) The minor child is eligible for, or is receiving, assistance under the Food Stamp Act of 1977, benefits under the supplemental security income program under title XVI of this Act, medical assistance under title XIX of this Act, or child health assistance under title XXI of this Act.

''(III) In the case of a noncustodial parent who becomes enrolled in the project on or after the date of the enactment of this clause, the noncustodial parent is in compliance with the terms of an oral or written personal responsibility contract entered into among the noncustodial parent, the entity, and (unless the entity demonstrates to the Secretary that the entity is not capable of coordinating with such agency) the agency responsible for administering the State plan under part D, which was developed taking into account the employment and child support status of the noncustodial parent, which was entered into not later than 30 (or, at the option of the entity, not later than 90) days after the noncustodial parent was enrolled in the project, and which, at a minimum, includes the following:

''(aa) A commitment by the noncustodial parent to cooperate, at the earliest opportunity, in the establishment of the paternity of the minor child, through voluntary acknowledgement or other procedures, and in the establishment of a child support order.

''(bb) A commitment by the noncustodial parent to cooperate in the payment of child support for the minor child, which may include a modification of an existing support order to take into account the ability of the noncustodial parent to pay such support and the participation of such parent in the project.

''(cc) A commitment by the noncustodial parent to participate in employment or related activities that will enable the noncustodial parent to make regular child support payments, and if the noncustodial parent has not attained 20 years of age, such related activities may include completion of high school, a general equivalency degree, or other education directly related to employment.

''(dd) A description of the services to be provided under this paragraph, and a commitment by the noncustodial parent to participate in such services, that are designed to assist the noncustodial parent obtain and retain employment, increase earnings, and enhance the financial and emotional contributions to the well-being of the minor child.

In order to protect custodial parents and children who may be at risk of domestic violence, the preceding provisions of this subclause shall not be construed to affect any other provision of law requiring a custodial parent to cooperate in establishing the paternity of a child or establishing or enforcing a support order with respect to a child, or entitling a custodial parent to refuse, for good cause, to provide such cooperation as a condition of assistance or benefit under any program, shall not be construed to require such cooperation by the custodial parent as a condition of participation of either parent in the program authorized under this paragraph, and shall not be construed to require a custodial parent to cooperate with or participate in any activity under this clause. The entity operating a project under this clause with funds provided under this paragraph shall consult with domestic violence prevention and intervention organizations in the development of the project.''.

(2) CONFORMING AMENDMENT.—Section 412(a)(3)(C)(ii) of such Act (42 U.S.C. 612(a)(3)(C)(ii)) is amended by striking ''(vii)'' and inserting ''(viii)''.

(c) RECIPIENTS WITH CHARACTERISTICS OF LONG-TERM DEPENDENCY; CHILDREN AGING OUT OF FOSTER CARE.—

(1) IN GENERAL.—Section 403(a)(5)(C)(iv) of such Act (42 U.S.C. 603(a)(5)(C)(iv)), as so redesignated by subsection (b)(1)(A) of this section, is amended—

(A) by striking ''or'' at the end of subclause (I); and

(B) by striking subclause (II) and inserting the following:

''(II) to children—

''(aa) who have attained 18 years of age but not 25 years of age; and

''(bb) who, before attaining 18 years of age, were recipients of foster care maintenance payments (as defined in section 475(4)) under part E or were in foster care under the responsibility of a State;

''(III) to recipients of assistance under the State program funded under this part, determined to have significant barriers to self-sufficiency, pursuant to criteria established by the local private industry council; or

''(IV) to custodial parents with incomes below 100 percent of the poverty line (as defined in section 673(2) of the Omnibus Budget Reconciliation Act of 1981, including any revision required by such section, applicable to a family of the size involved).''.

(2) CONFORMING AMENDMENTS.—Section 403(a)(5)(C)(iv) of such Act (42 U.S.C. 603(a)(5)(C)(iv)), as so redesignated by subsection (b)(1)(A) of this section, is amended—

(A) in the heading by inserting ''HARD TO EMPLOY'' before ''INDIVIDUALS''; and

(B) in the last sentence by striking ''clause (ii)'' and inserting ''clauses (ii) and (iii) and, as appropriate, clause (v)''.

(d) CONFORMING AMENDMENT.—Section 404(k)(1)(C)(iii) of such Act (42 U.S.C. 604(k)(1)(C)(iii)) is amended by striking ''item (aa) or (bb) of section 403(a)(5)(C)(ii)(II)'' and inserting ''section 403(a)(5)(C)(iii)''.

(e) EFFECTIVE DATE.—The amendments made by this section—

(1) shall be effective January 1, 2000, with respect to the determination of eligible individuals for purposes of section 403(a)(5)(B) of the Social Security Act (relating to competitive grants);

(2) shall be effective July 1, 2000, except that expenditures from allotments to the States shall not be made before October 1, 2000—

(A) with respect to the determination of eligible individuals for purposes of section 403(a)(5)(A) of the Social Security Act (relating to formula grants) in the case of those individuals who may be determined to be so eligible, but would not have been eligible before July 1, 2000; or

(B) for allowable activities described in section 403(a)(5)(C)(i)(VII) of the Social Security Act (as added by section 802 of this title) provided to any individuals determined to be eligible for purposes of section 403(a)(5)(A) of the Social Security Act (relating to formula grants).

(f) REGULATIONS.—Interim final regulations shall be prescribed to implement the amendments made by this section not later than January 1, 2000. Final regulations shall be prescribed within 90 days after the date of the enactment of this Act to implement the amendments made by this Act to section 403(a)(5) of the Social Security Act, in the same manner as described in section 403(a)(5)(C)(ix) of the Social Security Act (as so redesignated by subsection (b)(1)(A) of this section).

SEC. 802. LIMITED VOCATIONAL EDUCATIONAL AND JOB TRAINING INCLUDED AS ALLOWABLE ACTIVITIES UNDER THE TANF PROGRAM.

Section 403(a)(5)(C)(i) of the Social Security Act (42 U.S.C. 603(a)(5)(C)(i)) is amended by inserting after subclause (VI) the following:

''(VII) Not more than 6 months of vocational educational or job training.''.

SEC. 803. CERTAIN GRANTEES AUTHORIZED TO PROVIDE EMPLOYMENT SERVICES DIRECTLY.

Section 403(a)(5)(C)(i)(IV) of the Social Security Act (42 U.S.C. 603(a)(5)(C)(i)(IV)) is amended by inserting '', or if the entity is not a private industry council or workforce investment board, the direct provision of such services'' before the period.

SEC. 804. SIMPLIFICATION AND COORDINATION OF REPORTING REQUIREMENTS.

(a) ELIMINATION OF CURRENT REQUIREMENTS.—Section 411(a)(1)(A) of the Social Security Act (42 U.S.C. 611(a)(1)(A)) is amended—

(1) in the matter preceding clause (i), by inserting ''(except for information relating to activities carried out under section 403(a)(5))'' after ''part''; and

(2) by striking clause (xviii).

(b) ESTABLISHMENT OF REPORTING REQUIREMENT.—Section 403(a)(5)(C) of the Social Security Act (42 U.S.C. 603(a)(5)(C)), as amended by section 801(b)(1) of this title, is amended by adding at the end the following:

''(x) REPORTING REQUIREMENTS.—The Secretary of Labor, in consultation with the Secretary of Health and Human Services, States, and organizations that represent State or local governments, shall establish requirements for the collection and maintenance of financial and participant information and the reporting of such information by entities carrying out activities under this paragraph.''.

SEC. 805. USE OF STATE INFORMATION TO AID ADMINISTRATION OF WELFARE-TO-WORK GRANT FUNDS.

(a) AUTHORITY OF STATE AGENCIES TO DISCLOSE TO PRIVATE INDUSTRY COUNCILS THE NAMES, ADDRESSESS, AND TELEPHONE NUMBERS OF POTENTIAL WELFARE-TO-WORK PROGRAM PARTICIPANTS.—

(1) STATE IV-D AGENCIES.—Section 454A(f) of the Social Security Act (42 U.S.C. 654a(f)) is amended by adding at the end the following:

''(5) PRIVATE INDUSTRY COUNCILS RECEIVING WELFARE-TO-WORK GRANTS.—Disclosing to a private industry council (as defined in section 403(a)(5)(D)(ii)) to which funds are provided under section 403(a)(5) the names, addresses, telephone numbers, and identifying case number information in the State program funded under part A, of noncustodial parents residing in the service delivery area of the private industry council, for the purpose of identifying and contacting noncustodial parents regarding participation in the program under section 403(a)(5).''.

(2) STATE TANF AGENCIES.—Section 403(a)(5) of such Act (42 U.S.C. 603(a)(5)) is amended by adding at the end the following:

''(K) INFORMATION DISCLOSURE.—If a State to which a grant is made under section 403 establishes safeguards against the use or disclosure of information about applicants or recipients of assistance under the State program funded under this part, the safeguards shall not prevent the State agency administering the program from furnishing to a private industry council the names, addresses, telephone numbers, and identifying case number information in the State program funded under this part, of noncustodial parents residing in the service delivery area of the private industry council, for the purpose of identifying and contacting noncustodial parents regarding participation in the program under this paragraph.''.

(b) SAFEGUARDING OF INFORMATION DISCLOSED TO PRIVATE INDUSTRY COUNCILS.—Section 403(a)(5)(A)(ii)(I) of such Act (42 U.S.C. 603(a)(5)(A)(ii)(I)) is amended—

(1) by striking ''and'' at the end of item (dd);

(2) by striking the period at the end of item (ee) and inserting ''; and''; and

(3) by adding at the end the following:

''(ff) describes how the State will ensure that a private industry council to which information is disclosed pursuant to section 403(a)(5)(K) or 454A(f)(5) has procedures for safeguarding the information and for ensuring that the information is used solely for the purpose described in that section.''.

SEC. 806. REDUCTION OF SET-ASIDE OF PORTION OF WELFARE-TO-WORK FUNDS FOR SUCCESSFUL PERFORMANCE BONUS.

(a) IN GENERAL.—Section 403(a)(5)(E) of the Social Security Act (42 U.S.C. 603(a)(5)(E)) is amended in each of clauses (iv) and (vi) by striking ''$100,000,000'' and inserting ''$50,000,000''.

(b) CONFORMING AMENDMENTS.—

(1) Section 403(a)(5)(F) of such Act (42 U.S.C. 603(a)(5)(F)) is amended by inserting ''$1,500,000'' before ''of the amount so specified''.

(2) Section 403(a)(5)(G) of such Act (42 U.S.C. 603(a)(5)(G)) is amended by inserting ''$900,000'' before ''of the amount so specified''.

(3) Section 403(a)(5)(H) of such Act (42 U.S.C. 603(a)(5)(H)) is amended by inserting ''$300,000'' before ''of the amount so specified''.

(4) Section 403(a)(5)(I)(i) of such Act (42 U.S.C. 603(a)(5)(I)(i)) is amended by striking ''$1,500,000,000'' and all that follows and inserting ''for grants under this paragraph—

''(I) $1,500,000,000 for fiscal year 1998; and

''(II) $1,450,000,000 for fiscal year 1999.''.

(c) NO OUTLAY UNTIL FY2001.—Section 403(a)(5)(E)(i) of such Act (42 U.S.C. 603(a)(5)(E)(i)) is amended—

(1) by striking ''make'' and insert ''award''; and

(2) by inserting '', but shall not make any outlay to pay any such grant before October 1, 2000'' before the period.

SEC. 807. ALTERNATIVE PENALTY PROCEDURE RELATING TO STATE DISBURSEMENT UNITS.

(a) IN GENERAL.—Section 455(a) of the Social Security Act (42 U.S.C. 655(a)) is amended by adding at the end the following:

''(5)(A)(i) If—

''(I) the Secretary determines that a State plan under section 454 would (in the absence of this paragraph) be disapproved for the failure of the State to comply with subparagraphs (A) and (B)(i) of section 454(27), and that the State has made and is continuing to make a good faith effort to so comply; and

''(II) the State has submitted to the Secretary, not later than April 1, 2000, a corrective compliance plan that describes how, by when, and at what cost the State will achieve such compliance, which has been approved by the Secretary,

then the Secretary shall not disapprove the State plan under section 454, and the Secretary shall reduce the amount otherwise payable to the State under paragraph (1)(A) of this subsection for the fiscal year by the penalty amount.

''(ii) All failures of a State during a fiscal year to comply with any of the requirements of section 454B shall be considered a single failure of the State to comply with subparagraphs (A) and (B)(i) of section 454(27) during the fiscal year for purposes of this paragraph.

''(B) In this paragraph:

''(i) The term 'penalty amount' means, with respect to a failure of a State to comply with subparagraphs (A) and (B)(i) of section 454(27)—

''(I) 4 percent of the penalty base, in the case of the 1st fiscal year in which such a failure by the State occurs (regardless of whether a penalty is imposed in that fiscal year under this paragraph with respect to the failure), except as provided in subparagraph (C)(ii) of this paragraph;

''(II) 8 percent of the penalty base, in the case of the 2nd such fiscal year;

''(III) 16 percent of the penalty base, in the case of the 3rd such fiscal year;

''(IV) 25 percent of the penalty base, in the case of the 4th such fiscal year; or

''(V) 30 percent of the penalty base, in the case of the 5th or any subsequent such fiscal year.

''(ii) The term 'penalty base' means, with respect to a failure of a State to comply with subparagraphs (A) and (B)(i) of section 454(27) during a fiscal year, the amount otherwise payable to the State under paragraph (1)(A) of this subsection for the preceding fiscal year.

''(C)(i) The Secretary shall waive all penalties imposed against a State under this paragraph for any failure of the State to comply with subparagraphs (A) and (B)(i) of section 454(27) if the Secretary determines that, before April 1, 2000, the State has achieved such compliance.

''(ii) If a State with respect to which a reduction is required to be made under this paragraph with respect to a failure to comply with subparagraphs (A) and (B)(i) of section 454(27) achieves such compliance on or after April 1, 2000, and on or before September 30, 2000, then the penalty amount applicable to the State shall be 1 percent of the penalty base with respect to the failure involved.

''(D) The Secretary may not impose a penalty under this paragraph against a State for a fiscal year for which the amount otherwise payable to the State under paragraph (1)(A) of this subsection is reduced under paragraph (4) of this subsection for failure to comply with section 454(24)(A).''.

(b) INAPPLICABILITY OF PENALTY UNDER TANF PROGRAM.—Section 409(a)(8)(A)(i)(III) of such Act (42 U.S.C. 609(a)(8)(A)(i)(III)) is amended by striking ''section 454(24)'' and inserting ''paragraph (24), or subparagraph (A) or (B)(i) of paragraph (27), of section 454''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1999.

This Act may be cited as the ''Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2000''.

Following is explanatory language on H.R. 3424, as introduced on November 17, 1999.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS

The conferees on H.R. 3194 agree with the matter inserted in this division of this conference agreement and the following description of this matter. This matter was developed through negotiations on the differences in the House reported version of H.R. 3037 and the Senate version of S. 1650, the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2000, by members of the subcommittee of both the House and Senate with jurisdiction over H.R. 3037 and S. 1650.

In implementing this agreement, the Departments and agencies should comply with the language and instructions set forth in House Report 106–370 and Senate Report 106–166.

In the case where the language and instructions specifically address the allocation of funds, the Departments and agencies are to follow the funding levels specified in the Congressional budget justifications accompanying the fiscal year 2000 budget or the underlying authorizing statute and should give full consideration to all items, including items allocating specific funding included in the House and Senate reports. With respect to the provisions in the House and Senate reports that specifically allocate funds, each has been reviewed and those which are jointly concurred in have been included in this joint statement.

The provisions of the House Report (105–205) are endorsed that direct ''. . . the Departments of Labor, Health and Human Services, and Education and the Social Security Administration and the Railroad Retirement Board to submit operating plans with respect to discretionary appropriations to the House and Senate Committees on Appropriations. These plans, which are to be submitted within 30 days of the final passage of the bill, must be signed by the respective Departmental Secretaries, the Social Security Commissioner and the Chairman of the Railroad Retirement Board.''

The Departments and agencies covered by this directive are expected to meet with the House and Senate Committees as soon as possible after enactment of the bill to develop a methodology to assure adequate and timely information on the allocation of funds within accounts within this conference report while minimizing the need for unnecessary and duplicative submissions.

The Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, FY 2000, put in place by this bill, incorporates the following agreements of the managers:

TITLE I—DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

The conference agreement appropriates $5,465,618,000, instead of $4,572,058,000 as proposed by the House and $5,472,560,000 as proposed by the Senate. Of the amount appropriated, $2,463,000,000 becomes available on October 1, 2000, instead of $2,607,300,000 as proposed by the House and $2,720,315,000 as proposed by the Senate.

The agreement includes language authorizing the use of funds under the dislocated workers program for projects that provide

assistance to new entrants in the workforce and incumbent workers as proposed by the Senate. It also includes language proposed by the Senate modified to waive a 10 percent limitation in the Workforce Investment Act with respect to the use of discretionary funds to carry out demonstration and pilot projects, multiservice projects and multistate projects with regard to dislocated workers and to waive certain other provisions in that Act. The House bill had no similar provisions.

The Department is expected to make every effort to be flexible in the use of worker training funds for reactivated shipyards, such as those referenced in the Senate Report. The conference agreement encourages the Department to use national emergency grants under the dislocated workers program to supplement available resources for (1) worker training needs at reactivated shipyards that have experienced large-scale worker dislocation, (2) continuing training to utilize the workplace as site for learning, (3) supporting training for American workers at state-of-the-art foreign shipyards, and (4) continuing upgrading of workers skills to increase employability and job retention.

The agreement includes a citation to the Women in Apprenticeship and Nontraditional Occupations Act as proposed by the House. The Senate bill did not cite this Act.

The conference agreement includes $5,000,000 under Job Corps for the purpose of constructing or rehabilitating facilities on some Job Corps campuses to co-locate Head Start programs to serve Job Corps students and their children as proposed in the House Report.

The Labor Department is encouraged to continue and provide technical assistance to the Role Models America Academy Demonstration Program.

The Ways to Work family loan program is an innovative micro-loan program which provides small loans to low-income families who are attempting to make the transition from public assistance to the workforce or retain employment. This program allows families who often lack access to loans from mainstream sources because of their weak credit histories to receive the necessary financial resources to meet emergency expenses. The Department is urged to consider making available up to $1 million for this program to demonstrate its effectiveness in assisting low-income parents in obtaining and retaining jobs.

The conference agreement includes the following amounts for the following projects and activities:

Dislocated workers

—$1,000,000 for the York Skill Center, York, PA

—$2,000,000 for development of a new model for high-tech workforce development at San Diego State University

—$1,000,000 for the Central Indiana Technology Training Center at Ball State University

—$1,000,000 for Clayton College and State University in Georgia for a virtual education and training project to improve military-to-civilian employment transition

—$1,500,000 for a dislocated farmer retraining project at the University of Idaho

—$1,000,000 for the Chipola Junior College in Florida to retrain dislocated workers.

—$500,000 for the State of New Mexico for rural employment in telecommunications

—$1,000,000 for the Puget Sound Center for Technology to help alleviate the shortage of information technology workers in the Puget Sound Region

—$400,000 for the Philadelphia Area Accelerated Manufacturing Education, Inc.

—$1,500,000 for the Pennsylvania training consortium

—$600,000 for the Lehigh University integrated product development

—$2,500,000 to train foreign workers, including Russians in oil field management in Alaska

—$100,000 for community development, job growth and economic development program focused on effective re-use of the Badger Army Ammunition Plant in Sauk County, Wisconsin.

—$250,000 for the Ohio Employee Ownership Center's job retention initiative.

Pilots and demonstrations

—$800,000 for the Center for Workforce Preparation at the U.S. Chamber of Commerce

—$1,000,000 for Green Thumb for replication in rural areas of a project to train disadvantaged individuals for jobs in the information technology industry

—$1,000,000 for Focus:HOPE in Detroit for information technology training

—$300,000 for the Bowling Green, KY Housing Authority for workforce preparation and training for low-income youth and adults

—$400,000 for the Collegiate Consortium for Workforce and Economic Development

—$2,000,000 for the Springfield Workforce Development Center in Springfield, Vermont for a model regional workforce development

—$200,000 to Northlands Job Corps Center in Vergennes, Vermont for a center child care project

—$170,000 for the Greater Burlington Industrial Corporation in Burlington, Vermont for a model pre-employment counseling program

—$100,000 for the Commonwealth of Pennsylvania, Department of Labor and Industry, to study the financial impact of professional employer arrangements on the Unemployment Compensation Fund

—$1,000,000 for the Lorain County Community College for a workforce development project

—$800,000 for Jobs for America's Graduates

—$2,500,000 for Alaska Works in Fairbanks, Alaska for construction job training

—$2,500,000 for Hutchinson Career Center in Fairbanks, Alaska to upgrade equipment to provide vocational training

—$1,500,000 to train Alaska Native and local low income youth as cultural tour guides and in museum operations for the Alaska Native Heritage Center, Bishop Museum in Hawaii, and Peabody-Essex Museum in Massachusetts

—$1,500,000 for the University of Missouri-St. Louis for the design and implementation of the Regional Center for Education and Work

—$400,000 for the Vermont Technical College for a Technology Training Initiative

—$150,000 to the Nebraska Urban League for a welfare-to-work pilot project

—$1,000,000 to the Des Moines Community College for SMART Partners, a public-private partnership which guarantees full-time employment to students who meet the competencies and skill standards required in modern advanced high performance manufacturing

—$500,000 to the American Indian Science and Engineering Society for the Native American Rural Computer Utilization Training Program

—$500,000 to the Maui Economic Development Board for the Rural Computer Utilization Training Program

—$250,000 to the Job Corps of North Dakota for the Fellowship Executive Training Program

—$250,000 for the University of Colorado Health Sciences Center to provide training and assistance through the University's telehealth/telemedicine distance learning

—$30,000 to expand training programs for women moving from welfare to work at the Westchester Jewish Community Services' Women's Center in Purchase, NY

—$750,000 for the Kingston-Newburgh Enterprise Community to provide technical and training assistance to small businesses and community projects

—$250,000 for the Virginia Modeling, Analysis and Simulation Center's technology-based training program

—$1,000,000 for the Massachusetts Corporation for Business, Work and Learning for the International Shipbuilding Training Demonstration project

—$40,000 for the Full Employment Council for Pre-Apprenticeship Training in Missouri

—$150,000 for a proposed workforce development proposal in Blair County, Pennsylvania, aimed at alleviating the shortage of skilled trade workers

—$500,000 for a job training and placement proposal for Green Door in Washington, DC, to expand employment services for people with a mental illness

—$1,000,000 for aircraft maintenance training at an Aviation/Aerospace Center of Excellence project in northeast Florida operated by the Florida Community College at Jacksonville utilizing resources at the Cecil Field Naval Air Base

—$250,000 for the Mellwood Job Training Program in Maryland to provide employment training services to developmentally disabled citizens

—$500,000 for Enterprise Development Incorporated in South Carolina to identify essential job skill requirements for workers in critical industries

—$500,000 for the Vietnam Veterans Leadership Program (VVLP), a non-profit organization providing job assistance and supportive services to the veteran community of Southwestern Pennsylvania

—$500,000 for the South Dakota Intertribal Bison Cooperative, for a vocational training program to provide employment-related skills for native tribes

The conference agreement also provides funds to continue in FY 2000 those projects and activities which were awarded under the dislocated workers program and under pilots and demonstrations in FY 1999 as described in the Senate Report, subject to project performance, demand for activities and services, and utilization of prior year funding.

The conference agreement includes $15,000,000 to continue and expand the Youth Offender grant program serving youth who are or have been under criminal justice system supervision.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

The conference agreement appropriates $415,150,000 as proposed by the Senate instead of $314,400,000 as proposed by the House.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

The conference agreement appropriates $3,253,740,000, instead of $3,141,740,000 as proposed by the House and $3,358,073,000 as proposed by the Senate.

The agreement includes $41,300,000 for the alien labor certification program as proposed by the Senate instead of $36,300,000 as proposed by the House. For administration of the work opportunity tax credit and the welfare-to-work tax credit, the agreement includes $22,000,000 as proposed by the Senate

instead of $20,000,000 as proposed by the House. Funds are included for a ''talking'' America's Job Bank for the blind.

The agreement does not include a citation to section 461 of the Job Training Partnership Act proposed by the Senate. The House bill did not include this citation.

PROGRAM ADMINISTRATION

The conference agreement appropriates $146,000,000, instead of $138,126,000 as proposed by the House and $149,340,000 as proposed by the Senate. The agreement also includes language proposed by the House requiring that the majority of the welfare-to-work program staff shall be term appointments lasting no more than one year. The Senate bill contained no such language.

The Department is expected to conduct an analysis of the case backlog in the alien labor certification program and report its findings to the Appropriations Committees by February 1, 2000. Further, it is expected that the Department will submit at the same time its proposed schedule for eliminating this backlog.

PENSION AND WELFARE BENEFITS ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement appropriates $99,000,000, instead of $90,000,000 as proposed by the House and $99,831,000 as proposed by the Senate.

PENSION BENEFIT GUARANTY CORPORATION

The conference agreement provides $11,155,000 for the administrative expense limitation, instead of $10,958,000 as proposed by the House and $11,352,000 as proposed by the Senate.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement appropriates $339,000,000, instead of $314,000,000 as proposed by the House and $342,787,000 as proposed by the Senate.

There is concern about the December 3, 1997 Opinion Letter issued by the Employment Standards Administration regarding section 3(o) of the Fair Labor Standards Act. Within the constraints of not preempting the Department's discussions with industry or the courts' impartial consideration of the merits of this issue, the Department is urged to clarify this letter with regard to retroactivity and to existing collective bargaining agreements or private litigation.

BLACK LUNG DISABILITY TRUST FUND

The conference agreement appropriates $49,771,000 for salaries and expenses from the Trust Fund, instead of $49,404,000 as proposed by the House and $50,138,000 as proposed by the Senate. The agreement includes a definite annual appropriation for black lung benefit payments and interest payments on advances made to the Trust Fund as proposed by the House instead of an indefinite permanent appropriation as proposed by the Senate.

There is concern about the structural deficit in the Black Lung Disability Trust Fund. The Administration is directed to provide its recommended solution for the problem of the increasing indebtedness of the Trust Fund to the Congress as part of its fiscal year 2001 budget request.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement appropriates $382,000,000, instead of $337,408,000 as proposed by the House and $388,142,000 as proposed by the Senate. The agreement does not include language proposed by the Senate that would have earmarked one-half of the increase over the FY 1999 appropriation for State consultation grants and one-half for enforcement and all other purposes. The House bill had no similar provision. The detailed table at the end of this joint statement reflects the activity distribution agreed upon.

The Department is urged to consider allowing the use of all FDA-approved devices which reduce the risk of needlestick injury, whether or not such safety feature is integrated into the needle or other sharp medical object, if the non-integrated device is at least as safe and effective as other FDA-approved devices.

Without any intent to delay pending regulations, the conference agreement includes $450,000 elsewhere in this bill for a National Academy of Sciences study of the proposed standard on tuberculosis.

Concerns have been expressed about recommendations of the Metalworking Fluids Standards Advisory Committee, established by the Department, with respect to metalworking fluids exposure levels. The Department is expected to carefully consider peer-reviewed scientific research and examine the technical feasibility and economic consequences of its recommendations. An economic analysis to the three-digit SIC code and a risk assessment should be completed on the impact of reduced exposure levels.

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement appropriates $228,373,000, instead of $211,165,000 as proposed by the House and $230,873,000 as proposed by the Senate. The agreement includes $2,500,000 over the budget request for physical improvements at the National Mine Safety and Health Academy.

The agreement does not include language proposed by the House that would have prohibited the use of funds to carry out the miner training provisions of the Mine Safety and Health Act with respect to certain industries, including sand and gravel and surface stone, until June 1, 2000. The Senate bill did not include a similar provision.

The agreement also does not include language proposed by the Senate that would have allowed MSHA to retain and spend up to $1,000,000 in fees collected for the approval and certification of mine equipment and materials. The House bill did not include a similar provision.

Concerns have been expressed about the possible ramifications of a rulemaking on the use of conveyor belts in underground coal mines, including concerns about the validity of the testing on which the rule is based. MSHA is urged to carefully examine the record and to conduct additional research that may be required to address any significant concerns that have been raised.

MSHA is urged to examine the ongoing NCI/NIOSH study of Lung Cancer and Diesel Exhaust among Non-Metal Miners in connection with the promulgation of a proposed rule on diesel exhaust.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

The conference agreement appropriates $413,444,000, instead of $409,444,000 as proposed by the Senate and $394,697,000 as proposed by the House.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

The conference agreement appropriates $241,788,000, instead of $191,131,000 as proposed by the House and $247,311,000 as proposed by the Senate. The agreement includes language proposed by the Senate that authorizes the expenditure of funds for the management or operation of Departmental bilateral and multilateral foreign technical assistance. The House bill included no such language. The agreement does not include language proposed by the Senate that would have authorized the use of up to $10,000 of DOL salaries and expenses funds in this Act for receiving and hosting officials of foreign states and official foreign delegations. The House bill included no such language. Instead, the agreement authorizes the Secretary to use up to $20,000 from funds available for salaries and expenses for official reception and representation expenses in a general provision in title V of the bill (§504), instead of $15,000 as proposed in both the House and Senate bills.

International child labor activities are funded at the level requested in the President's budget.

The agreement does not include statutory language proposed by the Senate requiring a report to Congress containing options to promote a legal domestic workforce in the agricultural sector, provide for improved compensation and benefits, improved living conditions and better transportation between jobs and address other issues related to agricultural labor that the Secretary determines to be necessary. However, the Department is instructed to prepare such a report and submit it to Congress as soon as possible.

The conference agreement includes $500,000 in the Executive Direction activity for activities of the Twenty-First Century Workforce Commission, as authorized by the Workforce Investment Act of 1998.

ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING

The conference agreement appropriates $184,341,000, instead of $182,719,000 as proposed by the House and $185,613,000 as proposed by the Senate.

OFFICE OF INSPECTOR GENERAL

The conference agreement appropriates $51,925,000 as proposed by the Senate instead of $47,500,000 as proposed by the House.

GENERAL PROVISIONS

JOB CORPS PAY CAP

The conference agreement includes language proposed by the House adjusting the salary cap for employees of Job Corps contractors from Federal Executive Level III to Executive Level II. The Senate bill left the cap at the current level of Executive Level III.

DAVIS-BACON HELPER REGULATIONS

The conference agreement does not include language proposed by the House that would have prohibited the use of funds in the bill to implement the proposed Davis-Bacon helper regulations issued by the Wage and Hour Division on April 9, 1999. The Senate bill contained no such provision.

HEALTH CLAIMS REGULATIONS

The conference agreement does not include language proposed by the House that would have prohibited the use of funds in the bill to implement the proposed regulations issued by the Labor Department on September 9, 1998 concerning changes in ERISA health claims processing requirements. The Senate bill contained no such provision.

PROPERTY TRANSFER

The conference agreement includes language that was not contained in either the House or Senate bill that requires the Secretary of Labor to transfer a building to the city of Salinas, CA.

TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

The conference agreement includes $4,584,721,000 for Health Resources and Services instead of $4,204,395,000 as proposed by the House and $4,365,498,000 as proposed by the Senate.

The conference agreement includes bill language identifying $122,182,000 for the construction and renovation of health care and other facilities instead of $10,000,000 as proposed by the Senate. The House bill contained no similar provision. These funds are to be used for the following projects: Northwestern University/Evanston Hospital Center for Genomics and Molecular Medicine; Sinai Family Health Centers of Chicago; Condell Medical Center Regional Center for Cardiac Health Services; Northwestern Memorial Hospital; Hackensack University Medical Center; Brookfield Zoo/Loyola University School of Medicine; Westcare Fresno Community Healthcare Campus, Fresno, California; Northern Illinois University Center for the Study of Family Violence and Sexual Assault; Memorial Hermann Healthcare System, Houston, Texas; George Mason University Center for Services to Families and Schools; Dominican College Center for Health Sciences; Marklund Children's Home, Bloomingdale, Illinois; Lawton and Rhea Chiles Center for Healthy Mothers and Babies Perinatal Data Center; Aging Health Services Center, Somerset, Kentucky; St. Joseph's Hospital Health Center, Syracuse, New York; Northeastern Ohio Universities College of Medicine; Gateway Community Health Center, Laredo, Texas; Uvalde County Clinic, Uvalde, Texas; Vida y Salud Community Health Center, Crystal City, Texas; Sul Ross State University, Alpine, Texas; University of Mississippi Medical Center, Guyton Building; Children's Hospital of Alabama, Birmingham, Alabama; Edward Health Services, Naperville, Illinois; Marquette University School of Dentistry; St. Christopher-Ottilie Residential Treatment Center, Sea Cliff, Long Island; Louisiana State University Feist-Weiller Cancer Center, Shreveport, Louisiana; Columbus Community Healthcare Center, Buffalo, New York; Children's Hospital Los Angeles Research Institute; Englewood Hospital and Medical Center, Englewood, New Jersey; Marywood University Northeast Pennsylvania Healthy Families Center, Scranton, Pennsylvania; Temple University Outpatient Facility; Temple University Children's Medical Center; Pittsburgh Magee-Women's Hospital Women's Center; College of Physicians, Philadelphia, Pennsylvania; Drexel University National Chemical and Biological Research Center; University of Pittsburgh Cancer Center; Philadelphia College of Osteopathic Medicine; Fairbanks Memorial Hospital, Fairbanks, Alaska; Yukon-Kuskokwim Health Corporation, Bethel, Alaska; University of Vermont Cancer Center; Burlington, Vermont community health center; Central Wyoming community health center; Clinical Diabetes Islet Transplanation Research Center at the former NIH/Perrine, Florida Animal Research Facility; Cooper Green Hospital, Alabama; Central Ozarks Medical Center, Richland, Missouri; University of Alabama at Birmingham Interdisciplinary Biomedical Research Institute; Mississippi Institute for Cancer Research; Jackson Medical Mall Foundation, Mississippi; Union Hospital, Terre Haute, Indiana; St. Joe's Hospital of Ohio; University of Northern Colorado, Rocky Mountain Cancer Rehabilitation Institute; National Jewish Medical and Research Center; University of Florida Genetics Institute; Hidalgo County Health Complex, Lordsburg, New Mexico; community health centers in Iowa; Medical University of South Carolina Cancer Center; Child Health Institute at the University of Medicine and Dentistry of New Jersey; Harts Health Center, Harts, West Virginia; West Virginia University Eye Institute; University of South Dakota Medical School Research Facility; Tufts University, Biomedical/Nutrition Research Center; New York University Program in Women's Cancer; Laguna Honda Hospital, San Francisco, California; University of Montana Institute for Environmental and Health Sciences; Idaho Brain Tumor Center; Roseland Hospital Emergency Department in Illinois; Calumuet Center at Metropolitan Family services in Illinois; Burbank Health Alliance Regional Cancer Center in Fitchburg, Massachusetts; Doermer Family Center for Health Science Education at the University of Saint Francis in Fort Wayne, Indiana; Cancer Institute of Long Island, New York; University of Rochester Medical Center Emergency Department; Sound Shore Medical Center in New Rochelle, New York; Mt. Vernon Community Health Center in Mt. Vernon, New York; University of Texas M.D. Anderson Cancer Center; Lessie Bates Davis Center in East St. Louis; Worcester City Campus of UMASS Memorial Healthcare in Worcester, Massachusetts; Whitney M. Young, Jr. Health Center in Albany, New York; Laclede County Health Department in Missouri; Community Health Care, Inc. to construct a community health center in Silvis, Illinois; Columbia University Audubon Biomedical Science and Technology Park in New York; Napa Valley Vintners Health Center in California; San Francisco Community Health Center; Hospital for Special Surgery in New York City, New York; Carl Sagan Discovery Center Children's Hospital at Montefiore Medical Center in the Bronx, New York; and Biotech Laboratory Building at the University of Connecticut.

The conference agreement includes bill language identifying $238,932,000 for family planning instead of $215,000,000 as proposed by the House and $222,432,000 as proposed by the Senate.

There is concern that there has been a steady erosion of title X funds being made available by the Department for authorized section 1001 clinical services. The Department is directed to allocate at least 90 percent of the funds appropriated for title X specifically for clinical services. The conference agreement concurs with the language contained in the Senate report regarding the expenditure of year-end funds and allocation of title X funds to regional offices.

The conference agreement does not include a provision to allow funds to be used to operate the Council on Graduate Medical Education as proposed by the Senate. The House bill contained no similar provision. The Health Professions Education Partnerships Act of 1998 authorizes the use of funds for this purpose.

The conference agreement provides $75,000,000 for the Ricky Ray Hemophilia Relief Fund Act instead of $20,000,000 as proposed by the House and $50,000,000 as proposed by the Senate. This funding is included in the Public Health and Social Services Emergency Fund as proposed by the House. The Senate bill provided funding in the HRSA account. Within the total provided, $10,000,000 shall be for HRSA administrative costs.

The conference agreement does not include a provision related to the Health Care Fraud and Abuse Data Collection Program as proposed by the Senate. The House bill contained no similar provision.

The conference agreement provides $1,024,000,000 for community health centers as proposed by the Senate instead of $985,000,000 as proposed by the House. Within the total provided, $5,000,000 is for native Hawaiian health programs.

The demonstration project by the Utah area health education centers was identified under community health centers in the Senate report and should be considered under the area health education centers account.

The conference agreement provides $38,244,000 for the national health service corps, field placements as proposed by the House instead of $36,997,000 as proposed by the Senate. Within the total provided, $1,000,000 is to expand the availability of behavioral and mental health services nationwide.

The conference agreement provides $78,666,000 for national health service corps, recruitment instead of $78,166,000 as proposed by both the House and Senate. The amount provided includes $500,000 to increase the number of SEARCH grantees so as to include the Illinois Primary Health Care Association. The conference agreement concurs with the Senate report language concerning increasing health care availability in underserved areas.

The conference agreement provides $344,277,000 for health professions instead of $301,986,000 as proposed by the House and $226,916,000 as proposed by the Senate. The conference agreement includes $1,000,000 within allied health special projects for expansion of the Illinois Community College Board's program, in coordination with the Illinois Department of Human Services, to train and place welfare recipients in the allied health field using distance technology. HRSA is urged to expand the training of health care providers and providers-in-training under area health education centers to improve the detection, diagnosis, treatment, and management of chronic fatigue syndrome (CFIDS) patients.

The conference agreement includes $40,000,000 for pediatric graduate medical education, subject to authorization. The funds would be used to support health professions training at children's teaching hospitals. The Secretary is directed to provide a detailed operating plan that clearly specifies those hospitals deemed eligible for funding, the methodology and criteria used in determining payments, and performance measurements and outcomes. It is intended that the funds provided for this activity will be a one-time payment, pending action by the authorizing Committees to establish statutory guidelines for the structure and operation of the program.

The conference agreement provides $20,282,000 for Hansen's Disease Services instead of $18,670,000 as proposed by the House and $17,282,000 as proposed by the Senate. The conference agreement includes $3,000,000 to continue the Diabetes Lower Extremity Amputation Prevention (LEAP) programs at the University of South Alabama, the Louisiana State University School of Medicine, and the Roosevelt Warm Springs Institute for Rehabilitation.

The conference agreement provides $710,000,000 for the maternal and child health block grant instead of $800,000,000 as proposed by the House and $695,000,000 as proposed by the Senate. The conference agreement includes bill language designating

$109,307,000 of the funds provided for the block grant for special projects of regional and national significance (SPRANS) instead of $198,742,000 as proposed by the House. The Senate bill contained no similar provision. It is intended that $5,000,000 of this amount be used for the continuation of the traumatic brain injury State demonstration projects as authorized by title XII of the Public Health Service Act, $150,000 is for the Whole Kids Outreach program in southeast Missouri, and an additional $500,000 is for the Family Voices program to expand health care information and education for families of children with special health care needs.

Within the funds provided, sufficient funds are included to initiate a multi-state dental sealant demonstration program identified in the Senate bill. The agency is urged to work closely with the Departments of Health of New Mexico and Alaska to develop dental sealant programs that address the needs of medically underserved children, especially those living in rural, American Indian, and Native Alaskan communities.

Within the total provided, the agency is encouraged to support the efforts of the Kids Peace program in Orefield, Pennsylvania, that assist children to overcome situational crises.

The conference agreement provides $90,000,000 for healthy start instead of $110,000,000 as proposed by the Senate. The House bill provided $90,000,000 for healthy start within the Maternal and Child Health block grant SPRANS account. It is intended that these projects will be evaluated and States will begin to incorporate those activities that are proven successful and can be replicated into the mission of the maternal and child health program.

The conference agreement provides $3,500,000 for newborn and infant hearing screening instead of $2,500,000 as proposed by the House and $4,000,000 as proposed by the Senate. These funds are to be used to implement title VI of this Act, Early Detection, Diagnosis, and Interventions for Newborns and Infants with Hearing Loss.

The conference agreement provides $36,316,000 for rural health outreach grants instead of $38,892,000 as proposed by the House and $31,396,000 as proposed by the Senate. Within the total provided, $1,200,000 is to continue and expand the development of the Center for Acadiana Genetics and Hereditary Health Care at Louisiana State University Medical Center; $1,000,000 is for the Home Health Programs demonstration project in Washington State to improve access to home health care in small communities; $75,000 is for Henderson County Rural Health Center, Inc. in Oquawka, Illinois to expand primary and dental health services for underserved populations; $250,000 is for the Tri-County Women's Health, Inc. to provide midwifery-led perinatal services in Jefferson, Madison, and Taylor Counties in Florida; $300,000 is for Radford University School of Nursing's Mobile health clinic; $1,500,000 is for St. Joseph Hospital for diagnostic services throughout the Chippewa Falls, Wisconsin region; $600,000 is for Cooperative Educational Service Agency #11 in Wisconsin to provide preventive and restorative dental services; $324,000 is for Ohio University's College of Osteopathic Medicine's mobile health unit; and $200,000 is for a project at St. Joseph's Hospital Home Health and Hospice, Chippewa Falls, Wisconsin.

The conference agreement provides $35,048,000 for rural health research instead of $11,713,000 as proposed by the House and $6,085,000 as proposed by the Senate. The conference agreement includes the following amounts for the following projects and activities:

—$300,000 for the Northern California Telemedicine Network at Santa Rosa Memorial Hospital;

—$385,000 for a rural telemedicine distance learning project at Daemen College, Amherst, New York;

—$1,000,000 for a University of New Mexico and University of Hawaii joint telehealth initiative;

—$1,000,000 for the Medical University of South Carolina Center for the joint MUSC/Walter Reed/Sloan Kettering Telemedicine program;

—$1,500,000 for the Southwest Alabama Rural Telehealth Network at the University of South Alabama College of Medicine;

—$1,500,000 for the Children's Hospital and Regional Medical Center, Seattle, telemedicine project;

—$1,650,000 for the University of Maine rural children's health assessment and follow-up program;

—$2,000,000 for the University of Southern Mississippi Center for Sustainable Health Outreach;

—$2,500,000 for the Mississippi State University Rural Health, Safety, and Security Institute;

—$3,000,000 for a telehealth deployment research testbed program;

—$4,000,000 for the Alaska Federal Health Care Access Network, Anchorage;

—$750,000 for the Children's Health Fund, rural pediatric health initiative;

—$1,000,000 for the University of Nevada telehealth demonstration initiative;

—$1,000,000 for the Rocky Mountain College/Deaconess Billings Clinic, Montana, telehealth projects;

—$250,000 to establish up to 5 regional telehealth centers in Texas;

—$250,000 for Texas Tech University Health Sciences Center at El Paso and the University of Texas at El Paso for joint research on health problems of migrant workers;

—$500,000 for Bamberg County Hospital to conduct a telehealth demonstration project in South Carolina;

—$500,000 to Allendale County Hospital to conduct a telehealth demonstration project in South Carolina; and

—$250,000 to Community Hospital Tele-Health Consortium for a regional telehealth demonstration project in Louisiana;

The California School of Professional Psychology telehealth demonstration project should be given full and fair consideration for funding.

The conference agreement does not provide separate funding for the Office for the Advancement of Telehealth as proposed by the Senate. The House bill contained no similar provision.

The conference agreement provides $5,000,000 for traumatic brain injury demonstrations within the Maternal and Child Health block grant SPRANS account as proposed by the House. The Senate bill provided $5,000,000 as a separate appropriation.

The conference agreement does not provide separate funding for trauma care as proposed by the Senate. The House bill contained no similar provision. Within funds available for maternal and child health, HRSA is urged to work with the National Highway Traffic Safety Administration and the American Trauma Society to assess emergency medical services systems.

The conference agreement provides $3,000,000 for poison control as proposed by the Senate. The House bill contained no similar provision. Efforts are underway by HRSA and the Centers for Disease Control and Prevention to initiate planning for a national toll-free number for poison control services. Funding is provided to support this effort and related system enhancements such as the development and assessment of uniform patient management guidelines. The agency is also urged to assist the poison control centers' planning and stabilization efforts.

The conference agreement provides $6,000,000 for black lung clinics as proposed by the Senate instead of $5,000,000 as proposed by the House.

The conference agreement provides a total of $1,594,550,000 for Ryan White programs instead of $1,519,000,000 as proposed by the House and $1,610,500,000 as proposed by the Senate. Included in this amount is $546,500,000 for emergency assistance, $824,000,000 for comprehensive care, $138,400,000 for early intervention, $51,000,000 for pediatric demonstrations, $8,000,000 for dental services, and $26,650,000 for education and training centers.

The conference agreement includes bill language identifying $528,000,000 for the Ryan White Title II State AIDS drug assistance programs. The House bill identified $500,000,000 and the Senate bill identified $536,000,000.

The conference agreement includes a total of $74,100,000 for Ryan White AIDS activities that are targeted to address the trend of the HIV/AIDS epidemic in communities of color, based on rates of new HIV infections, minority AIDS prevalence and mortality from AIDS. These funds are allocated as follows:

—Within Ryan White Title I, the conference agreement includes $26,500,000 for supplemental funding and directs that these funds be allocated to eligible metropolitan areas targeting African Americans, Latinos, Native Americans, Asian Americans, Native Hawaiians and Pacific Islanders in highly impacted communities. These funds are expected to expand service capacity in communities of color, assist children orphaned by AIDS, and expand peer education to individuals living with HIV/AIDS.

—Within Ryan White Title III, the conference agreement includes $27,400,000 for planning grants, direct service grants and targeted technical assistance and capacity building grants to minority community-based health care and service providers with a history of service provision to communities of color. Funds should also be made available to national, regional and local organizations representing people of color to provide technical assistance collaborations, and linkages designed to strengthen HIV/AIDS systems of care.

—Within Ryan White Title IV, the conference agreement includes $12,200,000 to fund traditional minority community-based providers of services to minority children, youth and families to develop and implement culturally competent research-based interventions that provide additional HIV/AIDS care, services and linkages.

—Under AIDS education and training centers, the conference agreement includes $6,800,000 to increase training and recruitment of community-based minority health care professionals in AIDS-related treatments, standards of care, guidelines for the use of anti-retroviral and other effective clinical interventions, and treatment adherence for HIV/AIDS infected adults, adolescents and children, as developed by the U.S. Public Health Service.

Within the funds available for education and training centers, $350,000 is included for

the AIDS Education Training Center at the University of California at San Francisco to establish a national hotline for health care providers.

The conference agreement includes $40,000,000 to address the problem of uninsured individuals. Of this amount, $25,000,000 is to increase the capacity and effectiveness of the Nation's variety of community health care institutions and providers who serve patients regardless of their ability to pay. These funds will enable public, private, and non-profit health entities to assist safety-net providers develop and expand integrated systems of care and address service gaps within such integrated systems with a focus on primary care, mental health services and substance abuse services.

The remaining $15,000,000 will support up to 10 grants to states to develop designs for providing access to health insurance coverage to all residents of the state. Funds may be used to conduct in-depth surveys and other activities necessary to determined the most effective methods of providing insurance coverage for the uninsured. States are to submit reports to the Secretary that identify the characteristics of the uninsured within the state and approaches for providing them with health coverage through an expanded state, Federal and private partnership. The goal is to ensure that everyone in that state has affordable health insurance benefits similar in care to state employee coverage, Federal Employees Health Benefit Plan, Medicaid or other similar quality benchmark plans.

In awarding these grants, preference should be given to applicant states that present diverse characteristics and represent a variety of geographic areas. In addition, preference should be given to those states with lower uninsured rates unless the applicant state shows a potential for a significant decrease in its uninsured population. States are encouraged to work with the many existing Federal and State data collection activities as well as efforts in the private, nonprofit sector that are ongoing. HRSA, and other HHS agencies, should work collaboratively with the States on these grants and provide technical assistance, and access to appropriate data and analytic support.

The conference agreement provides $125,000,000 for program management instead of $115,500,000 as proposed by the House and $133,000,000 as proposed by the Senate. Within the total provided, it is intended that $900,000 will be allocated to support the efforts of the American Federation for Negro Affairs Education and Research Fund of Philadelphia and $750,000 is for the University of Northern Iowa Global Health Corps project.

There are plans by several transplant organizations to hold a National Consensus Conference on Living Organ Donation in early 2000 to examine the opportunities and challenges surrounding living organ donation. Despite efforts to increase organ donation, the demand for donations continues to surpass the number of donated organs. The support of the Administration is an important part of organ donation efforts. The Department is urged to be a partner in this upcoming conference.

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH, AND TRAINING

The conference agreement includes $2,910,761,000 for disease control, research, and training instead of $2,621,476,000 as proposed by the House and $2,760,544,000 as proposed by the Senate. In addition, the conference agreement includes bill language designating $51,000,000 for violence against women programs financed from the Violent Crime Reduction Trust Fund as proposed by both the House and Senate.

The conference agreement provides $60,000,000 for equipment, construction, and renovation of facilities instead of $40,000,000 as proposed by the House and $59,800,000 as proposed by the Senate, of which $20,000,000 was included in the Public Health and Social Services Emergency Fund. The conference agreement also repeats bill language included in the fiscal year 1999 appropriations bill to allow the General Services Administration to enter into a single contract or related contracts for the full scope of the infectious disease laboratory and that the solicitation and contract shall contain the clause ''availability of funds'' found in the Code of Federal Regulations.

The conference agreement provides a total of $105,000,000 for the National Center for Health Statistics instead of $94,573,000 as proposed by the House and $109,573,000 as proposed by the Senate. The conference agreement also includes bill language designating $71,690,000 of the total to be available to the Center under the Public Health Service one percent evaluation set-aside instead of $71,793,000 as proposed by the House and $109,573,000 as proposed by the Senate. The Center is urged to give priority to the NHANES survey.

The table accompanying the conference agreement includes a breakout of program costs and salaries and expenses by program. Salaries and expenses activities encompass all non-extramural activities with the exception of program support services, centrally managed services, buildings and facilities, and the Office of the Director. It is intended that designated amounts for salaries and expenses are ceilings. The agency may allocate administrative funds for extramural program activities according to its judgment. Funds should be apportioned and allocated consistent with the table, and any changes in funding are subject to the normal notification procedures.

The conference agreement provides $135,204,000 for the prevention health services block grant instead of $152,247,000 as proposed by the House and $118,161,000 as proposed by the Senate.

The conference agreement provides $18,200,000 for prevention centers instead of $17,500,000 as proposed by the House and $15,500,000 as proposed by the Senate. Within the total provided, $700,000 is included for the Roger Williams Medical Center in Providence, Rhode Island to collaborate with the New England Association of Labor Retirees on a program emphasizing the prevention and early detection of disease among seniors, and sufficient funds are included to establish an Appalachian prevention center at the University of Kentucky.

The conference agreement provides $489,875,000 for childhood immunization instead of $421,477,000 as proposed by the House and $512,273,000 as proposed by the Senate. In addition, the conference agreement provides $20,000,000 for polio eradication in the Public Health and Social Services Emergency Fund and the Vaccines for Children (VFC) program funded through the Medicaid program is expected to provide $545,043,000 in vaccine purchases and distribution support in fiscal year 2000, for a total program level of $1,054,918,000.

The conference agreement provides $694,751,000 for HIV/AIDS instead of $657,036,000 as proposed by the House and $662,276,000 as proposed by the Senate.

A number of states are establishing HIV surveillance systems, and such states are using a variety of mechanisms to report cases of HIV infection. These surveillance systems will improve states' ability to track the epidemic and better target prevention and care resources. CDS is encouraged to work with these states to support the implementation of these different systems, using funds from existing surveillance resources. California is among those states establishing an HIV surveillance system.

The conference agreement includes $59,775,000 to fund CDC activities that are designed to address the trend of the HIV/AIDS epidemic in communities of color, based on rates of new HIV infections and mortality from AIDS, and includes additional funds for the ''Know Your Status'' campaign. The conference agreement includes funds to be used for the Directly Funded Minority Community Based Organization program to fund grant applications from minority organizations with a history of providing services to communities of color. Funds are also included to create grants under the CDC Community Development Program to support needs assessments and enhance community planning processes to integrate HIV, STD, TB, substance abuse prevention and treatment, care and community development within communities of color. Funds are to be allocated for technical assistance programs for grantees under the Directly Funded Minority CBO program, for Faith-Based Initiative Programs, and for CDC's HIV surveillance activities to better track the epidemic and target resources. These funds are to be allocated based on program priorities identified in the previous fiscal year.

The conference agreement includes an increase of $20,000,000 over the fiscal year 1999 to allow priority prevention interventions identified through the community planning process to be implemented. There are many new and reemerging challenges to primary HIV prevention and the careful focus on evidence-based needs assessment at the local and state level through the community planning process as a means of targeting specific interventions to specific individuals and communities is supported. CDC is urged, in consultation with their prevention partners, to undertake a careful study to assess specific priority prevention interventions identified through state and local needs assessment that are not currently being funded, including programs designed to reach communities of color as well as behavioral risk groups.

The conference agreement provides $128,574,000 for tuberculosis instead of $121,962,000 as proposed by the House and $125,185,000 as proposed by the Senate. The conference agreement includes an increase over the request to strengthen domestic TB control programs, enhance prevention through the development of new diagnostics and improved drugs, and support international technical assistance to reduce the global TB epidemic.

The conference agreement provides $136,597,000 for sexually transmitted diseases instead of $129,097,000 as proposed by the House and $128,808,000 as proposed by the Senate. The conference agreement includes an increase of $7,500,000 over the request to enhance the effort to eliminate syphilis. CDC is encouraged to address chlamydia as a disease with widespread prevalence among teens and young adults.

The conference agreement provides $371,155,000 for chronic and environmental diseases instead of $315,511,000 as proposed by

the House and $327,081,000 as proposed by the Senate. In addition the conference agreement provides $5,000,000 above the request for the environmental health laboratory in the Public Health and Social Services Emergency fund. Included in this amount are increases above the fiscal year 1999 level for the following activities: $250,000 for an assessment of human exposure to environmental contaminants near Kelly Air Force Base, Texas; $500,000 for oral health; $500,000 for prostate cancer; $500,000 for colorectal cancer; $500,000 for autism; $503,261 for chronic fatigue syndrome; $538,820 for radiation; $539,055 for folic acid; $1,000,000 for limb loss; $1,000,000 for women's health/ovarian cancer; $1,000,000 for comprehensive cancer control for the University of Miami for its comprehensive South Florida Minority Cancer Initiative; $1,000,000 to expand epilepsy surveillance, public awareness activities, and public and provider education; $1,176,793 for birth defects; $1,250,000 for community health promotion for the Unviesity of Arizona to conduct comprehensive research and evaluation of the unique public health risks along the U.S.-Mexico border; $1,700,000 for arthritis, of which $700,000 is for the Roybal Center in Los Angeles for a program in arthritis care and education; $2,250,000 for diabetes, of which $250,000 is for the University of Puerto Rico to establish a diabetes research and prevention program; $2,300,000 for pfiesteria; $3,500,000 for newborn and infant hearing screening; $5,000,000 for nutrition/obesity; $10,000,000 for asthma; $10,000,000 for cardiovascular diseases; $27,000,000 for smoking and health/tobacco, and $150,000 for the Hale County, Alabama, HERO program.

The conference agreement provides $167,301,000 for breast and cervical cancer screening instead of $161,071,000 as proposed by the House and $167,051,000 as proposed by the Senate. The conference agreement includes bill language to allow the agency to expand the WISEWOMAN program to not more than 10 States. The agency is urged to give full and fair consideration to proposals from Pennsylvania, Iowa, and Connecticut. Within the total provided, $250,000 is for Marin County, California to evaluate the high incidence of breast cancer in the San Francisco Bay Area.

The conference agreement provides a total of $186,610,000 for infectious diseases as proposed by both the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund, and the Senate. Within this amount, $166,610,000 is provided in this account and $20,000,000 is provided in the Public Health and Social Services Emergency Fund for bioterrorism surveillance-emergency preparedness and response activities. The conference agreement includes an increase of $5,000,000 over the request for state capacity development, international and domestic surveillance for influenza, efforts to slow or reverse the trend of the rapid development of antimicrobial resistance of infectious agents, and to address the West Nile Virus encephalitis outbreak and hepatitis C virus.

The conference agreement provides $38,248,000 for lead poisoning as proposed by the House instead of $37,205,000 as proposed by the Senate.

The conference agreement provides $86,198,000 for injury control instead of $57,581,000 as proposed by the House and $82,819,000 as proposed by the Senate. The conference agreement includes the following amounts for the following projects and activities:

—$200,000 to the City of Waterloo, Iowa, for expansion of Fire PALS, a school-based injury prevention program;

—$500,000 for the Trauma Information Exchange Program as described in the House and Senate reports;

—$2,500,000 to expand injury control centers; and

—$12,500,000 to initiate or expand youth violence programs, of which $10,000,000 shall be for national academic centers of excellence on youth violence prevention and $2,500,000 shall be for a national youth violence prevention resource center.

The conference agreement provides $215,500,000 for the national occupational safety and health program instead of $200,000,000 as proposed by the House and $215,000,000 as proposed by the Senate. Of this amount $500,000 shall be for the Alaska aviation safety initiative.

The conference agreement provides $85,916,000 for epidemic services as proposed by the House instead of $81,349,000 as proposed by the Senate. Within the total provided, it is intended that $1,600,000 will be allocated to support expansion of an existing post-traumatic peer support model intervention network to address the needs of landmine victims in affected regions overseas.

The conference agreement provides $38,322,000 for the Office of the Director instead of $31,136,000 as proposed by the House and $32,322,000 as proposed by the Senate. The conference agreement includes the following amounts for the following projects and activities:

—$1,000,000 to establish a sustainable pilot program that would initiate an interdisciplinary approach to mind-body medicine and to assess their preventive health impact. To ensure a program of the highest quality, a strong peer-review process for all proposals should be put in place.

—$1,000,000 for the University of South Alabama birth defects monitoring and prevention activities;

—$2,000,000 for the University of Mississippi to establish a program to identify candidate phytomedicines for clinical evaluation; and

—$3,000,000 for the Center for Environmental Medicine and Toxicology at the University of Mississippi Medical Center at Jackson.

The conference agreement provides $30,000,000 for health disparities demonstrations instead of $10,000,000 as proposed by the House and $35,000,000 as proposed by the Senate. The agency is urged to expand the REACH initiative to additional communities and collaborate with Missouri community health centers as well as other worthy centers across the country.

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

The conference agreement provides $3,332,317,000 for the National Cancer Institute instead of $3,163,727,000 as proposed by the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund, and $3,286,859,000 as proposed by the Senate.

NATIONAL HEART, LUNG AND BLOOD INSTITUTE

The conference agreement provides $2,040,291,000 for the National Heart, Lung and Blood Institute instead of $1,937,404,000 as proposed by the House and $2,001,185,000 as proposed by the Senate.

NATIONAL INSTITUTE OF DENTAL AND CRANIOFACIAL RESEARCH

The conference agreement provides $270,253,000 for the National Institute of Dental and Craniofacial Research instead of $257,349,000 as proposed by the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund, and $267,543,000 as proposed by the Senate.

NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

The conference agreement provides $1,147,588,000 for the National Institute of Diabetes and Digestive and Kidney Diseases instead of $1,087,455,000 as proposed by the House and $1,130,056,000 as proposed by the Senate.

NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

The conference agreement provides $1,034,886,000 for the National Institute of Neurological Disorders and Stroke instead of $979,281,000 as proposed by the House and $1,019,271,000 as proposed by the Senate.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

The conference agreement provides $1,803,063,000 for the National Institute of Allergy and Infectious Diseases instead of $1,714,705,000 as proposed by the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund, and $1,786,718,000 as proposed by the Senate.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

The conference agreement provides $1,361,668,000 for the National Institute of General Medical Sciences instead of $1,298,551,000 as proposed by the House and $1,352,843,000 as proposed by the Senate.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

The conference agreement provides $862,884,000 for the National Institute of Child Health and Human Development instead of $817,470,000 as proposed by the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund, and $848,044,000 as proposed by the Senate. NICHD is encouraged to study the effects of commercial advertising and marketing in schools on academic learning, cognitive development, and social and behavioral development.

NATIONAL EYE INSTITUTE

The conference agreement provides $452,706,000 for the National Eye Institute instead of $428,594,000 as proposed by the House and $445,172,000 as proposed by the Senate.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

The conference agreement provides $444,817,000 for the National Institute of Environmental Health Sciences instead of $421,109,000 as proposed by the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund, instead of $436,113,000 as proposed by the Senate.

NIEHS is strongly urged to conduct research on the health and environmental aspects of agent orange and dioxin in Southeast Asia, in particular, Vietnam provided that the Vietnamese government supports collaborative research between U.S. and Vietnamese scientists. Funding should be provided on a competitive basis to researchers who work independently or collaboratively with NIEHS and are experienced in agent orange, dioxins, and Vietnam research. If possible, the research should facilitate an exchange program with United States and Vietnamese scientists to enhance scientific cooperation between the two countries. The research should begin as soon as possible.

NATIONAL INSTITUTE ON AGING

The conference agreement provides $690,156,000 for the National Institute on

Aging instead of $651,665,000 as proposed by the House and $680,332,000 as proposed by the Senate.

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

The conference agreement provides $351,840,000 for the National Institute of Arthritis and Musculoskeletal and Skin Diseases instead of $333,378,000 as proposed by the House and $350,429,000 as proposed by the Senate.

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

The conference agreement provides $265,185,000 for the National Institute on Deafness and Other Communication Disorders instead of $251,218,000 as proposed by the House and $261,962,000 as proposed by the Senate.

NATIONAL INSTITUTE OF NURSING RESEARCH

The conference agreement provides $90,000,000 for the National Institute of Nursing Research as proposed by the Senate instead of $76,204,000 as proposed by the House.

NATIONAL INSTITUTE OF ALCOHOL ABUSE AND ALCOHOLISM

The conference agreement provides $293,935,000 for the National Institute of Alcohol Abuse and Alcoholism instead of $279,901,000 as proposed by the House and $291,247,000 as proposed by the Senate.

NATIONAL INSTITUTE ON DRUG ABUSE

The conference agreement provides $689,448,000 for the National Institute on Drug Abuse instead of $656,551,000 as proposed by the House and $682,536,000 as proposed by the Senate.

NATIONAL INSTITUTE OF MENTAL HEALTH

The conference agreement provides $978,360,000 for the National Institute of Mental Health instead of $930,436,000 as proposed by the House and $969,494,000 as proposed by the Senate.

NATIONAL HUMAN GENOME RESEARCH INSTITUTE

The conference agreement provides $337,322,000 for the National Human Genome Research Institute as proposed by the Senate instead of $308,012,000 as proposed by the House.

NATIONAL CENTER FOR RESEARCH RESOURCES

The conference agreement provides $680,176,000 for the National Center for Research Resources instead of $642,311,000 as proposed by the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund, and $655,988,000 as proposed by the Senate. The conference agreement also includes bill language designating $75,000,000 for extramural facilities construction grants. These funds will provide seed money to stimulate greater public and private sector investments in this needed modernization effort. In awarding grants with these funds, NCRR is directed to recognize the special needs of smaller and developing institutions. NCRR shall assure that, given a sufficient number of meritorious applications from smaller and developing institutions, no less than 50 percent of the awards are made to these institutions. In addition, NCRR shall take all steps necessary to assure that small and developing institutions are notified of the funds available in this account and are provided adequate technical assistance in the application process. The conference agreement does not include a provision proposed by the Senate to provide $30,000,000 for extramural facilities available on October 1, 2000. The House bill contained no similar provision.

The total provided also includes $40,000,000 for the Institutional Development Awards (IDeA) program as proposed by the House instead of $20,000,000 as proposed by the Senate. In addition, $15,000,000 is included to enhance the science education program as referenced in the House and Senate reports.

The conference agreement concurs with language contained in the Senate report concerning animal research facilities in minority health professional schools.

JOHN E. FOGARTY INTERNATIONAL CENTER

The conference agreement provides $43,723,000 for the John E. Fogarty International Center as proposed by the Senate instead of $40,440,000 as proposed by the House, when adjusted for transfers from the Public Health and Social Services Emergency Fund.

NATIONAL LIBRARY OF MEDICINE

The conference agreement provides $215,214,000 for the National Library of Medicine instead of $202,027,000 as proposed by the House and $210,183,000 as proposed by the Senate.

NATIONAL CENTER FOR COMPLEMENTARY AND ALTERNATIVE MEDICINE

The conference agreement provides $68,753,000 for the National Center for Complementary and Alternative Medicine instead of $68,000,000 as proposed by the House and $56,214,000 as proposed by the Senate. The conference agreement does not include bill language proposed by the Senate to make these funds available for obligation through September 30, 2001. The House bill contained no similar provision.

It is believed that Federal policy in a number of areas is failing to keep up with the increased use of complementary and alternative therapies. Funding was provided in fiscal year 1999 to support the establishment and operation of a White House Commission on Complementary and Alternative Medicine Policy to study and make recommendations to the Congress on appropriate policies regarding consumer information, training, insurance coverage, licensing, and other pressing issues in this area. It is believed that the Commission is not intended to review the work of or set the priorities for the Center. Rather, the Center is expected simply to provide administrative support to the Commission.

The conference agreement concurs with the House and Senate report language regarding the training of physicians in integrative medicine, but urges the Center to also support the training of nurses in integrative medicine through appropriate mechanisms. The Center is also urged to study strategies for integrating complementary and alternative medicine into all nursing curricula.

OFFICE OF THE DIRECTOR

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides $283,509,000 for the Office of the Director instead of $270,383,000 as proposed by the House and $299,504,000 as proposed by the Senate. The conference agreement includes a designation in bill language of $44,953,000 for the operations of the Office of AIDS Research as proposed by the House. The Senate bill contained no similar provision.

It is expected that the Minority Access to Research Careers, Minority Biomedical Research Support, Research Centers in Minority Institutions, and the Office of Research on Minority Health programs will continue to be supported at a level commensurate with their importance.

Investigations into the causes, prevention, treatment, and cure for diabetes are important. The Diabetes Research Working Group report outlines many scientific opportunities and NIH is encouraged to pursue research on all types of diabetes with equal vigor.

NIH is expected to consult closely with the research community, clinicians, patient advocates, and the Congress regarding Parkinson's research and fulfillment of the goals of the Morris K. Udall Parkinson's Research Act. NIH is requested to develop a report to Congress by March 1, 2000 outlining a research agenda for Parkinson's focused research for the next five years, along with professional judgment funding projections. The NIH Director should be prepared to discuss Parkinson's focused research planning and implementation for fiscal year 2000 and fiscal year 2001.

Continued advances in biomedical imaging and engineering, including the development of new techniques and technologies for both clinical applications and medical research and the transfer of new technologies from research projects to the public health sector are important. The disciplines of biomedical imaging and engineering have broad applications to a range of disease processes and organ systems and research in these fields does not fit into the current disease and organ system organizational structure of the NIH. The present organization of the NIH does not accommodate basic scientific research in these fields and encourages unproductive diffusion of imaging and engineering research. Several efforts have been made in the past to fit imaging into the NIH structure, but these have proved to be inadequate.

For these reasons, NIH is urged to establish an Office of Bioimaging/Bioengineering and to review the feasibility of establishing an Institute of Biomedical Imaging and Engineering. This Office should coordinate imaging and bioengineering research activities, both across the NIH and with other Federal agencies. The NIH shall report to the Appropriations Committees of the House and Senate on the progress achieved by this Office no later than June 30, 2000.

Security at Federal facilities is a growing concern and with the number of visitors to the NIH campus, including both domestic and foreign dignitaries, and the type of research that occurs on campus, adequate security at NIH is critical. The Director is requested to contract with an independent group to study the overall security situation at the Bethesda campus. This study should include, but not be limited to, recommendations regarding the appropriate manpower, training, and equipment needed to provide adequate security for NIH employees and all visitors to the campus as well as any recommended changes to the current security policy.

Infantile autism and autism spectrum disorders are biologically based neurodevelopmental diseases that cause severe impairments in language and communication and generally manifest in young children sometime during the first two years of life. Best estimates indicate that 1 in 500 children born today will be diagnosed with an autism spectrum disorder and that 400,000 Americans have autism or an autism spectrum disorder. NIH is strongly encouraged to dedicate more resources and to expand and intensify these efforts through the NIH Autism Coordinating Committee. More knowledge is needed concerning the underlying causes of autism and autism spectrum disorders, how to treat and prevent these disorders; the epidemiology and risk factors for the disorders; the development of methods for early medical diagnosis; dissemination to medical personnel, particularly pediatricians, to aid in

the early diagnosis and treatment of this disease; and the costs incurred in educating and caring for individuals with autism and autism spectrum disorders. NIH is also encouraged to explore mechanisms, including innovative collaborative approaches in autism, supported by the Institutes to conduct basic and clinical research into the cause, diagnosis, early detection, prevention, control, and treatment of autism, including research in the fields of developmental neurobiology, genetics, and psychopharmacology.

NIDDK and NIAID are to be commended for jointly supporting research on foodborne illness. The Institutes are encouraged to enhance research on the reaction of the gut to foodborne pathogens, including research on the pathogenesis of the disease, the reasons for antibiotic resistance, the reaction of the gut to infections, the development of animal models to test therapies, and the invention of vaccines or substances that bind with the toxins to prevent the illness.

The conference agreement concurs with language contained in the House report regarding International Collaborations.

Ashkenazi Jewish women who carry the BRCA 1 gene have an abnormally high incidence of breast and ovarian cancer. NIH is urged to support, especially through NCI and NHGRI, coordinated U.S./Israeli research activities through all available mechanisms, as appropriate, including the establishment of a computerized data and specimen sharing system, subject recruitment and retention programs, and collaborative pilot research projects.

The Office of Research on Minority Health is encouraged to expand and strengthen science-based HIV prevention research for African Americans, Latinos, Native Americans, Asian Americans, Native Hawaiians and Pacific Islanders and consideration should be given to the U.S. Virgin Islands and Puerto Rico. The Office is also encouraged to expand existing culturally competent behavioral research, conducted by minority principal investigators, that seeks to break the link between HIV infection and high risk behaviors, and that seek to decrease the rate of mortality in targeted minority populations.

BUILDINGS AND FACILITIES

The conference agreement provides $135,376,000 for buildings and facilities instead of $108,376,000 as proposed by the House and $100,732,000 as proposed by the Senate. In addition, $40,000,000 was provided in the fiscal year 1999 appropriations bill for the Clinical Center.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

The conference agreement provides $2,654,953,000 for substance abuse and mental health services instead of $2,413,731,000 as proposed by the House and $2,799,516,000 as proposed by the Senate. The conference agreement does not provide $148,816,000 to become available on October 1, 2000 as proposed by the Senate. The House bill contained no similar provisions.

Center for Mental Health Services

The conference agreement provides $356,000,000 for the mental health block grant instead of $300,000,000 as proposed by the House and $358,816,000, of which $48,816,000 was to become available on October 1, 2000, as proposed by the Senate.

The conference agreement provides $83,000,000 for children's mental health as proposed by the House instead of $78,000,000 as proposed by the Senate.

Mental health services for children and adolescents could be strengthened by a comprehensive system that measures the quality and effectiveness of these services. The Center's Committee on Child and Adolescent Outcomes has supported the collaboration between Vanderbilt University and Australia in developing such an evaluation system in the United States. The Department is urged to continue this collaboration.

The National Mental Health Self-Help Clearinghouse, the Consumer Organization and Networking Technical Assistance Center, and the National Empowerment Center provide information and resources to individuals suffering from mental illnesses and their families. Continued funding of these Centers will allow services to be provided uninterrupted.

The conference agreement provides $31,000,000 for grants to states for the homeless (PATH) as proposed by the Senate instead of $28,000,000 as proposed by the House.

The conference agreement provides $25,000,000 for protection and advocacy as proposed by the Senate instead of $22,957,000 as proposed by the House.

The conference agreement provides $138,982,000 for knowledge development and application instead of $85,851,000 as proposed by the House and $137,932,000 as proposed by the Senate. The conference agreement has doubled funding for mental health services for school-age children, as part of an effort to reduce school violence. It is intended that $80,000,000 be used for the support and delivery of school-based and school-related mental health services for school-age youth. It is intended that the Department will continue to collaborate its efforts with the Department of Education to develop a coordinated approach.

Within the total provided: $1,000,000 is for the Northwest Suburban Cook County and Lake County Public Action to Deliver Shelter (PADS) provider organizations to address long-term homelessness through service integration; $1,000,000 is for the urban health initiative at the University of Connecticut to provide improved mental health services to underserved, impoverished and high risk children, teens, adults and seniors living in urban public housing; and $50,000 is for Steinway Child and Family Services of Queens, New York to provide mental health and support services to children and families affected by HIV/AIDS.

Center for Substance Abuse Treatment

The conference agreement provides $1,600,000,000 for the substance abuse block grant instead of $1,585,000,000 as proposed by the House and $1,715,000,000 as proposed by the Senate. The conference agreement does not include a provision proposed by the Senate to provide $100,000,000 on October 1, 2000. The House bill contained no similar provision.

The conference agreement provides $214,566,000 for knowledge development and application instead of $136,613,000 as proposed by the House and $226,868,000 as proposed by the Senate. Within the total provided: $200,000 is for the Center Point Program in Marin County, California, for substance abuse and related services to high-risk individuals and families; and $1,000,000 is for the San Francisco Department of Public Health's treatment on Demand program. Within the total provided, sufficient funds are included to expand the residential treatment programs for pregnant and postpartum women.

The conference agreement includes $40,325,000 for activities that strengthen substance abuse treatment capacity in communities of color disproportionately impacted by the HIV/AIDS epidemic, based on rates of new HIV infection and mortality from AIDS. These funds are designed to provide targeted service expansion and capacity building to minority, community-based substance abuse treatment programs with a history of providing services to communities of color severely impacted by substance abuse and HIV/AIDS. These funds are to be allocated based on program priorities identified in the previous fiscal year. Funds are also included to enhance state and county efforts to plan and develop integrated substance abuse and HIV/AIDS treatment and prevention services to communities of color. Within the funds provided, $5,000,000 is for existing substance abuse treatment facilities for pregnant and postpartum women and to expand the program through a competitive process.

Recent reports by NIH and the Institute of Medicine recommend expansion of effective treatment approaches for adolescent drug abusers. CSAT is to be commended for its work in developing and testing manuals for program interventions through the Cannabis Youth Treatment initiative. CSAT is encouraged to expand this initiative by examining the immediate and long-term outcomes across the developmental period when adolescents are at risk for peak drug use, and by taking steps to replicate and improve such treatment approaches.

The Norton Sound Health Corporation project for substance abuse treatment services should be given full and fair consideration for funding.

Center for Substance Abuse Prevention

The conference agreement provides $140,305,000 for knowledge development and application instead of $118,910,000 as proposed by the House and $161,000,000 as proposed by the Senate. Within the total provided: $750,000 is for the Rio Arriba and Santa Fe Counties ''black tar'' heroin program; $350,000 is for the Rock Island County Council on Addiction's (RICCA) Healthy Youth Drug Prevention Program in Rock Island, Illinois; and $3,000,000 is for a regional consortium of South Dakota, North Dakota, Minnesota, and Montana to provide Fetal Alcohol Syndrome services.

The conference agreement includes $8,500,000 for activities that strengthen substance abuse prevention capacity in communities of color disproportionately impacted by the HIV/AIDS epidemic, based on rates of new HIV infection and mortality from AIDS.

The conference agreement provides $7,000,000 for high risk youth grants as proposed by the Senate. The House bill contained no similar provision.

Program Management

The conference agreement provides $59,100,000 for program management instead of $53,400,000 as proposed by the House and $58,900,000 as proposed by the Senate. It is intended that $1,000,000 of the increase over the Administration request is to support the school violence prevention initiative.

It is intended that, from within the funds reserved for rural programs, $12,000,000 be allocated for CSAT grants and $8,000,000 be allocated for CSAP grants.

The conference agreement includes $3,700,000 to initiate and test the effectiveness of Community Assessment and Intervention Centers in providing integrated mental health and substance abuse services to troubled and at-risk children and youth, and their families in four Florida communities. Building upon successful juvenile programs,

this effort responds directly to nationwide concerns about youth violence, substance abuse, declining levels of service availability and the inability of certain communities to respond to the needs of their youth in a coordinated manner. The total provided includes: $2,000,000 from mental health knowledge development and application; $500,000 from substance abuse prevention knowledge development and application; $1,000,000 from substance abuse treatment knowledge development and application; and $200,000 from program management.

The Senate recently heard testimony about pathological gambling disorders and the importance of additional federal research in this area as recommended by the National Gambling Impact Study Commission. The Center is urged to conduct demonstration projects to determine effective strategies and best practices for preventing and treating pathological gambling.

AGENCY FOR HEALTH CARE POLICY AND RESEARCH

HEALTH CARE POLICY AND RESEARCH

The conference agreement provides $111,424,000 in appropriated funds instead of $104,403,000 as proposed by the House and $19,504,000 as proposed by the Senate.

The conference agreement designates $88,576,000 to be available to the Agency under the Public Health Service one percent evaluation set-aside instead of $70,647,000 as proposed by the House and $191,751,000 as proposed by the Senate.

In addition, $5,000,000 previously identified by the Senate report for bioterrorism activities is included in the Public Health and Social Services Emergency Fund for the same purpose.

HEALTH CARE FINANCING ADMINISTRATION

PROGRAM MANAGEMENT

The conference agreement provides $1,994,548,000 for program management instead of $1,752,050,000 as proposed by the House and $1,991,321,000 as proposed by the Senate. The House bill assumed that the Administration's user fee proposal would be enacted prior to conference. An additional appropriation of $630,000,000 has been provided for this activity in the Health Insurance Portability and Accountability Act of 1996.

The conference agreement provides $95,000,000 for Medicare+Choice as proposed by the Senate instead of $15,000,000 as proposed by the House.

The conference agreement does not include language proposed by the Senate that would have allowed Medicaid and CHIP funding to be interchangeable. The House bill contained no similar provision.

The conference agreement repeats language included in last year's bill related to administrative fees collected relative to Medicare overpayment recovery activities.

The conference agreement does not include bill language proposed by the Senate to allow appropriated funds to be used to increase Medicare provider audits. The House bill contained no similar provision.

Research, Demonstration, and Evaluation

The conference agreement provides $62,900,000 for research, demonstration, and evaluation instead of $50,000,000 as proposed by the House and $65,000,000 as proposed by the Senate. The conference agreement includes the following amounts for the following projects and activities:

—$100,000 for Littleton Regional Hospital in New Hampshire to assist in the development of rural emergency medical services;

—$250,000 for the University of Missouri-Kansas City to test behavioral interventions of nursing home residents with moderate to severe dementia;

—$2,000,000 for a nursing home transition initiative;

—$2,000,000 for a demonstration of residential and outpatient treatment facilities at the AIDS Healthcare Foundation in Los Angeles;

—$3,000,000 for the University of Pennsylvania Medical Center, the University of Louisville Sciences Center, and St. Vincent's Hospital in Montana to conduct a demonstration to reduce hospitalizations among high-risk patients with congestive heart failure;

—$1,000,000 to study the use of an independent informal dispute resolution process in skilled nursing certification and compliance surveys consistent with language contained in the House and Senate reports;

—$1,000,000 for a children's hospice care demonstration program in Virginia, Florida, Kentucky, New York, and Utah to provide a continuum of care for children with life-threatening conditions and their families;

—$150,000 for L.A. Care Health Plan in Los Angeles, California for a Medicaid outreach demonstration project;

—$500,000 for the Partners for a Healthier Community childhood immunization demonstration project at Baystate Medical Center in Springfield, Massachusetts; and

—$250,000 for the Shelby County Regional Medical Center to establish a Master Patient Index to determine patient Medicaid/TennCare eligibility.

HCFA is urged to conduct a demonstration project to test the potential savings to the Federal government and to the Medicare program by comparing different products used for diabetic wound-care treatment. Such a demonstration should compare the aggregate costs of wound care treatment using different wound-care gel products as well as different gel application regimens.

HCFA is urged to conduct a demonstration project addressing the extraordinary adverse health status of native Hawaiians at the Waimanalo health center exploring the use of preventive and indigenous health care expertise.

HCFA is urged to conduct a demonstration project in Hawaii and Alaska to address the extraordinary adverse health status and limited access to health services of the indigenous people in Hawaii and Alaska natives and others residing in southwest Alaska.

There is strong concern over HCFA's failure to articulate clear guidelines and set expeditious timetables for consideration of new technologies, procedures and products for Medicare coverage. Two particularly troubling examples are HCFA's lengthy delays and failure to articulate clear standards regarding Medicare coverage of positron emission tomography (PET) and lung volume reduction surgery (LVRS). The effect of these delays in instituting Medicare coverage is to deny the benefits of these technologies and products to Medicare patients. There is also concern that HCFA appears to be requiring new technologies to repeat clinical trials and testing already successfully completed by the new products in the process of gaining FDA approval or in NIH clinical trials and which serve as signals to private insurers to cover new technologies. The recent creation of a 120-person advisory committee to review new technologies is also of some concern and it is noted that the Appropriations Committees will be observing the new advisory committee to review its costs and to see whether its use further delays Medicare coverage of new products. Because of the possible duplication of efforts among HHS agencies and related unnecessary costs to the Medicare program and the Department, it is expected that the Secretary will take a leadership role in resolving this matter expeditiously.

The Secretary is strongly urged to appoint a three-person Medicare-Technology Consumer Advisory Committee. The Committee should be appointed from among knowledgeable patient advocates and members of the medical community with expert knowledge of new technologies and cost-benefit analysis. The new Committee should study the current HCFA process for determining new coverages and should report at least every six months to the Secretary, the Appropriations Committees, and the general public on its findings and recommendations. The Secretary is expected to report prior to fiscal year 2001 appropriations hearings about its recommendations on streamlining HCFA's approval process for Medicare coverage of new technologies.

If the Secretary of the Department of Health and Human Services, under existing demonstration authority, chooses to implement a program to improve health care access for uninsured workers, the Secretary should encourage applications from private, not-for-profit multi-state health systems in urban and rural areas. Such multi-state systems should be given special consideration if they are willing to provide private matching funds to create model public-private partnerships which enhance integrated systems of health care for the working poor.

Medicare contractors

The conference agreement provides $1,244,000,000 for Medicare contractors as proposed by the Senate instead of $1,176,950,000 as proposed by the House. The amount provided reflects HCFA's proposal to change its approach for processing managed care encounter data, which will result in estimated savings of $30,000,000.

State survey and certification

The conference agreement provides $204,674,000 for State survey and certification instead of $106,000,000 as proposed by the House and $204,347,000 as proposed by the Senate.

Federal administration

The conference agreement provides $485,000,000 for Federal administration instead of $421,126,000 as proposed by the House and $480,000,000 as proposed by the Senate.

The conference agreement concurs with House report language regarding its concern that the current performance evaluation and recertification process for Organ Procurement Organizations (OPO) may hinder the goal of increased organ donations. HCFA is urged to work with and support the industry in its effort to develop alternative performance measures. HCFA is also urged to use existing authority to extend the OPO certification period until such time as an alternative process has been adopted.

Hospices in Wichita, Kansas will be adversely affected in their Medicare reimbursement in fiscal year 2000 because of an error in a faulty hospital cost report in 1995, over which they had no control, and because of a faulty tabulation by HCFA or its fiscal intermediary. HCFA is expected to correct the error in the publication of the hospice wage index for the Wichita, Kansas MSA by using the July 30, 1999 hospital wage index, published in the Federal Register, for the current fiscal year, rather than delaying until the following fiscal year, and by publishing a revised notice to reflect this correction.

In 1998, HCFA was urged to commit appropriate resources to ensure the provision of

ongoing training, technical assistance, and quality assurance support to regional and State personnel who are responsible for implementation and review of Intermediate Care Facilities for the Mentally Retarded (ICF/MR) and waiver programs. Seeing no progress to date on this issue, and recognizing the growing concerns about abuse and neglect and the use of restraints in such settings, HCFA is strongly urged to ensure that staff be devoted solely to ensuring quality in ICFs/MR and home and community-based waivers. It is hoped that HCFA would also allow for the speedy revision of the ICF/MR regulations to reflect widely recognized advancements in the field and to encourage more flexibility, consumer involvement and direction, and community integration in meeting individual's needs. The Department is requested to report within 120 days on how these staffing requirements will be accommodated.

ADMINISTRATION FOR CHILDREN AND FAMILIES

PAYMENTS TO STATES FOR CHILD SUPPORT ENFORCEMENT AND FAMILY SUPPORT PROGRAMS

The conference agreement provides no extended availability of funds proposed by the Senate. The House bill proposed no extended availability.

LOW INCOME HOME ENERGY ASSISTANCE

The conference agreement includes language proposed by the House designating that the $1,100,000,000 appropriated for LIHEAP for FY 2000 in the FY 1999 appropriations act is an emergency under the Budget Act and requiring that such funds be allocated in accordance with the statutory formula. The Senate bill contained no such language. The agreement also includes the House legal citation to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act.

REFUGEE AND ENTRANT ASSISTANCE

The conference agreement appropriates $426,505,000, instead of $423,500,000 as proposed by the House and $430,500,000 as proposed by the Senate. The agreement provides for an annual appropriation as proposed by the House instead of three-year availability of funds proposed by the Senate. In the case of the Torture Victims Relief Act funds, the agreement provides for an annual appropriation as proposed by the House instead of the funds remaining available until expended proposed by the Senate.

In addition, the conference agreement includes language not contained in either bill that designates all funding in this account as an emergency requirement under the Budget Act.

The conference agreement includes $20,000,000 from carryover funds that are to be used under social services to increase educational support to schools with a significant proportion of refugee children and for the development of alternative cash assistance programs that involve case management approaches to improve resettlement outcomes. Such support should include intensive English language training and cultural assimilation programs.

The agreement also includes $26,000,000 for increased support to communities with large concentrations of refugees whose cultural differences make assimilation especially difficult justifying a more intense level and longer duration of Federal assistance.

CHILD CARE AND DEVELOPMENT BLOCK GRANT

The conference agreement appropriates $1,182,672,000 as an advance appropriation for fiscal year 2001, instead of $2,000,000,000 as proposed by the Senate. The agreement further provides that $19,120,000 shall be for child care resource and referral and school-aged child care activities as proposed by the Senate. The House bill had no appropriation for this account.

The conference agreement includes language to require the States to use $172,672,000 above the amount required by the basic law for activities that improve the quality of child care for fiscal year 2001. The basic law requires that not more than four percent of the approporation be used for such activites. Neither the House nor the Senate bill included such language.

The conference agreement includes $500,000 for a toll-free child care services program hotline to be operated by Child Care Aware.

States are encouraged to create or enhance systems of care that support and educate families expecting a baby or with young children, and help them understand that day-to-day interaction with children helps them develop cognitively, socially, physically and emotionally. Many states have already created state and local collaboratives that coordinate early childhood development, and these efforts are to be commended.

In the case of states that have yet to initiate such coordination, they are encouraged to look at best practices from across the country. The National Governors Association has developed goals, model indicators, and measures of performance to help states focus on improving the conditions of young children and their families. The State of Ohio has a successful initiative known as Family and Children First that could serve as a model. All states are encouraged to continue to develop and expand healthy early childhood systems of care.

SOCIAL SERVICES BLOCK GRANT

The conference agreement includes $1,775,000,000, instead of $1,909,000,000 as proposed by the House and $1,050,000,000 as proposed by the Senate. The agreement does not include the provision in the House or Senate bills that limits the ability of States to transfer TANF funds to the Social Services Block Grant to 4.25 percent or 5 percent, respectively.

The conference agreement does not include section 216 of the Senate bill which increased the appropriation to $2,380,000,000 but specified that $1,330,000,000 of that amount would not become available for obligation until fiscal year 2001 and that the amount available for allocation to States in fiscal year 2001 would be $3,030,000,000. The House had no similar provision.

CHILDREN AND FAMILIES SERVICES PROGRAMS

(INCLUDING RESCISSIONS)

The conference agreement appropriates $6,835,133,000, instead of $6,240,216,000 as proposed by the House and $6,789,635,000 as proposed by the Senate. In addition, the agreement rescinds $21,000,000 from permanent appropriations as proposed by the House.

The agreement includes an advance appropriation of $1,400,000,000 for Head Start for fiscal year 2001 as proposed by the House instead of $1,900,000,000 proposed by the Senate. The agreement also includes $1,700,000,000 designated as an emergency.

An amount of $10,000,000 is included under social services and income maintenance research for establishing Individual Development Accounts. The House proposed to fund this as a separate line item.

The Hull House Association's Neighbor to Neighbor (NTN) program in Chicago and Florida provides specialized placement and family services for sibling groups, keeping such children together, placed within their community, and stabilized in one foster home. Outcomes for this program have been noteworthy, including high rates of family reunification, placement stability and foster parent retention. The conference agreement includes $500,000 to support the Association's project to provide training, technical assistance and implementation assistance to establishment of NTN programs within public and private foster care agencies in other states and localities.

The conference agreement includes language not contained in either House or Senate bills that requires the Department to establish certain procedures regarding the disposition of intangible property in the community economic development program under the Community Services Block Grant Act.

There is awareness of efforts by the state information technology consortium to identify best practices with regard to implementing Temporary Assistance to Needy Families, including best practices developed by states, the federal government, and the private sector. The next phase of this effort will enable states to discern which best practices are appropriate for their particular needs, then work with the consortium to implement those practices. Continuation of this effort at the current level of support is urged.

It is important that the Congress determine the economic status of former recipients of Temporary Assistance to Needy Families, and the conference agreement provides funds to support such research and evaluation.

Head Start grantees may use their basic grant funds, quality funds, and expansion funds for minor renovations and rehabilitation of existing Head Start facilities. The Secretary is urged to give special attention to Native American communities with particular needs, including the Alaskan communities of Chevak, Napakiak, Haines, Marshall, Noorvik, Selawik, Pilot Station, Hooper Bay, and Dillingham.

Within the funds provided for Runaway Youth—Transitional Living, the conference agreement includes $500,000 for the House of Mercy in Des Moines, Iowa; $250,000 for the Briarpatch Transitional Living Facility of Madison, Wisconsin to provide housing and support services to homeless teens; $150,000 for the Larkin Street Youth center in San Francisco, California to provide interim housing and comprehensive support services; $150,000 for the Casa Libertad Transitional Living Program for homeless youths in Santa Fe, New Mexico; and $250,000 for the New Avenues for Youth demographic database project in Oregon to improve services delivery to homeless youths.

Within the funds provided for child abuse prevention programs, the conference agreement includes $1,000,000 for a one-stop shopping demonstration for Catholic Social Services in Juneau, Alaska; $2,000,000 for the Healthy Beginnings Program in Alaska; $500,000 for Children's Advocacy Services Center of Greater St. Louis; $50,000 for the Taos Community Against Violence for ongoing services for children and victims of domestic violence; $600,000 for the Start Right program in Marathon County, Wisconsin; and $1,000,000 for the University of Louisville, Center for Research in Early Childhood Development.

Within the funds provided for Native American programs, the conference agreement includes $700,000 for the Cook Inlet Tribal Council, Inc. and $300,000 for Kawerak, Inc.

The conference agreement includes $2,000,000 for the Public Children Services Association of Ohio to build a multi-State grassroots network that results in a State infrastructure of local child protection agencies.

The conference agreement includes $400,000 for the National Adoption Center to develop a national adoption photo listing service on the Internet.

Within the funds provided for developmental disabilities, projects of national significance, the conference agreement includes $1,000,000 for the Sertoma Center in Knoxville, Tennessee to work in conjunction with other entities to develop a training regime for providers of services for the developmentally disabled.

PROMOTING SAFE AND STABLE FAMILIES

The conference agreement changes the name of this appropriation account to ''Promoting Safe and Stable Families'' as proposed by the Senate instead of ''Family Preservation and Support'' proposed by the House.

PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

The conference agreement appropriates $4,307,300,000 as proposed by the House instead of $4,312,300,000 as proposed by the Senate.

ADMINISTRATION ON AGING

AGING SERVICES PROGRAMS

The conference agreement appropriates $934,285,000, instead of $881,976,000 as proposed by the House and $942,355,000 as proposed by the Senate. The agreement includes a legal citation as proposed by the Senate with respect to the Alzheimer's initiative.

The conference agreement includes the following amounts under aging research and training:

—$3,000,000 for social research into Alzheimer's disease care options, best practices and other Alzheimer's research priorities as specified in the House Report

—$10,000,000 for the ''Senior Waste Patrol'' pilot project to determine the most effective means of eliminating Medicare fraud, waste and abuse

—$2,000,000 for the Texas Tech University Center for Healthy Aging

—$500,000 for the West Virginia University Rural Aging Project

—$850,000 for Elder Services, Inc. in Middlebury, Vermont

—$2,200,000 for the Anchorage, Alaska Senior Center

—$450,000 for the Deaconess Billings Clinic Northwest Area Center for Aging in Montana

—$1,000,000 for Family Friends

—$100,000 for the Nevada Rural Counties Retired and Senior Volunteer Home Companion Program to provide services to homebound elderly in rural areas

$600,000 to establish the National Senior Housing Center in Maryland

$500,000 for the Community Programs Center of Long Island, Port Jefferson facility to provide intergenerational day care services

$120,000 for Marathon County, Wisconsin to provide respite care services

$40,000 for Norwalk, California to provide adult day-care services for individuals with Alzheimer's Disease

$1,000,000 for the Oregon Health Sciences University's demonstration project in Healthy Aging aimed at providing preventive counseling and improved coordination and access to primary care services

$500,000 for the Santa Clara Pueblo Elder Care Center

$50,000 for the San Luis Obispo Medical Society for the Volunteers in Health Care program for seniors

$350,000 for Christmas in April for housing services for low-income seniors

$700,000 for the National Resource Centers on Native American Aging at the University of North Dakota and the University of Colorado

Within the funds provided for state and local innovations/projects of national significance, the conference agreement intends that funds be used for ongoing projects scheduled for refunding in FY 2000.

Nearly one in four American households is currently involved in family caregiving to elderly relatives or friends. The Administration on Aging should give full and fair consideration to a demonstration and evaluation of the Metropolitan Family Services' community-based program that builds on the strengths of families to provide cost-effective and high quality care.

OFFICE OF THE SECRETARY

GENERAL DEPARTMENTAL MANAGEMENT

The conference agreement appropriates $232,902,000, instead of $227,787,000 as proposed by the House and $189,420,000 as proposed by the Senate. To the extent that any staffing reductions are required to implement the conference agreement the Secretary should make the reductions in such overhead areas as the immediate office of the Secretary, public affairs, Congressional affairs, and intergovernmental affairs.

The agreement includes $1,500,000 for the United States-Mexico Border Health Commission. The conference agreement concurs with the Senate Report language concerning the human services transportation technical assistance program. It also concurs with the Senate Report language concerning the amount available for a public education campaign on osteoporosis in the Office on Women's Health.

The conference agreement includes $9,700,000 within the Office of Minority Health to fund activities that are designed to address the trend of the HIV/AIDS epidemic in communities of color based on rates of new infections and mortality from AIDS. These funds are to be allocated based on program priorities identified in the previous fiscal year, which include support for the Minority Community Coalition Demonstration Grants program, including the Bilingual/Bicultural Demonstrations Grants Program targeted to fund HIV/AIDS prevention activities by minority organizations. Funds are also provided to target national, regional and local minority organizations with a history of service and development to communities of color to provide technical assistance and to expand the National Minority Organization/Cooperative Agreement Program. Funds have been provided to expand and strengthen contracts with HBCUs and HSIs to provide funding to minority behavioral scientists to enhance the implementation of research-based prevention activities for disease prevention, health promotion and HIV/AIDS in conjunction with community organizations targeting minority populations.

The conference agreement includes language proposed by the House that earmarks $450,000 for a contract with the National Academy of Sciences to conduct a study of OSHA's proposed rule relating to occupational exposure to tuberculosis. The study should address the following questions:

1. Are health care workers at a greater risk of infection, disease, and mortality due to tuberculosis than the general community within which they reside? If so, what is the excess risk due to occupational exposure?

2. Can the occupationally acquired risk be quantified for different work environments, different job classifications, etc., as a result of implementation of the 1994 Centers for Disease Control and Prevention (CDC) guidelines for the prevention of tuberculosis transmission at the worksite or the implementation of specific parts of the CDC guidelines?

3. What effect will the implementation of OSHA's proposed tuberculosis standard have in minimizing or eliminating the risk of infection, disease, and mortality due to tuberculosis?

The agreement includes language as proposed by the Senate setting aside $10,569,000 under the adolescent family life program for activities specified under §2003(b)(2) of the Public Health Service Act, of which $9,131,000 shall be for prevention grants under §510(b)(2) of the Social Security Act, without application of the limitation of §2010(c) of the Public Health Service Act. The House bill had no similar provision.

With respect to the advance appropriation of $20,000,000 for title XX of the Public Health Service Act, it is intended that these funds be used for grants to organizations that clearly and consistently focus on abstinence for preventing STD's and unwanted pregnancy. [Abstinence shall have the same meaning as in Public Law 104–193, title IX, section 912.] Grants to these organizations should focus on training persons as abstinence instructors and on providing actual presentations to youth at vulnerable ages (grades 7 through 12). The Department shall hold competition for these grants during the regular grant cycle in fiscal year 2000 and issue these grants at the beginning of fiscal year 2001.

The conference agreement concurs with the language in the House Report relating to an Institute of Medicine study on ethnic bias in medicine.

Sufficient funds are available to continue the inner city childhood asthma project at the Children's Hospital of Philadelphia.

It is understood that the screening of blood and blood products could be improved through the use of nucleic acid testing (NAT) to better detect known infectious diseases such as Human Immunodeficiency Virus (HIV–1) and Hepatitis C virus (HCV). The National Heart, Lung and Blood Institute in the National Institutes of Health has contracted with private companies to develop fully automated NAT tests for HIV–1 and HCV. In view of NIH's financial commitment to NAT and the approval of NAT in other countries, the Public Health Service Blood Safety Committee, chaired by the Surgeon General/Assistant Secretary for Health, is urged to encourage the adoption of these screening tools for individual donor testing of blood and plasma.

The conference agreement includes language proposed by the Senate modified to earmark $500,000 to be utilized by the Surgeon General to prepare and disseminate the findings of the Surgeon General's report on youth violence and to coordinate with other agencies activities to prevent youth violence. The House bill had no similar provision.

The conference agreement also includes the following amounts for the following projects:

—$100,000 for Tomorrow's Child, a program to support and educate first time pregnant adolescents, their families and communities

—$2,000,000 for the Lawton Chiles Foundation of Florida

—$1,000,000 for the Albert Einstein Medical Center LIFE elderly care model

—$500,000 for the Thomas Jefferson University Hospital alternative medicine program

—$500,000 for the Thomas Jefferson University Hospital sickle cell program

—$1,250,000 for the CORE Center at Cook County Hospital in Chicago to develop a model HIV/AIDS Education and Training Center.

OFFICE OF INSPECTOR GENERAL

The conference agreement appropriates $31,500,000, instead of $29,000,000 as proposed by the House and $35,000,000 as proposed by the Senate. The agreement does not include language proposed by the House to limit the amount of funds available to the Inspector General in FY 2000 under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) to no more than $100,000,000, the same amount as in FY 1999. The Senate bill had no similar provision.

Sufficient funds are available to initiate activities in Pittsburgh, PA as mentioned in the Senate Report.

OFFICE FOR CIVIL RIGHTS

The conference agreement appropriates $22,152,000, instead of $20,652,000 as proposed by the House and $22,159,000 as proposed by the Senate.

POLICY RESEARCH

The conference agreement appropriates $17,000,000, instead of $15,000,000 as proposed by the Senate and $14,000,000 as proposed by the House. The agreement includes $850,000 for the East St. Louis Center operated by Southern Illinois University to analyze problems faced by health service providers in administering multiple sources of funding.

The conference agreement includes $7,150,000 to continue the study of the outcomes of welfare reform. It is recommended that this effort includes the collection and use of state-specific surveys and state and federal administrative data. The study should focus on improving the capabilities and comparability of data collection efforts and developing and reporting reliable State-by-State measures of family hardship and well-being and of the utilization of other support programs. The study should measure outcomes for a broad population of low-income families, welfare recipients, former recipients, potential recipients, and other special populations affected by state TANF policies, including diversion practices. The conference agreement includes sufficient funds to continue supporting efforts at Iowa State University to develop state-level data on low-income families that can be integrated with national data collection efforts. A report is to be submitted to the Appropriations Committees within nine months.

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

The conference agreement provides $583,600,000 for the Public Health and Social Services Emergency Fund instead of $391,833,000 as proposed by the House and $475,000,000 as proposed by the Senate. The conference agreement also includes a provision that these funds shall be made available only upon submission of a budget request designating the entire amount as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985 as proposed by the House. The Senate bill did not propose this account as an emergency.

The amount provided includes $229,000,000 for the Centers for Disease Control and Prevention. Included in this amount is $155,000,000 for the following bioterrorism activities:

—$1,000,000 to enhance technical capabilities to identify certain biological agents;

—$1,000,000 for the Noble Army Hospital of Alabama bioterrorism program;

—$2,000,000 to assist States in developing emergency preparedness plans;

—$2,000,000 for public health training centers;

—$2,000,000 to discover, develop, and transition anti-infective agents to combat emerging diseases;

—$2,000,000 to expand epidemiological intelligence service;

—$4,000,000 for conducting independent studies of health and bioterrorism threats, of which $1,000,000 is for the Carnegie Mellon Research Institute, $1,000,000 is for the St. Louis University School of Public Health, $1,000,000 is for the University of Texas Medical Branch at Galveston; and $1,000,000 is for the Johns Hopkins University Center for Civilian Biodefense;

—$5,000,000 to develop rapid toxic screening;

—$7,000,000 to strengthen State and local epidemiological and surveillance capacity;

—$8,400,000 to better identify potential biological and chemical terrorism agents;

—$9,000,000 to develop new sources and methods for surveillance;

—$9,600,000 for regional laboratories for measuring biological and chemical agents;

—$20,000,000 for infectious diseases emergency preparedness and response, including the National Electronic Disease Surveillance System;

—$30,000,000 for a national health alert network; and

—$52,000,000 for a pharmaceutical and vaccine stockpile.

The remaining $74,000,000 is provided for the following activities: $5,000,000 for the environmental health laboratory; and $69,000,000 for a global health initiative, of which $5,000,000 is for micronutrient malnutrition programs; $9,000,000 is for malaria programs; $20,000,000 is for polio eradication activities; and $35,000,000 is for international HIV/AIDS programs.

The amount provided also includes: $30,000,000 for the Office of the Secretary, $24,600,000 for the Office of Emergency Preparedness, and $5,000,000 for the Agency for Health Care Policy and Research for bioterrorism activities; $20,000,000 for NIH Challenge Grants; $50,000,000, within the Office of the Secretary, for HIV/AIDS activities that strengthen the medical treatment and HIV prevention capacity within communities of color disproportionately impacted by the HIV/AIDs epidemic, based on rates of new HIV infection and mortality from AIDS. These funds are available to entities that target a specific minority group or multiethnic minority populations that are heavily impacted by HIV/AIDS, and are to compliment existing and planned HIV/AIDS activities in communities of color; $75,000,000 for Ricky Ray Hemophilia Relief Fund Act within the Health Resources and Services Administration, of which $10,000,000 is for program administration; and $150,000,000 for Y2K activities at the Health Care Financing Administration.

Within the increase provided to NIH, sufficient funds are available for global health initiative activities identified in the Senate report.

GENERAL PROVISIONS

NIH AND SAMHSA SALARY CAP

The conference agreement includes a provision limiting the use of the National Institutes of Health and the Substance Abuse and Mental Health Services Administration funds to pay the salary of an individual, through a grant or other extramural mechanism, at a rate not to exceed Level II of the Executive Schedule instead of Level III as proposed by the Senate. The House bill contained no similar provision.

TRANSFER AUTHORITY

The conference agreement includes a provision proposed by the House to prohibit any appropriation from increasing by more than three percent as a result of use of the Secretary's one percent transfer authority. The Senate bill contained a similar provision except it exempted the Public Health and Social Services Emergency Fund.

ORGAN ALLOCATION FINAL RULE

The conference agreement includes a provision delaying the effective date of the Department's final rule entitled, ''Organ Procurement and Transplanation Network (OPTN),'' promulgated by the Secretary of Health and Human Services on April 2, 1998 (63 FR 16295 et. seq.) (relating to part 121 of Title 42, Code of Federal Regulations), together with amendments to such rule promulgated on October 20, 1999 (64 FR 56649 et seq.). The amended final rule shall not become effective before the expiration of the 42 day period beginning on the date of enactment of this Act.

It is intended that the Secretary will continue discussions with the OPTN and other representatives of the transplant community for 21 days after enactment of this Act concerning the provisions of the amended final rule. It is also intended that the Secretary shall spend an additional 21 days considering the issues raised in those discussions before the amended final rule becomes effective. It is intended that this shall be the final delay of the rule.

SUBSTANCE ABUSE BLOCK GRANT FORMULA ALLOCATION

The conference agreement includes a provision proposed by the House to provide each State with the same funding level in fiscal year 2000 as it received in fiscal year 1999. The Senate bill contained a similar provision except it was based on an increased appropriation amount.

EXTENSION OF CERTAIN ADJUDICATION PROVISIONS

The conference agreement includes a provision proposed by the Senate to extend the refugee status for persecuted religious groups. The House bill contained no similar provision.

MEDICARE COMPETITIVE PRICING DEMONSTRATION PROJECT

The conference agreement includes a provision proposed by the Senate to prohibit funding to implement or administer the Medicare Prepaid Competitive Pricing Demonstration Project in Arizona or in Kansas City, Missouri or in the Kansas City, Kansas area. The House bill contained no similar provision.

DELAYED OBLIGATIONS

The conference agreement includes a provision to delay the obligation of $3,000,000,000 of NIH funds; $450,000,000 of HRSA funds; $500,000,000 of CDC funds; $200,000,000 of SAMHSA funds; $425,000,000 of Social Services Block Grant funds; and $400,000,000 of Children and Families Services funds until September 29, 2000. The Senate bill contained a provision to delay the obligation of $3,000,000,000 of NIH funds until September 29, 2000. The House bill contained no similar provision.

SENSE OF THE SENATE REGARDING DIABETES AWARENESS AND FUNDING

The conference agreement deletes without prejudice a sense of the Senate provision regarding diabetes awareness and support for

increased diabetes research funding. The House bill contained no similar provision.

STUDY OF THE GEOGRAPHIC ADJUSTMENT FACTORS IN THE MEDICARE PROGRAM

The conference agreement includes a provision proposed by the Senate to require the Secretary of HHS to conduct a study on appropriateness of the geographic adjustment factors used to determine the amount of payment for physicians' services under the Medicare program in New Mexico, Arizona, Colorado, and Texas and the effect these factors have on recruitment and retention of physicians in small rural States. The House bill contained no similar provision.

DENTAL SEALANT DEMONSTRATION PROGRAM

The conference agreement deletes a provision proposed by the Senate to establish a multi-State dental sealant demonstration program. The House bill contained no similar provision. The agreement includes sufficient funds within the Maternal and Child Health block grant to initiate such a program.

WITHHOLDING OF SUBSTANCE ABUSE FUNDS

The conference agreement includes a provision proposed by the Senate to allow a State to avoid a penalty under section 1926 of the Public Health Service Act (commonly known as the Synar Amendment) if the State agrees to commit new State funding to help ensure compliance with State laws prohibiting youth purchase of tobacco products. It is noted that the provision applies only for fiscal year 2000 and States are expected to continue to try to meet the established Synar Amendment targets for enforcement of their youth tobacco laws. It is also noted that there is increasing sentiment that the Synar Amendment needs to be reexamined and all concerned parties are encouraged to work toward a compromise solution next year with the appropriate authorizing committees. The provision allows the Secretary to exercise discretion in enforcing the timing of the new State expenditures in order to provide flexibility to States that do not immediately have available funds for this purpose. It is expected that within 30 days of accepting an agreement to increase funding for enforcement, the State will provide a report to the Secretary of all State resources spent in fiscal year 1999 on enforcement of the State law by program activity and by May 15, 2000, a report on FY 2000 obligations regarding enforcement unless otherwise negotiated by the Secretary. The Secretary shall deliver the findings of these reports to Congress. The language provides the Secretary authority to permit a State to commit an amount smaller than its formula amount as described in subsection (b) in order to recognize that an individual state may have been granted ''delayed applicability'' status under the Synar Amendment by the Substance Abuse and Mental Health Services Administration.

MEDICARE INJECTABLE DRUG COVERAGE

The conference agreement includes a provision not proposed by either House or Senate related to Medicare injectable drug coverage. There is concern that an August 13, 1997 memorandum and subsequent interpretations will inappropriately restrict beneficiary access to injectable drugs that are and have been covered by the Medicare program. It is noted that for many years, Medicare policy (as stated in Section 2049.2 of the Medicare Carriers Manual) has allowed coverage of a drug or biological administered incident to a physician's service where the product is one that is not usually self-administered by the patient. It is intended that HCFA continue to cover such products under Social Security Act section 1861(s)(2) and communicate this policy through a program memorandum to all HCFA regional offices. HCFA is directed to obtain public input on this matter by holding at least two regional ''town hall meetings'' to give interested organizations and individuals an opportunity to share their thoughts and concerns on the issue of reimbursement for interjectable drugs.

NATIONAL CANCER INSTITUTE

The conference agreement includes a provision to allow the Cancer Therapy and Research Center in San Antonio, Texas to continue to use prior year construction grant funding without fiscal year limitation.

CHILDHOOD ASTHMA

The conference agreement deletes a provision proposed by the Senate to provide an earmark of $8,706,000 for the asthma prevention program on October 1, 2000. The House bill contained no similar provision. The conference agreement includes $11,294,053 for asthma prevention as part of the Centers for Disease Control and Prevention.

STUDY OF VACCINES FOR BIOLOGICAL AGENTS

The conference agreement transfers $20,000,000 from the National Institutes of Health (NIH) to the Centers for Disease Control and Prevention (CDC) for a collaborative effort to study the safety and efficacy of vaccines used against biological agents. The study would address: (1) the risk factors for adverse events, including differences in rates of adverse events between men and women; (2) determining immunological correlates of protection and documenting vaccine efficacy; and (3) optimizing the vaccination schedule and administration to assure efficacy while minimizing the number of doses required and the occurrence of adverse events. It is intended that NIH, CDC, and the Department of Defense will fully cooperate in this effort.

TITLE II CITATION

The conference agreement includes a provision proposed by the House to cite title II as the ''Department of Health and Human Services Appropriations Act, 2000''. The Senate bill contained no similar provision.

TITLE III—DEPARTMENT OF EDUCATION

EDUCATION REFORM

The conference agreement includes $1,768,370,000 for Education Reform, instead of the $800,100,000 proposed by the House and $1,655,600,000 as proposed by the Senate. The agreement does not include advance funding of $344,625,000 as proposed by the Senate. The House had no similar provision.

Goals 2000

For Goals 2000, the conference agreement provides $491,000,000. The Senate provided $494,000,000. The House proposed no funding for this program. This amount includes $458,000,000 for state grants, instead of $461,000,000 as proposed by the Senate. The House proposed no funding for this program. For parental assistance, the conference agreement includes $33,000,000, the same level as in the Senate bill. The House did not propose funding for this program.

School-to-Work Opportunities

The conference agreement provides $55,000,000 for School-to-Work Opportunities, the same amount provided by the Senate. The House provided no funding for this program.

Education technology

For education technology, the conference agreement provides $768,660,000. The Senate provided $706,600,000. The House proposed $500,100,000.

Technology Literacy Challenge Fund

For the Technology Literacy Challenge Fund, the conference agreement includes $425,000,000 proposed by the Senate. The House provided $375,000,000.

Technology Innovation Challenge Grants

For the Technology Innovation Challenge Grants, the conference agreement provides $148,660,000. Both the House and the Senate provided $115,100,000. Within the amount provided for Technology Innovation Challenge Grants, the conference report specifies funding for the following activities:

Houston Independent School District for technology infrastructure	$500,000
Long Island 21st Century Technology and E-Commerce Alliance	300,000
I CAN LEARN	8,000,000
Linking Education Technology and Educational Reform (LINKS) for educational technology	3,000,000
Center for Advanced Research and Technology (CART) for comprehensive secondary education reform	1,000,000
Vaughn Reno Starks Community Center in Elizabethtown, KY for a technology program	250,000
Wyandanch Compel Youth Academy Educational Assistance Program in New York	125,000
Hi-Technology High School in San Bernardino County, California for technology enhancement	3,000,000
Montana State University-Billings for a distance learning initiative	800,000
Tupelo School District in MS for technology innovation	2,000,000
Seton Hill College in Greensburg, PA for a model education technology training program	1,000,000
University of Alaska-Fairbanks	500,000
North East Vocational Area Cooperative in WA for a multi-district technology education center	1,000,000
University of Vermont for the Vermont Learning Gateway Program	400,000
State University of New Jersey for the RUNet 2000 project at Rutgers for an integrated voice-video-data network to link students, faculty and administration via a high-speed, broad band fiber optic network	2,500,000
Iowa Area Education Agency 13 for a public/private partnership to demonstrate the effective use of technology in grades one through three	500,000
Louisville Deaf Oral School for technology enhancements	235,000
Bibb County Board of Education for technology enhancements	50,000
Calhoun County Board of Education for technology enhancements	50,000
Chambers County Board of Education for technology enhancements	50,000
Chilton County Board of Education for technology enhancements	50,000
Clay County Board of Education for technology enhancements	50,000

Cleburne County Board of Education for technology enhancements	50,000
Coosa County Board of Education for technology enhancements	50,000
Lee County Board of Education for technology enhancements	50,000
Macon County Board of Education for technology enhancements	50,000
St. Clair County Board of Education for technology enhancements	50,000
Talladega County Board of Education for technology enhancements	50,000
Tallapoosa County Board of Education for technology enhancements	50,000
Randolph County Board of Education for technology enhancements	50,000
Russell County Board of Education for technology enhancements	50,000
Alexander City Board of Education for technology enhancements	50,000
Anniston City Board of Education for technology enhancements	50,000
Lanett City Board of Education for technology enhancements	50,000
Pell City Board of Education for technology enhancements	50,000
Roanoke City Board of Education for technology enhancements	50,000
Talledega City Board of Education for technology enhancements	50,000
University of Alaska at Anchorage for distance learning education	900,000
Alaska Department of Education for the Alaska State Distance Education Technology Consortium	200,000
Mansfield University to continue a technology demonstration	500,000
Math, Science and Technology Academy of the Chicago Public Schools to establish a curriculum of math, science and technology	250,000
Prairie Hills, Illinois Elementary School District 144 for a public/private teacher technology training program	500,000
Adelphi University, New York Information Commons distance learning project	1,000,000
Oakland, California School District to support distance education initiative	250,000
Augsburg College Richard Green Institute and Twin Cities Public Television to demonstrate interactive technology in educating teachers and parents in the utilization of media innovations in the classroom	1,000,000
Santa Barbara Industry Education Council in California to provide technology education to area students and teachers	100,000
Providence Public School System, in partnership with the Metropolitan Regional Career and Technical Center, for Project Family Net to provide computer technology training and support to children and their parents	250,000
Kennedy Krieger Career and Technology Center in Maryland for a distance learning project	800,000
Nebraska Community College for educational technology	200,000

Regional technology in education consortia

For Regional technology in education consortia, the conference agreement includes $10,000,000 proposed by the Senate. The House provided no funding for this program.

National activities

The conference agreement includes $109,500,000 for education technology initiatives funded under National Activities: $75,000 for teacher training in technology as proposed by the Senate, $32,500,000 to establish computer learning centers in low-income communities, and $2,000,000 for national technology leadership activities as proposed by the Senate. The House and the Senate both proposed $10,000,000 for Community Based Technology Centers. The House proposed no funding for other programs within this account.

Star Schools

For Star Schools, the conference agreement provides $51,000,000. The Senate bill provided $45,000,000. The House bill provided no funding for this program. Within the amount provided for Star Schools, the conference report specifies funding for the following activities:

Technology Literacy Center at the Museum of Science & Industry, Chicago	$750,000
Oklahoma State University for an on-line math and science training program	1,000,000
Continuation and expansion of the Iowa Communications network statewide fiber optic demonstration	4,000,000
WinstonNet distance learning project in Winston-Salem, North Carolina	250,000

Ready to learn television

The conference agreement provides $16,000,000 as proposed by the Senate. The House proposed no funds. The conference agreement notes that only $3,369,913 of the $25,000,000 appropriated for this program since fiscal year 1997 have been outlayed to date. The conference agreement accordingly directs the Corporation for Public Broadcasting, in consultation with the Department of Education and the Public Broadcasting Service, to report to the Appropriations Committees in the House and the Senate during each quarter of fiscal year 2000 the amount of funds obligated and outlayed from each of the fiscal years 1997, 1998, 1999 and 2000 appropriations, the dates on which outlays occur during fiscal year 2000 and the specific uses to which such outlays are put.

Telecommunications demonstration project for mathematics

The conference agreement provides $8,500,000 for telecommunications demonstration project for mathematics as proposed by the Senate. The House proposed no funds.

21st Century Learning Centers

The conference agreement includes $453,710,000 for the 21st Century Learning Centers instead of $300,000,000 proposed by the House and $400,000,000 proposed by the Senate. Within the amount provided, the conference report specifies funding for the following activities:

Study Partners Program, Inc. in Louisville, KY	$6,000
Shawnee Gardens Tenants Association Inc. in Louisville, KY	12,000
100 Black Men of Louisville, KY for a mentoring program	12,000
Omaha Nebraska Public Schools for the OPS 21st Century Learning Grant	500,000
Plymouth Renewal Center in Kentucky for a tutoring program	25,000
Canaan Community Development Corporation's Village Learning Center Program	25,000
St. Stephen Life Center After School Program	25,000
Louisville Central Community Centers Youth Education Program	25,000
Trinity Family Life Center tutoring program	15,000
New Zion Community Development Foundation, Inc. after school mentoring program	15,000
St. Joseph Catholic Orphan Society program for abused and neglected children	20,000
Portland Neighborhood House after school program	25,000
St. Anthony Community Outreach Center, Inc. for the Education PAYs program	25,000
''Project CAFE'' after school program at the Harvey Public School District 152 in Chicago, Illinois	250,000
St. Clair County, Michigan Intermediate School District after school programs	200,000
Macomb County, Michigan Intermediate School District after school programs	400,000
ESCAPE Arts after school program in the Danbury, Connecticut Public School System	200,000
Tuckahoe School District after-school program in Eastchester, New York	50,000
Innovative Directions, an Educational Alliance (IDEA), at the City Island School (P.S. 175) in the Bronx, New York for the expansion of an environmental learning after-school program	100,000
New York Hall of Science after school program in Queens, New York	250,000
Mamaroneck School District after-school program in Mamaroneck, New York	60,000
White Plains School District after-school program in White Plains, New York	250,000
New Rochelle School District after-school program in New Rochelle, New York	200,000
Jefferson Elementary School for collaborative after-school program with Madison Elementary School in Stevens Point, Wisconsin	500,000
School District of Superior in Wisconsin to establish an after school program	400,000
Independence School District after school program in Kansas City, Missouri	100,000
Community School District 30 after school program in Queens, New York	250,000
Clark County, Nevada School District after school program	500,000

EDUCATION FOR THE DISADVANTAGED

The conference agreement includes $8,700,986,000 for Education for the Disadvantaged instead of the $8,750,986,000 proposed by the Senate and $8,417,897,000 as proposed by the House. The agreement includes advance funding for this account of $6,204,763,000, the same as both the House and the Senate.

For Grants to Local Education Agencies (LEAs) the agreement provides $7,941,397,000, compared with $8,052,397,000 provided in the Senate bill and $7,732,397,000 provided in the House bill. Of the funds made available for basic grants, $5,046,366,000 becomes available on October 1, 2000 for the academic year 2000–2001.

The agreement includes $6,783,000,000 for basic state grants and $1,158,397,000 for concentration grants. Of this total, $1,158,397,000 for fiscal year 2000 was advance funded in the fiscal year 1999 Departments of Labor, Health and Human Services and Education and Related Agencies Act (P.L. 105–277). The conference agreement funding of $1,158,397,000 for concentration grants is advanced for fiscal year 2001.

The conference agreement includes $134,000,000 within the Title I program to help schools in school improvement status to improve student achievement. The conference agreement also provides that school districts must give students attending schools identified in school improvement status the option to transfer to another public school within the local educational agency that has not been identified for school improvement. If the local educational agency does not have the capacity to provide this option to all students who seek it, the local educational agency must permit as many students as possible to transfer to another public school that is not in school improvement status.

The conference agreement includes $12,000,000 for capital expenses for private school children, instead of $15,000,000 proposed by the Senate. The House contained no funding for this program.

The conference agreement provides $150,000,000 for the Even Start program as proposed by the House. The Senate provided $145,000,000 for this program.

The conference agreement provides $42,000,000 for Neglected and Delinquent Youth as proposed by the Senate. The House provided $40,311,000 for this program.

The conference agreement provides $8,900,000 for evaluation of title I programs as proposed by the Senate. The House provided $7,500,000 for this activity.

The conference agreement includes the provision contained in the Senate bill regarding a 100% hold harmless for States and LEAs for both basic and concentration grants. The conference agreement also adopts language included in the Senate bill providing that the Department shall make 100% hold harmless awards to LEAs who were eligible for concentration grants in 1998 but are not eligible to receive grants in fiscal year 2000, ratably reduced if necessary.

The House nevertheless opposes the hold harmless provision because it unfairly penalizes underprivileged and immigrant children in growing states, including Arizona, Arkansas, California, Connecticut, Florida, Georgia, Hawaii, Montana, Nevada, New Mexico, New York, North Carolina, South Carolina, Texas, Virginia and the District of Columbia. These states represent over half of the U.S. population of underprivileged schoolchildren.

The House also notes that the 100% hold harmless provision is opposed by the House authorizing committee of jurisdiction and the Administration. The House will continue to oppose the inclusion of such a provision in the future.

The conference agreement also adopts language included in the Senate bill providing that the Secretary of Education shall not take into account the 100% hold harmless provision in determining State allocations under any other program.

The conference agreement includes $170,000,000 for the Comprehensive School Reform Demonstration Program under Title I-Education for the Disadvantaged; both the House and Senate funded this program at $120,000,000. Together with $50,000,000 provided under the Fund for the Improvement of Education, the conference agreement includes a total of $220,000,000 for Comprehensive School Reform grants to school districts for continuation and new awards.

The conference agreement directs the Department to follow the directives in the conference report accompanying the fiscal year 1998 bill (House Report 105–390) and in the conference report accompanying the fiscal year 1999 bill (House Report 105–825).

The conference agreement includes $15,000,000 for the High School Equivalency Program instead of $9,000,000 as proposed by both the House and the Senate and includes $7,000,000 for the College Assistance Migrant Program instead of $4,000,000 as proposed by both the House and the Senate.

IMPACT AID

The conference agreement provides $910,500,000 for the Impact Aid programs. The House proposed $907,200,000. The Senate proposed $892,000,000. For basic grants the conference agreement includes $737,200,000, for payments for children with disabilities the agreement includes $50,000,000, and for payments for heavily impacted districts the agreement includes $76,000,000. The agreement also includes $5,000,000 for facilities maintenance, $10,300,000 for construction, and $32,000,000 for payments for federal property. The conference agreement provides within the account for construction, $500,000 for the Ft. Sam Houston ISD, $800,000 for the Hays Lodgepole School District in MT and $2,000,000 for the North Chicago Community Unit School District.

The conference agreement also includes the following language provisions: eligibility for the Central Union, Island, and Hueneme School Districts in California and the Hill City, Wall, and Hot Springs School Districts in South Dakota; timely filing of applications by the Brookeland School District in Texas, the Fallbrook High School District in California and Hydaburg School District in Alaska; forgiveness of overpayment for the Hatboro-Horsham and Delaware Valley School Districts in Pennsylvania; and computing payments for Travis School District in California. Neither the House nor Senate bills contained similar provisions.

The conference agreement notes the Administration's proposal to significantly expand the Military Family Housing Privatization Initiative, which has since been scaled back. In some privatization projects, the property itself is privatized, causing serious implications for the affected school districts' ability to receive funding under the Impact Aid program. Thus, the conference agreement strongly urges the Administration to clarify that military family housing privatization proposals will have no effect on Impact Aid payments to local school districts, even if land is privatized.

SCHOOL IMPROVEMENT PROGRAMS

The conference agreement provides $3,026,884,000 for School Improvement Programs, instead of $3,115,188,000 as proposed by the House and $2,961,634,000 as proposed by the Senate. The agreement provides $1,511,884,000 in fiscal year 2000 and $1,515,000,000 in fiscal year 2001 funding for this account.

Eisenhower professional development

For the Eisenhower professional development activities, the agreement provides $335,000,000, the same level as in the Senate bill. The House provided no funding for this activity.

Innovative education program strategies

For innovative education program strategies, title VI of the Elementary and Secondary Education Act of 1965, the conference agreement provides $380,000,000. The House provided $385,000,000 and the Senate bill included $375,000,000.

Class size

The conference agreement includes $1,300,000,000 to continue the initiative to reduce class size that was begun in fiscal year 1999. The House bill provides $1,800,000,000 for the Teacher Empowerment Act, subject to authorization. The Senate bill provided $1,200,000,000 for teacher assistance activities, subject to authorization. The agreement provides $400,000,000 in fiscal year 2000 and $900,000,000 in fiscal year 2001 funding for this account.

The conference agreement provides that the allocation of funds under section 310 to the states shall be based on the proportional share that each state received from the fiscal year 1999 appropriation for class size reduction. States will continue to allocate their grant funds among local educational agencies based on a formula that reflects both their relative numbers of children in low-income families and their school enrollments.

Local educational agencies would use funds for recruiting, hiring and training fully qualified regular and special education teachers who are certified within the states, have a baccalaureate degree and demonstrate subject matter knowledge in their content areas. Twenty five percent of these funds may be used by local educational agencies to test new teachers for academic content knowledge, to meet state certification requirements, or to provide professional development for existing teachers to meet the goal of ensuring that all instructional staff are fully qualified. All teachers hired using fiscal year 1999 funds for this program must also be fully qualified within one year. A local educational agency that has already reduced class size in the early grades may use its funds to make further reductions in grades kindergarten through 3 or other grades, or carry out activities to improve teacher quality. A local educational agency in which 10 percent or more of its elementary teachers are uncertified may apply to the state for a waiver under the Education Flexibility Partnership Act to use funds under this program for the purpose of helping those teachers become certified. A local educational agency that receives an award under this section which is less than the starting salary for a new teacher may use these funds to help pay the salary of a teacher or pay for professional development activities to ensure that all the instructional staff are fully qualified.

To improve accountability, the conference agreement provides that each state and local educational agency receiving funds publicly report to parents on the progress in reducing class size, increasing the percentage of classes in core academic areas taught by fully qualified teachers, and the impact that such activities has had on increasing student academic achievement. Parents, upon request, will also have the right to know the professional qualifications of their children's teachers.

The conference agreement urges the Secretary of Education to inform local educational agencies of the new flexibility provisions of this section, particularly the increase in the amount that can be spent on new teacher testing and professional development activities, the ability to spend these funds on professional development for existing teachers if the LEA receives an award that is less than the starting salary for a new fully qualified teacher, and the additional flexibility provided to LEAs in states participating in the ''Ed-Flex'' Program.

Safe and drug free schools

The conference agreement includes $605,750,000 for the Safe and Drug Free Schools and Communities Act instead of the $566,000,000 proposed by the House and $636,000,000 proposed by the Senate. The agreement provides $115,000,000 in fiscal year 2000 and $330,000,000 in fiscal year 2001 funding for this account.

Included within this amount is $445,000,000 for state grants, instead of $441,000,000 as proposed by the House and $476,000,000 as proposed by the Senate.

The conference agreement also includes $110,750,000 for national programs, instead of $90,000,000 as proposed by the House and $100,000,000 as proposed by the Senate.

The conference agreement includes $850,000 within the safe and drug free schools national programs to continue the National Recognition Awards programs to provide models of alcohol and drug abuse prevention and education at the college level.

The conference agreement includes $50,000,000 under national programs for the Safe and Drug Free Schools coordinator initiative, instead of $35,000,000 as proposed by the House and $60,000,000 as proposed by the Senate.

The conference agreement includes $750,000 for a study of school violence authorized under section 4 of P.L. 106–71 (the Missing, Exploited, and Runaway Children Protection Act). The conference agreement requests the National Academy of Sciences to consult with the authorizing and appropriations committees in developing the scope and specifications for this study.

Reading is Fundamental

For the Reading is Fundamental program, the conference agreement provides $20,000,000 instead of $21,500,000 as proposed by the Senate and $18,000,000 as proposed by the House.

Arts in Education

For Arts in Education, the conference agreement provides $11,500,000, instead of $10,500,000 as proposed by the House and $12,500,000 as proposed by the Senate.

Magnet Schools Assistance Program

For the Magnet Schools Assistance Program, the conference agreement provides $110,000,000 instead of $104,000,000 as proposed by the House and $112,000,000 as proposed by the Senate.

Education of Native Hawaiians

The conference agreement includes $23,000,000 for the Education of Native Hawaiians, the same level as in the Senate. The House included $20,000,000 for this account. The conference agreement assumes that when allocating these funds, the Secretary of Education will fund the following activities as described in the Report of the Senate Committee (Senate Report No. 106–166).

Alaska Native educational equity

The conference agreement includes $13,000,000 for the Alaska Native Educational Equity program, the same level as in the Senate. The House included $10,000,000 for this account.

Charter schools

The conference agreement includes $145,000,000 for Charter Schools, instead of $130,000,000 proposed by the House and $150,000,000 proposed by the Senate.

Comprehensive Regional Assistance Centers

The conference agreement includes $28,000,000 for Comprehensive Regional Assistance Centers as proposed by the Senate instead of $27,054,000 as proposed by the House. The conference agreement includes $750,000 within these funds for an evaluation to collect performance indicator data.

Advanced placement fees

For advanced placement fees, the conference agreement provides $15,000,000 as proposed by the Senate instead of $4,000,000 as proposed by the House. The conference agreement notes that less than half of our Nation's high schools offer some form of Advanced Placement (AP) course instruction for junior and senior high school students. The lack of access to this instruction is particularly acute in rural parts of the country. Internet-based AP course instruction is a dynamic and cost-effective way to deliver AP instruction to students living in rural areas and other areas where conventional instructor-led training for AP courses is not available. Accordingly, the conference agreement encourages the Secretary to use some of the Advanced Placement Incentive Program funds to award grants to States or LEAs seeking to establish Internet-based AP pilot programs in rural parts of the country or other under-served districts where students would otherwise not have access to AP instruction.

READING EXCELLENCE

The conference agreement includes $260,000,000 for activities authorized under the Reading Excellence Act instead of the $200,000,000 proposed by the House and $285,000,000 proposed by the Senate. The agreement provides $65,000,000 in fiscal year 2000 and $195,000,000 in fiscal year 2001 funding for this account.

INDIAN EDUCATION

The conference agreement includes $77,000,000 for Indian Education, the same level as in the Senate. The House proposed $66,000,000 for this account.

BILINGUAL AND IMMIGRANT EDUCATION

The conference agreement includes $406,000,000 for Bilingual and Immigrant Education programs instead of the $380,000,000 proposed by the House and $394,000,000 proposed by the Senate.

For Instructional Services, the agreement includes $162,500,000 instead of the $160,000,000 proposed by the House and $165,000,000 proposed by the Senate. For Support Services, the agreement provides $14,000,000, the same level as in the House and Senate bills. For Professional Services, the agreement provides $71,500,000 instead of the $50,000,000 proposed by the House and $55,000,000 proposed by the Senate. For immigrant education, the agreement provides $150,000,000, the same level as in the House and Senate bills. The agreement also provides $8,000,000 for foreign language assistance instead of the $6,000,000 proposed by the House and $10,000,000 proposed by the Senate.

SPECIAL EDUCATION

The conference agreement includes $6,036,646,000 for Special Education instead of the $5,833,146,000 proposed by the House and $6,035,646,000 proposed by the Senate. The agreement provides $2,294,646,000 in fiscal year 2000 and $3,742,000,000 in fiscal year 2001 funding for this account.

Included in these funds is $4,989,685,000 for Grants to the States, the same as the Senate level. The House provided $4,810,700,000. This funding level provides an additional $679,000,000 to assist the States in meeting the additional per pupil costs of services to special education students.

The conference agreement provides $390,000,000 for Preschool Grants as proposed by the Senate instead of $373,985,000 as proposed by the House.

The conference agreement includes $375,000,000 for Grants for Infants and Families as proposed by the Senate instead of $370,000,000 as proposed by the House.

The conference agreement also includes $1,000,000 for the completion of the Easter Seal Society's Early Childhood Development Project for the Mississippi River Delta Region and $1,000,000 for the Center for Literacy and Assessment at the University of Southern Mississippi. The conference agreement also includes $1,500,000 for the 2001 Special Olympics World Winter Games in Alaska and $1,000,000 for the VIII Paralympic Winter Games.

Included in the conference agreement is $34,523,000 for technology and media services proposed by the Senate instead of the $33,523,000 as proposed by the House. The conference agreement includes $7,500,000 for Recordings for the Blind and Dyslexic as described in the House and Senate Reports. The conference agreement contemplates that these funds be distributed to RFB&D as early in the fiscal year as possible.

The conference agreement also includes $1,500,000 for Public Telecommunications Information and Training Dissemination as proposed by the Senate. The House did not contain funds for this activity.

REHABILITATION SERVICES AND DISABILITY RESEARCH

The conference agreement includes $2,707,522,000 for Rehabilitation Services and Disability Research instead of $2,687,150,000 proposed by the House and $2,692,872,000 proposed by the Senate.

For Vocational Rehabilitation State Grants, the agreement provides $2,338,977,000, the same as the House and Senate levels.

The conference agreement includes $22,092,000 for demonstration and training programs instead of $13,942,000 proposed by the House and $18,942,000 proposed by the Senate.

The conference agreement also includes $11,894,000 for Protection and Advocacy of Individual Rights, the same level as in the House bill. The Senate provided $10,894,000.

The conference agreement also provides $48,000,000 for Independent Living Centers proposed by the Senate instead of $46,109,000 proposed by the House. The conference agreement includes $15,000,000 for services for older blind individuals as proposed by the Senate instead of $11,169,000 as proposed by the House.

The conference agreement includes $86,500,000 for the National Institute on Disability and Rehabilition Research instead of $81,000,000 proposed by both the House and the Senate.

The conference agreement also includes $34,000,000 for Assistive Technology, the same level as in the House bill. The Senate provided $30,000,000.

Within the amounts provided, the conference report specifies funding for the following activities:

Krasnow Institute at George Mason University for a receptive language disorders research center	$750,000
University of Central Florida for a virtual reality-based education and training program for the deaf	1,000,000
Seattle Lighthouse for the Blind	2,000,000
Professional development and Research Institute on Blindness in Louisiana	1,000,000
California State University at Northridge for a Western Center for Adaptive Aquatic Therapy	1,000,000
Alaska Center for Independent Living in Anchorage	600,000
Center for Discovery International Family Institute in Sullivan County, New York to provide educational opportunities and support to individuals with severe mental and physical disabilities	250,000
Albert Einstein Healthcare Network in Philadelphia for research on post polio syndrome	500,000

The conference agreement recognizes the importance of supporting grants for the purchase of assistive technology for persons with disabilities to help them become employable and live independently. This technology can improve the lives of over 50 million Americans with physical or mental disabilities. The conference agreement recommends that, after state assistive technology projects have been allocated, remaining funds should be used for Title III grants, which enable consumers with disabilities to purchase needed assistive technology.

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

The conference agreement provides $10,100,000 for American Printing House for the Blind as proposed by the Senate, instead of $9,000,000 as proposed by the House.

GALLAUDET UNIVERSITY

The conference agreement provides $85,980,000 for Gallaudet University as proposed by the House instead of $85,500,000 as proposed by the Senate.

VOCATIONAL AND ADULT EDUCATION

The conference agreement includes $1,681,750,000 for Vocational and Adult Education instead of the $1,582,247,000 as proposed by the House and $1,676,750,000 as proposed by the Senate. The agreement provides $890,750,000 in fiscal year 2000 and $791,000,000 in fiscal year 2001 funding for this account.

$1,055,650,000 is included in the agreement for Vocational Education basic state grants, instead of the $1,080,650,000 as proposed by the House and $1,030,650,000 as proposed by the Senate.

The conference agreement provides $4,600,000 for Tribally Controlled Postsecondary Vocational Institutions as proposed by the Senate instead of $4,100,000 as proposed by the House.

The conference agreement also includes $17,500,000 for vocational education national programs instead of $13,497,000 proposed by the House and $19,500,000 proposed by the Senate. The conference agreement provides $9,000,000 for National Occupational Information Coordinating Committee activities as proposed by the Senate. The House did not include funding for this activity.

For Adult Education State Grants, the agreement provides $450,000,000 instead of the $365,000,000 provided in the House bill and $468,000,000 in the Senate bill.

The conference agreement provides that 30 percent of the increase for adult education state grants is for integrated English literacy and civics education services to immigrants and other limited English proficient populations.

The conference agreement provides $14,000,000 for adult education national leadership activities as proposed by the Senate instead of $7,000,000 as proposed by the House.

The conference agreement also includes $19,000,000 for State Grants for Incarcerated Youth as proposed by the Senate. The House did not provide funding for this activity.

STUDENT FINANCIAL ASSISTANCE

The conference agreement provides $9,435,000,000 for Student Financial Assistance instead of $9,259,000,000 as proposed by the House and $9,548,000,000 as proposed by the Senate. The conference agreement sets the maximum Pell Grant at $3,300 and provides a program level of $7,700,000,000 for current law Pell Grants. The conference agreement does not provide advance funding for this account. The House advance funded $2,286,000,000 and the Senate advance funded $1,226,400,000 for this account.

$621,000,000 is included in the agreement for Federal Supplemental Educational Opportunity Grants (SEOG), instead of the $619,000,000 as proposed by the House and $631,000,000 as proposed by the Senate. The agreement also includes an additional emergency appropriation of $10,000,000 and allows the Secretary of Education to waive the usual rules regarding the SEOG program for low-income college students that live in or attend school in areas affected by Hurricane Floyd and subsequent flooding as proposed by the House. The Senate included no similar language.

The Secretary of Education is expected to exercise his authority to waive or modify statutory or regulatory provisions applicable to the FSEOG program in a manner that includes a waiver of the applicability of priority for Federal Pell Grant recipients under section 413C(c)(2)(A) of the Higher Education Act of 1965 (20 U.S.C 1070-b-2(c)(A)(ii)) with respect to students who were victims of these disasters.

$934,000,000 is included in the agreement for Federal Work Study as proposed by the Senate. The House proposed $880,000,000.

The agreement includes $40,000,000 for Leveraging Educational Assistance Partnerships (LEAP), instead of the $75,000,000 as proposed by the Senate. The House did not provide funding for this program.

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

The conference agreement provides $48,000,000 for the Federal Family Education Loan Program Account as proposed by the Senate instead of $46,482,000 as proposed by the House.

HIGHER EDUCATION

The conference agreement provides $1,533,659,000 for Higher Education instead of $1,151,786,000 as proposed by the House and $1,406,631,000 as proposed by the Senate.

The conference agreement includes $42,250,000 for Hispanic Serving Institutions as proposed by the Senate instead of $28,000,000 as proposed by the House.

The conference agreement includes $148,750,000 for strengthening Historically Black Colleges and Universities instead of $141,500,000 as proposed by the Senate and $136,000,000 as proposed by the House.

The conference agreement includes $31,000,000 for Historically Black Graduate Institutions as proposed by the Senate instead of $30,000,000 as proposed by the House.

The conference agreement includes $5,000,000 for Alaska and Native Hawaiian Institutions proposed by the Senate instead of $3,000,000 proposed by the House.

The conference agreement also includes $6,000,000 for strengthening Tribal Colleges proposed by the Senate instead of $3,000,000 proposed by the House.

The conference agreement includes $77,658,000 for the Fund for the Improvement of Postsecondary Education instead of $27,500,000 as proposed by the Senate and $22,500,000 as proposed by the House.

The conference agreement includes $62,000,000 for International Education domestic programs as proposed by the House instead of $61,320,000 as proposed by the Senate. The conference agreement also includes $6,680,000 for International Education overseas programs as proposed by the Senate instead of $6,536,000 as proposed by the House. The conference agreement also includes $1,022,000 for the Institute for International Public Policy as proposed by the Senate instead of $1,000,000 as proposed by the House.

The conference agreement includes $645,000,000 for TRIO rather than the $630,000,000 included in the Senate bill and the $660,000,000 included in the House bill.

The conference agreement includes $200,000,000 for the Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP), instead of $180,000,000 proposed by the Senate. The House contained no funds for this program.

The conference agreement includes $39,859,000 for Byrd Scholarships as proposed by the Senate. The House did not provide funding for this program.

The conference agreement includes $51,000,000 for Graduate Assistance in Areas of National Need (GAANN) as proposed by the Senate instead of $31,000,000 as proposed by the House. Within the total, $10,000,000 is provided to fund the Javits Fellowship program in school year 2000–2001. An additional $10,000,000 is also provided within this total to allow the Javits Fellowship program to be forward funded.

The conference agreement includes $23,940,000 for the Learning Anytime Anywhere Partnerships instead of $10,000,000 proposed by the Senate. The House did not fund this program. Within the amount provided, the conference report specifies funding for the following activities:

University of South Florida for a distance learning program	$3,000,000
New York Global Communication Center in West Islip, NY for a distance learning program	190,000
Alliance for Technology, Learning and Society (ATLAS) at the University of Colorado for technology-enhanced learning	2,000,000
Interactive Learning Environments at the University of Idaho for a distance learning program	1,250,000
Illinois Community College Board to develop a systemwide, on-line virtual degree program for the community college system	2,500,000

The conference agreement includes $98,000,000 for Teacher Quality Enhancement Grants instead of $75,000,000 as proposed by the House and $80,000,000 as proposed by the Senate. The conference agreement reflects concern about long-standing problems with

teacher education programs in America, including inadequate time to learn subject matter in depth; fragmented coursework that is disconnected from practice teaching; uninspired teaching methods; and superficial curriculum. Without considerable attention to raising the quality of teacher preparation programs, an increasing number of underqualified teachers will be teaching our children. The Department of Education estimates that 2 million more teachers will be needed over the next 10 years as student enrollments reach their highest levels ever, and teacher retirements and attrition create large numbers of vacancies.

The conference agreement notes that while some exemplary approaches to teacher education exist, too few institutions have restructured their programs to assure that teachers are well qualified in the subjects they teach and well trained in research-based instructional practices needed to help all children learn. Therefore, the conference agreement urges the Secretary to apply rigorous criteria in funding new Teacher Quality Enhancement Partnership Grants in fiscal year 2000 and to submit a letter to the House and Senate Committees on Appropriations outlining the criteria that the Secretary will use to evaluate applications and to ensure that institutions of higher education receiving funding under this program achieve measurable performance outcomes that will enhance teacher quality. Such outcomes might include, but not be limited to, improved performance (measured through test scores, portfolios, state certification or other means) of students in teacher training programs; increases in the amount and rigor of coursework in content areas; increased and extended clinical placements; increased entry of graduates into teaching; and raising academic standards for entry into and graduation from teacher preparation programs.

The conference agreement also includes $1,750,000 for the Underground Railroad Educational and Cultural Program as proposed by the Senate. The House did not fund this activity.

The conference agreement includes $1,000,000 for community scholarship mobilization, instead of $2,000,000 as proposed by the Senate. The House did not fund this program.

The conference agreement includes $3,000,000 for data collection and program evaluations in higher education programs, including the development of performance measurement data, instead of $4,000,000 as proposed by the House. The Senate did not provide separate line item funding for this activity.

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS

The conference agreement includes $737,000 for administering the College Housing and Academic Facilities Loans program as proposed by the Senate instead of $698,000 as proposed by the House.

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM ACCOUNT

The conference agreement provides $207,000 for the Historically Black College and University Capital Financing Program Account as proposed by the Senate instead of $96,000 as proposed by the House.

EDUCATION RESEARCH, STATISTICS AND IMPROVEMENT

The conference agreement includes $596,892,000 for Education Research, Statistics and Improvement instead of the $390,867,000 as proposed by the House and $368,867,000 as proposed in the Senate.

The conference agreement provides $103,567,000 for research instead of $83,567,000 proposed by the House and $82,567,000 proposed by the Senate. The conference agreement includes a total of $20,000,000 for current and expanded comprehensive school reform research and development and includes $1,000,000 for the development of a five-year plan for an expanded research program of large-scale, systematic experimentation and demonstration focused on strategic education issues in accordance with the guidelines outlined in the Report of the House Committee (House Report 106–370).

The conference agreement provides $65,000,000 for regional educational labs as proposed by the Senate instead of $61,000,000 as proposed by the House. The conference agreement provides that the regional laboratory governing boards set the research and development priorities to guide the work funded and that funds be obligated and distributed in accordance with the fiscal year 1999 allocations by December 1, 1999.

The conference agreement provides $68,000,000 for statistics as proposed by the House instead of $70,000,000 proposed by the Senate.

The conference agreement provides $4,000,000 for NAGB as proposed by the House instead of $4,500,000 as proposed by the Senate.

Fund for the improvement of education

For the fund for the improvement of education (FIE), the conference agreement provides $249,525,000 instead of the $76,000,000 as proposed by the House and $39,500,000 as proposed by the Senate.

The conference agreement provides $50,000,000 for continuation grants for schools in their third year of implementing comprehensive school reform. The conference agreement also includes $15,000,000 to continue existing and award new contracts to providers of comprehensive school reform models. In making new awards, the Department should give priority to proposals to serve schools located in rural or isolated areas.

The conference agreement provides funds for the continuation of Project Jump Start and provides funds for the continuation and expansion of the Youth Safety Corps. The conference agreement also includes $400,000 for the National Student and Parent Mock Elections.

Within the amount provided, $20,000,000 is to be used for the Elementary School Counseling Demonstration Program to establish or expand counseling programs in elementary schools.

The conference agreement includes $45,000,000 for a Small Schools initiative under section 10105 of Part A of title X of the Elementary and Secondary Education Act. The conference agreement recognizes that one approach that holds great potential for preventing school violence is creating smaller high schools. The tragic shootings at Columbine High School in Littleton, Colorado have reinforced what many education practitioners already know—the impersonal nature of large high schools leaves too many young people feeling apathetic, isolated and alienated from their peers, schools and communities.

Yet, approximately 70% of American high school students attend schools enrolling 1,000 or more students despite the strong body of research documenting the benefits of smaller higher schools. These benefits include less crime and violence, fewer disciplinary problems, less alcohol and tobacco use, better student attendance, fewer dropouts, more satisfied students, greater student participation in school activities, and greater student academic achievement. The conference agreement acknowledges that the significant benefits of smaller schools justify a federal investment to encourage school districts to undertake research-based strategies to create smaller learning communities within large high schools, as recommended in Breaking Ranks, a 1996 study commissioned by the nation's secondary school principals. Such strategies include establishing small learning clusters, ''houses'', career academies, magnet schools or other approaches to creating schools within schools; block scheduling; personal adult advocates, teacher-advisory systems and other mentoring strategies; reduced teaching loads; and other innovations designed to create a more personalized high school experience for students and improve student achievement.

Within the amount for the Small Schools initiative, not less than $42,750,000 is for competitive grants to local educational agencies to plan, develop and implement smaller learning communities where students receive individual attention and support—with a goal of not more than 600 students in each learning community. The conference agreement directs that each grantee shall use funds only for activities related to high school redesign and that up to $2,250,000 may be used by the Secretary for evaluation, technical assistance, and school networking activities. The conference agreement affirms that the management of this initiative would benefit from a team effort within the Department and directs that the program shall be jointly managed by the Office of Elementary and Secondary Education and the Office of Vocational and Adult Education. Finally, the Department shall provide a letter by March 31, 2000 to the House and Senate Committees on Appropriations outlining its plan for implementing this initiative.

Within the amount provided, the conference report specifies funding for the following activities:

Loyola University Chicago for recruitment and preparation of new teacher candidates for employment in rural and inner-city schools	$700,000
Shedd Aquarium/Brookfield Zoo for science education programs	500,000
Big Brothers/Big Sisters of America to expand school-based mentoring	3,000,000
Chicago Public School System to support a substance abuse pilot program in conjunction with Elgin and East Aurora School Systems	2,500,000
University of Virginia Center for Governmental Studies for the Youth Leadership Initiative	1,000,000
Institute for Student Achievement at Holmes Middle School and Annandale High School in Virginia for academic enrichment	800,000
Mountain Arts Center in Kentucky for educational programming	100,000
University of Louisville for research in the area of academic readiness	1,500,000
WestEd Regional Educational Laboratory for the 24 Challenge and Jumping Levels Math Demonstration Project	500,000
Central Michigan University for a charter schools development and performance institute	1,000,000

Living Science Interactive Learning Model partnership in Indian River, FL for a science education program 950,000
North Babylon Community Youth Services for an educational program 825,000
Los Angeles County Office of Education/Educational Telecommunications and Technology for a pilot program for teachers 1,000,000
University of Northern Iowa for an institute of technology for inclusive education 650,000
Youth Crime Watch of America to expand a program to prevent crime, drugs and violence in schools 500,000
Muhlenberg College in Pennsylvania for an environmental science program 892,000
Western Suffolk St. Johns-La-Salle Academy Science and Technology Mentoring Program 560,000
National Teaching Academy of Chicago for a model teacher recruitment, preparation and professional development program 4,000,000
University of West Florida for a teacher enhancement program 2,000,000
Virginia Living Museum in Newport News, VA for an educational program 1,000,000
Challenger Learning Center in Hardin County, KY for technology assistance and teacher training 450,000
Crawford County School System in Georgia for technology and curriculum support 250,000
Berrien County School System in Georgia for technology development 500,000
Louisville Salvation Army Boys and Girls Club Diversion Enhancement Program 35,000
New Mexico Department of Education for school performance improvement and drop-out prevention 1,000,000
Semos Unlimited Inc. in New Mexico to support bilingual education and literacy programs 300,000
Delta State University in MS for innovative teacher training 1,000,000
Alaska Humanities Forum, Inc. in Anchorage 1,000,000
An Achievable Dream in Newport News to improve academic performance of at-risk youths 250,000
Rock School of Ballet in Philadelphia to expand its community-outreach programs for inner-city children and underprivileged youth in Camden, NJ and southern NJ 250,000
University of Maryland Center for Quality and Productivity to provide a link for the Blue Ribbon Schools 1,000,000
Continuing Education Center and Teachers' Institute in South Boston, Virginia to promote participation among youth in the U.S. democratic process 1,000,000
National Museum of Women in the Arts to expand its ''Discovering Art'' program to elementary and secondary schools and other educational organizations 1,000,000
Alaska Department of Education's summer reading program 400,000
Partners in Education, Inc. to foster successful business-school partnerships 400,000
Kodiak Island Borough School district for development of an environmental education program 250,000
Reach out and Read Program to expand literacy and health awareness for at-risk families .. 2,000,000
Jazz in the Schools program for educational programs 100,000
Mississippi Delta Education Initiative 500,000
Project 2000 D.C. Mentoring Project 100,000
National Constitution Center 10,000,000
Continuation of Iowa public school facilities repair demonstration administered by the Iowa Department of Education 10,000,000
Continuation of Foorman, Frances, and Fletcher NICHD-approved longitudinal project ''Early Interventions for Children with Reading Problems'' in public elementary schools in the District of Columbia 500,000
Early Reading Success Institute in Connecticut to broaden the training of professionals in best practices in the delivery of reading instruction 1,750,000
GRAMMY in the Schools program of the National Academy of Recording Artists and Sciences Foundation to provide music education to high school students 400,000
Million S. Eisenhower Foundation to replicate and scientifically evaluate full-service community schools in up to three locations around the nation 500,000
National Council of La Raza to provide training and technical assistance to Hispanic communities to replicate successful community-based approaches for improving the academic achievement of Hispanic children in multiple sites 2,000,000
Institute of Student Achievement program to improve student learning outcomes without social promotion at the Mount Vernon School District in Mount Vernon, NY 250,000
Wisconsin Academy Staff Development Initiative in Chippewa Falls, Wisconsin to collaborate with regional school districts to provide math, science, and technology teacher training 750,000
Helen Keller Worldwide to expand the ChildSight vision screening program to reach additional children whose educational performance may be hindered because of their inability to see properly 1,250,000
Ross and Raymond Parks Institute for Self-Development for its Pathways to Freedom Program providing civil rights education to young people and for community learning centers 1,000,000
Life Learning Academy Charter School in San Francisco, CA 750,000
University of Puerto Rico for the continuation and expansion of the Hispanic Educational Linkages Program in New York City, including the south Bronx, New York 750,000
National Urban Coalition Say YES To A Youngster's Future Program to provide math and science education 250,000
Henry Abbott Technical High School in Danbury, Connecticut to provide students with essential workforce education and training 500,000
Explornet Technology Learning Project in North Carolina to provide education and hands on experience in technology 750,000
School of International Training in Brattleboro, Vermont to collaborate with Brattleboro Union High School to develop an education curriculum addressing child labor issues 300,000
Vasona Center Youth Science Institute expansion 300,000
Educational Performance Foundation CPI music education program called ''From the Top'' 1,000,000
University of Missouri-St. Louis to develop a plan to improve the education system in the City of St. Louis, Missouri 500,000
Africian American Literacy and Culture Project in the Oakland Unified School District 250,000
Baltimore Reads after-school tutoring program in Baltimore, Maryland 250,000
ASPIRE after-school program in Houston, Texas 313,000
Boston Music Education Collaborative Comprehensive Interdisciplinary Music Program and Teacher Resource Center 900,000
Smithsonian Institution's jazz music education program in Washington, D.C 250,000
Kennedy Center for the Performing Arts of the ''Make a Ballet'' arts education program in the New York City area 250,000
Community Service Society of New York City for mentoring tutoring and technology activities in New York City Public Schools, including schools in the south Bronx 250,000
Pennsylvania Telecommunications Exchange Network 500,000
Johnson Elementary School, Cedar Rapids, Iowa for innovative arts education 500,000
Boys and Girls Clubs 2,000,000
Florida Department of Education for an internet-based teacher recruitment model 250,000
University of New Orleans for a teacher preparation and educational technology initiative to enhance the quality of teaching in urban school systems 500,000

For Civics Education, the conference agreement provides $10,000,000, rather than $9,500,000 proposed by the Senate and $5,500,000 proposed by the House bill.

The conference agreement provides $9,000,000 for the National Writing Project instead of $10,000,000 as proposed by the Senate and $5,000,000 as proposed by the House.

DEPARTMENTAL MANAGEMENT

The conference agreement includes $488,384,000 for Departmental Management as

proposed by the Senate instead of $459,242,000 proposed by the House. Within this amount, the agreement provides $71,200,000 for the Office of Civil Rights and $34,000,000 for the Office of Inspector General as provided by the Senate. The House provided $66,000,000 for the Office of Civil Rights and $31,242,000 for the Office of the Inspector General.

The conference agreement urges the Secretary of Education to take whatever steps are necessary to select and fill the Liaison for Proprietary Institutions of Higher Education position which is provided for in section 219 of the Higher Education Act, as amended (HEA). The conference agreement notes that section 219 requires the Secretary to appoint the Liaison within 6 months of passage of HEA.

GENERAL PROVISIONS

CALCULATIONS FOR HEAVILY IMPACTED SCHOOL DISTRICTS

The conference agreement modifies a legislative provision that was contained in the House bill relating to payments for heavily impacted school districts (section 8003(f)) that changes the method by which payments made under this section are allocated to provide supplemental payments for federally connected students. The Senate bill had no similar provision.

EXTENSION OF PARTICIPATION IN EVEN START PROGRAM

The conference agreement contains an amendment to the Elementary and Secondary Education Act of 1965 that was contained in the House bill that allows local grantees to continue to participate in the Even Start program beyond eight years and reduces the federal share for the ninth and succeeding years from 50 percent to 35 percent. The Senate bill had no similar provision.

FEDERAL FAMILY EDUCATION LOANS (FFEL)

The conference agreement includes a provision regarding the FFEL program that was not contained in either House or Senate bills.

HIGHER EDUCATION ASSISTANCE FOUNDATION (HEAF)

The conference agreement includes a provision regarding HEAF claims reserves that was not contained in either House or Senate bills.

ADDITIONAL HIGHER EDUCATION FUNDING

The conference agreement includes the following amounts for the following projects and activities. Neither the House nor the Senate bills contained this language.

Middle Georgia College for an advanced distributed learning center demonstration program	$250,000
University Center of Lake County, IL	3,000,000
Oregon University System	1,000,000
Columbia College in IL for a freshman retention program	500,000
University of Hawaii at Manoa for a globalization research center	1,500,000
University of Arkansas at Pine Bluff for technology infrastructure	2,000,000
I Have a Dream Foundation	1,000,000
Demonstration program for activities authorized under part G of title VII of the Higher Education Act	1,000,000
University of the Incarnate Word in San Antonio, TX to improve teacher capabilities in technology	1,000,000
Elmira College in New York for a technology enhancement initiative	1,000,000
Rust College in MS for technology infrastructure	1,650,000
Snelling Center for Government at the University of Vermont for a model school program	250,000
Texas A&M University, Corpus Christi for the operation of the Early Childhood Development Center	750,000
Southeast Missouri State University for equipment and curriculum development associated with the university's Polytechnic Institute	1,000,000
Washington Virtual Classroom Consortium	800,000
Puget Sound Center for Technology for faculty development activities for the use of technology in the classroom	500,000
Center for the Advancement of Distance Education in Rural America	500,000
Daniel J. Evans School of Public Policy at the University of Washington	3,000,000
North Dakota State University for the Career Program for Dislocated Farmers and Ranchers	200,000
North Dakota State University for the Tech-based Industry Traineeship Program	350,000
Washington State University for the Thomas S. Foley Institute to support programs in congressional studies, public policy, voter education, and to ensure community access and outreach	3,000,000
Minot State University for the Rural Communications Disabilities Program	200,000
Bryant College for the Linking International Trade Education Program (LITE)	300,000
Concord College, WV for a technology center to further enhance the technical skills of WV teachers and students	1,000,000
Peirce College in Philadelphia for education and training programs	200,000
Philadelphia Zoo for educational programs	250,000
Philadelphia University Education Center for technology education	1,000,000
Lock Haven University for technology innovations	725,000
Southeastern Pennsylvania Consortium on Higher Education for education programs	1,000,000
Lehigh University Iacocca Institute for educational training	400,000
Lafayette College for arts education	250,000
Lewis and Clark College for the Crime Victims Law Institute	1,000,000
University of Notre Dame for a teacher quality initiative	500,000
Spelman College in Georgia for educational operations	800,000
Western Governors University for a distance learning initiative	2,400,000
Alabama A&M University for the development of a research institute	1,000,000
Center for Astronomy Education and Research at Tarleton State University, Stephenville, Texas for the creation of summer science programs for students and teachers	1,000,000
Great Plains Network at Kansas University	1,500,000
Science Education and Literacy Center at Rider University in New Jersey	350,000
Indiana State University DegreeLink Partnership, a distance learning program enabling graduates from area 2-year colleges to obtain baccalaureates degrees	1,500,000
Ivy Technical State College in Indiana for Machine Tool Training Program	1,000,000
Center for Education Technology Assessment at Connecticut State University System	1,250,000
21st Century Science Teachers Skills Project at Monmouth University, New Jersey for teacher technology training	400,000
Black Hawk College International Business Education Center in Moline, Illinois to provide training in international economics	58,000
World Learning School International Training in Brattleboro, Vermont for the expansion of a study program in 12 less commonly taught African languages	325,000
Model Teacher Program at Diablo Valley Community College at Contra-Costa Community College District to foster interest in teaching careers among high school and community college students	500,000
University of Rhode Island in Kingston, Rhode Island to foster environmental education at the Center for Environmental Design, Planning, and Policy	1,000,000
University of Wisconsin at Superior for project SPARKS to link faculty with schools in the Superior School District in Wisconsin	400,000
Wisconsin Indianhead Technical College at Ashland and Superior to provide high technology education and training	800,000
Urban College of Boston, Massachusetts for tutoring and mentoring	1,000,000
University of Nevada at Las Vegas for the Nevada Institute for Children children's literacy program	100,000

TECHNICAL CORRECTION TO FISCAL YEAR 1999 BILL

The conference agreement deletes a provision contained in the House bill which made a technical correction to P.L. 105–277 (the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999). The Senate bill had no similar provision.

DIRECT STUDENT LOAN ADMINISTRATIVE ACCOUNT

The conference agreement deletes a provision contained in the House bill which froze the administrative account for the Direct Student Loan program at fiscal year 1999 levels. The Senate bill had no similar provision.

VOLUNTARY NATIONAL TESTS

The conference agreement does not include a provision contained in the Senate bill regarding voluntary national tests. This language is not necessary since P.L. 105–277 (the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999) adopted

a permanent change to the law that specifically prohibited any pilot testing, field testing, administration or distribution of individualized national tests that are not specifically and explicitly provided for in authorizing legislation enacted into law. At the present time, there is no specific and explicit authority in Federal law for individualized national tests.

FUNDING

The conference agreement deletes a provision contained in the Senate bill which redistributed funding for certain education programs. The House bill contained no similar provision.

LEVERAGING EDUCATIONAL ASSISTANCE PARTNERSHIP PROGRAM

The conference agreement deletes a provision contained in the Senate bill that provided advance funding for the LEAP program. The House bill contained no similar provision.

MISSING, EXPLOITED, AND RUNAWAY CHILDREN PROTECTION ACT

The conference agreement includes an amendment to P.L. 106–71, the Missing, Exploited, and Runaway Children Protection Act.

LIMITATION ON PUNITIVE DAMAGES AWARDED AGAINST INSTITUTIONS OF HIGHER EDUCATION

The conference agreement includes an amendment to P.L. 106–37 which limits the punitive damages that may be awarded against an institution of higher education that is sued in an action for a ''Y2K'' failure in the institution's computer-based student financial aid system.

IMPACT AND HOLD HARMLESS

The agreement includes a provision which provides that when calculating impact aid basic support payments, the Secretary of Education shall not use a local contribution rate that is less than the rate that was used in fiscal year 1998.

VOTER REGISTRATION OF COLLEGE STUDENTS

The conference agreement includes an amendment to the Higher Education Act of 1965 relating to voter registration of college students.

TITLE IV—RELATED AGENCIES

ARMED FORCES RETIREMENT HOME

The conference agreement provides $68,295,000 for the Armed Forces Retirement Home as proposed by the House. The Senate bill contained no appropriation for the Home.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

DOMESTIC VOLUNTEER SERVICE PROGRAMS, OPERATING EXPENSES

The conference agreement provides $295,645,000 for the Domestic Volunteer Service programs instead of $293,261,000 as proposed by the Senate and $274,959,000 as proposed by the House.

Volunteers in Service to America (VISTA)

The conference agreement provides $81,000,000 for VISTA as proposed by the Senate instead of $73,000,000 proposed by the House.

National Senior Volunteer Corps

The conference agreement provides $96,354,000 for the Foster Grandparent Program (FGP), $39,369,000 for the Senior Companion Program (SCP), and $46,293,000 for the Retired Senior Volunteer Program (RSVP). The House proposed $93,256,000 for Foster Grandparents, $36,573,000 for Senior Companions and $43,001,000 for Retired Senior Volunteers. The Senate proposed $95,000,000 for FGP, $39,031,000 for SCP and $46,001,000 for RSVP.

One-third of the increases provided for the FGP, SCP, and RSVP programs shall be used to fund Programs of National Significance expansion grants to allow existing FGP, RSVP and SCP programs to expand the number of volunteers serving in areas of critical need as identified by Congress in the Domestic Volunteer Service Act.

Sufficient funding has been included to provide a 2 percent increase for administrative costs realized by all current grantees in the FGP and SCP programs, and a 4 percent increase for administrative costs realized by all current grantees in the RSVP program. Funds remaining above these amounts should be used to begin new FGP, RSVP and SCP programs in geographic areas currently unserved. The conference agreement expects these projects to be awarded via a nationwide competition among potential community-based sponsors.

The Corporation for National and Community Service shall comply with the directive that use of funding increases in the Foster Grandparent Program, Retired and Senior Volunteer Program and VISTA not be restricted to America Reads activities. The agreement further directs that the Corporation shall not stipulate a minimum or maximum amount for PNS grant augmentations.

The conference agreement also provides $1,500,000 for senior demonstration activities, instead of $3,100,000 proposed by the Senate. The House did not propose funding for this activity. Sufficient funds are provided for the third and final year of the Seniors for Schools demonstration. Of the total, $350,000 is provided to conduct an evaluation of existing demonstration activities and to bring to closure the Seniors for Schools demonstration project.

Funds are also provided to continue other existing senior demonstration activities, except that no funds are provided for the payment of non-taxable, non-income stipends to individuals not meeting income requirements established by Congress. No new demonstration projects may be begun with these funds. None of the increases provided for FGP, SCP, or RSVP in fiscal year 2000 may be used for demonstration activities. The agreement further expects that all future demonstration activities will be funded through allocations made through Part E of the Domestic Volunteer Service Act.

Funds appropriated for Fiscal Year 2000 may not be used to implement or support service collaboration agreements or any other changes in the administration and/or governance of national service programs prior to passage of a bill by the authorizing committees of jurisdiction specifying such changes.

Program administration

The conference agreement includes $31,129,000 for program administration of DVSA programs at the Corporation, instead of $29,129,000 that was provided in both House and Senate bills. The additional $2,000,000 is provided to assist the Corporation in correcting its financial management weaknesses and obtaining a clean opinion on its financial statements. Funding should be used to fully implement the new core financial management system and to make other technology enhancements that will improve customer service and field communications.

CORPORATION FOR PUBLIC BROADCASTING

The conference agreement provides $350,000,000 in advance funding for fiscal year 2002 for the Corporation for Public Broadcasting as proposed by the Senate instead of $340,000,000 as proposed by the House.

The conference agreement includes language proposed by the House providing an additional $10,000,000 for digitalization, if specifically authorized by subsequent legislation by September 30, 2000. The Federal Communications Commission (FCC) has mandated that all public television be converted from analog to digital transmission by May 2003. Because television and radio broadcast infrastructures are closely linked, the conversion of television to digital will create immediate costs not only for television, but also for public radio stations. Public broadcasting stations with limited resources, in particular small rural stations, will be faced with extreme hardship because of the significant cost of converting to digital, therefore, the conference agreement encourages funds provided to be targeted to those stations with the most financial need.

The conference agreement commends the Corporation for adoption of the Listener Access 2000 initiative and other related efforts that recognize the need to enhance service in rural and underserved areas. These steps will expand the number of stations defined as serving rural areas, create a new incentive grant tailored to areas with limited financial resources, while maintaining the public-private nature of public broadcasting.

While this approach is a meaningful initial investment, the conference agreement urges the Corporation to continue to explore additional ways to ensure that its goal of universal service throughout the country is achieved. The conference agreement recognizes that stations serving rural and underserved audiences typically have limited local potential for fundraising because of sparse populations serviced, limited number of local businesses, and low-income levels.

The conference agreement strongly urges the Corporation to consider expanding its Rural Listener Access Incentive Fund, which will support further enhancements to and reliability of service in rural and underserved areas. Furthermore, the conference agreement supports additional actions that will assist stations in serving rural and underserved areas.

FEDERAL MEDIATION AND CONCILIATION SERVICE

The conference agreement provides $36,834,000 for the Federal Mediation and Conciliation Service as proposed by the Senate instead of $34,620,000 as proposed by the House. The conference agreement also includes bill language proposed by the Senate stating that FMCS may charge for training activities, services, and assistance, including those provided to foreign governments and international organizations.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

The conference agreement provides $6,159,000 for the Federal Mine Safety and Health Review Commission as proposed by the Senate instead of $6,060,000 as proposed by the House.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

The conference agreement provides $166,885,000 for the Institute of Museum and Library Services. The Senate proposed $154,500,000. The House proposed $149,500,000. The conference agreement does not accept the President's request for $5,000,000 under National Leadership Grants for Libraries for the National Digital Library initiative. The increase in funding for this account should be used for new awards under the regular

grant competition. Within the amount provided, the conference report specifies funding for the following activities:

Library & Archives of New Hampshire's Political Tradition at the New Hampshire State Library	$700,000
Vermont Department of Libraries in Montpelier, Vermont	1,000,000
Consolidation and preservation of archives and special collections at the University of Miami Library in Coral Gables, FL	750,000
Exhibits and library improvements for the Mississippi River Museum and Discovery Center in Dubuque, Iowa	1,900,000
Alaska Native Heritage Center in Anchorage	750,000
Peabody-Essex Museum in Salem, MA	750,000
Bishop Museum in Hawaii	750,000
Oceanside Public Library in California for a local cultural heritage project	200,000
Urban Children's Museum Collaborative to develop and implement pilot programs dedicated to serving at-risk children and their families	1,000,000
Troy State University Dothan in Alabama for archival of a special collection	150,000
Chadron State College in Nebraska for the Mari Sandoz Center	450,000
Alabama A&M University Alabama State Black Archives Research Center and Museum	350,000
Mystic Seaport, the Museum of America and the Sea, in Connecticut to develop an educational outreach and informal learning laboratory	350,000
Museum for African Art in New York City, New York for community programming	100,000
Children's Museum of Manhattan in New York City, New York for family programming	35,000
Temple University Libraries African American library digitization initiative	250,000
Natural History Museum of Los Angeles County for a science education program that targets a Spanish speaking audience	1,000,000
Full Service Public Library in Molalla, Oregon for technology training and community education programs	400,000
Portland State University Millar Library for technology-based information and research networks	500,000
Dakota Wesleyan University to develop an advanced telecommunications system to provide library services for faculty development, student support and an overall resource for community residents	1,000,000

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

The conference agreement provides $1,300,000 for the National Commission on Libraries and Information Science as proposed by the Senate instead of $1,000,000 as proposed by the House. The conference agreement also includes bill language citing Public Law 91–345, as amended.

NATIONAL COUNCIL ON DISABILITY

The conference agreement provides $2,400,000 for the National Council on Disability as proposed by the Senate instead of $2,344,000 as proposed by the House.

NATIONAL EDUCATION GOALS PANEL

The conference agreement provides $2,250,000 for the National Education Goals Panel as proposed by the Senate instead of $2,100,000 as proposed by the House.

NATIONAL LABOR RELATIONS BOARD

The conference agreement provides $206,500,000 for the National Labor Relations Board instead of $210,193,000 as proposed by the Senate and $174,661,000 as proposed by the House.

The conference agreement deletes language proposed by the House which prohibits the NLRB from expending any funds to promulgate a final rule regarding the use of single location bargaining units in representation cases. The conference agreement notes that the NLRB has indefinitely withdrawn from active consideration its proposed rulemaking proceedings in this area.

NATIONAL MEDIATION BOARD

The conference agreement provides $9,600,000 for the National Mediation Board as proposed by the Senate instead of $8,400,000 as proposed by the House. The conference agreement also includes bill language that unobligated balances at the end of fiscal year 2000 not needed for emergencies shall remain available through September 30, 2001.

The conference agreement includes an increase of $500,000 over the request to reduce section 3 case backlogs by improving the availability of arbitrators through increased arbitrator compensation. The NMB is expected to report to the Appropriations Committees before the FY 2001 hearings on the effect of increased arbitrator pay and other agency efforts to reduce case backlogs.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

The conference agreement provides $8,500,000 for the Occupational Safety and Health Review Commission as proposed by the Senate instead of $8,100,000 as proposed by the House.

RAILROAD RETIREMENT BOARD

DUAL BENEFITS PAYMENT ACCOUNT

The conference agreement provides $174,000,000 for dual benefits payments instead of $175,000,000 as proposed by both the House and the Senate.

LIMITATION ON ADMINISTRATION

The conference agreement includes a limitation on transfers from the railroad trust funds of $91,000,000 for administrative expenses instead of $90,000,000 as proposed by both the House and the Senate.

SOCIAL SECURITY ADMINISTRATION

SUPPLEMENTAL SECURITY INCOME PROGRAM

The conference agreement includes $21,503,085,000 for the Supplemental Security Income Program instead of $21,553,085,000 as proposed by the Senate and $21,474,000,000 as proposed by the House.

LIMITATION ON ADMINISTRATIVE EXPENSES

The conference agreement includes a limitation of $6,111,871,000 on transfers from the Social Security and Medicare trust funds and Supplemental Security Income program for administrative activities instead of $6,188,871,000 as proposed by the Senate and $5,996,000,000 as proposed by the House.

The conference agreement includes language authorizing the Commissioner of Social Security to use up to $3,000,000, in addition to amounts appropriated previously, for Federal-State partnerships to evaluate ways to promote Medicare buy-in programs targeted to elderly and disabled individuals.

OFFICE OF INSPECTOR GENERAL

The conference agreement provides $66,000,000 for the Office of Inspector General through a combination of general revenues and limitations on trust fund transfers as proposed by the Senate instead of $56,000,000 as proposed by the House.

UNITED STATES INSTITUTE OF PEACE

The conference agreement provides $13,000,000 for the United States Institute of Peace as proposed by the Senate instead of $12,160,000 as proposed by the House. The conference agreement directs the United States Institute of Peace to provide information in the fiscal year 2001 Congressional budget justification regarding the use of appropriated funds in the Endowment. Included in this information should be the total amount of appropriated funds transferred into the Endowment from the most recent fiscal year available, the total amount of interest earned in the fiscal year on those funds, a list of all dates in which draw downs occur and those amounts, and a beginning and end of year balance of the Endowment.

TITLE V—GENERAL PROVISIONS

DISTRIBUTION OF STERILE NEEDLES

The conference agreement includes a general provision as proposed by the House that prohibits the use of funds in this Act to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug. The Senate bill included the same provision except that it would not have become effective until one day after the date of enactment of this Act.

UNOBLIGATED SALARIES AND EXPENSES

The conference agreement includes a general provision proposed by the House that would allow salaries and expenses funds in the bill that are unobligated at the end of the fiscal year to remain available for three additional months, provided that the Appropriations Committees are notified before they are obligated. The Senate bill had no similar provision.

RAILROAD RETIREMENT BOARD BUYOUTS

The conference agreement includes a provision amending existing law as proposed by the Senate to allow the Railroad Retirement Board to offer voluntary separation incentives to Board employees who either retire or resign by March 31, 2000. The House bill contained no similar provision.

BROOKLYN MUSEUM OF ART

The conference agreement does not include a provision expressing the sense of the Senate that the conferees on H.R. 2466, the FY 2000 Interior Appropriations Act, shall include language prohibiting the use of funds for the Brooklyn Museum of Art unless the Museum immediately cancels the exhibit ''Sensation'' which contains obscene and pornographic pictures and other offensive material.

HOSPITAL OUTPATIENT SERVICES

The conference agreement deletes without prejudice a sense of the Senate provision that the Secretary of HHS should carry out congressional intent and cease her inappropriate interpretation of the provisions of the prospective payment system for hospital outpatient department services under section 1833(t) of the Social Security Act (42 U.S.C. 13951(t)).

FORMER RECIPIENTS OF TANF ASSISTANCE

The conference agreement deletes without prejudice a sense of the Senate provision

stating that it is important that Congress determine the economic status of former recipients of assistance under the TANF program.

SCIENTIFIC VALIDITY OF POLYGRAPHY

The conference agreement deletes without prejudice a sense of the Senate provision stating that the Director of the NIH should enter into appropriate arrangements with the National Academy of Sciences to conduct a comprehensive study and investigation into the scientific validity of polygraphy as a screening tool for Federal and Federal contractor personnel. However, the Secretary of HHS is urged to conduct such a study and report her findings to Congress.

PROSTATE CANCER RESEARCH

The conference agreement deletes without prejudice a sense of the Senate provision stating that finding treatment breakthroughs and a cure for prostate cancer should be made a national health priority, that significant increases in prostate cancer research funding should be made available to NIH and DoD, and that these agencies should prioritize research that is directed toward innovative clinical and translational projects.

BORDER HEALTH COMMISSION ACT

The conference agreement includes a Senate provision amending the United States-Mexico Border Health Commission Act to require the President to appoint the United States members of the Commission and attempt to conclude an agreement with Mexico providing for the establishment of such Commission no later than 30 days after the date of enactment of this provision. The House bill contained no similar provision.

ACCESS TO OBSTETRIC AND GYNECOLOGICAL SERVICES

The conference agreement deletes without prejudice a sense of the Senate provision stating that Congress should enact legislation that requires health plans to provide women with direct access to a participating obstetrician/gynecologist without first having to obtain a referral from a primary care provider or the health plan.

PUBLIC EDUCATION REFORM

The conference agreement deletes without prejudice a sense of the Senate provision stating that the Federal government should support state and local educational agencies engaged in comprehensive reform of their public education systems.

FEDERAL EMPLOYEES' COMPENSATION ACT

The conference agreement includes a Senate provision with respect to a compensation claim arising from injuries sustained as a result of an employee's exposure to a nitrogen or sulfur mustard agent at the Department of the Army's Edgewood Arsenal before March 20, 1944. The House had no similar provision.

WORKFORCE INVESTMENT ACT

The conference agreement includes a Senate provision amending the Workforce Investment Act with respect to Alaska Natives. The House had no similar provision.

NEEDLESTICK INJURIES

The conference agreement deletes without prejudice a sense of the Senate provision stating that the Senate should pass legislation to eliminate or minimize the risk of needlestick injury to health care workers.

TITLE VI

NEWBORN AND INFANT HEARING SCREENING AND INTERVENTION

The conference agreement includes a separate title as proposed by the House which authorizes grants to States on a voluntary basis for a three-year period to aid in setting up newborn infant hearing screening programs. This language authorizes funding for the Health Resources and Services Administration, the Centers for Disease Control and Prevention, and the National Institutes of Health for the implementation of these programs and provides that State programs shall work with participants to ensure that all children are given options for care to include, but not be limited to medical, audiologic, rehabilitative, education, and community service programs. The Senate bill contained no similar language.

TITLE VII

DENALI COMMISSION

The conference agreement amends Section 307 of Title III—Denali Commission of Division C—Other Matters of P.L. 105–277 by adding a new subsection that authorizes the Secretary of HHS to make grants to the Denali Commission to plan, construct, and equip multi-county demonstration health, nutrition, and child care projects in accordance with the Work Plan referred to under section 304. The House and Senate bills contained no similar provision.

TITLE VIII

WELFARE-TO-WORK CHANGES

The conference agreement incorporates amendments to the Welfare-to-Work authorizing legislation (section 403(a)(5) of the Social Security Act). These amendments were included in a bill considered and passed by the House (H.R. 3073). Effective date provisions have been added.

These amendments streamline eligibility determinations for welfare recipients and others with characteristics associated with welfare dependence, extend eligibility to youths aging out of foster care and to custodial parents below the poverty level, and enhance opportunities for noncustodial parents entering into personal responsibility agreements with commitments to provide child support. Vocational educational or job training for up to 6 months will be an allowable activity in Welfare-to-Work programs. Reporting requirements are simplified. The conference agreement reduces the existing law's authority to award $100 million in bonuses to Welfare-to-Work programs for successful performance to $50 million.

OTHER PROVISIONS

The conference agreement deletes without prejudice a House provision to require any elementary or secondary school or public library that has received any Federal funds for the acquisition or operation of any computer that is accessible to minors and that has access to the Internet to install software on such computer designed to prevent minors from obtaining access to any obscene information using that computer and to ensure that such software is operational whenever that computer is used by minors. Exceptions are granted to permit a minor to have access to information that is not obscene or otherwise unprotected by the Constitution under the direct supervision of an adult designated by the school or library. The Senate bill contained no similar provision.

The conference agreement does not include House language amending the National Labor Relations Act to require the NLRB to adjust its jurisdictional threshold amounts for the inflation that has occurred since the adoption of the current thresholds on August 1, 1959. The Senate bill contained no similar provision.

The conference agreement does not include House language amending the Internal Revenue Code to require that Earned Income Tax Credit payments be paid on a monthly basis rather than in a lump sum annual payment. The Senate bill contained no similar language.

The conference agreement does not include House language amending the Higher Education Act to require the Secretary of Education to charge an origination fee on direct student loans of four percent. The Senate bill included no similar provision.

The conference agreement does not include House language amending the National Housing Act to eliminate the premium rebate on FHA home mortgages. The Senate bill included no similar provision.

The conference agreement does not include an appropriation of $508,000,000 proposed by the House for the Department of Agriculture to provide assistance to producers for crop and livestock losses incurred as a result of the hurricanes, and the flooding associated with the hurricanes, that struck the eastern United States in August and September, 1999. The Senate bill included no similar appropriation.

CONFERENCE AGREEMENT

The following table displays the amounts agreed to for each program, project or activity with appropriate comparisons:

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
TITLE I - DEPARTMENT OF LABOR									
EMPLOYMENT AND TRAINING ADMINISTRATION									
TRAINING AND EMPLOYMENT SERVICES									
Grants to States:									
Adult Training, current year	955,000	955,000	215,500	238,000	238,000	-717,000	+22,500	---	D FF
FY01	---	---	644,000	712,000	712,000	+712,000	+68,000	---	D
Adult Training, program level	955,000	955,000	859,500	950,000	950,000	-5,000	+90,500	---	
Youth Training	1,000,965	1,000,965	900,869	1,000,965	1,000,965	---	+100,096	---	D FF
Dislocated Worker Assistance, current year	1,400,510	1,595,510	315,159	395,510	535,510	-865,000	+220,351	+140,000	D FF
FY01	---	---	945,300	1,200,000	1,060,000	+1,060,000	+114,700	-140,000	D
Dislocated Worker Assistance, program level	1,400,510	1,595,510	1,260,459	1,595,510	1,595,510	+195,000	+335,051	---	
Federally administered programs:									
Native Americans	57,815	53,815	53,815	60,000	58,800	+985	+4,985	-1,200	D FF
Migrant and Seasonal Farmworkers (1)	78,517	71,017	71,017	75,996	74,445	-4,072	+3,428	-1,551	D FF
Job Corps:									
Operations (2)	1,158,642	1,213,533	307,000	485,413	634,000	-524,642	+327,000	+148,587	D FF
FY01	---	---	918,000	728,120	591,000	+591,000	-327,000	-137,120	D
Construction and Renovation (3)	150,572	133,658	34,000	53,463	34,000	-116,572	---	-19,463	D FF
FY01	---	---	100,000	80,195	100,000	+100,000	---	+19,805	D
Subtotal, Job Corps	1,309,214	1,347,191	1,359,000	1,347,191	1,359,000	+49,786	---	+11,809	
Veterans' employment	7,300	7,300	7,300	7,300	7,300	---	---	---	D FF

(1) Includes $7 million in emergency funding.

(2) Includes $1.595 million in emergency funding for Year 2000 computer conversion.

(3) Three year forward funded availability.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc	
National activities:										
Pilots, Demonstrations and Research	67,500	35,000	35,000	98,500	82,500	+15,000	+47,500	-16,000	D	FF
Evaluation	9,098	12,000	9,098	9,098	9,098	---	---	---	D	FF
Right Track Partnership	---	75,000	---	---	---	---	---	---	D	FF
Youth Opportunity Grants	250,000	250,000	---	250,000	250,000	---	+250,000	---	D	FF
Other	9,000	5,000	5,000	5,000	5,000	-4,000	---	---	D	FF
Subtotal, National activities	335,598	377,000	49,098	362,598	346,598	+11,000	+297,500	-16,000		
Subtotal, Federal activities	1,788,444	1,856,323	1,540,230	1,853,085	1,846,143	+57,699	+305,913	-6,942		
Total, Job Training Partnership Act	5,144,919	5,407,798	4,561,058	5,399,560	5,392,618	+247,699	+831,560	-6,942		
Women in Apprenticeship	1,000	---	1,000	1,000	1,000	---	---	---	D	
Skills Standards	7,000	7,000	7,000	7,000	7,000	---	---	---	D	FF
Subtotal, National activities, TES	343,598	384,000	57,098	370,598	354,598	+11,000	+297,500	-16,000		
School-to-Work (1)	125,000	55,000	---	55,000	55,000	-70,000	+55,000	---	D	FF
Homeless Veterans	3,000	5,000	3,000	10,000	10,000	+7,000	+7,000	---	D	
Total, Training and Employment Services	5,280,919	5,474,798	4,572,058	5,472,560	5,465,618	+184,699	+893,560	-6,942		
Welfare-to-work rescission	-137,000	---	---	---	---	+137,000	---	---	D	
COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS	440,200	440,200	440,200	440,200	440,200	---	---	---	D	FF

(1) 15 month forward funded availability.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES									
Trade Adjustment	312,300	306,400	306,400	349,000	349,000	+36,700	+42,600	---	M
NAFTA Activities	48,400	8,000	8,000	66,150	66,150	+17,750	+58,150	---	M
Total	360,700	314,400	314,400	415,150	415,150	+54,450	+100,750	---	
STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS									
Unemployment Compensation (Trust Funds):									
State Operations (1)	2,122,631	2,206,125	2,135,125	2,154,625	2,150,125	+27,494	+15,000	-4,500	TF
National Activities	10,000	57,000	10,000	10,000	10,000	---	---	---	TF
Year 2000 Computer conversion (advance from prior year)	(40,000)	---	---	---	---	(-40,000)	---	---	NA
Contingency	161,884	196,333	75,000	151,333	125,000	-36,884	+50,000	-26,333	TF
Subtotal, Unemployment Comp (trust funds)	(2,294,515)	(2,459,458)	(2,220,125)	(2,315,958)	(2,285,125)	(-9,390)	(+65,000)	(-30,833)	

(1) The request earmarks $91 million for integrity activities.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Employment Service:									
Allotments to States:									
Federal Funds	23,452	23,452	23,452	23,452	23,452	---	---	---	D
Trust Funds	738,283	738,283	738,283	738,283	738,283	---	---	---	TF
Subtotal	761,735	761,735	761,735	761,735	761,735	---	---	---	
Reemployment Service Grants	---	53,000	---	40,000	---	---	---	-40,000	TF
National Activities:									
Federal Funds	---	10,000	---	---	---	---	---	---	D
Trust Funds	59,880	23,580	59,880	66,880	66,880	+7,000	+7,000	---	TF
Subtotal, Employment Service	821,615	848,315	821,615	868,615	828,615	+7,000	+7,000	-40,000	
Federal funds	23,452	33,452	23,452	23,452	23,452	---	---	---	
Trust funds	798,163	814,863	798,163	845,163	805,163	+7,000	+7,000	-40,000	
One Stop Career Centers									
Federal Funds	138,645	149,000	100,000	146,500	120,000	-18,645	+20,000	-26,500	D
Trust Funds	7,855	---	---	---	---	-7,855	---	---	TF
Total, One stop centers	146,500	149,000	100,000	146,500	120,000	-26,500	+20,000	-26,500	
Work Incentives Grants	---	50,000	---	27,000	20,000	+20,000	+20,000	-7,000	D
Total, State Unemployment	3,262,630	3,506,773	3,141,740	3,358,073	3,253,740	-8,890	+112,000	-104,333	
Federal Funds	162,097	232,452	123,452	196,952	163,452	+1,355	+40,000	-33,500	
Trust Funds	3,100,533	3,274,321	3,018,288	3,161,121	3,090,288	-10,245	+72,000	-70,833	
ADVANCES TO THE UI AND OTHER TRUST FUNDS (1)	357,000	356,000	356,000	356,000	356,000	-1,000	---	---	M

(1) Two year availability.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
PROGRAM ADMINISTRATION									
Adult Employment and Training	29,353	30,673	28,103	30,673	29,986	+633	+1,883	-687	D
Trust Funds	2,395	2,475	2,395	2,475	2,420	+25	+25	-55	TF
Youth Employment and Training	32,971	34,867	31,721	34,867	34,086	+1,115	+2,365	-781	D
Employment Security	5,961	5,065	4,718	5,065	4,952	-1,009	+234	-113	D
Trust Funds	39,956	33,958	39,956	42,248	41,302	+1,346	+1,346	-946	TF
Apprenticeship Services	17,635	19,580	17,435	19,580	19,141	+1,506	+1,706	-439	D
Executive Direction (1)	8,907	6,445	6,073	6,445	6,348	-2,559	+275	-97	D
Trust Funds	1,365	1,409	1,365	1,409	1,334	-31	-31	-75	TF
Welfare to Work	6,160	6,578	6,360	6,578	6,431	+271	+71	-147	D
Total, Program Administration	144,703	141,050	138,126	149,340	146,000	+1,297	+7,874	-3,340	
Federal funds	100,987	103,208	94,410	103,208	100,944	-43	+6,534	-2,264	
Trust funds	43,716	37,842	43,716	46,132	45,056	+1,340	+1,340	-1,076	
Total, Employment & Training Administration	9,709,152	10,233,221	8,962,524	10,191,323	10,076,708	+367,556	+1,114,184	-114,615	
Federal funds	6,564,903	6,921,058	5,900,520	6,984,070	6,941,364	+376,461	+1,040,844	-42,706	
Current Year	(6,564,903)	(6,921,058)	(3,293,220)	(4,263,755)	(4,478,364)	(-2,086,539)	(+1,185,144)	(+214,609)	
Advance Year, FY01	---	---	(2,607,300)	(2,720,315)	(2,463,000)	(+2,463,000)	(-144,300)	(-257,315)	
Trust funds	3,144,249	3,312,163	3,062,004	3,207,253	3,135,344	-8,905	+73,340	-71,909	

(1) Includes $2.734 million in emergency funding for Year 2000 computer conversion.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
PENSION AND WELFARE BENEFITS ADMINISTRATION									
SALARIES AND EXPENSES									
Enforcement and Compliance	71,106	79,355	71,106	77,355	78,349	+7,243	+7,243	+994	D
Policy, Regulation and Public Service	15,216	18,636	15,216	18,636	16,803	+1,587	+1,587	-1,833	D
Program Oversight (1)	4,248	3,840	3,678	3,840	3,848	-400	+170	+8	D
Total, PWBA	90,570	101,831	90,000	99,831	99,000	+8,430	+9,000	-831	
PENSION BENEFIT GUARANTY CORPORATION									
Program Administration subject to limitation (TF)	10,958	11,352	10,958	11,352	11,155	+197	+197	-197	TF
Termination services not subj to limitation (NA) (2)	(148,974)	(153,599)	(153,599)	(153,599)	(153,599)	(+4,625)	---	---	NA
Total, PBGC new BA	10,958	11,352	10,958	11,352	11,155	+197	+197	-197	
Total, PBGC (Program level)	(159,932)	(164,951)	(164,557)	(164,951)	(164,754)	(+4,822)	(+197)	(-197)	

(1) Includes $570,000 in emergency funding for Year 2000 computer conversion.

(2) Includes $1.25 million in emergency funding for Year 2000 computer conversion.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
EMPLOYMENT STANDARDS ADMINISTRATION									
SALARIES AND EXPENSES									
Enforcement of Wage and Hour Standards	129,581	176,042	129,581	142,342	142,003	+12,422	+12,422	-339	D
Office of Labor-Management Standards	28,148	29,308	28,148	29,308	29,308	+1,160	+1,160	---	D
Federal Contractor EEO Standards Enforcement	65,461	76,417	65,461	76,417	73,307	+7,846	+7,846	-3,110	D
Federal Programs for Workers' Compensation	76,759	80,369	76,759	80,369	80,031	+3,272	+3,272	-338	D
Trust Funds	1,924	1,740	1,924	1,740	1,740	-184	-184	---	TF
Program Direction and Support (1)	13,231	12,611	12,127	12,611	12,611	-620	+484	---	D
Total, ESA salaries and expenses	315,104	376,487	314,000	342,787	339,000	+23,896	+25,000	-3,787	
Federal funds	313,180	374,747	312,076	341,047	337,260	+24,080	+25,184	-3,787	
Trust funds	1,924	1,740	1,924	1,740	1,740	-184	-184	---	
SPECIAL BENEFITS									
Federal employees compensation benefits	175,000	75,000	75,000	75,000	75,000	-100,000	---	---	M
Longshore and harbor workers' benefits	4,000	4,000	4,000	4,000	4,000	---	---	---	M
Total, Special Benefits	179,000	79,000	79,000	79,000	79,000	-100,000	---	---	

(1) Includes $1.104 million in emergency funding for Year 2000 computer conversion.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
BLACK LUNG DISABILITY TRUST FUND (1)									
Benefit payments and interest on advances	969,725	963,506	963,506	963,506	963,506	-6,219	---	---	M
Employment Standards Adm. S&E	30,191	28,676	28,676	28,676	28,676	-1,515	---	---	M
Departmental Management S&E	20,422	21,144	20,422	21,144	20,783	+361	+361	-361	M
Departmental Management, Inspector General	306	318	306	318	312	+6	+6	-6	M
Subtotal, Black Lung Disablty. Trust Fund, apprn	1,020,644	1,013,644	1,012,910	1,013,644	1,013,277	-7,367	+367	-367	
Treasury Administrative Costs	356	356	356	356	356	---	---	---	M
Total, Black Lung Disability Trust Fund	1,021,000	1,014,000	1,013,266	1,014,000	1,013,633	-7,367	+367	-367	
Total, Employment Standards Administration	1,515,104	1,469,487	1,406,266	1,435,787	1,431,633	-83,471	+25,367	-4,154	
Federal funds	1,513,180	1,467,747	1,404,342	1,434,047	1,429,893	-83,287	+25,551	-4,154	
Trust funds	1,924	1,740	1,924	1,740	1,740	-184	-184	---	

(1) The request proposes an indefinite appropriation for this account.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION									
SALARIES AND EXPENSES									
Safety and Health Standards	12,323	13,126	11,707	13,126	12,700	+377	+993	-426	D
Federal Enforcement	133,896	142,232	122,871	142,232	141,000	+7,104	+18,129	-1,232	D
State Programs	80,084	83,501	76,080	83,501	82,000	+1,916	+5,920	-1,501	D
Technical Support	18,203	17,806	17,293	17,806	17,800	-403	+507	-6	D
Compliance Assistance:									
Federal Assistance	45,670	57,812	45,670	57,812	54,300	+8,630	+8,630	-3,512	D
State Consultation Grants	40,943	40,943	43,000	40,943	43,000	+2,057	---	+2,057	D
Subtotal	86,613	98,755	88,670	98,755	97,300	+10,687	+8,630	-1,455	
Safety and Health Statistics	15,172	23,677	14,413	23,677	23,000	+7,828	+8,587	-677	D
Executive Direction and Administration (1)	8,084	9,045	6,374	9,045	8,200	+116	+1,826	-845	D
Total, OSHA	354,375	388,142	337,408	388,142	382,000	+27,625	+44,592	-6,142	

(1) Includes $1.375 million in emergency funding for Year 2000 computer conversion.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
MINE SAFETY AND HEALTH ADMINISTRATION									
SALARIES AND EXPENSES									
Coal Enforcement	104,638	111,008	105,489	111,008	110,570	+5,932	+5,081	-438	D
Metal/Non-Metal Enforcement	44,737	50,293	43,886	50,293	49,693	+4,956	+5,807	-600	D
Standards Development	1,509	1,671	1,509	1,671	1,509	---	---	-162	D
Assessments	3,896	4,128	3,896	4,128	3,896	---	---	-232	D
Educational Policy and Development	20,864	24,684	20,864	27,184	27,184	+6,320	+6,320	---	D
Technical Support	25,312	25,840	25,312	25,840	25,312	---	---	-528	D
Program Administration (1)	14,957	10,749	10,209	10,749	10,209	-4,748	---	-540	D
Total, Mine Safety and Health Administration	215,913	228,373	211,165	230,873	228,373	+12,460	+17,208	-2,500	
BUREAU OF LABOR STATISTICS									
SALARIES AND EXPENSES									
Employment and Unemployment Statistics	115,828	118,084	115,828	117,084	117,084	+1,256	+1,256	---	D
Labor Market Information (Trust Funds)	54,146	55,663	54,146	55,663	55,663	+1,517	+1,517	---	TF
Prices and Cost of Living	120,179	131,032	120,179	126,032	126,032	+5,853	+5,853	---	D
Compensation and Working Conditions	61,029	69,383	61,029	65,383	69,383	+8,354	+8,354	+4,000	D
Productivity and Technology	7,526	8,988	7,526	8,288	8,288	+762	+762	---	D
Economic Growth and Employment Projections	4,905	5,058	4,905	5,058	5,058	+153	+153	---	D
Executive Direction and Staff Services	24,098	25,725	24,098	24,950	24,950	+852	+852	---	D
Consumer Price Index Revision (2)	11,159	6,986	6,986	6,986	6,986	-4,173	---	---	D
Total, Bureau of Labor Statistics	398,870	420,919	394,697	409,444	413,444	+14,574	+18,747	+4,000	
Federal Funds	344,724	365,256	340,551	353,781	357,781	+13,057	+17,230	+4,000	
Trust Funds	54,146	55,663	54,146	55,663	55,663	+1,517	+1,517	---	

(1) Includes $4.748 million in emergency funding for Year 2000 computer conversion.

(2) Two year availability.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
DEPARTMENTAL MANAGEMENT									
SALARIES AND EXPENSES									
Executive Direction	20,193	34,575	20,193	26,575	26,500	+6,307	+6,307	-75	D
Legal Services	66,519	70,041	66,219	70,041	69,000	+2,481	+2,781	-1,041	D
Trust Funds	299	310	299	310	310	+11	+11	---	TF
International Labor Affairs	40,385	76,165	40,385	76,165	70,000	+29,615	+29,615	-6,165	D
Administration and Management	20,774	23,287	15,774	22,029	23,287	+2,513	+7,513	+1,258	D
Adjudication	21,842	23,689	21,842	23,689	23,689	+1,847	+1,847	---	D
Promoting Employment of People with Disabilities	6,750	7,250	6,750	7,250	7,250	+500	+500	---	D
Women's Bureau	7,802	8,369	7,802	8,369	8,869	+1,067	+1,067	+500	D
Civil Rights Activities	4,929	5,684	4,929	5,684	5,684	+755	+755	---	D
Chief Financial Officer	5,538	5,799	5,538	5,799	5,799	+261	+261	---	D
Task Force/Employment people w/disabilities	1,400	2,485	1,400	1,400	1,400	---	---	---	D
Year 2000 Computer Conversion (Emergency Funding)	4,667	---	---	---	---	-4,667	---	---	D
Total, Salaries and expenses	201,098	257,654	191,131	247,311	241,788	+40,690	+50,657	-5,523	
Federal funds	200,799	257,344	190,832	247,001	241,478	+40,679	+50,646	-5,523	
Trust funds	299	310	299	310	310	+11	+11	---	
VETERANS EMPLOYMENT AND TRAINING									
State Administration:									
Disabled Veterans Outreach Program	80,040	80,215	80,040	80,215	80,215	+175	+175	---	TF
Local Veterans Employment Program	77,078	77,253	77,078	77,253	77,253	+175	+175	---	TF
Subtotal, State Administration	157,118	157,468	157,118	157,468	157,468	+350	+350	---	
Federal Administration	25,601	28,145	25,601	28,145	26,873	+1,272	+1,272	-1,272	TF
Total, Veterans Employment and Training	182,719	185,613	182,719	185,613	184,341	+1,622	+1,622	-1,272	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
OFFICE OF THE INSPECTOR GENERAL									
Program Activities (1)	39,377	43,927	38,377	42,346	42,346	+2,969	+3,969	---	D
Trust Funds	3,648	5,010	3,648	3,830	3,830	+182	+182	---	TF
Executive Direction and Management	5,475	6,241	5,475	5,749	5,749	+274	+274	---	D
Total, Office of the Inspector General	48,500	55,178	47,500	51,925	51,925	+3,425	+4,425	---	
Federal funds	44,852	50,168	43,852	48,095	48,095	+3,243	+4,243	---	
Trust funds	3,648	5,010	3,648	3,830	3,830	+182	+182	---	
Total, Departmental Management	432,317	498,445	421,350	484,849	478,054	+45,737	+56,704	-6,795	
Federal funds	245,651	307,512	234,684	295,096	289,573	+43,922	+54,889	-5,523	
Trust funds	186,666	190,933	186,666	189,753	188,481	+1,815	+1,815	-1,272	
Total, Labor Department	12,727,259	13,351,770	11,834,368	13,251,601	13,120,367	+393,108	+1,285,999	-131,234	
Federal funds	9,329,316	9,779,919	8,518,670	9,785,840	9,727,984	+398,668	+1,209,314	-57,856	
Current Year	(9,329,316)	(9,779,919)	(5,911,370)	(7,065,525)	(7,264,984)	(-2,064,332)	(+1,353,614)	(+199,459)	
Advance Year, FY01	---	---	(2,607,300)	(2,720,315)	(2,463,000)	(+2,463,000)	(-144,300)	(-257,315)	
Trust funds	3,397,943	3,571,851	3,315,698	3,465,761	3,392,383	-5,560	+76,685	-73,378	

(1) Includes $1 million in emergency funding for Year 2000 computer conversion.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
TITLE II - DEPARTMENT OF HEALTH AND HUMAN SERVICES									
HEALTH RESOURCES AND SERVICES ADMINISTRATION									
HEALTH RESOURCES AND SERVICES									
Community health centers	924,706	945,000	985,000	1,024,000	1,024,000	+99,294	+39,000	---	D
National Health Service Corps:									
Field placements	37,232	36,997	38,244	36,997	38,244	+1,012	---	+1,247	D
Recruitment	78,141	78,166	78,166	78,166	78,666	+525	+500	+500	D
Subtotal, National Health Service Corps	115,373	115,163	116,410	115,163	116,910	+1,537	+500	+1,747	
Health Professions									
Training for Diversity:									
Centers of excellence	25,634	33,142	25,642	---	25,642	+8	---	+25,642	D
Health careers opportunity program	27,790	35,299	27,799	---	27,799	+9	---	+27,799	D
Faculty loan repayment	1,100	1,100	1,100	---	1,100	---	---	+1,100	D
Scholarships for disadvantaged students	38,087	38,966	38,099	---	38,099	+12	---	+38,099	D
Subtotal	92,611	108,507	92,640	---	92,640	+29	---	+92,640	
Training in Primary Care Medicine and Denistry:									
Family medicine training/departments	50,509	---	51,102	---	---	-50,509	-51,102	---	D
General internal medicine and pediatrics	18,125	---	18,290	---	---	-18,125	-18,290	---	D
Physician assistants	6,800	---	6,623	---	---	-6,800	-6,623	---	D
General and pediatric dentistry residencies	4,500	---	3,919	---	---	-4,500	-3,919	---	D
Consolidated training in primary care	---	---	---	---	79,934	+79,934	+79,934	+79,934	D
Subtotal	79,934	---	79,934	---	79,934	---	---	+79,934	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Interdisciplinary Community-Based Linkages:									
Area health education centers	28,578	28,587	29,561	---	28,587	+9	-974	+28,587	D
Health education and training centers	3,764	3,765	3,889	---	3,765	+1	-124	+3,765	D
Allied health and other disciplines	7,093	---	6,722	---	7,553	+460	+831	+7,553	D
Geriatric programs	9,697	---	9,206	---	10,911	+1,214	+1,705	+10,911	D
Quentin N. Burdick pgm for rural training	4,544	4,545	4,314	---	5,167	+623	+853	+5,167	D
Subtotal	53,676	36,897	53,692	---	55,983	+2,307	+2,291	+55,983	
Health Professions Workforce Info & analysis:									
Health Professions data systems	246	---	246	---	---	-246	-246	---	D
Research on Health Professions Issues	468	---	468	---	---	-468	-468	---	D
Consolidated HP Workforce Info & Analysis	---	714	---	---	714	+714	+714	+714	D
Subtotal	714	714	714	---	714	---	---	+714	
Public Health Workforce Development:									
Public health, preventive med & dental programs	8,291	---	8,294	---	8,294	+3	---	+8,294	D
Health administration programs	1,135	---	1,136	---	1,136	+1	---	+1,136	D
Subtotal	9,426	---	9,430	---	9,430	+4	---	+9,430	
Children's Hospitals Graduate Medical Educ	---	40,000	---	---	40,000	+40,000	+40,000	+40,000	D
Advanced Education Nursing:									
Advanced Nurse Education	12,926	---	12,943	---	---	-12,926	-12,943	---	D
Nurse practitioners/nurse midwives	18,259	---	18,259	---	---	-18,259	-18,259	---	D
Professional nurse traineeships	16,528	---	16,528	---	---	-16,528	-16,528	---	D
Nurse anesthetists	2,868	---	2,868	---	---	-2,868	-2,868	---	D
Consolidated Advanced Education Nursing	---	50,598	---	---	50,598	+50,598	+50,598	+50,598	D
Subtotal	50,581	50,598	50,598	---	50,598	+17	---	+50,598	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Basic nurse education and practice	10,965	10,968	10,968	---	10,968	+3	---	+10,968	D
Nursing workforce diversity	4,009	4,010	4,010	---	4,010	+1	---	+4,010	D
Consolidated Health Professions	---	---	---	226,916	---	---	---	-226,916	D
Subtotal, Health professions	301,916	251,694	301,986	226,916	344,277	+42,361	+42,291	+117,361	
Other HRSA Programs:									
Hansen's Disease Services	21,663	17,282	18,670	17,282	20,282	-1,381	+1,612	+3,000	D
Maternal & Child Health Block Grant	694,777	695,000	800,000	695,000	710,000	+15,223	-90,000	+15,000	D
Healthy Start	104,967	105,000	---	110,000	90,000	-14,967	+90,000	-20,000	D
Universal Newborn Hearing	---	4,000	2,500	4,000	3,500	+3,500	+1,000	-500	D
Organ Transplantation	9,997	10,000	10,000	10,000	10,000	+3	---	---	D
Health Teaching Facilities Interest Subsidies	150	150	150	150	150	---	---	---	D
Bone Marrow Program	17,994	18,000	18,000	18,000	18,000	+6	---	---	D
Rural outreach grants	31,384	31,396	38,892	31,396	36,316	+4,932	-2,576	+4,920	D
Rural Health Research	6,081	6,085	11,713	6,085	35,048	+28,967	+23,335	+28,963	D
Office for the Advancement of Telehealth	13,124	13,124	---	20,000	---	-13,124	---	-20,000	D
Critical care programs:									
Emergency medical services for children	14,995	15,000	17,000	17,000	17,000	+2,005	---	---	D
Traumatic brain injury program	5,000	5,000	---	5,000	---	-5,000	---	-5,000	D
Trauma care	---	1,000	---	1,000	---	---	---	-1,000	D
Poison control	---	1,500	---	3,000	3,000	+3,000	+3,000	---	D
Subtotal	19,995	22,500	17,000	26,000	20,000	+5	+3,000	-6,000	
Black lung clinics	4,998	5,000	5,000	6,000	6,000	+1,002	+1,000	---	D
Nursing loan repayment for shortage area service	2,278	2,279	2,279	2,279	2,279	+1	---	---	D
Payment to Hawaii, treatment of Hansen's	2,044	2,045	2,045	2,045	2,045	+1	---	---	D
Subtotal, Other HRSA programs	929,452	931,861	926,249	948,237	953,620	+24,168	+27,371	+5,383	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Ryan White AIDS Programs:									
Emergency Assistance	505,039	521,200	525,000	541,200	546,500	+41,461	+21,500	+5,300	D
Comprehensive Care Programs	737,765	783,000	785,000	843,000	824,000	+86,235	+39,000	-19,000	D
AIDS Drug Assistance Program (ADAP) (NA)	(461,000)	(496,000)	(500,000)	(536,000)	(528,000)	(+67,000)	(+28,000)	(-8,000)	NA
Early Intervention Program	94,270	130,300	132,000	140,300	138,400	+44,130	+6,400	-1,900	D
Pediatric Demonstrations	45,985	48,000	49,000	53,000	51,000	+5,015	+2,000	-2,000	D
AIDS Dental Services	7,798	8,000	8,000	9,000	8,000	+202	---	-1,000	D
Education and Training Centers	19,994	20,000	20,000	24,000	26,650	+6,656	+6,650	+2,650	D
Subtotal, Ryan White AIDS programs	1,410,851	1,510,500	1,519,000	1,610,500	1,594,550	+183,699	+75,550	-15,950	
Family Planning	214,932	239,952	215,000	222,432	238,932	+24,000	+23,932	+16,500	D
Ricky Ray Hemophilia program	---	---	---	50,000	---	---	---	-50,000	D
Health Care and Other Facilities	65,324	---	---	10,000	122,182	+56,858	+122,182	+112,182	D
Buildings and Facilities	250	250	250	250	250	---	---	---	D
Rural Hospital Flexibility Grants	24,992	25,000	25,000	25,000	25,000	+8	---	---	D
National Practitioner Data Bank	12,000	16,000	16,000	16,000	16,000	+4,000	---	---	D
User Fees	-12,000	-16,000	-16,000	-16,000	-16,000	-4,000	---	---	D
Health Care Access for the Uninsured (1)	---	---	---	---	40,000	+40,000	+40,000	+40,000	D
Program Management (2)	128,962	121,663	115,500	133,000	125,000	-3,962	+9,500	-8,000	D
Total, Health resources and services	4,116,758	4,141,083	4,204,395	4,365,498	4,584,721	+467,963	+380,326	+219,223	

(1) Budget requested $25 million for this activity within the Office of the Secretary.

(2) Includes $10 million in emergency funding for Year 2000 computer conversion.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
MEDICAL FACILITIES GUARANTEE AND LOAN FUND:									
Interest subsidy program	1,000	1,000	1,000	1,000	1,000	---	---	---	M
HEALTH EDUCATION ASSISTANCE LOANS PROGRAM (HEAL):									
Liquidating account	(37,000)	(31,500)	(31,500)	(31,500)	(31,500)	(-5,500)	---	---	NA
Program management	3,687	3,688	3,688	3,688	3,688	+1	---	---	D
VACCINE INJURY COMPENSATION PROGRAM TRUST FUND:									
Post-FY88 claims	60,000	60,000	60,000	60,000	60,000	---	---	---	M
HRSA administration (1)	3,000	3,000	3,000	3,000	3,000	---	---	---	D
Subtotal, Vaccine injury compensation trust fund	63,000	63,000	63,000	63,000	63,000	---	---	---	
VACCINE INJURY COMPENSATION:									
Pre-FY89 claims (appropriation)	100,000	---	---	---	---	-100,000	---	---	M
Total, Vaccine inquiry	163,000	63,000	63,000	63,000	63,000	-100,000	---	---	
Total, Health Resources & Services Admin.	4,284,445	4,208,771	4,272,083	4,433,186	4,652,409	+367,964	+380,326	+219,223	

(1) Reclassified as discretionary funding.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
CENTERS FOR DISEASE CONTROL AND PREVENTION									
DISEASE CONTROL, RESEARCH AND TRAINING									
Preventive Health Services Block Grant Program	147,753	115,914	150,000	115,914	131,824	-15,929	-18,176	+15,910	D
Salaries and Expenses	2,247	4,086	2,247	2,247	3,380	+1,133	+1,133	+1,133	D
Subtotal, Preventive Health Services Block Grant	150,000	120,000	152,247	118,161	135,204	-14,796	-17,043	+17,043	
Prevention Centers Program	13,000	13,000	17,000	15,000	17,555	+4,555	+555	+2,555	D
Salaries and Expenses	500	500	500	500	645	+145	+145	+145	D
Subtotal, Prevention Centers	13,500	13,500	17,500	15,500	18,200	+4,700	+700	+2,700	
CDC/HCFA vaccine program:									
Childhood immunization Program	400,568	463,364	372,568	463,364	432,966	+32,398	+60,398	-30,398	D
Salaries and Expenses	48,909	62,803	48,909	48,909	56,909	+8,000	+8,000	+8,000	D
Subtotal, Childhood immunization (1)	449,477	526,167	421,477	512,273	489,875	+40,398	+68,398	-22,398	
HCFA vaccine purchase (NA)	(566,278)	(545,043)	(545,043)	(545,043)	(545,043)	(-21,235)	---	---	NA
Subtotal, CDC/HCFA vaccine program level	(1,015,755)	(1,071,210)	(966,520)	(1,057,316)	(1,034,918)	(+19,163)	(+68,398)	(-22,398)	
Communicable Diseases									
AIDS Program	534,964	575,240	535,000	540,240	572,715	+37,751	+37,715	+32,475	D
Salaries and Expenses	122,036	126,156	122,036	122,036	122,036	---	---	---	D
Subtotal, HIV/AIDS	657,000	701,396	657,036	662,276	694,751	+37,751	+37,715	+32,475	
Tuberculosis Program	114,777	112,147	116,777	120,000	121,074	+6,297	+4,297	+1,074	D
Salaries and Expenses	5,185	7,815	5,185	5,185	7,500	+2,315	+2,315	+2,315	D
Subtotal, Tuberculosis	119,962	119,962	121,962	125,185	128,574	+8,612	+6,612	+3,389	

(1) Includes $28 million for global polio/measles eradication emergency funding in FY99.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Sexually Transmitted Diseases Program	110,656	115,711	116,000	115,711	122,597	+11,941	+6,597	+6,886	D
Salaries and Expenses	13,097	14,938	13,097	13,097	14,000	+903	+903	+903	D
Subtotal, Sexually Transmitted Diseases	123,753	130,649	129,097	128,808	136,597	+12,844	+7,500	+7,789	
Chronic Diseases									
Chronic and Environmental Disease Prevention Program	241,378	250,364	257,500	260,364	291,155	+49,777	+33,655	+30,791	D
Salaries and Expenses	58,011	75,579	58,011	58,011	80,000	+21,989	+21,989	+21,989	D
Subtotal, Chronic & Environmental (1)	299,389	325,943	315,511	318,375	371,155	+71,766	+55,644	+52,780	
FY01	---	---	---	8,706	---	---	---	-8,706	D
Subtotal, Chronic & Environ program level	299,389	325,943	315,511	327,081	371,155	+71,766	+55,644	+44,074	
Breast and Cervical Cancer Screening Program	149,091	147,071	151,091	157,071	156,777	+7,686	+5,686	-294	D
Salaries and Expenses	9,980	12,000	9,980	9,980	10,524	+544	+544	+544	D
Subtotal, Breast & Cervical Cancer Screening	159,071	159,071	161,071	167,051	167,301	+8,230	+6,230	+250	
Infectious Diseases Program	70,300	98,274	78,274	98,274	86,610	+16,310	+8,336	-11,664	D
Salaries and Expenses	67,336	83,652	67,336	67,336	80,000	+12,664	+12,664	+12,664	D
Subtotal, Infectious diseases	137,636	181,926	145,610	165,610	166,610	+28,974	+21,000	+1,000	
Lead Poisoning Prevention Program	31,457	30,457	31,500	30,457	31,000	-457	-500	+543	D
Salaries and Expenses	6,748	7,748	6,748	6,748	7,248	+500	+500	+500	D
Subtotal, Lead Poisoning Prevention	38,205	38,205	38,248	37,205	38,248	+43	---	+1,043	

(1) Includes $5 million for Environmental Health Lab emergency funding in FY99.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Injury Control									
Program	38,756	49,494	38,756	63,994	62,358	+23,602	+23,602	-1,636	D
Salaries and Expenses	18,825	21,004	18,825	18,825	23,840	+5,015	+5,015	+5,015	D
Subtotal, Injury Control	57,581	70,498	57,581	82,819	86,198	+28,617	+28,617	+3,379	
Occupational Safety and Health (NIOSH) (1)									
Program	78,744	87,415	78,744	93,744	87,073	+8,329	+8,329	-6,671	D
Salaries and Expenses	121,256	124,434	121,256	121,256	128,427	+7,171	+7,171	+7,171	D
Subtotal, Occupational Safety and Health	200,000	211,849	200,000	215,000	215,500	+15,500	+15,500	+500	
Epidemic Services									
Program	30,432	25,865	30,432	25,865	30,432	---	---	+4,567	D
Salaries and Expenses	55,484	59,183	55,484	55,484	55,484	---	---	---	D
Subtotal, Epidemic Services	85,916	85,048	85,916	81,349	85,916	---	---	+4,567	
Office of the Director									
Budget Authority	30,440	30,322	30,440	32,322	38,322	+7,882	+7,882	+6,000	D
1% Set Aside	(696)	---	(696)	---	---	(-696)	(-696)	---	NA
Office of the Director, program level	(31,136)	(30,322)	(31,136)	(32,322)	(38,322)	(+7,186)	(+7,186)	(+6,000)	
National Center for Health Statistics									
Program Operations									
Budget Authority	9,522	---	9,523	---	15,069	+5,547	+5,546	+15,069	D
Salaries and expenses									
Budget Authority	17,249	---	13,257	---	18,241	+992	+4,984	+18,241	D
1% evaluation funds (NA)	(67,793)	(109,573)	(71,793)	(109,573)	(71,690)	(+3,897)	(-103)	(-37,883)	NA
Subtotal, Health Statistics program level	(94,564)	(109,573)	(94,573)	(109,573)	(105,000)	(+10,436)	(+10,427)	(-4,573)	

(1) Includes Mine Safety and Health.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Buildings and Facilities	17,800	39,800	40,000	39,800	60,000	+42,200	+20,000	+20,200	D
Prevention research Program	11,995	12,000	12,000	12,000	12,000	+5	---	---	D
Salaries and Expenses	3,000	3,000	3,000	3,000	3,000	---	---	---	D
Subtotal, Prevention research	14,995	15,000	15,000	15,000	15,000	+5	---	---	
Health disparities demonstration Program	9,397	31,697	9,400	31,697	27,000	+17,603	+17,600	-4,697	D
Salaries and Expenses	600	3,303	600	3,303	3,000	+2,400	+2,400	-303	D
Subtotal, Health disparities demonstration	9,997	35,000	10,000	35,000	30,000	+20,003	+20,000	-5,000	
Bioterrorism Emergency	123,600	---	---	---	---	-123,600	---	---	D
Reimbursement to Calvin County, MI (hep A outbreak)	322	---	---	---	---	-322	---	---	D
Year 2000 Computer Conversion (Emergency Funding)	4,900	---	---	---	---	-4,900	---	---	D
Undistributed	---	104	---	104	---	---	---	-104	D
Subtotal, Centers for Disease Control	2,720,315	2,804,440	2,621,476	2,760,544	2,910,761	+190,446	+289,285	+150,217	
Crime Bill Activities:									
Crime Trust Fund									
Rape Prevention and Education	44,986	45,000	45,000	45,000	45,000	+14	---	---	D
Domestic Violence Community Demonstrations	5,998	6,000	6,000	6,000	6,000	+2	---	---	D
Subtotal, Crime bill activities	50,984	51,000	51,000	51,000	51,000	+16	---	---	
Total, Disease Control	2,771,299	2,855,440	2,672,476	2,811,544	2,961,761	+190,462	+289,285	+150,217	
Current Year	(2,771,299)	(2,855,440)	(2,672,476)	(2,802,838)	(2,961,761)	(+190,462)	(+289,285)	(+158,923)	
Advance Year, FY01	---	---	---	(8,706)	---	---	---	(-8,706)	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
NATIONAL INSTITUTES OF HEALTH									
National Cancer Institute	2,902,375	2,732,795	3,163,417	3,286,859	3,332,317	+429,942	+168,900	+45,458	D
AIDS (NA)	---	(240,124)	---	---	---	---	---	---	NA
Subtotal, NCI	(2,902,375)	(2,972,919)	(3,163,417)	(3,286,859)	(3,332,317)	(+429,942)	(+168,900)	(+45,458)	
National Heart, Lung, and Blood Institute	1,782,577	1,759,806	1,937,404	2,001,185	2,040,291	+257,714	+102,887	+39,106	D
AIDS (NA)	---	(66,043)	---	---	---	---	---	---	NA
Subtotal, NHLBI	(1,782,577)	(1,825,849)	(1,937,404)	(2,001,185)	(2,040,291)	(+257,714)	(+102,887)	(+39,106)	
National Institute of Dental & Craniofacial Research	238,318	225,709	256,022	267,543	270,253	+31,935	+14,231	+2,710	D
AIDS (NA)	---	(18,397)	---	---	---	---	---	---	NA
Subtotal, NIDR	(238,318)	(244,106)	(256,022)	(267,543)	(270,253)	(+31,935)	(+14,231)	(+2,710)	
National Institute of Diabetes and Digestive and Kidney Diseases	996,848	1,002,747	1,087,455	1,130,056	1,147,588	+150,740	+60,133	+17,532	D
AIDS (NA)	---	(18,322)	---	---	---	---	---	---	NA
Subtotal, NIDDK	(996,848)	(1,021,069)	(1,087,455)	(1,130,056)	(1,147,588)	(+150,740)	(+60,133)	(+17,532)	
National Institute of Neurological Disorders & Stroke	899,119	890,816	979,281	1,019,271	1,034,886	+135,767	+55,605	+15,615	D
AIDS (NA)	---	(30,154)	---	---	---	---	---	---	NA
Subtotal, NINDS	(899,119)	(920,970)	(979,281)	(1,019,271)	(1,034,886)	(+135,767)	(+55,605)	(+15,615)	
National Institute of Allergy and Infectious Diseases	1,576,104	789,156	1,694,019	1,786,718	1,803,063	+226,959	+109,044	+16,345	D
AIDS (NA)	---	(825,294)	---	---	---	---	---	---	NA
Subtotal, NIAID	(1,576,104)	(1,614,450)	(1,694,019)	(1,786,718)	(1,803,063)	(+226,959)	(+109,044)	(+16,345)	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
National Institute of General Medical Sciences	1,197,597	1,194,068	1,298,551	1,352,843	1,361,668	+164,071	+63,117	+8,825	D
AIDS (NA)	---	(32,630)	---	---	---	---	---	---	NA
Subtotal, NIGMS	(1,197,597)	(1,226,698)	(1,298,551)	(1,352,843)	(1,361,668)	(+164,071)	(+63,117)	(+8,825)	
National Institute of Child Health & Human Development	753,406	694,114	815,970	848,044	862,884	+109,478	+46,914	+14,840	D
AIDS (NA)	---	(77,599)	---	---	---	---	---	---	NA
Subtotal, NICHD	(753,406)	(771,713)	(815,970)	(848,044)	(862,884)	(+109,478)	(+46,914)	(+14,840)	
National Eye Institute	396,896	395,935	428,594	445,172	452,706	+55,810	+24,112	+7,534	D
AIDS (NA)	---	(10,604)	---	---	---	---	---	---	NA
Subtotal, NEI	(396,896)	(406,539)	(428,594)	(445,172)	(452,706)	(+55,810)	(+24,112)	(+7,534)	
National Institute of Environmental Health Sciences	388,477	390,718	419,009	436,113	444,817	+56,340	+25,808	+8,704	D
AIDS (NA)	---	(7,194)	---	---	---	---	---	---	NA
Subtotal, NIEHS	(388,477)	(397,912)	(419,009)	(436,113)	(444,817)	(+56,340)	(+25,808)	(+8,704)	
National Institute on Aging	600,136	612,599	651,665	680,332	690,156	+90,020	+38,491	+9,824	D
AIDS (NA)	---	(2,118)	---	---	---	---	---	---	NA
Subtotal, NIA	(600,136)	(614,717)	(651,665)	(680,332)	(690,156)	(+90,020)	(+38,491)	(+9,824)	
National Institute of Arthritis and Musculoskeletal and Skin Diseases	307,284	309,953	333,378	350,429	351,840	+44,556	+18,462	+1,411	D
AIDS (NA)	---	(4,797)	---	---	---	---	---	---	NA
Subtotal, NIAMS	(307,284)	(314,750)	(333,378)	(350,429)	(351,840)	(+44,556)	(+18,462)	(+1,411)	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
National Institute on Deafness and Other Communication Disorders	231,547	235,297	251,218	261,962	265,185	+33,638	+13,967	+3,223	D
AIDS (NA)	---	(1,874)	---	---	---	---	---	---	NA
Subtotal, NIDCD	(231,547)	(237,171)	(251,218)	(261,962)	(265,185)	(+33,638)	(+13,967)	(+3,223)	
National Institute of Nursing Research	70,031	65,335	76,204	90,000	90,000	+19,969	+13,796	---	D
AIDS (NA)	---	(6,395)	---	---	---	---	---	---	NA
Subtotal, NINR	(70,031)	(71,730)	(76,204)	(90,000)	(90,000)	(+19,969)	(+13,796)	---	
National Institute on Alcohol Abuse and Alcoholism	259,202	248,916	279,901	291,247	293,935	+34,733	+14,034	+2,688	D
AIDS (NA)	---	(16,581)	---	---	---	---	---	---	NA
Subtotal, NIAAA	(259,202)	(265,497)	(279,901)	(291,247)	(293,935)	(+34,733)	(+14,034)	(+2,688)	
National Institute on Drug Abuse	607,979	429,246	656,551	682,536	689,448	+81,469	+32,897	+6,912	D
AIDS (NA)	---	(193,505)	---	---	---	---	---	---	NA
Subtotal, NIDA	(607,979)	(622,751)	(656,551)	(682,536)	(689,448)	(+81,469)	(+32,897)	(+6,912)	
National Institute of Mental Health	855,210	758,892	930,436	969,494	978,360	+123,150	+47,924	+8,866	D
AIDS (NA)	---	(117,101)	---	---	---	---	---	---	NA
Subtotal, NIMH	(855,210)	(875,993)	(930,436)	(969,494)	(978,360)	(+123,150)	(+47,924)	(+8,866)	
National Human Genome Research Institute	269,086	271,536	308,012	337,322	337,322	+68,236	+29,310	---	D
AIDS (NA)	---	(4,086)	---	---	---	---	---	---	NA
Subtotal, NHGRI	(269,086)	(275,622)	(308,012)	(337,322)	(337,322)	(+68,236)	(+29,310)	---	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
National Center for Research Resources	554,643	469,684	639,251	625,988	680,176	+125,533	+40,925	+54,188	D
FY01	---	---	---	30,000	---	---	---	-30,000	D
Subtotal	554,643	469,684	639,251	655,988	680,176	+125,533	+40,925	+24,188	
AIDS (NA)	---	(98,435)	---	---	---	---	---	---	NA
Subtotal, NCRR	(554,643)	(568,119)	(639,251)	(655,988)	(680,176)	(+125,533)	(+40,925)	(+24,188)	
National Center for Complementary and Alternative Medicine	50,000	50,168	68,000	56,214	68,753	+18,753	+753	+12,539	D
John E. Fogarty International Center	35,415	23,498	40,190	43,723	43,723	+8,308	+3,533	---	D
AIDS (NA)	---	(12,776)	---	---	---	---	---	---	NA
Subtotal, FIC	(35,415)	(36,274)	(40,190)	(43,723)	(43,723)	(+8,308)	(+3,533)	---	
National Library of Medicine	181,309	181,443	202,027	210,183	215,214	+33,905	+13,187	+5,031	D
AIDS (NA)	---	(4,211)	---	---	---	---	---	---	NA
Subtotal, NLM	(181,309)	(185,654)	(202,027)	(210,183)	(215,214)	(+33,905)	(+13,187)	(+5,031)	
Office of the Director	256,462	218,153	270,383	299,504	283,509	+27,047	+13,126	-15,995	D
AIDS (NA)	---	(44,556)	---	---	---	---	---	---	NA
Subtotal, OD	(256,462)	(262,709)	(270,383)	(299,504)	(283,509)	(+27,047)	(+13,126)	(-15,995)	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Buildings and facilities:									
Current year	197,456	108,376	108,376	100,732	135,376	-62,080	+27,000	+34,644	D
Advance for subsequent year	40,000	---	---	---	---	-40,000	---	---	D
Advance from prior year	---	(40,000)	(40,000)	(40,000)	(40,000)	(+40,000)	---	---	NA
Office of AIDS Research	---	1,833,826	---	---	---	---	---	---	D
Year 2000 Computer Conversion (Emergency Funding)	5,993	---	---	---	---	-5,993	---	---	D
Total, National Institutes of Health:									
Current Year, FY00	15,613,470	15,892,786	16,895,314	17,573,470	17,873,470	+2,260,000	+978,156	+300,000	
Advance from prior year	---	40,000	40,000	40,000	40,000	+40,000	---	---	
Total N.I.H. program level	15,613,470	15,932,786	16,935,314	17,613,470	17,913,470	+2,300,000	+978,156	+300,000	
Advance for subsequent year, FY01	40,000	---	---	30,000	---	-40,000	---	-30,000	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION									
Mental Health:									
Knowledge development and application	96,639	97,964	85,851	137,932	138,982	+42,343	+53,131	+1,050	D
Mental Health Performance Partnership	288,723	358,816	300,000	310,000	356,000	+67,277	+56,000	+46,000	D
FY01	---	---	---	48,816	---	---	---	-48,816	D
Children's Mental Health	77,974	78,000	83,000	78,000	83,000	+5,026	---	+5,000	D
Grants to States for the Homeless (PATH)	25,991	31,000	28,000	31,000	31,000	+5,009	+3,000	---	D
Protection and Advocacy	22,949	22,957	22,957	25,000	25,000	+2,051	+2,043	---	D
Subtotal, mental health	512,276	588,737	519,808	630,748	633,982	+121,706	+114,174	+3,234	
Substance Abuse Treatment:									
Knowledge Development and Application	170,771	226,868	136,613	226,868	214,566	+43,795	+77,953	-12,302	D
Substance Abuse Performance Partnership	1,584,492	1,615,000	1,585,000	1,615,000	1,600,000	+15,508	+15,000	-15,000	D
FY01	---	100,000	---	100,000	---	---	---	-100,000	D
Subtotal, Sub Abuse Treatment, current year	1,755,263	1,841,868	1,721,613	1,841,868	1,814,566	+59,303	+92,953	-27,302	
Subtotal, Sub Abuse Treatment, program level	1,755,263	1,941,868	1,721,613	1,941,868	1,814,566	+59,303	+92,953	-127,302	
Substance Abuse Prevention:									
Knowledge Development and Application	156,159	131,000	118,910	161,000	140,305	-15,854	+21,395	-20,695	D
High Risk Youth Grants	6,997	7,000	---	7,000	7,000	+3	+7,000	---	D
Subtotal, Substance abuse prevention	163,156	138,000	118,910	168,000	147,305	-15,851	+28,395	-20,695	
Program Management and Buildings and Facilities (1)	56,618	57,900	53,400	58,900	59,100	+2,482	+5,700	+200	D
Total, Substance Abuse and Mental Health	2,487,313	2,726,505	2,413,731	2,799,516	2,654,953	+167,640	+241,222	-144,563	
Current Year	(2,487,313)	(2,626,505)	(2,413,731)	(2,650,700)	(2,654,953)	(+167,640)	(+241,222)	(+4,253)	
Advance Year, FY01	---	(100,000)	---	(148,816)	---	---	---	(-148,816)	

(1) Includes $100,000 in emergency funding for Year 2000 computer conversion.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
AGENCY FOR HEALTH CARE POLICY AND RESEARCH									
Research on Health Care Systems Cost and Access:									
Federal Funds	98,035	24,326	102,062	17,163	108,924	+10,889	+6,862	+91,761	D
1% evaluation funding (NA)	(42,847)	(143,588)	(42,847)	(155,751)	(52,576)	(+9,729)	(+9,729)	(-103,175)	NA
Subtotal	(140,882)	(167,914)	(144,909)	(172,914)	(161,500)	(+20,618)	(+16,591)	(-11,414)	
Health insurance and expenditure surveys 1% evaluation funding (NA)	(27,800)	(36,000)	(27,800)	(36,000)	(36,000)	(+8,200)	(+8,200)	---	NA
Program Support (1)	4,136	2,341	2,341	2,341	2,500	-1,636	+159	+159	D
Total, AHCPR	(172,818)	(206,255)	(175,050)	(211,255)	(200,000)	(+27,182)	(+24,950)	(-11,255)	
Federal Funds	102,171	26,667	104,403	19,504	111,424	+9,253	+7,021	+91,920	
1% evaluation funding (non-add)	(70,647)	(179,588)	(70,647)	(191,751)	(88,576)	(+17,929)	(+17,929)	(-103,175)	
Total, Public Health Service	25,298,698	25,710,169	26,358,007	27,667,220	28,254,017	+2,955,319	+1,896,010	+586,797	
Current Year	(25,258,698)	(25,610,169)	(26,358,007)	(27,479,698)	(28,254,017)	(+2,995,319)	(+1,896,010)	(+774,319)	
Advance Year, FY01	(40,000)	(100,000)	---	(187,522)	---	(-40,000)	---	(-187,522)	

(1) Includes $1.795 million in emergency funding for Year 2000 computer conversion.

Note: Retirement Pay and Medical Benefits for Commissioned Officers is part of Office of the Secretary.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
HEALTH CARE FINANCING ADMINISTRATION									
GRANTS TO STATES FOR MEDICAID									
Medicaid current law benefits	102,265,000	108,257,500	108,257,500	108,257,500	108,257,500	+5,992,500	---	---	M
State and local administration	5,740,376	6,018,455	6,018,455	6,018,455	6,018,455	+278,079	---	---	M
Vaccines for Children	528,240	545,043	545,043	545,043	545,043	+16,803	---	---	M
Subtotal, Medicaid program level, current year	108,533,616	114,820,998	114,820,998	114,820,998	114,820,998	+6,287,382	---	---	
Carryover balance	-6,012,383	---	---	---	---	+6,012,383	---	---	M
Less funds advanced in prior year	-27,800,689	-28,733,605	-28,733,605	-28,733,605	-28,733,605	-932,916	---	---	M
Total, request, current year	74,720,544	86,087,393	86,087,393	86,087,393	86,087,393	+11,366,849	---	---	
New advance 1st quarter, FY01	28,733,605	30,589,003	30,589,003	30,589,003	30,589,003	+1,855,398	---	---	M
PAYMENTS TO HEALTH CARE TRUST FUNDS									
Supplemental medical insurance	61,879,000	68,690,000	68,690,000	68,690,000	68,690,000	+6,811,000	---	---	M
Hospital insurance for the uninsured	555,000	349,000	349,000	349,000	349,000	-206,000	---	---	M
Federal uninsured payment	97,000	121,000	121,000	121,000	121,000	+24,000	---	---	M
Program management	292,000	129,100	129,100	129,100	129,100	-162,900	---	---	M
Total, Payments to Trust Funds, current law	62,823,000	69,289,100	69,289,100	69,289,100	69,289,100	+6,466,100	---	---	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
PROGRAM MANAGEMENT									
Research, demonstration, and evaluation:									
Regular Program	50,000	55,000	50,000	65,000	62,900	+12,900	+12,900	-2,100	TF
Medicare Contractors (1)	1,265,081	1,274,303	1,176,950	1,244,000	1,244,000	-21,081	+67,050	---	TF
User fee legislative proposal	---	(-92,750)	---	---	---	---	---	---	NA
H.R. 3103 funding (NA)	(560,000)	(630,000)	(560,000)	(630,000)	(630,000)	(+70,000)	(+70,000)	---	NA
Subtotal, Medicare Contractors limit'n on new BA	1,265,081	1,274,303	1,176,950	1,244,000	1,244,000	-21,081	+67,050	---	
Subtotal, Contractors program level	(1,825,081)	(1,904,303)	(1,736,950)	(1,874,000)	(1,874,000)	(+48,919)	(+137,050)	---	
State Survey and Certification (1)	175,000	204,347	106,000	204,347	204,674	+29,674	+98,674	+327	TF
User fee legislative proposal	---	(-65,000)	---	---	---	---	---	---	NA
Federal Administration									
Year 2000 Computer Conversion (emergency funding)	196,954	---	---	---	---	-196,954	---	---	TF
Federal Administration (1)	457,784	484,502	421,126	480,000	485,000	+27,216	+63,874	+5,000	TF
User Fees	-1,984	-2,026	-2,026	-2,026	-2,026	-42	---	---	TF
User fee legislative proposal	---	(-36,700)	---	---	---	---	---	---	NA
Subtotal, Federal Administration	652,754	482,476	419,100	477,974	482,974	-169,780	+63,874	+5,000	
Total, Program management	2,142,835	2,016,126	1,752,050	1,991,321	1,994,548	-148,287	+242,498	+3,227	
Total, Program management program level	(2,702,835)	(2,646,126)	(2,312,050)	(2,621,321)	(2,624,548)	(-78,287)	(+312,498)	(+3,227)	

(1) Request assumes enactment of user fees.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Medicare Trust Fund Activity:									
Hospital Insurance TF (1)	(-6,800,000)	(-6,800,000)	(-6,800,000)	(-6,800,000)	(-6,800,000)	---	---	---	NA
Supplemental Medical Ins. TF (2)	(-300,000)	(-300,000)	(-300,000)	(-300,000)	(-300,000)	---	---	---	NA
Total, Health Care Financing Administration	168,419,984	187,981,622	187,717,546	187,956,817	187,960,044	+19,540,060	+242,498	+3,227	
Federal funds	166,277,149	185,965,496	185,965,496	185,965,496	185,965,496	+19,688,347	---	---	
Current year	(137,543,544)	(155,376,493)	(155,376,493)	(155,376,493)	(155,376,493)	(+17,832,949)	---	---	
New advance, 1st quarter, FY01	(28,733,605)	(30,589,003)	(30,589,003)	(30,589,003)	(30,589,003)	(+1,855,398)	---	---	
Trust funds	2,142,835	2,016,126	1,752,050	1,991,321	1,994,548	-148,287	+242,498	+3,227	

(1) Intermediate estimates: Page 40 of the 1998 Annual Report of the Board of Trustees of the Federal Hospital Insurance Trust Fund.

(2) Intermediate estimates: Page 39 of the 1998 Annual Report of the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
ADMINISTRATION FOR CHILDREN AND FAMILIES									
FAMILY SUPPORT PAYMENTS TO STATES									
Aid to Families with Dependent Children (AFDC).....	35,000	---	---	---	---	-35,000	---	---	M
Quality control liabilities.....	-25,000	---	---	---	---	+25,000	---	---	M
Payments to territories.....	38,000	38,000	38,000	38,000	38,000	---	---	---	M
Emergency assistance.....	65,000	---	---	---	---	-65,000	---	---	M
Repatriation.....	1,000	1,000	1,000	1,000	1,000	---	---	---	M
Subtotal, Welfare payments.....	114,000	39,000	39,000	39,000	39,000	-75,000	---	---	
Child Support Enforcement:									
State and local administration.....	2,572,800	---	---	2,823,000	2,823,000	+250,200	+2,823,000	---	M
Federal incentive payments.....	385,000	---	---	354,000	354,000	-31,000	+354,000	---	M
Hold Harmless payments.....	41,000	---	---	65,000	65,000	+24,000	+65,000	---	M
Access and visitation.....	10,000	---	---	10,000	10,000	---	+10,000	---	M
Repeal of hold harmless payments (1).....	---	---	---	---	---	---	---	---	M
Change match rate for paternity testing (1).....	---	---	---	---	---	---	---	---	M
Carry-over from prior year.....	---	750,000	750,000	---	---	---	-750,000	---	M
Subtotal, Welfare payments.....	3,008,800	750,000	750,000	3,252,000	3,252,000	+243,200	+2,502,000	---	
Total, Payments, current year program level.....	3,122,800	789,000	789,000	3,291,000	3,291,000	+168,200	+2,502,000	---	
Less funds advanced in previous years.....	-660,000	-750,000	-750,000	-750,000	-750,000	-90,000	---	---	M
Total, payments, current request.....	2,462,800	39,000	39,000	2,541,000	2,541,000	+78,200	+2,502,000	---	
New advance, 1st quarter, FY01.....	750,000	650,000	650,000	650,000	650,000	-100,000	---	---	M

(1) Requires new legislation.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc	
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM										
Advance from prior year (NA) (1)	(1,100,000)	(1,100,000)	(1,100,000)	(1,100,000)	(1,100,000)	---	---	---	NA	EMG
Emergency Allocation	300,000	300,000	300,000	300,000	300,000	---	---	---	D	EMG
Advance funding FY 2001	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	---	---	---	D	
REFUGEE AND ENTRANT ASSISTANCE (2)										
Transitional and Medical Services	220,628	220,698	221,000	220,698	220,698	+70	-302	---	D	EMG
Social Services	139,946	147,990	140,000	147,990	143,995	+4,049	+3,995	-3,995	D	EMG
Preventive Health	4,833	4,835	5,000	4,835	4,835	+2	-165	---	D	EMG
Targeted Assistance	49,461	49,477	50,000	49,477	49,477	+16	-523	---	D	EMG
Victims of Torture	---	7,500	7,500	7,500	7,500	+7,500	---	---	D	EMG
Contingent emergency appropriation	100,000	---	---	---	---	-100,000	---	---	D	EMG
Total, Refugee and entrant assistance	514,868	430,500	423,500	430,500	426,505	-88,363	+3,005	-3,995		
CHILD CARE AND DEVELOPMENT BLOCK GRANT:										
Advance funding from prior year (NA)	(1,000,000)	(1,182,672)	(1,182,672)	(1,182,672)	(1,182,672)	(+182,672)	---	---	NA	
Advance funding FY 2001	1,182,672	1,182,672	---	2,000,000	1,182,672	---	+1,182,672	-817,328	D	
SOCIAL SERVICES BLOCK GRANT (TITLE XX)	1,909,000	2,380,000	1,909,000	1,050,000	1,775,000	-134,000	-134,000	+725,000	M	
FY01	---	---	---	1,330,000	---	---	---	-1,330,000	D	

(1) House and Conference designate funds as emergency.

(2) Conference designates funds as emergency.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
CHILDREN AND FAMILIES SERVICES PROGRAMS									
Programs for Children, Youth, and Families:									
Head Start, current funded	4,658,517	5,267,000	3,360,000	3,367,000	3,867,000	-791,517	+507,000	+500,000	D
FY01	---	---	1,400,000	1,900,000	1,400,000	+1,400,000	---	-500,000	D
Subtotal, Head Start program level	4,658,517	5,267,000	4,760,000	5,267,000	5,267,000	+608,483	+507,000	---	
Runaway and Homeless Youth	43,639	43,653	43,653	43,653	43,653	+14	---	---	D
Runaway Youth -- Transitional Living	14,944	19,949	14,949	19,949	20,749	+5,805	+5,800	+800	D
Subtotal, runaway	58,583	63,602	58,602	63,602	64,402	+5,819	+5,800	+800	
Child Abuse State Grants	21,019	21,026	21,020	21,026	21,026	+7	+6	---	D
Child Abuse Discretionary Activities	14,149	14,154	14,150	22,154	18,600	+4,451	+4,450	-3,554	D
Abandoned Infants Assistance	12,247	12,251	12,255	12,251	12,251	+4	-4	---	D
Child Welfare Services	291,896	291,989	291,900	291,989	291,989	+93	+89	---	D
Child Welfare Training	6,998	7,000	7,000	7,000	7,000	+2	---	---	D
Adoption Opportunities	24,992	27,363	27,500	26,000	27,500	+2,508	---	+1,500	D
Adoption Incentive	19,994	20,000	20,000	20,000	20,000	+6	---	---	D
Adoption Incentive (no cap adjustment)	---	---	---	---	23,000	+23,000	+23,000	+23,000	D
Battered women's shelters	---	---	---	13,500	17,500	+17,500	+17,500	+4,000	D
Social Services and Income Maintenance Research	26,991	6,000	27,000	36,991	37,991	+11,000	+10,991	+1,000	D
Community Based Resource Centers	32,825	32,835	32,835	32,835	32,835	+10	---	---	D
Developmental disabilities program:									
State Councils	64,782	64,803	64,800	66,803	65,802	+1,020	+1,002	-1,001	D
Protection and Advocacy	26,710	26,718	27,710	28,718	28,214	+1,504	+504	-504	D
Developmental Disabilities Special Projects	10,247	10,250	5,042	11,250	10,247	---	+5,205	-1,003	D
Developmental Disabilities University Affiliated	17,455	17,461	17,460	18,961	18,211	+756	+751	-750	D
Subtotal, Developmental disabilities	119,194	119,232	115,012	125,732	122,474	+3,280	+7,462	-3,258	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Native American Programs	34,922	34,933	34,933	36,922	35,500	+578	+567	-1,422	D
Community services:									
Grants to States for Community Services	499,841	500,000	510,000	500,000	530,000	+30,159	+20,000	+30,000	D
Community initiative program:									
Economic Development	30,055	---	30,055	30,065	30,065	+10	+10	---	D
Individual Development Account Initiative	9,997	20,000	10,000	---	---	-9,997	-10,000	---	D
Rural Community Facilities	3,499	---	3,500	5,500	5,500	+2,001	+2,000	---	D
Subtotal, discretionary funds	43,551	20,000	43,555	35,565	35,565	-7,986	-7,990	---	
National Youth Sports	14,995	---	15,000	15,000	15,000	+5	---	---	D
Community Food and Nutrition	4,999	---	---	6,500	6,500	+1,501	+6,500	---	D
Subtotal, Community services	563,386	520,000	568,555	557,065	587,065	+23,679	+18,510	+30,000	
Program Direction	144,454	150,568	144,454	150,568	148,000	+3,546	+3,546	-2,568	D
Year 2000 Computer Conversion (Emergency Funding)	24,071	---	---	---	---	-24,071	---	---	D
Total, Children and Families Services Programs	6,054,238	6,587,953	6,135,216	6,684,635	6,734,133	+679,895	+598,917	+49,498	
Current Year	(6,054,238)	(6,587,953)	(4,735,216)	(4,784,635)	(5,334,133)	(-720,105)	(+598,917)	(+549,498)	
Advance Year, FY01	---	---	(1,400,000)	(1,900,000)	(1,400,000)	(+1,400,000)	---	(-500,000)	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
VIOLENT CRIME REDUCTION PROGRAMS:									
Crime Trust Funds									
Runaway Youth Prevention	14,995	15,000	15,000	15,000	15,000	+5	---	---	D
Domestic Violence Hotline	1,200	1,200	1,200	1,200	2,000	+800	+800	+800	D
Battered Women's Shelters	88,772	102,300	88,800	88,800	84,000	-4,772	-4,800	-4,800	D
Total, Violent crime reduction programs	104,967	118,500	105,000	105,000	101,000	-3,967	-4,000	-4,000	
Rescission of permanent appropriations	-21,000	---	-21,000	---	-21,000	---	---	-21,000	D
PROMOTING SAFE AND STABLE FAMILIES	275,000	295,000	295,000	295,000	295,000	+20,000	---	---	M
PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE									
Foster Care	3,982,700	4,537,200	4,537,200	4,537,200	4,537,200	+554,500	---	---	M
Adoption Assistance	868,800	1,020,100	1,020,100	1,020,100	1,020,100	+151,300	---	---	M
Independent living	70,000	105,000	105,000	105,000	105,000	+35,000	---	---	M
Independent living expansion	---	5,000	---	5,000	---	---	---	-5,000	M
Total, Program level: Payments to States	4,921,500	5,667,300	5,662,300	5,667,300	5,662,300	+740,800	---	-5,000	
Less Advances from Prior Year	-1,157,500	-1,355,000	-1,355,000	-1,355,000	-1,355,000	-197,500	---	---	M
Total, request, current year	3,764,000	4,312,300	4,307,300	4,312,300	4,307,300	+543,300	---	-5,000	
New Advance, 1st quarter, FY01	1,355,000	1,538,000	1,538,000	1,538,000	1,538,000	+183,000	---	---	M
Total, Administration for Children & Families	19,751,545	18,933,925	16,781,016	22,336,435	20,929,610	+1,178,065	+4,148,594	-1,406,825	
Current year	(15,363,873)	(14,463,253)	(12,093,016)	(13,818,435)	(15,058,938)	(-304,935)	(+2,965,922)	(+1,240,503)	
Advance Year, FY01	(4,387,672)	(4,470,672)	(4,688,000)	(8,518,000)	(5,870,672)	(+1,483,000)	(+1,182,672)	(-2,647,328)	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
ADMINISTRATION ON AGING									
Grants to States:									
Supportive Services and Centers	300,192	310,082	310,192	310,082	310,082	+9,890	-110	---	D
Preventive Health	16,123	16,123	16,123	16,123	16,123	---	---	---	D
Title VII	12,181	12,181	12,181	13,181	13,181	+1,000	+1,000	---	D
Nutrition:									
Congregate Meals	374,258	374,412	374,258	374,412	374,412	+154	+154	---	D
Home Delivered Meals	112,000	147,000	112,000	161,300	147,000	+35,000	+35,000	-14,300	D
Frail Elderly In-Home Services	9,763	---	---	---	---	-9,763	---	---	D
Grants to Indians	18,457	18,457	18,457	18,457	18,457	---	---	---	D
Aging Research, Training and Special Projects	18,000	18,000	18,000	26,000	32,560	+14,560	+14,560	+6,560	D
Alzheimer's Initiative	5,970	5,970	5,970	5,970	5,970	---	---	---	D
Program Administration (1)	15,395	16,830	14,795	16,830	16,500	+1,105	+1,705	-330	D
National Family Caregiver Support (2)	---	125,000	---	---	---	---	---	---	D
Health Disparities Interventions	---	4,000	---	---	---	---	---	---	D
Total, Administration on Aging	882,339	1,048,055	881,976	942,355	934,285	+51,946	+52,309	-8,070	

(1) Includes $600,000 in emergency funding for Year 2000 computer conversion.

(2) Requires new authorizing legislation.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
OFFICE OF THE SECRETARY									
GENERAL DEPARTMENTAL MANAGEMENT:									
Federal Funds	108,291	120,074	108,291	104,943	116,791	+8,500	+8,500	+11,848	D
NAS study	---	---	450	---	450	+450	---	+450	D
Trust Funds	5,851	6,851	5,851	6,517	5,851	---	---	-666	TF
1% Evaluation funds (ASPE) (NA)	(20,552)	(20,552)	(20,552)	(20,552)	(20,552)	---	---	---	NA
Subtotal	(134,694)	(147,477)	(135,144)	(132,012)	(143,644)	(+8,950)	(+8,500)	(+11,632)	
Year 2000 Computer Conversion (Emergency Funding)	2,419	---	---	---	---	-2,419	---	---	D
Adolescent Family Life (Title XX)	17,700	9,200	17,700	19,700	19,700	+2,000	+2,000	---	D
FY01	---	---	50,000	---	20,000	+20,000	-30,000	+20,000	D
Physical Fitness and Sports	1,005	1,097	---	1,097	1,097	+92	+1,097	---	D
Minority health	36,000	28,000	30,000	28,000	38,000	+2,000	+8,000	+10,000	D
Office of women's health	15,495	17,522	15,495	15,495	15,495	---	---	---	D
U.S. Surgeon General violence initiative	---	---	---	4,000	500	+500	+500	-3,500	D
Bioterrorism (1)	25,000	9,668	---	9,668	9,668	-15,332	+9,668	---	D
Other Health Activities	---	---	---	---	5,350	+5,350	+5,350	+5,350	D
Health Care Access for the Uninsured	---	25,000	---	---	---	---	---	---	D
Total, General Departmental Management (2)	261,761	217,412	227,787	189,420	232,902	-28,859	+5,115	+43,482	
Federal funds	255,910	210,561	171,936	182,903	207,051	-48,859	+35,115	+24,148	
Trust funds	5,851	6,851	5,851	6,517	5,851	---	---	-666	
Federal funds, FY01	---	---	50,000	---	20,000	+20,000	-30,000	+20,000	

(1) Includes $10 million in emergency funding in FY99.

(2) Also includes $50 million in minority AIDS emergency funding in FY99.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
OFFICE OF THE INSPECTOR GENERAL:									
Federal Funds (1)	34,391	31,500	29,000	35,000	31,500	-2,891	+2,500	-3,500	D
HIPAA funding (NA)	(100,000)	(120,000)	(100,000)	(120,000)	(120,000)	(+20,000)	(+20,000)	---	NA
Total, Inspector General program level	(134,391)	(151,500)	(129,000)	(155,000)	(151,500)	(+17,109)	(+22,500)	(-3,500)	
OFFICE FOR CIVIL RIGHTS:									
Federal Funds	17,338	18,845	17,338	18,845	18,838	+1,500	+1,500	-7	D
Trust Funds	3,314	3,314	3,314	3,314	3,314	---	---	---	TF
Total, Office for Civil Rights	20,652	22,159	20,652	22,159	22,152	+1,500	+1,500	-7	
POLICY RESEARCH	13,996	14,000	14,000	15,000	17,000	+3,004	+3,000	+2,000	D
RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS:									
Retirement payments	159,251	172,045	172,045	172,045	172,045	+12,794	---	---	M
Survivors benefits	11,531	11,906	11,906	11,906	11,906	+375	---	---	M
Dependents' medical care	28,541	29,626	29,626	29,626	29,626	+1,085	---	---	M
Military services credits	2,312	1,328	1,328	1,328	1,328	-984	---	---	M
Total, Retirement pay and medical benefits	201,635	214,905	214,905	214,905	214,905	+13,270	---	---	

(1) Includes $5.4 million in emergency funding for Year 2000 computer conversion.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
PUBLIC HEALTH AND SOCIAL SERVICE EMERGENCY FUND (1)..	223,422	386,022	391,833	475,000	583,600	+360,178	+191,767	+108,600	D EMG
Total, Office of the Secretary.....	755,857	885,998	898,177	951,484	1,102,059	+346,202	+203,882	+150,575	
Federal funds.....	746,692	875,833	839,012	941,653	1,072,894	+326,202	+233,882	+131,241	
Trust funds.....	9,165	10,165	9,165	9,831	9,165	---	---	-666	
Federal funds, FY01.....	---	---	50,000	---	20,000	+20,000	-30,000	+20,000	
Total, Department of Health and Human Services..	215,108,423	234,559,769	232,636,722	239,854,311	239,180,015	+24,071,592	+6,543,293	-674,296	
Federal Funds.....	212,956,423	232,533,478	230,875,507	237,853,159	237,176,302	+24,219,879	+6,300,795	-676,857	
Current year.....	(179,795,146)	(197,373,803)	(195,548,504)	(198,558,634)	(200,696,627)	(+20,901,481)	(+5,148,123)	(+2,137,993)	
Advance Year, FY01.....	(33,161,277)	(35,159,675)	(35,327,003)	(39,294,525)	(36,479,675)	(+3,318,398)	(+1,152,672)	(-2,814,850)	
Trust funds.....	2,152,000	2,026,291	1,761,215	2,001,152	2,003,713	-148,287	+242,498	+2,561	

(1) FY99 Comparable, House and Conference designate funds as emergency.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
TITLE III - DEPARTMENT OF EDUCATION									
EDUCATION REFORM									
Goals 2000: Educate America Act:									
State Grants forward funded	459,500	459,500	---	114,875	456,500	-3,000	+456,500	+341,625	D FF
FY01	---	---	---	344,625	---	---	---	-344,625	D
State Grants current funded	1,500	1,500	---	1,500	1,500	---	+1,500	---	D
Parental Assistance	30,000	30,000	---	33,000	33,000	+3,000	+33,000	---	D
Subtotal, Goals 2000	491,000	491,000	---	494,000	491,000	---	+491,000	-3,000	
School-to-Work Opportunities	125,000	55,000	---	55,000	55,000	-70,000	+55,000	---	D FF
Educational Technology:									
Technology Literacy Challenge Fund	425,000	450,000	375,000	425,000	425,000	---	+50,000	---	D
Technology Innovation Challenge Fund	115,100	110,000	115,100	115,100	148,660	+33,560	+33,560	+33,560	D
Regional Technology in Education Consortia	10,000	10,000	---	10,000	10,000	---	+10,000	---	D
Subtotal	550,100	570,000	490,100	550,100	583,660	+33,560	+93,560	+33,560	
National Activities									
Technology Leadership Activities	2,000	2,000	---	2,000	2,000	---	+2,000	---	D
Teacher Training in Technology	75,000	75,000	---	75,000	75,000	---	+75,000	---	D
Community-Based Technology Centers	10,000	65,000	10,000	10,000	32,500	+22,500	+22,500	+22,500	D
Middle School Teacher Training	---	30,000	---	---	---	---	---	---	D
Software Development Initiative	---	5,000	---	---	---	---	---	---	D
Subtotal	87,000	177,000	10,000	87,000	109,500	+22,500	+99,500	+22,500	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Star Schools	45,000	45,000	---	45,000	51,000	+6,000	+51,000	+6,000	D
Ready to Learn Television	11,000	7,000	---	16,000	16,000	+5,000	+16,000	---	D
Telcom Demo Project for Mathematics	5,000	2,000	---	8,500	8,500	+3,500	+8,500	---	D
Subtotal, Educational technology	698,100	801,000	500,100	706,600	768,660	+70,560	+268,560	+62,060	
21st Century Community Learning Centers (1)	200,000	600,000	300,000	400,000	453,710	+253,710	+153,710	+53,710	D
Total, Education Reform	1,514,100	1,947,000	800,100	1,655,600	1,768,370	+254,270	+968,270	+112,770	
Current Year	(1,514,100)	(1,947,000)	(800,100)	(1,310,975)	(1,768,370)	(+254,270)	(+968,270)	(+457,395)	
Advance Year, FY01	---	---	---	(344,625)	---	---	---	(-344,625)	
Subtotal, Forward funded	(584,500)	(514,500)	---	(169,875)	(511,500)	(-73,000)	(+511,500)	(+341,625)	

(1) The Administration proposes transferring this from the Education, Research, Statistics & Improvement Account.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
EDUCATION FOR THE DISADVANTAGED									
Grants to Local Education Agencies (LEAs):									
Basic Grants									
Advance from prior year	(1,448,386)	(5,046,366)	(5,046,366)	(5,046,366)	(5,046,366)	(+3,597,980)	---	---	NA
Forward funded	1,524,134	1,844,134	1,524,134	1,844,134	1,733,134	+209,000	+209,000	-111,000	D FF
Current funded	3,500	3,500	3,500	3,500	3,500	---	---	---	D
Subtotal, Basic grants current year funding	1,527,634	1,847,634	1,527,634	1,847,634	1,736,634	+209,000	+209,000	-111,000	
Subtotal, Basic grants total funds available	(2,976,020)	(6,894,000)	(6,574,000)	(6,894,000)	(6,783,000)	(+3,806,980)	(+209,000)	(-111,000)	
Basic Grants FY01 Advance	5,046,366	4,292,366	5,046,366	5,046,366	5,046,366	---	---	---	D
Subtotal, Basic grants, program level	(6,574,000)	(6,140,000)	(6,574,000)	(6,894,000)	(6,783,000)	(+209,000)	(+209,000)	(-111,000)	
Concentration Grants - Advance from prior year	---	(1,158,397)	(1,158,397)	(1,158,397)	(1,158,397)	(+1,158,397)	---	---	NA
Concentration Grants FY01 Advance	1,158,397	1,100,000	1,158,397	1,158,397	1,158,397	---	---	---	D
Targeted Grants FY01 Advance	---	756,020	---	---	---	---	---	---	D
Subtotal, Grants to LEAs	7,732,397	7,996,020	7,732,397	8,052,397	7,941,397	+209,000	+209,000	-111,000	
Capital Expenses for Private School Children	24,000	---	---	15,000	12,000	-12,000	+12,000	-3,000	D FF
Even Start	135,000	145,000	150,000	145,000	150,000	+15,000	---	+5,000	D FF
State agency programs:									
Migrant	354,689	380,000	354,689	354,689	354,689	---	---	---	D FF
Neglected and Delinquent/High Risk Youth	40,311	42,000	40,311	42,000	42,000	+1,689	+1,689	---	D FF
Evaluation	7,500	8,900	7,500	8,900	8,900	+1,400	+1,400	---	D
Comprehensive School Reform Demonstration	120,000	150,000	120,000	120,000	170,000	+50,000	+50,000	+50,000	D FF
Total, ESEA	8,413,897	8,721,920	8,404,897	8,737,986	8,678,986	+265,089	+274,089	-59,000	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Migrant education:									
High School Equivalency Program	9,000	15,000	9,000	9,000	15,000	+6,000	+6,000	+6,000	D
College Assistance Migrant Program	4,000	7,000	4,000	4,000	7,000	+3,000	+3,000	+3,000	D
Subtotal, migrant education	13,000	22,000	13,000	13,000	22,000	+9,000	+9,000	+9,000	
Total, Education for the disadvantaged	8,426,897	8,743,920	8,417,897	8,750,986	8,700,986	+274,089	+283,089	-50,000	
Current Year	(2,222,134)	(2,595,534)	(2,213,134)	(2,546,223)	(2,496,223)	(+274,089)	(+283,089)	(-50,000)	
Advance Year, FY01	(6,204,763)	(6,148,386)	(6,204,763)	(6,204,763)	(6,204,763)	---	---	---	
Subtotal, forward funded	(2,198,134)	(2,561,134)	(2,189,134)	(2,520,823)	(2,461,823)	(+263,689)	(+272,689)	(-59,000)	
IMPACT AID									
Basic Support Payments	704,000	684,000	737,200	725,000	737,200	+33,200	---	+12,200	D
Payments for Children with Disabilities	50,000	40,000	50,000	50,000	50,000	---	---	---	D
Payments for Heavily Impacted Districts (Sec. f)	70,000	---	76,000	75,000	76,000	+6,000	---	+1,000	D
Subtotal	824,000	724,000	863,200	850,000	863,200	+39,200	---	+13,200	
Facilities Maintenance (Sec. 8008)	5,000	5,000	5,000	5,000	5,000	---	---	---	D
Construction (Sec. 8007)	7,000	7,000	7,000	7,000	10,300	+3,300	+3,300	+3,300	D
Payments for Federal Property (Sec. 8002)	28,000	---	32,000	30,000	32,000	+4,000	---	+2,000	D
Total, Impact aid	864,000	736,000	907,200	892,000	910,500	+46,500	+3,300	+18,500	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
SCHOOL IMPROVEMENT PROGRAMS									
Eisenhower Professional Development	335,000	335,000	---	335,000	335,000	---	+335,000	---	D FF
Innovative Education (Education Block Grant)	375,000	---	97,000	375,000	95,000	-280,000	-2,000	-280,000	D FF
FY01	---	---	288,000	---	285,000	+285,000	-3,000	+285,000	D
Education Block Grant, program level	375,000	---	385,000	375,000	380,000	+5,000	-5,000	+5,000	
Class Size Reduction / Teacher Assistance	1,200,000	1,400,000	---	300,000	400,000	-800,000	+400,000	+100,000	D FF
FY01	---	---	---	900,000	900,000	+900,000	+900,000	---	D
Class Size / Teacher Assist, program level	1,200,000	1,400,000	---	1,200,000	1,300,000	+100,000	+1,300,000	+100,000	
Teacher Empowerment Act (1)	---	---	450,000	---	---	---	-450,000	---	D FF
FY01	---	---	1,350,000	---	---	---	-1,350,000	---	D
Teacher Empowerment Act, program level	---	---	1,800,000	---	---	---	-1,800,000	---	
Safe and drug free schools: State Grants	441,000	439,000	441,000	136,250	115,000	-326,000	-326,000	-21,250	D FF
FY01	---	---	---	339,750	330,000	+330,000	+330,000	-9,750	D
State Grants, program level	441,000	439,000	441,000	476,000	445,000	+4,000	+4,000	-31,000	
National Programs	90,000	90,000	90,000	100,000	110,750	+20,750	+20,750	+10,750	D
Coordinator Initiative	35,000	50,000	35,000	60,000	50,000	+15,000	+15,000	-10,000	D
Project SERV	---	12,000	---	---	---	---	---	---	D
Subtotal, Safe and drug free schools	566,000	591,000	566,000	636,000	605,750	+39,750	+39,750	-30,250	
Inexpensive Book Distribution (RIF)	18,000	18,000	18,000	21,500	20,000	+2,000	+2,000	-1,500	D
Arts in Education	10,500	10,500	10,500	12,500	11,500	+1,000	+1,000	-1,000	D

(1) Subject to authorization.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc	
Other school improvement programs:										
Magnet Schools Assistance	104,000	114,000	104,000	112,000	110,000	+6,000	+6,000	-2,000	D	
Education for Homeless Children & Youth	28,800	31,700	28,800	28,800	28,800	---	---	---	D	FF
Women's Educational Equity	3,000	3,000	3,000	3,000	3,000	---	---	---	D	
Training and Advisory Services (Civil Rights)	7,334	7,334	7,334	7,334	7,334	---	---	---	D	
Ellender Fellowships/Close Up	1,500	---	1,500	1,500	1,500	---	---	---	D	FF
Education for Native Hawaiians	20,000	20,000	20,000	23,000	23,000	+3,000	+3,000	---	D	
Alaska Native Education Equity	10,000	10,000	10,000	13,000	13,000	+3,000	+3,000	---	D	
Charter Schools	100,000	130,000	130,000	150,000	145,000	+45,000	+15,000	-5,000	D	
Subtotal, other school improvement programs	274,634	316,034	304,634	338,634	331,634	+57,000	+27,000	-7,000		
Comprehensive Regional Assistance Centers	28,000	32,000	27,054	28,000	28,000	---	+946	---	D	
Advanced Placement Fees	4,000	20,000	4,000	15,000	15,000	+11,000	+11,000	---	D	
Total, School improvement programs	2,811,134	2,722,534	3,115,188	2,961,634	3,026,884	+215,750	-88,304	+65,250		
Current Year	(2,811,134)	(2,722,534)	(1,477,188)	(1,721,884)	(1,511,884)	(-1,299,250)	(+34,696)	(-210,000)		
Advance Year, FY01	---	---	(1,638,000)	(1,239,750)	(1,515,000)	(+1,515,000)	(-123,000)	(+275,250)		
Subtotal, forward funded	(2,381,300)	(2,205,700)	(1,018,300)	(1,176,550)	(975,300)	(-1,406,000)	(-43,000)	(-201,250)		
READING EXCELLENCE										
Reading Excellence Act	260,000	286,000	200,000	90,000	65,000	-195,000	-135,000	-25,000	D	FF
FY01	---	---	---	195,000	195,000	+195,000	+195,000	---	D	
Reading Excellence, program level	260,000	286,000	200,000	285,000	260,000	---	+60,000	-25,000		

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
INDIAN EDUCATION									
Grants to Local Educational Agencies	62,000	62,000	62,000	62,000	62,000	---	---	---	D
Special Programs for Indian Children	3,265	13,265	3,265	13,265	13,265	+10,000	+10,000	---	D
National Activities	735	1,735	735	1,735	1,735	+1,000	+1,000	---	D
Total, Indian Education	66,000	77,000	66,000	77,000	77,000	+11,000	+11,000	---	
BILINGUAL AND IMMIGRANT EDUCATION									
Bilingual education:									
Instructional Services	160,000	170,000	160,000	165,000	162,500	+2,500	+2,500	-2,500	D
Support Services	14,000	14,000	14,000	14,000	14,000	---	---	---	D
Professional Development	50,000	75,000	50,000	55,000	71,500	+21,500	+21,500	+16,500	D
Immigrant Education	150,000	150,000	150,000	150,000	150,000	---	---	---	D
Foreign Language Assistance	6,000	6,000	6,000	10,000	8,000	+2,000	+2,000	-2,000	D
Total, Bilingual and Immigrant Education	380,000	415,000	380,000	394,000	406,000	+26,000	+26,000	+12,000	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
SPECIAL EDUCATION									
State grants:									
Grants to States Part B advance funded	---	1,925,000	3,608,000	2,201,059	3,742,000	+3,742,000	+134,000	+1,540,941	D
Part B advance from prior year	(210,000)	---	---	---	---	(-210,000)	---	---	NA
Grants to States Part B current year	4,100,700	2,389,000	1,202,700	2,788,626	1,247,685	-2,853,015	+44,985	-1,540,941	D FF
Grants to States program level	(4,310,700)	(4,314,000)	(4,810,700)	(4,989,685)	(4,989,685)	(+678,985)	(+178,985)	---	
Preschool Grants	373,985	402,435	373,985	390,000	390,000	+16,015	+16,015	---	D FF
Grants for Infants and Families	370,000	390,000	370,000	375,000	375,000	+5,000	+5,000	---	D FF
Subtotal, State grants program level	(5,054,685)	(5,106,435)	(5,554,685)	(5,754,685)	(5,754,685)	(+700,000)	(+200,000)	---	
IDEA National Programs (P.L. 105-17):									
State Program Improvement Grants	35,200	45,200	35,200	35,200	35,200	---	---	---	D FF
Research and Innovation	64,508	64,508	64,508	64,508	64,508	---	---	---	D
Technical Assistance and Dissemination	44,556	44,556	44,556	44,556	45,556	+1,000	+1,000	+1,000	D
Personnel Preparation	82,139	82,139	82,139	82,139	82,139	---	---	---	D
Parent Information Centers	18,535	22,535	18,535	18,535	18,535	---	---	---	D
Technology and Media Services	33,023	34,523	33,523	34,523	34,523	+1,500	+1,000	---	D
Public Telecom Info/Training Dissemination	1,500	---	---	1,500	1,500	---	+1,500	---	D
Primary Education Intervention	---	50,000	---	---	---	---	---	---	D
Subtotal, IDEA special programs	279,461	343,461	278,461	280,961	281,961	+2,500	+3,500	+1,000	
Total, Special education	5,124,146	5,449,896	5,833,146	6,035,646	6,036,646	+912,500	+203,500	+1,000	
Current Year	(5,124,146)	(3,524,896)	(2,225,146)	(3,834,587)	(2,294,646)	(-2,829,500)	(+69,500)	(-1,539,941)	
Advance Year, FY01	---	(1,925,000)	(3,608,000)	(2,201,059)	(3,742,000)	(+3,742,000)	(+134,000)	(+1,540,941)	
Subtotal, Forward funded	(4,879,885)	(3,226,635)	(1,981,885)	(3,588,826)	(2,047,885)	(-2,832,000)	(+66,000)	(-1,540,941)	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
REHABILITATION SERVICES AND DISABILITY RESEARCH (1)									
Vocational Rehabilitation State Grants	2,304,411	2,338,977	2,338,977	2,338,977	2,338,977	+34,566	---	---	M
Client Assistance State grants	10,928	10,928	10,928	10,928	10,928	---	---	---	D
Training	39,629	41,629	39,629	39,629	39,629	---	---	---	D
Demonstration and training programs	14,942	16,942	13,942	18,942	22,092	+7,150	+8,150	+3,150	D
Migrant and seasonal farmworkers	2,350	2,350	2,350	2,350	2,350	---	---	---	D
Recreational programs	2,596	2,596	2,596	2,596	3,596	+1,000	+1,000	+1,000	D
Protection and advocacy of individual rights (PAIR)	10,894	10,894	11,894	10,894	11,894	+1,000	---	+1,000	D
Projects with industry	22,071	22,071	22,071	22,071	22,071	---	---	---	D
Supported employment State grants	38,152	38,152	38,152	38,152	38,152	---	---	---	D
Independent living:									
State grants	22,296	22,296	22,296	22,296	22,296	---	---	---	D
Centers	46,109	50,886	46,109	48,000	48,000	+1,891	+1,891	---	D
Services for older blind individuals	11,169	11,392	11,169	15,000	15,000	+3,831	+3,831	---	D
Subtotal, Independent living	79,574	84,574	79,574	85,296	85,296	+5,722	+5,722	---	
Program Improvement	1,900	1,900	1,900	1,900	1,900	---	---	---	D
Evaluation	1,587	1,587	1,587	1,587	1,587	---	---	---	D
Helen Keller National Center for Deaf-Blind Youths & Adults	8,550	8,550	8,550	8,550	8,550	---	---	---	D
National Institute for Disability and Rehabilitation Research (NIDRR)	81,000	90,964	81,000	81,000	86,500	+5,500	+5,500	+5,500	D
Assistive Technology	34,000	45,000	34,000	30,000	34,000	---	---	+4,000	D
Subtotal, discretionary programs	348,173	378,137	348,173	353,895	368,545	+20,372	+20,372	+14,650	
Total, Rehabilitation services	2,652,584	2,717,114	2,687,150	2,692,872	2,707,522	+54,938	+20,372	+14,650	

(1) P.L. 105-220 reclassified all Voc Rehab programs except State Grants as discretionary funding.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES									
AMERICAN PRINTING HOUSE FOR THE BLIND	8,661	8,973	9,000	10,100	10,100	+1,439	+1,100	---	D
NATIONAL TECHNICAL INSTITUTE FOR THE DEAF	45,500	---	---	---	---	-45,500	---	---	D
Operations	---	45,274	45,500	45,500	45,500	+45,500	---	---	D
Construction	---	2,651	2,651	2,651	2,651	+2,651	---	---	D
Total	45,500	47,925	48,151	48,151	48,151	+2,651	---	---	
GALLAUDET UNIVERSITY	83,480	---	---	---	---	-83,480	---	---	D
Operations	---	82,620	83,480	83,000	83,480	+83,480	---	+480	D
Construction	---	2,500	2,500	2,500	2,500	+2,500	---	---	D
Total	83,480	85,120	85,980	85,500	85,980	+2,500	---	+480	
Total, Special institutions	137,641	142,018	143,131	143,751	144,231	+6,590	+1,100	+480	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
VOCATIONAL AND ADULT EDUCATION									
Vocational education:									
Basic State Grants, current funded	1,030,650	1,030,650	308,650	1,030,650	264,650	-766,000	-44,000	-766,000	D FF
FY01	---	---	772,000	---	791,000	+791,000	+19,000	+791,000	D
Basic State Grants, program level	1,030,650	1,030,650	1,080,650	1,030,650	1,055,650	+25,000	-25,000	+25,000	
Tech-Prep Education	106,000	111,000	106,000	106,000	106,000	---	---	---	D FF
Tribally Controlled Postsecondary Vocational Institutions	4,100	4,100	4,100	4,600	4,600	+500	+500	---	D
National Programs	13,497	17,500	13,497	19,500	17,500	+4,003	+4,003	-2,000	D FF
NOICC (1)	---	---	---	9,000	9,000	+9,000	+9,000	---	D
Subtotal, Vocational education	1,154,247	1,163,250	1,204,247	1,169,750	1,192,750	+38,503	-11,497	+23,000	
Adult education:									
State Grants, current funded	365,000	468,000	92,000	468,000	450,000	+85,000	+358,000	-18,000	D FF
FY01	---	---	273,000	---	---	---	-273,000	---	D
State grants, program level	365,000	468,000	365,000	468,000	450,000	+85,000	+85,000	-18,000	
National programs:									
National Leadership Activities	14,000	101,000	7,000	14,000	14,000	---	+7,000	---	D FF
National Institute for Literacy	6,000	6,000	6,000	6,000	6,000	---	---	---	D FF
Subtotal, National programs	20,000	107,000	13,000	20,000	20,000	---	+7,000	---	
Subtotal, adult education	385,000	575,000	378,000	488,000	470,000	+85,000	+92,000	-18,000	

(1) $9,000,000 for NOICC activities was provided under Training and Employment Services, Department of Labor in FY99.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
State Grants for Incarcerated Youth Offenders.....	16,723	12,000	---	19,000	19,000	+2,277	+19,000	---	D
Total, Vocational and adult education.....	1,555,970	1,750,250	1,582,247	1,676,750	1,681,750	+125,780	+99,503	+5,000	
Current Year.....	(1,555,970)	(1,750,250)	(537,247)	(1,676,750)	(890,750)	(-665,220)	(+353,503)	(-786,000)	
Advance Year, FY01.....	---	---	(1,045,000)	---	(791,000)	(+791,000)	(-254,000)	(+791,000)	
Subtotal, forward funded.....	(1,535,147)	(1,734,150)	(533,147)	(1,644,150)	(858,150)	(-676,997)	(+325,003)	(-786,000)	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
STUDENT FINANCIAL ASSISTANCE									
Pell Grants -- maximum grant (NA)	(3,125)	(3,250)	(3,275)	(3,325)	(3,300)	(+175)	(+25)	(-25)	NA
Pell Grants -- Regular Program	7,704,000	7,463,000	5,334,000	6,601,600	7,700,000	-4,000	+2,366,000	+1,098,400	D
FY01	---	---	2,286,000	1,176,400	---	---	-2,286,000	-1,176,400	D
Total funding available for Pell Grants	7,704,000	7,463,000	7,620,000	7,778,000	7,700,000	-4,000	+80,000	-78,000	
Federal Supplemental Educational Opportunity Grants	619,000	631,000	619,000	631,000	621,000	+2,000	+2,000	-10,000	D
Emergency SEOG--Hurricane Floyd	---	---	10,000	---	10,000	+10,000	---	+10,000	D EMG
Federal Work Study	870,000	934,000	880,000	934,000	934,000	+64,000	+54,000	---	D
Federal Perkins loans:									
Capital Contributions	100,000	100,000	100,000	100,000	100,000	---	---	---	D
Loan Cancellations	30,000	30,000	30,000	30,000	30,000	---	---	---	D
Subtotal, Federal Perkins loans	130,000	130,000	130,000	130,000	130,000	---	---	---	
LEAP program	25,000	25,000	---	25,000	40,000	+15,000	+40,000	+15,000	D
FY01	---	---	---	50,000	---	---	---	-50,000	D
Subtotal, LEAP program level	25,000	25,000	---	75,000	40,000	+15,000	+40,000	-35,000	
Total, Student financial assistance	9,348,000	9,183,000	9,259,000	9,548,000	9,435,000	+87,000	+176,000	-113,000	
Current Year	(9,348,000)	(9,183,000)	(6,973,000)	(8,321,600)	(9,435,000)	(+87,000)	(+2,462,000)	(+1,113,400)	
Advance Year, FY01	---	---	(2,286,000)	(1,226,400)	---	---	(-2,286,000)	(-1,226,400)	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
FEDERAL FAMILY EDUCATION LOAN PROGRAM									
Federal Administration (1)	47,276	48,000	46,482	48,000	48,000	+724	+1,518	---	D
Direct Loan Program Year 2000 Comp Conv (Emergency)	531	---	---	---	---	-531	---	---	D
HIGHER EDUCATION									
Aid for institutional development:									
Strengthening Institutions	60,250	61,575	60,250	60,250	60,250	---	---	---	D
Hispanic Serving Institutions	28,000	42,250	28,000	42,250	42,250	+14,250	+14,250	---	D
Strengthening Historically Black Colleges (HBCUs)	136,000	148,750	136,000	141,500	148,750	+12,750	+12,750	+7,250	D
Strengthening historically black graduate insts	30,000	32,000	30,000	31,000	31,000	+1,000	+1,000	---	D
Strengthening Alaska / Native Hawaiian Instit	3,000	3,000	3,000	5,000	5,000	+2,000	+2,000	---	D
Strengthening Tribal Colleges	3,000	6,000	3,000	6,000	6,000	+3,000	+3,000	---	D
Subtotal, Institutional development	260,250	293,575	260,250	286,000	293,250	+33,000	+33,000	+7,250	
Program development:									
Fund for the Improvement of Postsec. Ed. (FIPSE)	50,000	27,500	22,500	27,500	77,658	+27,658	+55,158	+50,158	D
Minority Science and Engineering Improvement	7,500	8,500	7,500	7,500	7,500	---	---	---	D
International educ & foreign language studies:									
Domestic Programs	60,000	61,320	62,000	61,320	62,000	+2,000	---	+680	D
Overseas Programs	6,536	6,680	6,536	6,680	6,680	+144	+144	---	D
Institute for International Public Policy	1,000	1,022	1,000	1,022	1,022	+22	+22	---	D
Subtotal, International education	67,536	69,022	69,536	69,022	69,702	+2,166	+166	+680	
Urban Community Service	4,637	---	---	---	---	-4,637	---	---	D
Subtotal, Program development	129,673	105,022	99,536	104,022	154,860	+25,187	+55,324	+50,838	

(1) Includes $794,000 in emergency funding for Year 2000 computer conversion.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Interest Subsidy Grants	13,000	12,000	12,000	12,000	12,000	-1,000	---	---	D
Federal TRIO Programs	600,000	630,000	660,000	630,000	645,000	+45,000	-15,000	+15,000	D
GEAR UP	120,000	240,000	---	180,000	200,000	+80,000	+200,000	+20,000	D
Byrd Honors Scholarships	39,288	39,859	---	39,859	39,859	+571	+39,859	---	D
Graduate Assistance in Areas of National Need	31,000	41,000	31,000	51,000	51,000	+20,000	+20,000	---	D
Learning Anytime Anywhere Partnerships	10,000	20,000	---	10,000	23,940	+13,940	+23,940	+13,940	D
Teacher Quality Enhancement Grants	77,212	115,000	75,000	80,000	98,000	+20,788	+23,000	+18,000	D
Child Care Access Means Parents in School	5,000	5,000	5,000	5,000	5,000	---	---	---	D
Demonstration in Disabilities / Higher Education	5,000	5,000	5,000	5,000	5,000	---	---	---	D
Web Based Education Commission	450	---	---	---	---	-450	---	---	D
Underground Railroad Program	1,750	1,750	---	1,750	1,750	---	+1,750	---	D
Community Scholarship Mobilization	---	---	---	2,000	1,000	+1,000	+1,000	-1,000	D
Preparing for College	---	15,000	---	---	---	---	---	---	D
College Completion Challenge Grants	---	35,000	---	---	---	---	---	---	D
D.C. Resident Tuition Support (1)	---	17,000	---	---	---	---	---	---	D
GPRA data/HEA program evaluation	---	4,000	4,000	---	3,000	+3,000	-1,000	+3,000	D
Total, Higher education	1,292,623	1,579,206	1,151,786	1,406,631	1,533,659	+241,036	+381,873	+127,028	

(1) Program transferred to D.C. Appropriations Bill.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
HOWARD UNIVERSITY									
Academic Program	181,470	185,540	185,540	185,540	185,540	+4,070	---	---	D
Endowment Program	3,530	3,530	3,530	3,530	3,530	---	---	---	D
Howard University Hospital	29,489	30,374	30,374	30,374	30,374	+885	---	---	D
Total, Howard University	214,489	219,444	219,444	219,444	219,444	+4,955	---	---	
COLLEGE HOUSING & ACADEMIC FACILITIES LOANS PROGRAM: Federal Administration	698	737	698	737	737	+39	+39	---	D
HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING, PROGRAM ACCOUNT									
Federal Administration	96	207	96	207	207	+111	+111	---	D

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT									
Research and statistics:									
Research	82,567	133,282	83,567	82,567	103,567	+21,000	+20,000	+21,000	D
Regional Educational Laboratories	61,000	65,000	61,000	65,000	65,000	+4,000	+4,000	---	D
Statistics	68,000	77,500	68,000	70,000	68,000	---	---	-2,000	D
Assessment:									
National Assessment	36,000	40,000	36,000	36,000	36,000	---	---	---	D
National Assessment Governing Board	4,000	4,500	4,000	4,500	4,000	---	---	-500	D
Subtotal, Assessment	40,000	44,500	40,000	40,500	40,000	---	---	-500	
Subtotal, Research and statistics	251,567	320,282	252,567	258,067	276,567	+25,000	+24,000	+18,500	
Fund for the Improvement of Education	139,000	139,500	76,000	39,500	249,525	+110,525	+173,525	+210,025	D
International Education Exchange	7,000	7,000	7,000	7,000	7,000	---	---	---	D
Civic Education	7,500	9,500	5,500	9,500	10,000	+2,500	+4,500	+500	D
Eisenhower Professional Dvp. Federal Activities	23,300	30,000	23,300	23,300	23,300	---	---	---	D
Eisenhower Regional Math & Science Ed. Consortia	15,000	17,500	15,000	15,000	15,000	---	---	---	D
Javits Gifted and Talented Education	6,500	6,500	6,500	6,500	6,500	---	---	---	D
National Writing Project	7,000	10,000	5,000	10,000	9,000	+2,000	+4,000	-1,000	D
Total, ERSI	456,867	540,282	390,867	368,867	596,892	+140,025	+206,025	+228,025	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
DEPARTMENTAL MANAGEMENT									
PROGRAM ADMINISTRATION (1)	364,521	386,000	362,000	370,184	383,184	+18,663	+21,184	+13,000	D
OFFICE FOR CIVIL RIGHTS	66,000	73,262	66,000	71,200	71,200	+5,200	+5,200	---	D
OFFICE OF THE INSPECTOR GENERAL	31,242	34,000	31,242	34,000	34,000	+2,758	+2,758	---	D
Total, Departmental management	461,763	493,262	459,242	475,384	488,384	+26,621	+29,142	+13,000	
STUDENT LOANS									
New Annual Loan Volume (including consolidation):									
Federal Family Education Loans (FFEL)	(23,577,000)	(25,006,000)	(25,006,000)	(25,006,000)	(25,006,000)	(+1,429,000)	---	---	NA
Federal Direct Student Loans (FDSL)	(16,232,000)	(16,155,000)	(16,155,000)	(16,155,000)	(16,155,000)	(-77,000)	---	---	NA
Total Outstanding Loan Volume:									
Federal Family Education Loans (FFEL)	(261,528,000)	(283,771,000)	(283,771,000)	(283,771,000)	(283,771,000)	(+22,243,000)	---	---	NA
Federal Direct Student Loans (FDSL)	(45,356,000)	(57,434,000)	(57,434,000)	(57,434,000)	(57,434,000)	(+12,078,000)	---	---	NA
Total, Department of Education	35,614,815	37,050,870	35,659,674	37,632,509	38,042,212	+2,427,397	+2,382,538	+409,703	
Current year	(29,410,052)	(28,977,484)	(20,877,911)	(26,220,912)	(25,594,449)	(-3,815,603)	(+4,716,538)	(-626,463)	
Advance Year, FY01	(6,204,763)	(8,073,386)	(14,781,763)	(11,411,597)	(12,447,763)	(+6,243,000)	(-2,334,000)	(+1,036,166)	

(1) Includes $2.521 million in emergency funding for Year 2000 computer conversion.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
TITLE IV - RELATED AGENCIES									
ARMED FORCES RETIREMENT HOME									
Operations and Maintenance	55,028	55,599	55,599	---	55,599	+571	---	+55,599	D
Capital Program	15,717	12,696	12,696	---	12,696	-3,021	---	+12,696	D
Total, AFRH	70,745	68,295	68,295	---	68,295	-2,450	---	+68,295	
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE (1)									
Domestic Volunteer Service Programs:									
Volunteers in Service to America (VISTA)	73,000	81,000	73,000	81,000	81,000	+8,000	+8,000	---	D
National Senior Volunteer Corps:									
Foster Grandparents Program	93,256	95,000	93,256	95,000	96,354	+3,098	+3,098	+1,354	D
Senior Companion Program	36,573	39,031	36,573	39,031	39,369	+2,796	+2,796	+338	D
Retired Senior Volunteer Program	43,001	46,001	43,001	46,001	46,293	+3,292	+3,292	+292	D
Senior Demonstration Program	1,080	5,000	---	3,100	1,500	+420	+1,500	-1,600	D
Subtotal, Senior Volunteers	173,910	185,032	172,830	183,132	183,516	+9,606	+10,686	+384	
Program Administration (2)	29,929	33,500	29,129	29,129	31,129	+1,200	+2,000	+2,000	D
Total, Domestic Volunteer Service Programs	276,839	299,532	274,959	293,261	295,645	+18,806	+20,686	+2,384	

(1) Appropriations for Americorps are provided in the VA-HUD bill (P.L. 106-74).

(2) Includes $800,000 in emergency funding for Year 2000 computer conversion.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
CORPORATION FOR PUBLIC BROADCASTING:									
FY02 (current request) with FY01 comparable.....	340,000	350,000	340,000	350,000	350,000	+10,000	+10,000	---	
FY01 advance with FY00 comparable (NA).....	(300,000)	(340,000)	(340,000)	(340,000)	(340,000)	(+40,000)	---	---	NA
FY00 advance with FY99 comparable (NA).....	(250,000)	(300,000)	(300,000)	(300,000)	(300,000)	(+50,000)	---	---	NA
Digitalization program (1).....	15,000	20,000	10,000	---	10,000	-5,000	---	+10,000	D
Satellite replacement supplemental--FY99.....	30,700	---	---	---	---	-30,700	---	---	D
Satellite replacement supplemental--FY00.....	17,300	---	---	---	---	-17,300	---	---	D
Advance from prior year.....	---	(17,300)	(17,300)	(17,300)	(17,300)	(+17,300)	---	---	NA
Subtotal, FY00 appropriation.....	(295,700)	(337,300)	(327,300)	(317,300)	(327,300)	(+31,600)	---	(+10,000)	
FEDERAL MEDIATION AND CONCILIATION SERVICE.....	34,620	36,834	34,620	36,834	36,834	+2,214	+2,214	---	D
FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION.....	6,060	6,159	6,060	6,159	6,159	+99	+99	---	D
INSTITUTE OF MUSEUM AND LIBRARY SERVICES.....	166,175	154,500	149,500	154,500	166,885	+710	+17,385	+12,385	D
MEDICARE PAYMENT ADVISORY COMMISSION (TF).....	7,015	7,015	7,015	7,015	7,015	---	---	---	TF
NATIONAL COMMISSION ON LIBRARIES AND INFO SCIENCE.....	1,000	1,300	1,000	1,300	1,300	+300	+300	---	D
NATIONAL COUNCIL ON DISABILITY.....	2,344	2,400	2,344	2,400	2,400	+56	+56	---	D
NATIONAL EDUCATION GOALS PANEL.....	2,100	2,250	2,100	2,250	2,250	+150	+150	---	D
NATIONAL LABOR RELATIONS BOARD.....	184,451	210,193	174,661	210,193	206,500	+22,049	+31,839	-3,693	D
NATIONAL MEDIATION BOARD.....	8,400	9,100	8,400	9,100	9,600	+1,200	+1,200	+500	D
OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION.....	8,100	8,500	8,100	8,500	8,500	+400	+400	---	D

(1) Unauthorized. Funding is subject to enactment of authorization by September 30, 1999 and 2000.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
RAILROAD RETIREMENT BOARD									
Dual Benefits Payments Account	189,000	175,000	175,000	175,000	174,000	-15,000	-1,000	-1,000	D
Less Income Tax Receipts on Dual Benefits	-11,000	-10,000	-10,000	-10,000	-10,000	+1,000	---	---	D
Subtotal, Dual Benefits	178,000	165,000	165,000	165,000	164,000	-14,000	-1,000	-1,000	
Federal Payment to the RR Retirement Account	150	150	150	150	150	---	---	---	M
Limitation on administration:									
Consolidated Account (1)	90,398	86,500	90,000	90,000	91,000	+602	+1,000	+1,000	TF
Inspector General	5,600	5,400	5,400	5,400	5,400	-200	---	---	TF
SOCIAL SECURITY ADMINISTRATION									
Payments to Social Security Trust Funds	19,689	20,764	20,764	20,764	20,764	+1,075	---	---	M
SPECIAL BENEFITS FOR DISABLED COAL MINERS									
Benefit payments	542,183	520,000	520,000	520,000	520,000	-22,183	---	---	M
Administration	4,620	4,638	4,638	4,638	4,638	+18	---	---	M
Subtotal, Black Lung, current year program level	546,803	524,638	524,638	524,638	524,638	-22,165	---	---	
Less funds advanced in prior year	-160,000	-141,000	-141,000	-141,000	-141,000	+19,000	---	---	M
Total, Black Lung, current request	386,803	383,638	383,638	383,638	383,638	-3,165	---	---	
New advances, 1st quarter FY01	141,000	124,000	124,000	124,000	124,000	-17,000	---	---	M

(1) Includes $398,000 in emergency funding for Year 2000 computer conversion.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
SUPPLEMENTAL SECURITY INCOME									
Federal benefit payments	28,263,000	28,822,000	28,822,000	28,822,000	28,822,000	+559,000	---	---	M
Beneficiary services	61,000	64,000	64,000	64,000	64,000	+3,000	---	---	M
Research and demonstration	37,000	24,000	24,000	25,085	25,085	-11,915	+1,085	---	M
Administration	2,114,000	2,203,000	2,114,000	2,192,000	2,142,000	+28,000	+28,000	-50,000	D
Subtotal, SSI current year program level	30,475,000	31,113,000	31,024,000	31,103,085	31,053,085	+578,085	+29,085	-50,000	
Less funds advanced in prior year	-8,680,000	-9,550,000	-9,550,000	-9,550,000	-9,550,000	-870,000	---	---	M
Subtotal, regular SSI current year (1999/2000)	21,795,000	21,563,000	21,474,000	21,553,085	21,503,085	-291,915	+29,085	-50,000	
Additional CDR funding (1)	177,000	200,000	200,000	200,000	200,000	+23,000	---	---	D
User Fee Activities	75,000	80,000	80,000	80,000	80,000	+5,000	---	---	D
Total, SSI, current request	22,047,000	21,843,000	21,754,000	21,833,085	21,783,085	-263,915	+29,085	-50,000	
New advance, 1st quarter, FY01	9,550,000	9,890,000	9,890,000	9,890,000	9,890,000	+340,000	---	---	M

(1) Two year availability.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
LIMITATION ON ADMINISTRATIVE EXPENSES									
OASDI Trust Funds	2,928,400	2,910,200	2,928,200	2,928,400	2,928,400	---	+200	---	TF
HI/SMI Trust Funds	952,000	1,087,000	952,000	1,066,671	1,039,671	+87,671	+87,671	-27,000	TF
Social Security Advisory Board	1,600	1,800	1,800	1,800	1,800	+200	---	---	TF
SSI	2,114,000	2,203,000	2,114,000	2,192,000	2,142,000	+28,000	+28,000	-50,000	TF
Subtotal, regular LAE	5,996,000	6,202,000	5,996,000	6,188,871	6,111,871	+115,871	+115,871	-77,000	
User Fee Activities (SSI)	75,000	80,000	80,000	80,000	80,000	+5,000	---	---	TF
Claimant representative payments	---	19,000	---	---	---	---	---	---	TF
TOTAL, REGULAR LAE	6,071,000	6,301,000	6,076,000	6,268,871	6,191,871	+120,871	+115,871	-77,000	
Additional CDR funding (1)									
OASDI	178,000	205,000	205,000	205,000	205,000	+27,000	---	---	TF
SSI	177,000	200,000	200,000	200,000	200,000	+23,000	---	---	TF
Subtotal, CDR funding	355,000	405,000	405,000	405,000	405,000	+50,000	---	---	
TOTAL, LAE	6,426,000	6,706,000	6,481,000	6,673,871	6,596,871	+170,871	+115,871	-77,000	

(1) Two year availability.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
OFFICE OF INSPECTOR GENERAL									
Federal Funds	12,000	15,000	12,000	15,000	15,000	+3,000	+3,000	---	D
Trust Funds	44,000	51,000	44,000	51,000	51,000	+7,000	+7,000	---	TF
Total, Office of the Inspector General	56,000	66,000	56,000	66,000	66,000	+10,000	+10,000	---	
Adjustment: Trust fund transfers from general revenues	-2,366,000	-2,483,000	-2,394,000	-2,472,000	-2,422,000	-56,000	-28,000	+50,000	TF
Total, Social Security Administration	36,260,492	36,550,402	36,315,402	36,519,358	36,442,358	+181,866	+126,956	-77,000	
Federal funds	32,156,492	32,276,402	32,184,402	32,266,487	32,216,487	+59,995	+32,085	-50,000	
Current year	(22,465,492)	(22,262,402)	(22,170,402)	(22,252,487)	(22,202,487)	(-263,005)	(+32,085)	(-50,000)	
New advances, 1st quarter FY00	(9,691,000)	(10,014,000)	(10,014,000)	(10,014,000)	(10,014,000)	(+323,000)	---	---	
Trust funds	4,104,000	4,274,000	4,131,000	4,252,871	4,225,871	+121,871	+94,871	-27,000	
UNITED STATES INSTITUTE OF PEACE	12,160	13,000	12,160	13,000	13,000	+840	+840	---	D
Total, Title IV, Related Agencies	37,717,649	37,996,530	37,675,166	37,874,420	37,887,291	+169,642	+212,125	+12,871	
Federal funds	33,510,636	33,623,615	33,441,751	33,519,134	33,558,005	+47,369	+116,254	+38,871	
Current year	(23,462,336)	(23,259,615)	(23,087,751)	(23,155,134)	(23,194,005)	(-268,331)	(+106,254)	(+38,871)	
Advance Year, FY01	(9,708,300)	(10,014,000)	(10,014,000)	(10,014,000)	(10,014,000)	(+305,700)	---	---	
Advance Year, FY02	(340,000)	(350,000)	(340,000)	(350,000)	(350,000)	(+10,000)	(+10,000)	---	
Trust funds	4,207,013	4,372,915	4,233,415	4,355,286	4,329,286	+122,273	+95,871	-26,000	
TITLE X									
Agriculture Disaster Emergency	---	---	508,000	---	---	---	-508,000	---	D EMG

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
SUMMARY									
Grand bill total	301,168,146	322,958,939	318,313,930	328,612,841	328,229,885	+27,061,739	+9,915,955	-382,956	
Federal Funds	291,411,190	312,987,882	309,003,602	318,790,642	318,504,503	+27,093,313	+9,500,901	-286,139	
Current year	(241,996,850)	(259,390,821)	(245,933,536)	(255,000,205)	(256,750,065)	(+14,753,215)	(+10,816,529)	(+1,749,860)	
Advance Year, FY01	(49,074,340)	(53,247,061)	(62,730,066)	(63,440,437)	(61,404,438)	(+12,330,098)	(-1,325,628)	(-2,035,999)	
Advance Year, FY02	(340,000)	(350,000)	(340,000)	(350,000)	(350,000)	(+10,000)	(+10,000)	---	
Trust Funds	9,756,956	9,971,057	9,310,328	9,822,199	9,725,382	-31,574	+415,054	-96,817	
BUDGET ENFORCEMENT ACT RECAP									
Mandatory, total in bill	211,156,337	229,336,630	228,859,896	230,610,465	231,330,098	+20,173,761	+2,470,202	+719,633	
Less advances for subsequent years	-40,529,605	-42,791,003	-42,791,003	-42,791,003	-42,791,003	-2,261,398	---	---	
Plus advances provided in prior years	38,458,189	40,529,605	40,529,605	40,529,605	40,529,605	+2,071,416	---	---	
Unauthorized NAFTA activities	-44,000	---	---	---	---	+44,000	---	---	
Subtotal, mandatory	209,040,921	227,075,232	226,598,498	228,349,067	229,068,700	+20,027,779	+2,470,202	+719,633	
Reclassified to discretionary	321,173	---	---	---	---	-321,173	---	---	
Total, mandatory, current year	209,362,094	227,075,232	226,598,498	228,349,067	229,068,700	+19,706,606	+2,470,202	+719,633	

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, 2000 ($000)	FY 1999 Comparable	FY 2000 Request	House	Senate	Conference	Conference vs FY 1999	Conference vs House	Conference vs Senate	Mand Disc
Discretionary, total in bill	90,011,809	93,622,309	89,454,034	98,002,376	96,899,787	+6,887,978	+7,445,753	-1,102,589	
Less advances for subsequent years	-8,884,735	-10,806,058	-20,279,063	-20,999,434	-18,963,435	-10,078,700	+1,315,628	+2,035,999	
Plus advances provided in prior years	4,008,386	8,844,735	8,844,735	8,844,735	8,844,735	+4,836,349	---	---	
Scorekeeping adjustments:									
Plus TF advances provided in prior years	40,000	---	---	---	---	-40,000	---	---	
Adjustment to balance with 1999 bill	2,824	---	---	---	---	-2,824	---	---	
Adjustment for leg cap on Title XX SSBGs	-471,000	---	-471,000	-1,330,000	-605,000	-134,000	-134,000	+725,000	
SSA User Fee Collection	-75,000	-80,000	-80,000	-80,000	-80,000	-5,000	---	---	
Puerto Rico CHIP payments	32,000	---	---	---	---	-32,000	---	---	
MN/WY Disproportionate Share Hospitals	21,000	---	---	---	---	-21,000	---	---	
Women's health and cancer rights	1,000	---	---	---	---	-1,000	---	---	
Refugee and entrant assistance reappropriation	---	12,000	12,000	12,000	12,000	+12,000	---	---	
Emergency-designated funding	-1,122,413	---	---	---	---	+1,122,413	---	---	
Freeze direct student loan admin costs	---	---	-118,000	---	---	---	+118,000	---	
Freeze HCFA payment integrety admin costs	---	---	-70,000	---	---	---	+70,000	---	
Unauthorized NAFTA activities	44,000	---	---	---	---	-44,000	---	---	
Offsets	---	---	-258,000	---	---	---	+258,000	---	
Medicaid Title XX offset	---	---	---	25,000	1,000	+1,000	+1,000	-24,000	
Subtotal, discretionary	83,607,871	91,592,986	77,034,706	84,474,677	86,109,087	+2,501,216	+9,074,381	+1,634,410	
Reclassified from mandatory	-321,173	---	---	---	---	+321,173	---	---	
Total, discretionary, current year	83,286,698	91,592,986	77,034,706	84,474,677	86,109,087	+2,822,389	+9,074,381	+1,634,410	
Crime trust fund	155,951	169,500	156,000	156,000	152,000	-3,951	-4,000	-4,000	
General purposes	83,130,747	91,423,486	76,878,706	84,318,677	85,957,087	+2,826,340	+9,078,381	+1,638,410	
Grand total, current year	292,648,792	318,668,218	303,633,204	312,823,744	315,177,787	+22,528,995	+11,544,583	+2,354,043	

The conference agreement would enact the provisions of H.R. 3425 as introduced on November 17, 1999. The text of that bill follows:

A BILL MAKING MISCELLANEOUS APPROPRIATIONS THE FISCAL YEAR ENDING SEPTEMBER 30, 1999, AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2000, and for other purposes, namely:

TITLE I—EMERGENCY SUPPLEMENTAL APPROPRIATIONS

CHAPTER 1

DEPARTMENT OF AGRICULTURE

FARM SERVICE AGENCY

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

For additional gross obligations for the principal amount of direct and guaranteed loans as authorized by 7 U.S.C. 1928–1929, to be available from funds in the Agricultural Credit Insurance Fund to meet the needs resulting from natural disasters, as follows: farm ownership loans, $590,578,000, of which $568,627,000 shall be for guaranteed loans; operating loans, $1,404,716,000, of which $302,158,000 shall be for unsubsidized guaranteed loans and $702,558,000 shall be for subsidized guaranteed loans; and for emergency loans, $547,000,000.

For the additional cost of direct and guaranteed loans to meet the needs resulting from natural disasters, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, to remain available until expended, as follows: farm ownership loans, $4,012,000, of which $3,184,000 shall be for guaranteed loans; operating loans, $89,596,000, of which $4,260,000 shall be for unsubsidized guaranteed loans and $61,895,000 shall be for subsidized guaranteed loans; and for emergency loans, $84,949,000.

EMERGENCY CONSERVATION PROGRAM

For an additional amount for the ''Emergency Conservation Program'' for expenses resulting from natural disasters, $50,000,000, to remain available until expended.

COMMODITY CREDIT CORPORATION FUND

CROP LOSS ASSISTANCE

For an additional amount for crop loss assistance authorized by section 801 of Public Law 106–78, $186,000,000: Provided, That this assistance shall be under the same terms and conditions as in section 801 of Public Law 106–78.

SPECIALTY CROP ASSISTANCE

For an additional amount for specialty crop assistance authorized by section 803(c)(1) of Public Law 106–78, $2,800,000: Provided, That the definition of eligible persons in section 803(c)(2) of Public Law 106–78 shall include producers who have suffered quality or quantity losses due to natural disasters on crops harvested and placed in a warehouse and not sold.

LIVESTOCK ASSISTANCE

For an additional amount for livestock assistance authorized by section 805 of Public Law 106–78, $10,000,000: Provided, That the Secretary of Agriculture may use this additional amount to provide assistance to persons who raise livestock owned by other persons for income losses sustained with respect to livestock during 1999 if the Secretary finds that such losses are the result of natural disasters.

NATURAL RESOURCES CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS

For an additional amount for ''Watershed and Flood Prevention Operations'' to repair damages to the waterways and watersheds resulting from natural disasters, $80,000,000, to remain available until expended.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

For additional gross obligations for the principal amount of direct loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund to meet the needs resulting from natural disasters, as follows: $50,000,000 for loans to section 502 borrowers, as determined by the Secretary; $15,000,000 for section 504 housing repair loans; and $5,000,000 for section 514 farm labor housing.

For the additional cost of direct loans to meet the needs resulting from natural disasters, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, to remain available until expended, as follows: section 502 loans, $4,265,000; section 504 loans, $4,584,000; and section 514 farm labor housing, $2,250,000.

RURAL HOUSING ASSISTANCE GRANTS

For the additional cost of grants and contracts for domestic farm labor and very low-income housing repair made available by the Rural Housing Service, as authorized by 42 U.S.C. 1474 and 1486, to meet the needs resulting from natural disasters, $14,500,000, to remain available until expended.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 101. Notwithstanding section 196 of the Agricultural Market Transition Act (7 U.S.C. 7333), the Secretary of Agriculture shall provide up to $20,000,000 in assistance under the non-insured crop assistance program under that section, without any requirement for an area loss, to producers located in a county with respect to which a natural disaster was declared by the Secretary, or a major disaster or emergency was declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

SEC. 102. Section 814 of Public Law 106–78 is amended by inserting the following after ''year'': ''(and 2001 crop year for citrus fruit, avocados in California, and macadamia nuts)''.

SEC. 103. Of the funds made available under section 802 of Public Law 106–78 not otherwise needed to fully implement that section, the Secretary of Agriculture may use up to $4,700,000 to carry out title IX of Public Law 106–78.

SEC. 104. (a) Of the funds made available under section 802 of Public Law 106–78 (excluding any funds authorized by this Act to carry out title IX of Public Law 106–78) and under section 1111 of Public Law 105–277 not otherwise needed to fully implement those sections, the Secretary of Agriculture may provide assistance to producers or first-handlers for the 1999 crop of cottonseed.

(b) Of the funds made available under section 802 of Public Law 106–78 and section 1111 of Public Law 105–277 not otherwise needed to fully implement those sections (excluding any funds authorized by this Act to carry out title IX and to provide assistance to producers or first-handlers for the 1999 crop of cottonseed under subsection (a) of this section), the Secretary may provide funds to carry out subsection (c) of this section.

(c) The Agricultural Market Transition Act is amended by inserting after section 136 (7 U.S.C. 7236), the following new section:

''SEC. 136A. SPECIAL COMPETITIVE PROVISIONS FOR EXTRA LONG STAPLE COTTON.

''(a) COMPETITIVENESS PROGRAM.—Notwithstanding any other provision of law, during the period beginning on October 1, 1999, and ending on July 31, 2003, the Secretary shall carry out a program to maintain and expand the domestic use of extra long staple cotton produced in the United States, to increase exports of extra long staple cotton produced in the United States, and to ensure that extra long staple cotton produced in the United States remains competitive in world markets.

''(b) PAYMENTS UNDER PROGRAM; TRIGGER.—Under the program, the Secretary shall make payments available under this section whenever—

''(1) for a consecutive 4-week period, the world market price for the lowest priced competing growth of extra long staple cotton (adjusted to United States quality and location and for other factors affecting the competitiveness of such cotton), as determined by the Secretary, is below the prevailing United States price for a competing growth of extra long staple cotton; and

''(2) the lowest priced competing growth of extra long staple cotton (adjusted to United States quality and location and for other factors affecting the competitiveness of such cotton), as determined by the Secretary, is less than 134 percent of the loan rate for extra long staple cotton.

''(c) ELIGIBLE RECIPIENTS.—The Secretary shall make payments available under this section to domestic users of extra long staple cotton produced in the United States and exporters of extra long staple cotton produced in the United States who enter into an agreement with the Commodity Credit Corporation to participate in the program under this section.

''(d) PAYMENT AMOUNT.—Payments under this section shall be based on the amount of the difference in the prices referred to in subsection (b)(1) during the fourth week of the consecutive four-week period multiplied by the amount of documented purchases by domestic users and sales for export by exporters made in the week following such a consecutive four-week period.

''(e) FORM OF PAYMENT.—Payments under this section shall be made through the issuance of cash or marketing certificates, at the option of eligible recipients of the payments.''.

SEC. 105. The entire amount necessary to carry out this chapter and the amendments made by this chapter shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

CHAPTER 2

FEDERAL EMERGENCY MANAGEMENT AGENCY DISASTER RELIEF

Of the unobligated balances made available under the second paragraph under the heading ''Federal Emergency Management Agency, Disaster Relief'' in Public Law 106–74, in addition to other amounts made available, up to $215,000,000 may be used by the Director of the Federal Emergency Management Agency for the buyout of homeowners (or the relocation of structures) for principal residences that have been made uninhabitable by flooding caused by Hurricane Floyd and surrounding events and are located in a 100-year floodplain: Provided, That no homeowner may receive any assistance for buyouts in excess of the fair market value of the residence on September 1, 1999 (reduced by any proceeds from insurance or any other source paid or owed as a result of the flood damage to the residence): Provided further, That each State shall ensure that there is a contribution from non-Federal sources of not less than 25 percent in matching funds (other than administrative costs) for any funds allocated to the State for buyout assistance: Provided further, That all buyouts under this section shall be subject to the terms and conditions specified

under 42 U.S.C. 5170c(b)(2)(B): Provided further, That none of the funds made available for buyouts under this paragraph may be used in any calculation of a State's section 404 allocation: Provided further, That the Director shall report quarterly to the House and Senate Committees on Appropriations on the use of all funds allocated under this paragraph and certify that the use of all funds are consistent with all applicable laws and requirements: Provided further, That the Inspector General for the Federal Emergency Management Agency shall establish a task force to review all uses of funds allocated under this paragraph to ensure compliance with all applicable laws and requirements: Provided further, That no funds shall be allocated for buyouts under this paragraph except in accordance with regulations promulgated by the Director: Provided further, That the Director shall promulgate regulations not later than December 31, 1999, pertaining to the buyout program which shall include eligibility criteria, procedures for prioritizing projects, requirements for the submission of state and local buyout plans, an identification of the Federal Emergency Management Agency's oversight responsibilities, procedures for cost-benefit analysis, and the process for measuring program results: Provided further, That the Director shall report to Congress not later than December 31, 1999, on the feasibility and justification of reducing buyout assistance to those who fail to purchase and maintain flood insurance: Provided further, That the entire amount shall be available only to the extent an official budget request, that includes designation of the entire amount of the request as an emergency requirement as defined by the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: Provided further, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

TITLE II—OTHER APPROPRIATIONS MATTERS

SEC. 201. Section 733 of Public Law 106–78 is amended by striking after ''Missouri'' '', or the Food and Drug Administration Detroit, Michigan, District Office Laboratory; or to reduce the Detroit, Michigan, Food and Drug Administration District Office below the operating and full-time equivalent staffing level of July 31, 1999; or to change the Detroit District Office to a station, residence post or similarly modified office; or to reassign residence posts assigned to the Detroit District Office''.

SEC. 202. None of the funds made available to the Food and Drug Administration by Public Law 106–78 or any other Act for fiscal year 2000 shall be used to reduce the Detroit, Michigan, Food and Drug Administration District Office below the operating and full-time equivalent staffing level of July 31, 1999; or to change the Detroit District Office to a station, residence post or similarly modified office; or to reassign residence posts assigned to the Detroit District Office: Provided, That this section shall not apply to Food and Drug Administration field laboratory facilities or operations currently located in Detroit, Michigan, if the full-time equivalent staffing level of laboratory personnel as of July 31, 1999, is assigned to locations in the general vicinity of Detroit, Michigan, pursuant to cooperative agreements between the Food and Drug Administration and other laboratory facilities associated with the State of Michigan.

SEC. 203. Notwithstanding any other provision of law, the Secretary of Agriculture may use funds provided for rural housing assistance grants in Public Law 106–78 for a pilot project to provide home ownership for farm workers and workers involved in the processing of farm products in Salinas, California, and the surrounding area.

SEC. 204. Notwithstanding any other provision of law (including the Federal Grants and Cooperative Agreements Act), the Secretary of Agriculture shall use not more than $9,000,000 of Commodity Credit Corporation funds for a cooperative program with the State of Florida to replace commercial trees removed to control citrus canker until the earlier of December 31, 1999, or the date crop insurance coverage is made available with respect to citrus canker; and the Secretary of Agriculture shall use not more than $7,000,000 of Commodity Credit Corporation funds to replace non-commercial trees (known as dooryard citrus trees), owned by private homeowners, and removed to control citrus canker.

SEC. 205. (a) CONTINUATION OF REVENUE INSURANCE PILOT.—Section 508(h)(9)(A) of the Federal Crop Insurance Act (7 U.S.C. 1508(h)(9)(A)) is amended by striking ''1997, 1998, 1999, and 2000'' and inserting ''1997 through 2001''.

(b) EXPANSION OF CROP INSURANCE PILOTS.—In the case of any pilot program offered under the Federal Crop Insurance Act that was approved by the Board of Directors of the Federal Crop Insurance Corporation on or before September 30, 1999, the pilot program may be offered on a regional, whole State, or national basis for the 2000 and 2001 crop years notwithstanding section 553 of title 5, United States Code.

SEC. 206. SALES CLOSING DATES FOR CROP INSURANCE.—Section 508(f)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(f)(2)) is amended—

(1) by inserting ''(A) IN GENERAL.—'' before the first sentence;

(2) by striking the last sentence; and

(3) by adding at the end the following:

''(B) ESTABLISHED DATES.—Except as provided in subparagraph (C), the Corporation shall establish, for an insurance policy for each insurable crop that is planted in the spring, a sales closing date that is 30 days earlier than the corresponding sales closing date that was established for the 1994 crop year.

''(C) EXCEPTION.—If compliance with subparagraph (B) results in a sales closing date for an agricultural commodity that is earlier than January 31, the sales closing date for that commodity shall be January 31 beginning with the 2000 crop year.''.

SEC. 207. The Secretary of Agriculture may use not more than $1,090,000 of funds of the Commodity Credit Corporation to provide emergency assistance to producers on farms located in Harney County, Oregon, who suffered flood-related crop and forage losses in 1999 and several previous years and are expected to suffer continuing economic losses until the floodwaters recede. The amount made available under this section shall be available for such losses for such years as determined appropriate by the Secretary to compensate such producers for hay, grain, and pasture losses due to the floods and for related economic losses.

SEC. 208. TILLAMOOK RAILROAD DISASTER REPAIRS. In addition to amounts appropriated or otherwise made available for rural development programs of the United States Department of Agriculture by Public Law 106–78, there are appropriated $5,000,000 which may be made available to repair damage to the Tillamook Railroad caused by flooding and high winds (FEMA Disaster Number 1099–DR–OR) notwithstanding any other provision of law.

SEC. 209. At the end of section 746 of Public Law 106–78, insert the following before the period: '': Provided, That the Congressional Hunger Center may invest such funds and expend the income from such funds in a manner consistent with this section: Provided further, That notwithstanding any other provision of law, funds appropriated pursuant to this section may be paid directly to the Congressional Hunger Center.''.

SEC. 210. The Secretary of Agriculture may reprogram funds appropriated by Public Law 106–78 for the cost of rural electrification and telecommunications loans to provide up to $100,000 for the cost of guaranteed loans authorized by section 306 of the Rural Electrification Act of 1936.

SEC. 211. Section 755(b) of Public Law 106–78 is hereby repealed.

SEC. 212. Section 602(b)(2) of the Small Business Reauthorization Act of 1997 (15 U.S.C. 657a note) is amended—

(1) in subparagraph (I), by striking ''and'' at the end;

(2) in subparagraph (J), by striking the period at the end and inserting ''; ''; and

(3) by inserting at the end the following:

''(K) the Department of Commerce;

''(L) the Department of Justice; and

''(M) the Department of State.''.

SEC. 213. (a) REVISED SCHEDULE FOR COMPETITIVE BIDDING OF SPECTRUM.—(1) Section 337(b) of the Communications Act of 1934 (47 U.S.C. 337(b)) is amended by striking ''shall—'' and all that follows and inserting ''shall commence assignment of licenses for public safety services created pursuant to subsection (a) no later than September 30, 1998.''.

(2) Commencing on the date of the enactment of this Act, the Federal Communications Commission shall initiate the competitive bidding process previously required under section 337(b)(2) of the Communications Act of 1934 (as repealed by the amendment made by paragraph (1)).

(3) The Federal Communications Commission shall conduct the competitive bidding process described in paragraph (2) in a manner that ensures that all proceeds of such bidding are deposited in accordance with section 309(j)(8) of the Communications Act of 1934 (47 U.S.C. 309(j)(8)) not later than September 30, 2000.

(4)(A) To expedite the assignment by competitive bidding of the frequencies identified in section 337(a)(2) of the Communications Act of 1934 (47 U.S.C. 337(a)(2)), the rules governing such frequencies shall be effective immediately upon publication in the Federal Register without regard to sections 553(d), 801(a)(3), 804(2), and 806(a) of title 5, United States Code.

(B) Chapter 6 of title 5, United States Code, section 3 of the Small Business Act (15 U.S.C. 632), and sections 3507 and 3512 of title 44, United States Code, shall not apply to the rules and competitive bidding procedures governing the frequencies described in subparagraph (A).

(5) Notwithstanding section 309(b) of the Communications Act of 1934 (47 U.S.C. 309(b)), no application for an instrument of authorization for the frequencies described in paragraph (4) may be granted by the Federal Communications Commission earlier than 7 days following issuance of public notice by the Commission of the acceptance for filing of such application or of any substantial amendment thereto.

(6) Notwithstanding section 309(d)(1) of the Communications Act of 1934 (47 U.S.C. 309(d)(1)), the Federal Communications Commission may specify a period (which shall be not less than 5 days following issuance of the public notice described in paragraph (5)) for the filing of petitions to deny any application for an instrument of authorization for the frequencies described in paragraph (4).

(b) REPORTS.—(1) Not later than 30 days after the date of the enactment of this Act, the Director of the Office of Management and Budget and the Federal Communications Commission shall each submit to the appropriate congressional committees a report which shall—

(A) set forth the anticipated schedule (including specific dates) for—

(i) preparing and conducting the competitive bidding process required by subsection (a); and

(ii) depositing the receipts of the competitive bidding process;

(B) set forth each significant milestone in the rulemaking process with respect to the competitive bidding process; and

(C) include an explanation of the effect of each requirement in subsection (a) on the schedule for the competitive bidding process and any post-bidding activities (including the deposit of receipts) when compared with the schedule for the competitive bidding and any post-bidding activities (including the deposit of receipts) that would otherwise have occurred under section 337(b)(2) of the Communications Act of 1934 (47 U.S.C. 337(b)(2)) if not for the enactment of subsection (a).

(2) Not later than 60 days after the date of the enactment of this Act, the Federal Communications Commission shall submit to the appropriate congressional committees a report which shall set forth for each spectrum auction held by the Commission since January 1, 1998, information on—

(A) the time required for each stage of preparation for the auction;

(B) the date of the commencement and of the completion of the auction;

(C) the time which elapsed between the date of the completion of the auction and the date of the first deposit of receipts from the auction in the Treasury; and

(D) the amounts, summarized by month, of all subsequent deposits in a Treasury receipt account from the auction.

(3) Not later than October 31, 2000, the Federal Communications Commission shall submit to the appropriate congressional committees a report which shall—

(A) describe the course of the competitive bidding process required by subsection (a) through September 30, 2000, including the amount of any receipts from the competitive bidding process deposited in the Treasury as of September 30, 2000; and

(B) if the course of the competitive bidding process has included any deviations from the schedule set forth under paragraph (1)(A), an explanation for such deviations from the schedule.

(4) Each report required by this subsection shall be prepared by the agency concerned without influence of any other Federal department or agency.

(5) In this subsection, the term ''appropriate congressional committees'' means the following:

(A) The Committees on Appropriations, the Budget, and Commerce, Science, and Transportation of the Senate.

(B) The Committees on Appropriations, the Budget, and Commerce of the House of Representatives.

(c) CONSTRUCTION.—Nothing in this section shall be construed to supersede the requirements placed on the Federal Communications Commission by section 337(d)(4) of the Communications Act of 1934 (47 U.S.C. 337(d)(4)).

(d) REPEAL OF SUPERSEDED PROVISIONS.—Section 8124 of the Department of Defense Appropriations Act, 2000 is repealed.

SEC. 214. (a) Section 8175 of the Department of Defense Appropriations Act, 2000 (Public Law 106–79) is amended by striking section 8175 and inserting the following new section 8175:

''SEC. 8175. Notwithstanding any other provision of law, the Department of Defense shall make progress payments based on progress no less than 12 days after receiving a valid billing and the Department of Defense shall make progress payments based on cost no less than 19 days after receiving a valid billing: Provided, That this provision shall be effective only with respect to billings received during the last month of the fiscal year.''.

(b) The amendment made by subsection (a) shall take effect as if included in the Department of Defense Appropriations Act, 2000 (Public Law 106–79), to which such amendment relates.

SEC. 215. (a) Section 8176 of the Department of Defense Appropriations Act, 2000 (Public Law 106–79) is amended by striking section 8176 and inserting the following new section 8176:

''SEC. 8176. Notwithstanding any other provision of law, the Department of Defense shall make adjustments in payment procedures and policies to ensure that payments are made no earlier than one day before the date on which the payments would otherwise be due under any other provision of law: Provided, That this provision shall be effective only with respect to invoices received during the last month of the fiscal year.''.

(b) The amendment made by subsection (a) shall take effect as if included in the Department of Defense Appropriations Act, 2000 (Public Law 106–79), to which such amendment relates.

SEC. 216. The Office of Net Assessment in the Office of the Secretary of Defense, jointly with the United States Pacific Command, shall submit, through the Under Secretary of Defense (Policy), a report to Congress no later than 270 days after the enactment of this Act which addresses the following issues: (1) A review of the operational planning and other preparations of the United States Department of Defense, including but not limited to the United States Pacific Command, to implement the relevant sections of the Taiwan Relations Act since its enactment in 1979; and (2) a review of evaluation of all gaps in relevant knowledge about the People's Republic of China's capabilities and intentions as they might affect the current and future military balance between Taiwan and the People's Republic of China, including both classified United States intelligence information and Chinese open source writing. The report shall be submitted in classified form, with an unclassified summary.

SEC. 217. The Secretary of Defense, jointly with the Secretary of Veterans Affairs, shall submit a report to Congress no later than 90 days after the enactment of this Act assessing the adequacy of medical research activities currently underway or planned to commence in fiscal year 2000 to investigate the health effects of low-level chemical exposures of Persian Gulf military forces while serving in the Southwest Asia theater of operations. This report shall also identify and assess valid proposals (including the cost of such proposals) to accelerate medical research in this area, especially those aimed at studying, diagnosing, and developing treatment protocols for Gulf War veterans with multi-system symptoms and multiple chemical intolerances.

(INCLUDING TRANSFER OF FUNDS)

SEC. 218. In addition to amounts appropriated or otherwise made available in Public Law 106–79, $100,000,000 is hereby appropriated to the Department of the Army and shall be made available only for transfer to titles II, III, IV, and V of Public law 106–79 to meet readiness needs: Provided, That these funds may be used to initiate the fielding and equipping, to include leasing of vehicles for test and evaluation, of two prototype brigade combat teams at Fort Lewis, Washington: Provided further, That funds transferred pursuant to this section shall be merged with and be available for the same purposes and for the same time period as the appropriation to which transferred: Provided further, That the transfer authority provided in this section is in addition to any transfer authority available to the Department of Defense: Provided further, That none of the funds made available under this section may be obligated or expended until 30 days after the Chief of Staff of the Army submits a detailed plan for the expenditure of the funds to the congressional defense committees.

(TRANSFER OF FUNDS)

SEC. 219. Of the funds appropriated in Public Law 106–79, $500,000 shall be transferred from ''Research, Development, Test, and Evaluation, Army'' to ''Operation and Maintenance, Defense-Wide'': Provided, That funds transferred pursuant to this section shall be merged with and be available for the same purposes and for the same time period as the appropriation to which transferred.

SEC. 220. EXEMPTION FOR WASTE MANAGEMENT FACILITIES OWNED OR OPERATED BY THE UNITED STATES. No form of financial responsibility requirement shall be imposed on the Federal Government or its contractors as to the operation of any waste management facility which is designed to manage transuranic waste material and is owned or operated by a department, agency, or instrumentality of the executive branch of the Federal Government and subject to regulation by the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.) or by a State program authorized under that Act.

SEC. 221. (a) That portion of the project for navigation, Newport Harbor, Rhode Island, authorized by the Rivers and Harbors Act of 1907, House Document 438, 59th Congress, 2nd Session, described by the following: N148,697.62, E548,281.70, thence running south 9 degrees 42 minutes 14 seconds east 720.92 feet to a point N147,987.01, E548,403.21, thence running south 80 degrees 17 minutes 45.2 seconds west 313.60 feet to a point N147,934.15, E548,094.10, thence running north 8 degrees 4 minutes 50 seconds west 776.9 feet to a point N148,703.30, E547,984.90, thence running south 88 degrees 54 minutes 13 seconds east 296.85 feet returning to a point N148,697.62, E548,281.70 shall no longer be authorized after the date of enactment of this Act.

(b) The area described by the following: N150,482.96, E548,057.84, thence running south 6 degrees 9 minutes 49 seconds east 1300 feet to a point N149,190.47, E548,197.42, thence running south 9 degrees 42 minutes 14 seconds east 500 feet to a point N148,697.62, E548,281.70, thence running north 88 degrees 54 minutes 13 seconds west 377.89 feet to a point N148,704.85, E547,903.88, thence running north 8 degrees 4 minutes 52 seconds west 1571.83 feet to a point N150,261.08, E547,682.92, thence running north 59 degrees 22 minutes 58 seconds east 435.66 feet returning to a point N150,482.96, E548,057.84 shall be redesignated as an anchorage area.

(c) The area described by the following: N147,427.22, E548,464.05, thence running south 2 degrees 10 minutes 32 seconds east 273.7 feet to a point N147,153.72, E548,474.44, thence running south 5 degrees 18 minutes 48 seconds west 2375.34 feet to a point N144,788.59, E548,254.48, thence running south 73 degrees 11 minutes 48 seconds west 93.40 feet to a point N144,761.59, E548,165.07, thence running north 2 degrees 10 minutes 39 seconds west 2589.81 feet to a point N147,349.53, E548,066.67, thence running north 78 degrees 56 minutes 16 seconds east 404.9 feet returning to a point N147,427.22, E548,464.05 shall be redesignated as an anchorage area.

SEC. 222. There is hereby appropriated to the Department of the Interior $1,250,000 for the acquisition of lands in the Wertheim National Wildlife Refuge, to be derived from the Land and Water Conservation Fund.

SEC. 223. For a payment to Virginia C. Chafee, widow of John H. Chafee, late a Senator from Rhode Island, $136,700.

SEC. 224. Paragraph (5) of section 201(a) of the Congressional Budget Act of 1974 (2 U.S.C. 601(a)) is amended to read as follows:

''(5)(A) The Director shall receive compensation at an annual rate of pay that is equal to the lower of—

''(i) the highest annual rate of compensation of any officer of the Senate; or

''(ii) the highest annual rate of compensation of any officer of the House of Representatives.

''(B) The Deputy Director shall receive compensation at an annual rate of pay that is $1,000 less than the annual rate of pay received by the Director, as determined under subparagraph (A).''.

SEC. 225. In addition to amounts otherwise made available in Public Law 106–69 (Department of Transportation and Related Agencies Appropriations Act, 2000) to carry out 49 United States Code, 5309(m)(1)(C), $1,750,000 is made available from the Mass Transit Account of the Highway Trust Fund for Twin Cities, Minnesota metropolitan buses and bus facilities; $750,000 is made available from the Mass Transit Account of the Highway Trust Fund for Santa Clarita, California bus maintenance facility; $1,000,000 is made available from the Mass Transit Account of the Highway Trust Fund for a Lincoln, Nebraska bus maintenance facility; and $2,500,000 is made available from the Mass Transit Account of the Highway Trust Fund for Anchorage, Alaska 2001 Special Olympics Winter Games buses and bus facilities: Provided, That notwithstanding any other provision of law, $2,000,000 of the funds available in fiscal year 2000 under section 1101(a)(9) of Public Law 105–178, as amended, for the National corridor planning and development and coordinated border infrastructure programs shall be made available for the planning and design of a highway corridor between Dothan, Alabama and Panama City, Florida: Provided further, That under ''Capital Investment Grants'' in Public Law 106–69, item number 66 shall be amended by striking ''Colorado Association of Transit Agencies'' and inserting ''Colorado buses and bus facilities'', item number 107 shall be amended by striking ''Kansas Public Transit Association buses and bus facilities'' and inserting ''Kansas buses and bus facilities'', the figure in item number 92 shall be amended to read ''3,340,000'', item number 251 shall be amended by inserting after ''buses'' the following: ''and bus facilities'', and there shall be inserted after item number 279 under ''Capital Investment Grants'' the following:

''280. Iowa Mason City, bus facility 160,000'': Provided further, That Public Law 105–277, 112 Stat. 2681–458, item number 243 shall be amended by inserting after the word ''buses'' the following: ''and bus facilities''.

SEC. 226. No funds made available in Public Law 106–69 or any other Act shall be used to decommission or otherwise reduce operations of U.S. Coast Guard WYTL harbor tug boats.

SEC. 227. Section 351 of Public Law 106–69 is amended by striking ''provided'' and inserting ''appropriated or limited''.

SEC. 228. For purposes of section 5117(b)(5) of the Transportation Equity Act for the 21st Century, for fiscal years 1998, 1999 and 2000 the cost-sharing provision of section 5001(b) shall not apply.

SEC. 229. Section 366 of the Department of Transportation and Related Agencies Appropriations Act, 2000 (Public Law 106–69) is amended—

(1) by striking ''and subject to subsection (b),''; and

(2) by striking ''under subsection (a)'' and inserting ''under this section''.

SEC. 230. Section 408 of the Woodrow Wilson Memorial Bridge Authority Act of 1995 (109 Stat. 631) is amended—

(1) by striking ''The'' and inserting ''(a) IN GENERAL.—The''; and

(2) by adding at the end the following:

''(b) TRANSPORTATION IMPROVEMENT PROGRAM.—Notwithstanding sections 134(g)(2)(B), 134(h)(3)(D) and 135(f)(2)(D) of title 23, United States Code, the Project may be included in a metropolitan long-range transportation plan, a metropolitan transportation improvement program, and a State transportation improvement program under sections 134 and 135, respectively, of that title.''.

SEC. 231. (a) EXEMPTION FOR AIRCRAFT MODIFICATION OR DISPOSAL, SCHEDULED HEAVY MAINTENANCE, OR LEASING-RELATED FLIGHTS.—Section 47528 is amended—

(1) by striking ''subsection (b)'' in subsection (a) and inserting ''subsection (b) or (f)'';

(2) by adding at the end of subsection (e) the following:

''(4) An air carrier operating Stage 2 aircraft under this subsection may transport Stage 2 aircraft to or from the 48 contiguous States on a non-revenue basis in order—

''(A) to perform maintenance (including major alterations) or preventative maintenance on aircraft operated, or to be operated, within the limitations of paragraph (2)(B); or

''(B) conduct operations within the limitations of paragraph (2)(B).''; and

(3) adding at the end thereof the following:

''(f) AIRCRAFT MODIFICATION, DISPOSAL, SCHEDULED HEAVY MAINTENANCE, OR LEASING.—

''(1) IN GENERAL.—The Secretary shall permit a person to operate after December 31, 1999, a Stage 2 aircraft in nonrevenue service through the airspace of the United States or to or from an airport in the contiguous 48 States in order to—

''(A) sell, lease, or use the aircraft outside the contiguous 48 States;

''(B) scrap the aircraft;

''(C) obtain modifications to the aircraft to meet Stage 3 noise levels;

''(D) perform scheduled heavy maintenance or significant modifications on the aircraft at a maintenance facility located in the contiguous 48 States;

''(E) deliver the aircraft to an operator leasing the aircraft from the owner or return the aircraft to the lessor;

''(F) prepare or park or store the aircraft in anticipation of any of the activities described in subparagraphs (A) through (E); or

''(G) divert the aircraft to an alternative airport in the contiguous 48 States on account of weather, mechanical, fuel, air traffic control, or other safety reasons while conducting a flight in order to perform any of the activities described in subparagraphs (A) through (F).

''(2) PROCEDURE TO BE PUBLISHED.—The Secretary shall establish and publish, not later than 30 days after the date of enactment of this Act a procedure to implement paragraph (1) of this subsection through the use of categorical waivers, ferry permits, or other means.''.

(b) NOISE STANDARDS FOR EXPERIMENTAL AIRCRAFT.—

(1) IN GENERAL.—Section 47528(a) of title 49 is amended by inserting ''(for which an airworthiness certificate other than an experimental certificate has been issued by the Administrator)'' after ''civil subsonic turbojet''.

(2) FAR MODIFIED.—The Federal Aviation Regulations, contained in Part 14 of the Code of Federal Regulations, that implement section 47528 and related provisions shall be deemed to incorporate this change on the effective date of this Act.

(3) OTHER.—Notwithstanding any other provision of law, none of the funds in this or any other Act may be used to implement or otherwise enforce Stage 3 noise limitations in title 49 United States Code, section 47528(a) for aircraft operating under an experimental airworthiness certification issued by the Department of Transportation.

SEC. 232. In addition to amounts provided to the Federal Railroad Administration in Public Law 106–69, for necessary expenses for engineering, design and construction activities to enable the James A. Farley Post Office in New York City to be used as a train station and commercial center, to become available on October 1 of the fiscal year specified and to remain available until expended: fiscal year 2001, $20,000,000; fiscal year 2002, $20,000,000; fiscal year 2003, $20,000,000.

SEC. 233. (a) Section 203(p)(1)(B)(ii) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(p)(1)(B)(ii)) is amended by striking ''December 31, 1999.'' and inserting ''July 31, 2000.''.

(b) During the period beginning January 1, 2000, and ending July 31, 2000, the Administrator may convey any property for which an application for the transfer of property is under consideration and pending on the date of the enactment of this Act.

SEC. 234. Effective on November 15, 1999, or the last day of the 1st session of the 106th Congress, whichever is later, in addition to amounts otherwise provided to address the expenses of Year 2000 conversion of Federal information technology systems, not to exceed 10 percent of any appropriation for salaries and expenses made available to an agency for fiscal year 2000 in this or any other Act may be used by the agency for implementation of agency business continuity and contingency plans in furtherance of Year 2000 compliance by Federal agencies: Provided, That such amounts may be transferred between agency accounts: Provided further, That the transfer authority provided in this section is in addition to any other transfer authority provided in this or any other Act: Provided further, That notice of any transfer under this section shall be transmitted to House and Senate Committees on Appropriations, the Senate Special Committee on the Year 2000 Technology Problem, the House Committee on Science, and the House Committee on Government Reform 10 days in advance of such transfer: Provided further, That, under circumstances reasonably requiring immediate action, such notice shall be transmitted as soon as possible but in no case more than 5 days after such transfer: Provided further, That the authority granted in this section shall expire on February 29, 2000.

SEC. 235. Title III of Public Law 106–58, under the heading ''Office of Administration, Salaries and Expenses'', is amended by inserting after ''infrastructure'' the following: '': Provided, That the funds for the capital investment plan shall remain available until September 30, 2001''.

SEC. 236. POSTPONEMENT OF DATE OF TERMINATION OF FEDERAL AGENCY REPORTING REQUIREMENTS. Section 3003(a)(1) of the Federal Reports Elimination and Sunset Act of 1995 (31 U.S.C. 1113 note) is amended by striking ''4 years after the date of the enactment of this Act'' and inserting ''May 15, 2000''.

SEC. 237. In addition to amounts appropriated to the Office of National Drug Control Policy, $3,000,000 is appropriated: Provided, That this amount shall be made available by grant to the United States Olympic Committee for its anti-doping program within 30 days of the enactment of this Act.

SEC. 238. (a) IN GENERAL.—(1) Section 5315 of title 5, United States Code, is amended by striking the following item: ''Commissioner of Customs, Department of the Treasury''.

(2) Section 5314 of title 5, United States Code, is amended by inserting at the end the following item: ''Commissioner of Customs, Department of the Treasury''.

(b) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on January 1, 2000.

SEC. 239. (a) Section 101(d)(3) of title I of Division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277, 112 Stat. 2681–584–2681–585) is amended by inserting ''not'' after ''the Inspector General Act of 1978 (5 U.S.C. App.) shall''.

(b) The amendment made by subsection (a) shall be effective as if included in the enactment of section 101 of title I of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999.

SEC. 240. For necessary expenses of the United States Secret Service, an additional $10,000,000 is appropriated for ''Salaries and Expenses''. In addition, for the purposes of meeting additional requirements of the United States Secret Service for fiscal year 2000, the Secretary of the Treasury is authorized and directed to transfer $21,000,000 to the United States Secret Service out of all the funds available to the Department of the Treasury no later than 120 days after enactment of this Act: Provided, That the transfer authority provided in this section is in addition to any other transfer authority contained elsewhere in this or any other Act: Provided further, That such transfers pursuant to this section be taken from programs, projects, and activities as determined by the Secretary of the Treasury and subject to the advance approval of the Committee on Appropriations.

SEC. 241. Section 404(b) of the Government Management Reform Act of 1994 (31 U.S.C. 501 note) is amended by striking: ''December 31, 1999'' and inserting ''April 30, 2000''.

SEC. 242. (a) The seventh paragraph under the heading ''Community Development Block Grants'' in title II of H.R. 2684 (Public Law 106–74) is amended by striking the figure making individual grants for targeted economic investments and inserting ''$250,175,000'' in lieu thereof.

(b) The statement of the managers of the committee of conference accompanying H.R. 2684 (Public Law 106–74; House Report No. 106–379) is deemed to be amended under the heading ''Community Development Block Grants'' to include in the description of targeted economic development initiatives the following:

''—$500,000 to Saint John's County, Florida for water, wastewater, and sewer system improvements;

''—$1,000,000 to the City of San Dimas, California for structural improvements, earthquake reinforcement, and compliance with the Americans with Disabilities Act, to the Walker House;

''—$2,000,000 to the City of Youngstown in Youngstown, Ohio for site acquisition, planning, architectural design, and preliminary construction activities of a convocation/community center;

''—$875,000 to Chippewa County, Wisconsin for development of the Lake Wissota Business Park;

''—$1,500,000 to Lake Marion Regional Water Agency in South Carolina, for continued development of water supply needs;

''—$650,000 to Santa Fe County, New Mexico, for the Santa Fe Regional Water Management and River Restoration Strategy (including activities of partner governments and agencies);

''—$650,000 to the Dunbar Community Center in Springfield, Massachusetts to expand its facilities''.

TITLE III—FISCAL YEAR 2000 OFFSETS AND RESCISSIONS

SEC. 301. (a) GOVERNMENT-WIDE RESCISSIONS.—There is hereby rescinded an amount equal to 0.38 percent of the discretionary budget authority provided (or obligation limit imposed) for fiscal year 2000 in this or any other Act for each department, agency, instrumentality, or entity of the Federal Government.

(b) RESTRICTIONS.—In carrying out the rescissions made by subsection (a),—

(1) no program, project, or activity of any department, agency, instrumentality, or entity may be reduced by more than 15 percent (with ''programs, projects, and activities'' as delineated in the appropriations Act or accompanying report for the relevant account, or for accounts and items not included in appropriations Acts, as delineated in the most recently submitted President's budget),

(2) no reduction shall be taken from any military personnel account, and

(3) the reduction for the Department of Defense and Department of Energy Defense Activities shall be applied proportionately to all Defense accounts.

(c) REPORT.—The Director of the Office of Management and Budget shall include in the President's budget submitted for fiscal year 2001 a report specifying the reductions made to each account pursuant to this section.

SEC. 302. Section 7 of the Federal Reserve Act (12 U.S.C. 289) is amended as follows:

(1) by striking subsection (a)(3); and

(2) by inserting the following new subsection (b):

''(b) TRANSFER FOR FISCAL YEAR 2000.—

''(1) IN GENERAL.—The Federal reserve banks shall transfer from the surplus funds of such banks to the Board of Governors of the Federal Reserve System for transfer to the Secretary of the Treasury for deposit in the general fund of the Treasury, a total amount of $3,752,000,000 in fiscal year 2000.

''(2) ALLOCATED BY FED.—Of the total amount required to be paid by the Federal reserve banks under paragraph (1) for fiscal year 2000, the Board shall determine the amount each such bank shall pay in such fiscal year.

''(3) REPLENISHMENT OF SURPLUS FUND PROHIBITED.—During fiscal year 2000, no Federal reserve bank may replenish such bank's surplus fund by the amount of any transfer by such bank under paragraph (1).''.

SEC. 303. (a) Section 453(j) of the Social Security Act (42 U.S.C. 653(j)) is amended by adding at the end the following:

''(6) INFORMATION COMPARISONS AND DISCLOSURE FOR ENFORCEMENT OF OBLIGATIONS ON HIGHER EDUCATION ACT LOANS AND GRANTS.—

''(A) FURNISHING OF INFORMATION BY THE SECRETARY OF EDUCATION.—The Secretary of Education shall furnish to the Secretary, on a quarterly basis or at such less frequent intervals as may be determined by the Secretary of Education, information in the custody of the Secretary of Education for comparison with information in the National Directory of New Hires, in order to obtain the information in such directory with respect to individuals who—

''(i) are borrowers of loans made under title IV of the Higher Education Act of 1965 that are in default; or

''(ii) owe an obligation to refund an overpayment of a grant awarded under such title.

''(B) REQUIREMENT TO SEEK MINIMUM INFORMATION NECESSARY.—The Secretary of Education shall seek information pursuant to this section only to the extent essential to improving collection of the debt described in subparagraph (A).

''(C) DUTIES OF THE SECRETARY.—

''(i) INFORMATION COMPARISON; DISCLOSURE TO THE SECRETARY OF EDUCATION.—The Secretary, in cooperation with the Secretary of Education, shall compare information in the National Directory of New Hires with information in the custody of the Secretary of Education, and disclose information in that Directory to the Secretary of Education, in accordance with this paragraph, for the purposes specified in this paragraph.

''(ii) CONDITION ON DISCLOSURE.—The Secretary shall make disclosures in accordance with clause (i) only to the extent that the Secretary determines that such disclosures do not interfere with the effective operation of the program under this part. Support collection under section 466(b) shall be given priority over collection of any defaulted student loan or grant overpayment against the same income.

''(D) USE OF INFORMATION BY THE SECRETARY OF EDUCATION.—The Secretary of Education may use information resulting from a data match pursuant to this paragraph only—

''(i) for the purpose of collection of the debt described in subparagraph (A) owed by an individual whose annualized wage level (determined by taking into consideration information from the National Directory of New Hires) exceeds $16,000; and

''(ii) after removal of personal identifiers, to conduct analyses of student loan defaults.

''(E) DISCLOSURE OF INFORMATION BY THE SECRETARY OF EDUCATION.—

''(i) DISCLOSURES PERMITTED.—The Secretary of Education may disclose information resulting from a data match pursuant to this paragraph only to—

''(I) a guaranty agency holding a loan made under part B of title IV of the Higher Education Act of 1965 on which the individual is obligated;

''(II) a contractor or agent of the guaranty agency described in subclause (I);

''(III) a contractor or agent of the Secretary; and

''(IV) the Attorney General.

''(ii) PURPOSE OF DISCLOSURE.—The Secretary of Education may make a disclosure under clause (i) only for the purpose of collection of the debts owed on defaulted student loans, or overpayments of grants, made under title IV of the Higher Education Act of 1965.

''(iii) RESTRICTION ON REDISCLOSURE.—An entity to which information is disclosed under clause (i) may use or disclose such information only as needed for the purpose of collecting on defaulted student loans, or overpayments of grants, made under title IV of the Higher Education Act of 1965.

''(F) REIMBURSEMENT OF HHS COSTS.—The Secretary of Education shall reimburse the Secretary, in accordance with subsection (k)(3), for the additional costs incurred by the Secretary in furnishing the information requested under this subparagraph.''.

(b) PENALTIES FOR MISUSE OF INFORMATION.—Section 402(a) of the Child Support Performance and Incentive Act of 1998 (112 Stat. 669) is amended in the matter added by paragraph (2) by inserting ''or any other person'' after ''officer or employee of the United States''.

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective October 1, 1999.

SEC. 304. Section 110 of title 23, United States Code, is amended by adding at the end the following:

''(e) After making any calculation necessary to implement this section for fiscal year 2001, the amount available under paragraph (a)(1) shall be increased by $128,752,000. The amounts added under this subsection shall not apply to any calculation in any other fiscal year.

''(f) For fiscal year 2001, prior to making any distribution under this section, $22,029,000 of the allocation under paragraph (a)(1) shall be available only for each program authorized under chapter 53 of title 49, United States Code, and title III of Public Law 105–178, in proportion to each such program's share of the total authorization in section 5338 (other than 5338(h)) of such title and sections 3037 and 3038 of such Public Law, under the terms and conditions of chapter 53 of such title.

''(g) For fiscal year 2001, prior to making any distribution under this section, $399,000 of the allocation under paragraph (a)(1) shall be available only for motor carrier safety programs

under sections 31104 and 31107 of title 49, United States Code; $274,000 for NHTSA operations and research under section 403 of title 23, United States Code; and $787,000 for NHTSA highway traffic safety grants under chapter 4 of title 23, United States Code.''.

SEC. 305. Notwithstanding section 3324 of title 31, United States Code, and section 1006(h) of title 37, United States Code, the basic pay and allowances that accrues to members of the Army, Navy, Marine Corps, and Air Force for the pay period ending on September 30, 2000, shall be paid, whether by electronic transfer of funds or otherwise, no earlier than October 1, 2000.

SEC. 306. The pay of any Federal officer or employee that would be payable on September 29, 2000, or September 30, 2000, for the preceding applicable pay period (if not for this section) shall be paid, whether by electronic transfer of funds or otherwise, on October 1, 2000.

SEC. 307. Under the terms of section 251(b)(2) of Public Law 99–177, an adjustment for rounding shall be provided for the first amount referred to in section 251(c)(4)(A) of such Act equal to 0.2 percent of such amount.

TITLE IV—CANYON FERRY RESERVOIR, MONTANA

SEC. 401. DEFINITION OF INDIVIDUAL PROPERTY PURCHASER.

Section 1003 of title X of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–711) is amended—

(1) by redesignating paragraphs (4) through (12) as paragraphs (5) through (13), respectively; and

(2) by inserting after paragraph (3) the following:

''(4) INDIVIDUAL PROPERTY PURCHASER.—The term 'individual property purchaser', with respect to an individual cabin site described in section 1004(b), means a person (including CFRA or a lessee) that purchases that cabin site.

SEC. 402. SALE OF PROPERTIES.

Section 1004 of title X of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, is amended—

(1) in subsection (c)(2) (112 Stat. 2681–713), by striking subparagraph (B) and inserting the following:

''(B) APPRAISAL.—

''(i) IN GENERAL.—The appraisal under subparagraph (A) shall be based on the Canyon Ferry Cabin Site appraisal with a completion date of March 29, 1999, and amended June 11, 1999, with an effective date of valuation of October 15, 1998, for the Bureau of Reclamation, on the conditions stated in this subparagraph.

''(ii) MODIFICATIONS.—The contract appraisers that conducted the original appraisal having an effective date of valuation of October 15, 1998, for the Bureau of Reclamation shall make appropriate modifications to permit recalculation of the lot values established in the original appraisal into an updated appraisal, the function of which shall be to provide market values for the sale of each of the 265 Canyon Ferry Cabin site lots.

''(iii) CHANGES IN PROPERTY CHARACTERISTICS.—If there are any changes in the characteristic of a property that form part of the basis of the updated appraisal (including a change in size, easement considerations, or updated analyses of the physical characteristics of a lot), the contract appraisers shall make an appropriate adjustment to the updated appraisal.

''(iv) UPDATING.—Subject to the approval of CFRA and the Secretary, the fair market values established by the appraisers under this paragraph may be further updated periodically by the contract appraisers through appropriate market analyses.

''(v) RECONSIDERATION.—The Bureau of Reclamation and the 265 Canyon Ferry cabin owners have the right to seek reconsideration, before commencement of the updated appraisal, of the assumptions that the appraisers used in arriving at the fair market values derived in the original appraisal.

''(vi) CONTINUING VALIDITY.—Notwithstanding any other provision of law, the October 15, 1998, Canyon Ferry Cabin Site original appraisal, as provided for in this paragraph, shall remain valid for use by the Bureau of Reclamation in the sale process for a period of not less than 3 years from the date of completion of the updated appraisal.'';

(2) in subsection (d) (112 Stat. 2681–713)—

(A) in paragraph (1)(D), by adding at the end the following:

''(iii) REMAINING LEASES.—

''(I) CONTINUATION OF LEASES.—The remaining lessees shall have a right to continue leasing through August 31, 2014.

''(II) RIGHT TO CLOSE.—The remaining leases shall have the right to close under the terms of the sale at any time before August 31, 2014. On termination of the lease either by expiration under the terms of the lease or by violation of the terms of the lease, all personal property and improvements will be removed, and the cabin site shall remain in Federal ownership.''; and

(B) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by inserting ''or if no one (including CFRA) bids,'' after ''bid''; and

(ii) in subparagraph (D)—

(I) by striking ''12 months'' and inserting ''36 months''; and

(II) by adding at the end the following: ''If the requirement of the preceding sentence is not met, CFRA may close on all remaining cabin sites or up to the 75 percent requirement. If CFRA does not exercise either such option, the Secretary shall conduct another sale for the remaining cabin sites to close immediately, with proceeds distributed in accordance with section 1008.'';

(3) by striking subsection (e) (112 Stat. 2681–714) and inserting the following:

''(e) ADMINISTRATIVE COSTS.—

''(1) ALLOCATION OF FUNDING.—The Secretary shall allocate all funding necessary to conduct the sales process for the sale of property under this title.

''(2) REIMBURSEMENT.—Any reasonable administrative costs incurred by the Secretary (including the costs of survey and appraisals incident to the conveyance under subsection (a)) shall be proportionately reimbursed by the property owner a the time of closing.''; and

(4) by striking subsection (f) (112 Stat. 2681–714) and inserting the following:

''(f) TIMING.—The Secretary shall—

''(1) immediately begin preparing for the sales process on enactment of this Act; and

''(2) not later than 1 year after the date of enactment of this Act, begin conveying the property described in subsection (b).''.

SEC. 403. MONTANA FISH AND WILDLIFE CONSERVATION TRUST.

Section 1007(b) of title X of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–715), is amended—

(1) in subsection (c)—

(A) in paragraph (1), in the matter preceding subparagraph (A), by striking ''trust manager'' and inserting ''trust manager (referred to in this section as the 'trust manager')'';

(B) in paragraph (2)(A), in the matter preceding clause (i), by striking ''agency Board'' and inserting ''Agency Board (referred to in this section as the 'Joint State-Federal Agency Board')''; and

(C) in paragraph (3)(A), by striking ''Advisory Board'' and inserting ''Advisory Board (referred to in this section as the 'Citizen Advisory Board')''; and

(2) by adding at the end the following:

''(f) RECREATION TRUST AGREEMENT.—

''(1) IN GENERAL.—The Trust, acting through the trust manager, in consultation with the Joint State-Federal Agency Board and the Citizen Advisory Board, shall enter into a legally enforceable agreement with CFRA (referred to in this section as the 'Recreation Trust Agreement').

''(2) CONTENTS.—The Recreation Trust Agreement shall provide that—

''(A) on receipt of proceeds of the sale of a property under section 1004, the Trust shall loan up to $3,000,000 of the proceeds to CFRA;

''(B) CFRA shall deposit all funds borrowed under subparagraph (A) in the Canyon Ferry-Broadwater County Trust;

''(C) CFRA and the individual purchasers shall repay the principal of the loan to the Trust as soon as reasonably practicable in accordance with a repayment schedule specified in the loan agreement; and

''(D) until such time as the principal is repaid in full, CFRA and the individual purchasers shall make an annual interest payment on the outstanding principal of the loan to the Trust at an interest rate determined in accordance with paragraph (4)(C).

''(3) TREATMENT OF INTEREST PAYMENTS.—All interest payments received by the Trust under paragraph (2)(D) shall be treated as earnings under subsection (d)(2).

''(4) FIDUCIARY RESPONSIBILITY.—In negotiating the Recreation Trust Agreement, the trust manager shall act in the best interests of the Trust to ensure—

''(A) the security of the loan;

''(B) timely repayment of the principal; and

''(C) payment of a fair interest rate, of not less than 6 nor more than 8 percent per year, based on the length of the term of a loan that is comparable to the term of a traditional home mortgage.

''(g) RESTRICTION ON DISBURSEMENT.—Except as provided in subsection (f), the trust manager shall not disburse any funds from the Trust until August 1, 2001, as provided for in the Recreation Trust Agreement, unless Broadwater County, at an earlier date, certifies that the Canyon Ferry-Broadwater County Trust has been fully funded in accordance with this title.

''(h) CONDITION TO SALE.—No closing of property under section 1004 shall be made until the Recreation Trust Agreement is entered into under subsection (f)''.

SEC. 404. CANYON FERRY-BROADWATER COUNTY TRUST.

Section 1008(b) of title X of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–718), is amended—

(1) by striking paragraph (1) and inserting the following:

''(1) AGREEMENT.—

''(A) CONDITION TO SALE.—No closing of property under section 1004 shall be made until CFRA and Broadwater County enter into a legally enforceable agreement (referred to in this paragraph as the ' Contributions Agreement') concerning contributions to the Trust.

''(B) CONTENTS.—The Contributions Agreement shall require that on or before August 1, 2001, CFRA shall ensure that $3,000,000 in value is deposited in the Canyon Ferry-Broadwater County Trust from 1 or more of the following sources:

''(i) Direct contributions made by the purchasers on the sale of each cabin site.

''(ii) Annual contributions made by the purchasers.

''(iii) All other monetary contributions.

''(iv) In-kind contributions, subject to the approval of the County.

''(v) All funds borrowed by CFRA under section 1007(f).

''(vi) Assessments made against the cabin sites made under a county park district or any similar form of local government under the laws of the State of Montana.

''(vii) Any other contribution, subject to the approval of the County.'';

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(3) by inserting after paragraph (1) the following:

''(2) ALTERNATIVE FUNDING SOURCE.—If CFRA agrees to form a county park district under section 7–16–2401 et seq., of the Montana Code Annotated, or any other similar form of local government under the laws of the State of Montana, for the purpose of providing funding for the Trust pursuant to the Contributions Agreement, CFRA and Broadwater County may amend the Contributions Agreement as appropriate, so long as the monetary obligations of individual property purchases under the Contributions Agreement as amended are substantially similar to those specified in paragraph (1).''; and

(4) in paragraph (4) (as redesignated by paragraph (2), by striking ''until the condition stated in paragraph (1) is met''.

SEC. 405. TECHNICAL CORRECTIONS.

Title X of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 is amended—

(1) in section 1001 (112 Stat. 2681–710), by striking ''section 4(b)'' and inserting ''section 1004(b)'';

(2) in section 1003 (112 Stat. 2681–711)—

(A) in paragraph (1), by striking ''section 8'' and inserting ''section 1008'';

(B) in paragraph (6), by striking ''section 7'' and inserting ''section 1007'';

(C) in paragraph (8)—

(i) in subparagraph (A), by striking ''section 4(b)'' and inserting ''1004(b)''; and

(ii) in subparagraph (B), by striking ''section 4(b)(1)(B)'' and inserting ''section 1004(b)(1)(B)''; and

(D) in paragraph (9), by striking ''section 4'' and inserting ''section 104''; and

(3) in section 1004 (112 Stat. 2681–712)—

(A) in subsection (b)(3)(B)(ii)(II), by striking ''section 4(a)'' and inserting ''section 1004(a)''; and

(B) in subsection (d)(2)(G), by striking ''section 6'' and inserting ''section 1006''.

TITLE V—INTERNATIONAL DEBT RELIEF

SEC. 501. ACTIONS TO PROVIDE BILATERAL DEBT RELIEF.

(a) CANCELLATION OF DEBT.—Subject to the availability of amounts provided in advance in appropriations Acts, the President shall cancel all amounts owed to the United States (or any agency of the United States) by any country eligible for debt reduction under this section, as a result of loans made or credits extended prior to June 20, 1999, under any of the provisions of law specified in subsection (b).

(b) PROVISIONS OF LAW.—The provisions of law referred to in subsection (a) are the following:

(1) Sections 221 and 222 of the Foreign Assistance Act.

(2) The Arms Export Control Act (22 U.S.C. 2751 et seq.).

(3) Section 5(f) of the Commodity Credit Corporation Charter Act, section 201 of the Agricultural Trade Act of 1978 (7 U.S.C. 5621), or section 202 of such Act (7 U.S.C. 5622), or predecessor provisions under the Food for Peace Act of 1966.

(4) Title I of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1701 et seq.).

(c) OTHER DEBT REDUCTION AUTHORITIES.—The authority provided in this section is in addition to any other debt relief authority and does not in any way limit such authority.

(d) ELIGIBLE COUNTRIES.—A country that is performing satisfactorily under an economic reform program shall be eligible for cancellation of debt under this section if—

(1) the country, as of December 31, 2000, is eligible to borrow from the International Development Association;

(2) the country, as of December 31, 2000, is not eligible to borrow from the International Bank for Reconstruction and Development; and

(3)(A) the country has outstanding public and publicly guaranteed debt, the net present value of which on December 31, 1996, was at least 150 percent of the average annual value of the exports of the country for the period 1994 through 1996; or

(B)(i) the country has outstanding public and publicly guaranteed debt, the net present value of which, as of the date the President determines that the country is eligible for debt relief under this section, is at least 150 percent of the annual value of the exports of the country; or

(ii) the country has outstanding public and publicly guaranteed debt, the net present value of which, as of the date the President determines that the country is eligible for debt relief under this section, is at least 250 percent of the annual fiscal revenues of the country, and has minimum ratios of exports to Gross Domestic Product of 30 percent, and of fiscal revenues to Gross Domestic Product of 15 percent.

(e) PRIORITY.—In carrying out subsection (a), the President should seek to leverage scarce foreign assistance and give priority to heavily indebted poor countries with demonstrated need and the capacity to use such relief effectively.

(f) EXCEPTIONS.—A country shall not be eligible for cancellation of debt under this section if the government of the country—

(1) has an excessive level of military expenditures;

(2) has repeatedly provided support for acts of international terrorism, as determined by the Secretary of State under section 6(j)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)) or section 620A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a));

(3) is failing to cooperate on international narcotics control matters; or

(4) (including its military or other security forces), engages in a consistent pattern of gross violations of internationally recognized human rights.

(g) ADDITIONAL REQUIREMENT.—A country which is otherwise eligible to receive cancellation of debt under this section may receive such cancellation only if the country has committed, in connection with a social and economic reform program—

(1) to enable, facilitate, or encourage the implementation of policy changes and institutional reforms under economic reform programs, in a manner that ensures that such policy changes and institutional reforms are designed and adopted through transparent and participatory processes;

(2) to adopt an integrated development strategy of the type described in section 1624(a) of the International Financial Institutions Act, to support poverty reduction through economic growth, that includes monitorable poverty reduction goals;

(3) to take steps so that the financial benefits of debt relief are applied to programs to combat poverty (in particular through concrete measures to improve economic infrastructure, basic services in education, nutrition, and health, particularly treatment and prevention of the leading causes of mortality) and to redress environmental degradation;

(4) to take steps to strengthen and expand the private sector, encourage increased trade and investment, support the development of free markets, and promote broad-scale economic growth;

(5) to implement transparent policy making and budget procedures, good governance, and effective anticorruption measures;

(6) to broaden public participation and popular understanding of the principles and goals of poverty reduction, particularly through economic growth, and good governance; and

(7) to promote the participation of citizens and nongovernmental organizations in the economic policy choices of the government.

(h) CERTAIN PROHIBITIONS INAPPLICABLE.—Except as the President may otherwise determine for reasons of national security, a cancellation of debt under this section shall not be considered to be assistance for purposes of any provision of law limiting assistance to a country. The authority to provide for cancellation of debt under this section may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961, or any similar provision of law.

(i) AUTHORIZATION OF APPROPRIATIONS.—For the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990) of the cancellation of any debt under this section, there are authorized to be appropriated to the President such sums as may be necessary for each of the fiscal years 2000 through 2004, which shall remain available until expended.

(j) ANNUAL REPORTS TO THE CONGRESS.—Not later than December 31 of each year, the President shall prepare and transmit to the Committees on Banking and Financial Services, Appropriations, and International Relations of the House of Representatives, and the Committees on Banking, Housing, and Urban Affairs, Foreign Relations, and Appropriations of the Senate a report, which shall be made available to the public, concerning the cancellation of debt under subsection (a), and a detailed description of debt relief provided by the United States as a member of the Paris Club of Official Creditors for the prior fiscal year.

SEC. 502. ACTIONS TO IMPROVE THE PROVISION OF MULTILATERAL DEBT RELIEF.

Title XVI of the International Financial Institutions Act (22 U.S.C. 262p–262p–5) is amended by adding at the end the following:

''SEC. 1623. IMPROVEMENT OF THE HEAVILY INDEBTED POOR COUNTRIES INITIATIVE.

''(a) IMPROVEMENT OF THE HIPC INITIATIVE.—In order to accelerate multilateral debt relief and promote human and economic development and poverty alleviation in heavily indebted poor countries, the Congress urges the President to commence immediately efforts, with the Paris Club of Official Creditors, as well as the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (World Bank), and other appropriate multilateral development institutions to accomplish the following modifications to the Heavily Indebted Poor Countries Initiative:

''(1) FOCUS ON POVERTY REDUCTION, GOOD GOVERNANCE, TRANSPARENCY, AND PARTICIPATION OF CITIZENS.—A country which is otherwise eligible to receive cancellation of debt under the modified Heavily Indebted Poor Countries Initiative may receive such cancellation only if the country has committed, in connection with social and economic reform programs that are jointly developed, financed, and administered by the World Bank and the IMF—

''(A) to enable, facilitate, or encourage the implementation of policy changes and institutional reforms under economic reform programs, in a manner that ensures that such policy changes and institutional reforms are designed and adopted through transparent and participatory processes;

''(B) to adopt an integrated development strategy to support poverty reduction through economic growth, that includes monitorable poverty reduction goals;

''(C) to take steps so that the financial benefits of debt relief are applied to programs to combat poverty (in particular through concrete measures to improve economic infrastructure, basic services in education, nutrition, and health, particularly treatment and prevention of the leading causes of mortality) and to redress environmental degradation;

''(D) to take steps to strengthen and expand the private sector, encourage increased trade and investment, support the development of free markets, and promote broad-scale economic growth;

''(E) to implement transparent policy making and budget procedures, good governance, and effective anticorruption measures;

''(F) to broaden public participation and popular understanding of the principles and goals of poverty reduction, particularly through economic growth, and good governance; and

''(G) to promote the participation of citizens and nongovernmental organizations in the economic policy choices of the government.

''(2) FASTER DEBT RELIEF.—The Secretary of the Treasury should urge the IMF and the World Bank to complete a debt sustainability analysis by December 31, 2000, and determine eligibility for debt relief, for as many of the countries under the modified Heavily Indebted Poor Countries Initiative as possible.

''(b) HEAVILY INDEBTED POOR COUNTRIES REVIEW.—The Secretary of the Treasury, after consulting with the Committees on Banking and Financial Services and International Relations of the House of Representatives, and the Committees on Foreign Relations and Banking, Housing, and Urban Affairs of the Senate, shall make every effort (including instructing the United States Directors at the IMF and World Bank) to ensure that an external assessment of the modified Heavily Indebted Poor Countries Initiative, including the reformed Enhanced Structural Adjustment Facility program as it relates to that Initiative, takes place by December 31, 2001, incorporating the views of debtor governments and civil society, and that such assessment be made public.

''(c) DEFINITION.—The term 'modified Heavily Indebted Poor Countries Initiative' means the multilateral debt initiative presented in the Report of G–7 Finance Ministers on the Köln Debt Initiative to the Köln Economic Summit, Cologne, Germany, held from June 18–20, 1999.

"SEC. 1624. REFORM OF THE ENHANCED STRUCTURAL ADJUSTMENT FACILITY.

''The Secretary of the Treasury shall instruct the United States Executive Directors at the International Bank for Reconstruction and Development (World Bank) and the International Monetary Fund (IMF) to use the voice and vote of the United States to promote the establishment of poverty reduction strategy policies and procedures at the World Bank and the IMF that support countries' efforts under programs developed and jointly administered by the World Bank and the IMF that have the following components:

''(1) The development of country-specific poverty reduction strategies (Poverty Reduction Strategies) under the leadership of such countries that—

''(A) will be set out in poverty reduction strategy papers (PRSPs) that provide the basis for the lending operations of the International Development Association (IDA) and the reformed Enhanced Structural Adjustment Facility (ESAF);

''(B) will reflect the World Bank's role in poverty reduction and the IMF's role in macroeconomic issues;

''(C) will make the IMF's and the World Bank's advice and operations fully consistent with the objectives of poverty reduction through broad-based economic growth; and

''(D) should include—

''(i) implementation of transparent budgetary procedures and mechanisms to help ensure that the financial benefits of debt relief under the modified Heavily Indebted Poor Countries Initiative (as defined in section 1623) are applied to programs that combat poverty; and

''(ii) monitorable indicators of progress in poverty reduction.

''(2) The adoption of procedures for periodic comprehensive reviews of reformed ESAF and IDA programs to help ensure progress toward longer-term poverty goals outlined in the Poverty Reduction Strategies and to allow adjustments in such programs.

''(3) The publication of the PRSPs prior to Executive Board review of related programs under IDA and the reformed ESAF.

''(4) The establishment of a standing evaluation unit at the IMF, similar to the Operations Evaluation Department of the World Bank, that would report directly to the Executive Board of the IMF and that would undertake periodic reviews of IMF operations, including the operations of the reformed ESAF, including—

''(A) assessments of experience under the reformed ESAF programs in the areas of poverty reduction, economic growth, and access to basic social services;

''(B) assessments of the extent and quality of participation in program design by citizens;

''(C) verifications that reformed ESAF programs are designed in a manner consistent with the Poverty Reduction Strategies; and

''(D) prompt release to the public of all reviews by the standing evaluation unit.

''(5) The promotion of clearer conditionality in IDA and reformed ESAF programs that focuses on reforms most likely to support poverty reduction through broad-based economic growth.

''(6) The adoption by the IMF of policies aimed at reforming ESAF so that reformed ESAF programs are consistent with the Poverty Reduction Strategies.

''(7) The adoption by the World Bank of policies to help ensure that its lending operations in countries eligible for debt relief under the modified Heavily Indebted Poor Countries Initiative are consistent with the Poverty Reduction Strategies.

''(8) Strengthening the linkage between borrower country performance and lending operations by IDA and the reformed ESAF on the basis of clear and monitorable indictors.

''(9) Full public disclosure of the proposed objectives and financial organization of the successor to the ESAF at least 90 days before any decision by the Executive Board of the IMF to consider its adoption.''.

SEC. 503. ACTIONS TO FUND THE PROVISION OF MULTILATERAL DEBT RELIEF.

(a) CONTRIBUTIONS FOR DEBT REDUCTIONS FOR THE POOREST COUNTRIES.—The Bretton Woods Agreements Act (22 U.S.C. 286 et seq.) is amended by adding at the end the following:

"SEC. 62. APPROVAL OF CONTRIBUTIONS FOR DEBT REDUCTIONS FOR THE POOREST COUNTRIES.

''For the purpose of mobilizing the resources of the Fund in order to help reduce poverty and improve the lives of residents of poor countries and, in particular, to allow those poor countries with unsustainable debt burdens to receive deeper, broader, and faster debt relief, without allowing gold to reach the open market or otherwise adversely affecting the market price of gold, the Secretary of the Treasury is authorized to instruct the United States Executive Director of the Fund to vote—

''(1) to approve an arrangement whereby the Fund—

''(A) sells a quantity of its gold at prevailing market prices to a member or members in nonpublic transactions sufficient to generate 2.226 billion Special Drawing Rights in profits on such sales;

''(B) immediately after, and in conjunction with each such sale, accepts payment by such member or members of such gold to satisfy existing repurchase obligations of such member or members so that the Fund retains ownership of the gold at the conclusion of such payment;

''(C) uses the earnings on the investment of the profits of such sales through a separate subaccount, only for the purpose of providing debt relief from the Fund under the modified Heavily Indebted Poor Countries (HIPC) Initiative (as defined in section 1623 of the International Financial Institutions Act); and

''(D) shall not use more than 9/14 of the earnings on the investment of the profits of such sales; and

''(2) to support a decision that shall terminate the Special Contingency Account 2 (SCA–2) of the Fund so that the funds in the SCA–2 shall be made available to the poorest countries. Any funds attributable to the United States participation in SCA–2 shall be used only for debt relief from the Fund under the modified HIPC Initiative.''.

(b) CERTIFICATION.—Within 15 days after the United States Executive Director casts the votes necessary to carry out the instruction described in section 62 of the Bretton Woods Agreements Act, the Secretary of the Treasury shall certify to the Congress that neither the profits nor the earnings on the investment of profits from the gold sales made pursuant to the instruction or of the funds attributable to United States participation in SCA–2 will be used to augment the resources of any reserve account of the International Monetary Fund for the purpose of making loans.

SEC. 504. ADDITIONAL PROVISIONS.

(a) PUBLICATION OF IMF OPERATIONAL BUDGETS.—The Secretary of the Treasury shall instruct the United States Executive Director at the International Monetary Fund to use the voice, vote, and influence of the United States to urge vigorously the International Monetary Fund to publish the operational budgets of the International Monetary Fund, on a quarterly basis, not later than one year after the end of the period covered by the budget.

(b) REPORT TO THE CONGRESS SHOWING COSTS OF UNITED STATES PARTICIPATION IN THE INTERNATIONAL MONETARY FUND.—The Secretary of the Treasury shall prepare and transmit to the Committees on Banking and Financial Services, on Appropriations, and on International Relations of the House of Representatives and the Committees on Banking, Housing, and Urban Affairs, on Foreign Relations, and on Appropriations of the Senate a quarterly report, which shall be made readily available to the public, on the costs or benefits of United States participation in the International Monetary Fund and which shall detail the costs and benefits to the United States, as well as valuation gains or losses on the United States reserve position in the International Monetary Fund.

(c) CONTINUATION OF FORGOING OF REIMBURSEMENT OF IMF FOR EXPENSES OF ADMINISTERING ESAF.—The Secretary of the Treasury shall instruct the United States Executive Director at the International Monetary Fund to use the voice, vote, and influence of the United States to urge vigorously the International Monetary Fund to continue to forgo reimbursements of the expenses incurred by the International Monetary Fund in administering the Enhanced Structural Adjustment Facility, until the Heavily Indebted Poor Countries Initiative

(as defined in section 1623 of the International Financial Institutions Act) is terminated.

(d) NO GOLD SALES BY INTERNATIONAL MONETARY FUND WITHOUT PRIOR AUTHORIZATION BY THE CONGRESS.—(1) The first sentence of section 5 of the Bretton Woods Agreements Act (22 U.S.C. 286c) is amended in clause (g) by striking ''approve either the disposition of more than 25 million ounces of Fund gold for the benefit of the Trust Fund established by the Fund on May 6, 1976, or the establishment of any additional trust fund whereby resources of the International Monetary Fund would be used for the special benefit of a single member, or of a particular segment of the membership, of the Fund.'' and inserting ''approve any disposition of Fund gold, unless the Secretary certifies to the Congress that such disposition is necessary for the Fund to restitute gold to its members, or for the Fund to provide liquidity that will enable the Fund to meet member country claims on the Fund or to meet threats to the systemic stability of the international financial system.''.

(2) Not less than 30 days prior to the entrance by the United States into international negotiations for the purpose of reaching agreement on the disposition of Fund gold whereby resources of the Fund would be used for the special benefit of a single member, or of a particular segment of the membership of the Fund, the Secretary of the Treasury shall consult with the Committees on Banking and Financial Services, on Appropriations, and on International Relations of the House of Representatives and the Committees on Foreign Relations, on Appropriations, and on Banking, Housing and Urban Affairs of the Senate.

(e) ANNUAL REPORT BY GAO ON CONSISTENCY OF IMF PRACTICES WITH STATUTORY POLICIES.—The Comptroller General of the United States shall annually prepare and submit to the Congress of the United States a written port on the extent to which the practices of the International Monetary Fund are consistent with the policies of the United States, as expressly contained in Federal law applicable to the International Monetary Fund.

TITLE VI—SURVIVOR BENEFITS

SEC. 601. PAYMENT.

(a) PAYMENT AUTHORIZATION.—The Secretary of the Treasury shall pay, out of funds not otherwise appropriated, $100,000 to the survivor, or collectively the survivors, of each of the 14 members of the Armed Forces and the one United States civilian Federal employee who were killed on April 14, 1994, when United States F–15 fighter aircraft mistakenly shot down two UH–60 Black Hawk helicopters over Iraq.

(b) SURVIVOR STATUS.—

(1) MEMBERS OF THE ARMED FORCES INSURED BY SGLI.—In the case of a member of the Armed Forces described in subsection (a) who was insured by a Servicemembers' Group Life Insurance policy (issued under chapter 19 of title 38, United States Code), a survivor of such member for the purposes of subsection (a) shall be any person designated as a beneficiary on the individual's policy.

(2) INDIVIDUALS NOT INSURED BY SGLI.—In the case of a member of the Armed Forces described in subsection (a) who was not insured by a Servicemembers' Group Life Insurance policy (issued under chapter 19 of title 38, United States Code) or the civilian Federal employee described in subsection (a), a survivor of such member or employee for the purposes of subsection (a) shall be any person determined to be a survivor by the Secretary of the Treasury using the provisions of section 5582(b) of title 5, United States Code.

SEC. 602. LIMITATION ON TOTAL AMOUNT OF PAYMENT.

Not more than a total of $1,500,000 may be paid to survivors under section 1.

SEC. 603. LIMITATION ON ATTORNEY FEES.

Notwithstanding any contract, no representative of a survivor may receive more than 10 percent of a payment made under section 1 for services rendered in connection with the survivor's claim for such payment. Any person who violates this section shall be guilty of an infraction and shall be subject to a fine in the amount provided in title 18, United States Code.

SEC. 604. REPORT.

Not later than 6 months after the date of the enactment of this Act, the Secretary of the Treasury shall transmit to the Congress a report describing the payments made under section 1.

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. GRANT OF NATURALIZATION TO PETRA LOVETINSKA. (a) IN GENERAL.—Notwithstanding any other provision of law, Petra Lovetinska shall be naturalized as a citizen of the United States upon the filing of the appropriate application and upon being administered the oath of renunciation and allegiance in an appropriate ceremony pursuant to section 337 of the Immigration and Nationality Act.

(b) DEADLINE FOR APPLICATION AND PAYMENT OF FEES.—Subsection (a) shall apply only if the application for naturalization is filed with appropriate fees within 1 year after the date of the enactment of this Act.

SEC. 702. TRADE ADJUSTMENT ASSISTANCE. (a) ASSISTANCE FOR WORKERS.—Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended—

(1) in subsection (a), by striking ''June 30, 1999'' and inserting ''September 30, 2001''; and

(2) in subsection (b), by striking ''June 30, 1999'' and inserting ''September 30, 2001''.

(b) NAFTA TRANSITIONAL PROGRAM.—Section 250(d)(2) of the Trade Act of 1974 (19 U.S.C. 2331(d)(2)) is amended by striking ''the period beginning October 1, 1998, and ending June 30, 1999, shall not exceed $15,000,000'' and inserting ''the period beginning October 1, 1998, and ending September 30, 2001, shall not exceed $30,000,000 for any fiscal year''.

(c) ADJUSTMENT FOR FIRMS.—Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended by striking ''June 30, 1999'' and inserting ''September 30, 2001''.

(d) TERMINATION.—Section 285(c) of the Trade Act of 1974 (19 U.S.C. 2271 note preceding) is amended by striking ''June 30, 1999'' each place it appears and inserting ''September 30, 2001''.

(e) EFFECTIVE DATE.—The amendments made by this section shall be effective as of July 1, 1999.

Following is explantory language on H.R. 3425, as introduced on November 17, 1999.

TITLE I—EMERGENCY SUPPLEMENTAL APPROPRIATIONS

CHAPTER 1

DEPARTMENT OF AGRICULTURE

The conference agreement provides additional resources for damages caused by hurricanes and other natural disasters in North Carolina, Florida and other states.

FARM SERVICE AGENCY

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

The conference agreement appropriates additional subsidies for the following programs: $828,000 for direct farm ownership loans (providing for an estimated loan level of $21,951,000); $3,184,000 for guaranteed farm ownership loans (providing for an estimated loan level of $568,627,000); $23,441,000 for direct operating loans (providing for an estimated loan level of $400,000,000); $4,260,000 for unsubsidized guaranteed operating loans (providing for an estimated loan level of $302,158,000); $61,895,000 for subsidized guaranteed operating loans (providing for an estimated loan level of $702,558,000); and $84,949,000 for emergency loans (providing for an estimated loan level of $547,000,000).

The conference agreement meets critical needs to finance the repair or replacement of farm structures or equipment damaged by natural disasters.

EMERGENCY CONSERVATION PROGRAM

The conference agreement provides $50,000,000 for the Emergency Conservation Program.

COMMODITY CREDIT CORPORATION FUND

CROP LOSS ASSISTANCE

The conference agreement provides an additional $186,000,000 for crop loss assistance under the same terms and conditions as in section 801 of Public Law 106–78.

SPECIALTY CROP ASSISTANCE

The conference agreement provides an additional $2,800,000 for specialty crop assistance and makes eligible producers of commodities harvested and placed in warehouses but not sold.

In carrying out the production loss provisions of section 801 of P.L. 106–78, the Secretary of Agriculture shall be expected to take into account quality losses including those related to potato blight, Sclerotinia in sunflowers, and discounts for durum and spring wheat due to lack of milling and baking quality, and grading losses of peanuts and fruits and vegetables (including sweet potatoes) due to excessive moisture and related conditions.

LIVESTOCK ASSISTANCE

The conference agreement provides an additional $10,000,000 for livestock assistance authorized by section 805 of Public Law 106–78. The conference agreement further provides that the Secretary of Agriculture may use this additional amount to provide assistance to persons who raise livestock owned by other persons for income losses sustained with respect to livestock during 1999 if the Secretary finds that such losses are the result of natural disasters.

NATURAL RESOURCES CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS

The conference agreement provides an additional $80,000,000 for Watershed and Flood Prevention Operations to repair damages to waterways and watersheds resulting from natural disasters.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

The conference agreement appropriates additional subsidies of $4,265,000 for section 502 direct loans (providing for an estimated loan level of $50,000,000), $4,584,000 for section 504 housing repair loans (providing for an estimated loan level of $15,000,000), and $2,250,000 for section 514 farm labor housing (providing for an estimated loan level of $5,000,000).

RURAL HOUSING ASSISTANCE GRANTS

The conference agreement provides an additional $14,500,000 for rural housing assistance grants of which $10,000,000 is for section 504 very low-income housing repair and $4,500,000 is for section 514 farm labor housing.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 101. The conference agreement directs the Secretary of Agriculture to provide up to $20,000,000 in assistance under the noninsured crop assistance program, without any requirement for an area loss, to producers located in a county with respect to which a natural disaster was declared by the Secretary or a major disaster or emergency was

declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

SEC. 102. The conference agreement includes language making a technical correction to section 814 of Public Law 106–78 regarding crop insurance premium discounts.

SEC. 103. The conference agreement includes language permitting the Secretary of Agriculture to obligate not to exceed $4,700,000 of previously appropriated funds for mandatory livestock private reporting.

SEC. 104. The conference agreement includes language which permits the Secretary of Agriculture to provide assistance to producers or first-handlers for the 1999 crop of cottonseed, and which provides special competitive provisions for extra long staple cotton.

The Farm Service Agency of the Department of Agriculture has indicated that funds made available by previous appropriations Acts for market loss assistance may exceed the amounts necessary to carry out the requirements of those Acts. If the Secretary determines that this is the case, the conference agreement directs that such funds shall be applied first to fund activities related to mandatory livestock price reporting, second to fund assistance to producers or first-handlers for the 1999 crop of cottonseed, and third to fund activities related to special competitive provisions for extra long staple cotton. Within 30 days of enactment of this Act, the Secretary shall report to the Appropriations Committees of the House and the Senate on the status of funds previously appropriated for market loss assistance in Public Laws 105–277 and 106–78, and the plan and timetable for obligation of any excess funds. Further, the Secretary shall report periodically (but no less frequently than quarterly) on the status of such funds and plans until all funds previously appropriated for market loss assistance are exhausted.

SEC. 105. The conference agreement requires that the entire amount necessary to carry out this chapter shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement, is transmitted by the President to the Congress and that the entire amount is designated by the Congress as an emergency requirement.

CHAPTER 2

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

The President has proposed that of the funding made available in Public Law 106–74, up to $429,149,000 would be available for property acquisition and relocation assistance for residential homeowner victims of Hurricane Floyd. Since current regulations and policies do not adequately address this type of assistance, the President's proposal would be to provide this funding to the affected states through the section 404 program of the Stafford Act.

There is no doubt that Hurricane Floyd caused significant damage and loss of property. The Congress is committed to providing appropriate assistance to affected property owners. However, the conferees are concerned that FEMA does not have a structured program for buyouts and relocation of structures, including eligibility criteria, oversight procedures, procedures for affected states to prioritize projects, requirements for the submission of state and local buyout plans, procedures for cost-benefit analysis, and the process for measuring program results.

The appropriate Congressional committees of jurisdiction should hold hearings early in the next session of Congress to explore fully the extent of the problem which exists because of damage caused by Hurricane Floyd and surrounding events, and the benefits and problems associated with buyouts and relocations. The authorizing committees should then recommend solutions to those problems, keeping in mind the need to control disaster relief costs while addressing the most compelling needs. Such hearings could then serve as the basis for FEMA to undertake a rulemaking which includes a significant comment period and would result in a policy which could be applied in a uniform manner to ensure that all individuals suffering losses are treated in a consistent and equitable manner.

In the interim, the conferees have agreed to provide authority to spend up to $215,000,000 for buyout of homeowners (or the relocation of structures) for residences that have been made uninhabitable by flooding caused by Hurricane Floyd, and surrounding events, which are located in the 100-year flood plain. FEMA is required to promulgate interim regulations not later than December 31, 1999, pertaining to the buyout program. The conferees are aware that the authority provided does not give FEMA the same flexibility afforded under the section 404 program and FEMA is directed to report to the Committees on Appropriations of the House and Senate on any significant problems which arise as a result of this decreased flexibility.

The conferees continue to have serious concerns about the dissemination of accurate and useful information to water well owners about testing for contamination and implementing decontamination procedures for household drinking water in flood areas. The conferees encourage FEMA to continue to work with expert organizations, like the National Ground Water Association, in developing information about proper decontamination practices and procedures.

TITLE II—OTHER APPROPRIATIONS MATTERS

DEPARTMENT OF AGRICULTURE—OTHER ITEMS

The conference agreement expects the Agricultural Marketing Service [AMS] to continue to assess the existing inventories of cranberries and to determine whether or not there is a surplus and continued low price in fiscal year 2000. If there is a surplus inventory of cranberries and continued low price, the Department is expected to purchase surplus cranberries under the authorities of section 32 for donation to schools, institutions, and other domestic feeding programs or for humanitarian food aid.

The conference agreement encourages the Natural Resources Conservation Service to assist in the construction of the Snake River project in Warren, Minnesota.

The conference agreement directs the General Accounting Office (GAO), in close consultation with the Department of Agriculture, to transmit to the Committees on Appropriations, Agriculture and Judiciary by June 30, 2000 a report on current practices and policies in the states concerning bonds to secure payment of employee wage obligations of ''farm labor contractors.'' The report shall include (a) a summary of state law requirements for such bonding of farm labor contractors; (b) an analysis of the role of farm labor contractors in the allocation and provision of farm labor for work performed by seasonal and migrant agricultural workers and the effect that state law bonding requirements have had on the availability of farm labor contracting services and farm labor; (c) an economic assessment of the availability, reliability and costs of such bonds for farm labor contractors; and (d) an assessment of the effect of such bond requirements on total farm labor compensation costs and benefits.

SECTIONS 201 and 202. The bill includes new sections related to Food and Drug Administration facilities.

SEC. 203. The conference agreement includes language which permits the Secretary of Agriculture to use funds provided for fiscal year 2000 for rural housing assistance grants for a pilot project to provide home ownership for farm workers and workers involved in the processing of farm products in the Salinas, California area.

SEC. 204. The conference agreement includes language which directs the Secretary of Agriculture to use $16,000,000 of Commodity Credit Corporation funds for replacement of commercial and non-commercial citrus trees removed to control citrus canker.

SEC. 205. The conference agreement includes language which provides for continuation of crop insurance revenue insurance pilots, and which provides for expansion of other crop insurance pilots. The Department is directed to report to the Appropriations Committees of the House and Senate fifteen days prior to the implementation of any expansion of crop insurance pilot projects. This report will be expected to display the scope, impact, and justification for the expansion.

SEC. 206. The conference agreement includes language which revises crop insurance sales closing dates.

SEC. 207. The conference agreement includes language which allows funding to be provided for certain flood-related losses in the State of Oregon.

SEC. 208. The conference agreement includes language which provides $5,000,000 and allows funding to be provided to repair storm-related damage to the Tillamook Railroad.

SEC. 209. The conference agreement includes language which provides that the Congressional Hunger Center may invest funds for hunger fellowships and expend income from such funds, and that previously appropriated funds may be paid directly to the Congressional Hunger Center.

SEC. 210. The conference agreement permits the Secretary of Agriculture to reprogram funds to provide up to $100,000 for the cost of guaranteed loans authorized by section 306 of the Rural Electrification Act of 1936.

SEC. 211. The conference agreement includes language which repeals section 755(b) of Public Law 106–78, which is not required because the identical provision was enacted in section 1 of Public Law 106–47.

SEC. 212. The conference agreement includes a provision which amends Section 602(b)(2) of the Small Business Reauthorization Act of 1997 to include the Departments of Commerce, Justice and State as participating agencies in the HUBZone program.

SEC. 213. SPECTRUM AUCTION.—The conference agreement includes a general provision regarding the competitive auction of communication frequencies, a provision which replaces a version included in the Department of Defense Appropriations Act, 2000 (Public Law 106–79).

SEC. 214. PROGRESS PAYMENTS.—The conference agreement includes a general provision that adjusts the Department of Defense procedures for making progress payments, a provision which replaces a version included in the Department of Defense Appropriations Act, 2000 (Public Law 106–79).

SEC. 215. PROMPT PAYMENT.—The conference agreement includes a general provision that adjusts payment procedures and policies for valid invoices covered by the Prompt Payment Act, a provision which replaces a version included in the Department of Defense Appropriations Act, 2000 (Public Law 106–79).

SEC. 216. STUDY REGARDING TAIWAN AND THE PEOPLE'S REPUBLIC OF CHINA.—The conference agreement includes a general provision requiring the submission of a joint report by the Office of Net Assessment (Office of the Secretary of Defense) and the United States Pacific Command regarding implementation of relevant sections of the Taiwan Relations Act, and gaps in relevant knowledge about the People's Republic of China's intentions and capabilities as they might affect the current and future military balance between Taiwan and the PRC.

SEC. 217. *DoD-VA Study Regarding Low-Level Chemical Exposures*. The conference agreement include general provision requiring the submission of a joint report by the Secretaries of Defense and Veterans Affairs assessing the adequacy of medical research activities investing the health effects of low-level chemical exposures of Persian Gulf military forces while serving in the Southwest Asia theater of operations.

FISCAL YEAR 2000 APPROPRIATIONS ACT CLARIFICATION

The conferees agree that it was the intention of Congress that the requirements of section 8149 of Public Law 106–79 in no way supercede the requirements of section 8154 of that Act.

SEC. 218. *Army Readiness Enhancements*. The conference agreement includes a general provision providing $100,000,000 to the Department of the Army, to address existing readiness shortfalls. The provision permits these funds to be used to initiate testing and validation of the new Army Vision concept. The conferees direct that none of the funds provided in this section may be obligated until 30 days after the Chief of Staff of the Army reports to the congressional defense committees the specific plan to utilize these funds, and, if funds are designated for the Army Vision concept, the relationship between these expenditures and the fiscal year 2001 Army budget request for continuation of these initiatives.

SEC. 219. *Transfer of Funds—Department of Defense Appropriations Act, 2000*. The conference agreement includes a general provision transferring $500,000 of sums appropriated from Research, Development, Test and Evaluation, Army (from funds designated for ''next generation command and control system'') to Operation and Maintenance, Defense-Wide. These funds shall be made available to the Office of Economic Adjustment to complete the Washington Square project, initiated by the Department of Defense in previous years.

SEC. 220. The conference agreement includes a provision prohibiting the imposition on the Federal government or its contractors of any financial responsibility requirement associated with the operation of Federal transuranic waste management facilities.

SEC. 221. The conference agreement includes a provision deauthorizing a certain portion of the Newport Harbor, Rhode Island, project of the U.S. Army Corps of Engineers. The provision redesignates two other portions of the project as anchorage areas.

SEC. 222. The conference agreement includes $1,250,000 to purchase the Elias tract to be included in the Wertheim National Wildlife Refuge in Brookhaven, New York.

SEC. 223. A death gratuity has been provided to the widow of John H. Chafee, late a Senator from the State of Rhode Island.

SEC. 224. A provision has been included authorizing a change in the pay levels of the Director and Deputy Director, Congressional Budget Office.

FLORIDA—PANAMA CITY: COASTAL SYSTEMS STATIONS

The conferees recognize and appreciate the willingness of the State of Florida to provide funding for the entrance gate and highway improvements at Coastal System Stations, Panama City, Florida and the willingness of Bay County to be a partner in this undertaking. These entities, and the Navy, are encouraged to work together to ensure a timely solution is reached which is beneficial to both the base and the local community.

SEC. 225. The conference agreement includes a provision that provides in addition to amounts otherwise made available in Public Law 106–69 $1,750,000 for metropolitan buses and bus facilities for Twin Cities, Minnesota; $750,000 for Santa Clarita, California bus maintenance facility; $1,000,000 for Lincoln, Nebraska bus maintenance facility; and $2,500,000 for Anchorage Alaska 2001 Special Olympics Winter Games buses and bus facilities. The provision also stipulates that of the funds made available for the national corridor planning and development and coordinated border infrastructure programs $2,000,000 shall be available for the planning and design of a highway corridor between Dothan, Alabama and Panama City, Florida. The provision also makes a number of technical corrections to previously appropriated bus and bus facilities project designations in Public Laws 106–69 and 105–277.

SEC. 226. The conference agreement includes a provision prohibiting the use of funds made available in Public Law 106–69 or in any other act to decommission or reduce operations of United States Coast Guard WYTL harbor tug boats.

SEC. 227. The conference agreement includes a provision that amends section 351 of Public Law 106–69 to make available $10,000,000 of funds appropriated or limited in the Fiscal Year 2000 Department of Transportation and Related Agencies Appropriations Act to the Federal Highway Administration and the National Highway Traffic Safety Administration for the national advanced driving simulator.

SEC. 228. The conference agreement includes a provision that waives the cost-sharing requirements for asphalt research at the Western Research Institute for fiscal years 1998, 1999 and 2000.

SEC. 229. The conference agreement includes a provision that makes technical changes to section 366 of Public Law 106–69 regarding the conveyance of land in the city of Safford, Arizona.

SEC. 230. The conference agreement includes a provision which allows the Woodrow Wilson Bridge project to be included on the State and regional transportation improvement program plans pending resolution of associated issues.

SEC. 231. The conference agreement includes a provision which continues expiring exemptions allowing aircraft maintenance to be performed in the United States for certain aircraft in Hawaii, and for other purposes.

SEC. 232. The conference agreement includes advance appropriations totalling $60,000,000 for the engineering, design, and construction activities to convert the James A. Farley Post Office building in New York City into a train station and commercial center. Of this total $20,000,000 is available on October 1, 2000; $20,000,000 on October 1, 2001; and $20,000,000 on October 1, 2002.

SEC. 233. The conference agreement includes a technical correction providing for the continuation of temporary authority for the General Services Administration to transfer surplus Federal property to State and local governments for law enforcement and emergency response purposes.

SEC. 234. The conference agreement includes a provision providing transfer authority to federal agencies for the implementation of agency business continuity and contingency plans related to Y2K compliance. Federal agencies have been tasked to develop business continuity and contingency plans in the event that their operations are affected by Y2K-related disruptions. It is essential that Federal agencies experiencing or affected by Y2K problems have the ability to implement such plans in order to maintain their business operations and continue providing services. This section is intended to ensure that funding is available during the period Congress is not in session for Federal agencies to Implement their business continuity and contingency plans in furtherance of Y2K compliance.

SEC. 235. The conference agreement includes a provision providing that funds available to the Executive Office of the President, Office of Administration, for a capital investment plan under P.L. 106–58 shall be available for two years.

SEC. 236. The conference agreement includes a provision extending federal agency reporting requirements.

SEC. 237. The conference agreement provides $3,000,000 for the Office of National Drug Control Policy, making funds available to the United States Olympic Committee for its anti-doping program.

SEC. 238. The conference agreement includes a provision adjusting the salary level of the U.S. Customs Service Commissioner.

SEC. 239. The conference agreement includes a technical correction to legislation providing for an acting Treasury Inspector General for Tax Administration.

SEC. 240. On September 21, 1999, the Administration forwarded to Congress a package of budget amendments, including a request for additional funding for the United States Secret Service. However, Congress had already approved the Treasury and General Government Appropriations Act, 2000.

To address this issue, a provision is included which provides an additional $10,000,000 to the United States Secret Service for salaries and expenses, and which in addition directs the Secretary of the Treasury to transfer $21,000,000 to the United States Secret Service for new full-time-equivalents (FTE). The conferees are aware that these funds are necessary to meet the additional workload requirements associated with the Secret Service's protective and investigative operations. The conferees regret that the Administration did not propose additional resources during the regular fiscal year 2000 appropriations process given that early separations and average overtime for agents are at unacceptably high rates.

The conferees direct the Administration to submit, as part of its annual budget submission, a summary of workload trends for field agents including, but not limited to, average overtime and early separations. The conferees further directed the United States Secret Service, Assistant Director, Office of Investigations, to provide quarterly reports to the Committees on Appropriations on workforce retention and workload balance including, but not limited to, investigative and

protective workloads, recruitment, and staffing by field office.

UNITED STATES SECRET SERVICE

PATHOGEN SENSOR SYSTEMS

The conferees commend the efforts of the Secret Service to improve its ability to detect biological agents. The conferees encourage the Secret Service to monitor the development of biological detector technology through coordination with the Defense Advanced Research Projects Agency (DARPA) for pathogen sensor systems. The conferees direct the Secret Service to report on the possible benefits of this technology to the Committees on Appropriations within 120 days of enactment of this Act.

SEC. 241. The conference agreement includes a provision to extend the authority for agencies to submit Accountability Reports under the Government Management Reform Act of 1994.

SEC. 242. The conference agreement amends Public Law 106–74 to include seven additional economic development initiative projects.

The following table reflects the appropriation amounts for title I and title II in thousands of dollars.

Title I—Emergency Supplemental Appropriations: Chapter 1, Department of Agriculture

Farm Service Agency:	
Agricultural Credit Insurance Fund Program Account:	
Loan authorizations:	
Farm ownership loans:	
Direct	$(21,951)
Guaranteed	(568,627)
Subtotal	(590,578)
Farm operating loans:	
Direct	(400,000)
Guaranteed unsubsidized	(302,158)
Guaranteed subsidized	(702,558)
Subtotal	(1,404,716)
Emergency disaster loans	(547,000)
Total, Loan authorizations	(2,542,294)
Loan subsidies:	
Farm ownership loans:	
Direct (contingent emergency appropriations)	828
Guaranteed (contingent emergency appropriations)	3,184
Subtotal	4,012
Farm operating loans:	
Direct (contingent emergency appropriations)	23,441
Guaranteed unsubsidized (contingent emergency appropriations)	4,260
Guaranteed subsidized (contingent emergency appropriations)	61,895
Subtotal	89,596

Title I—Emergency Supplemental Appropriations: Chapter 1, Department of Agriculture Continued

Emergency disaster loans (contingent emergency appropriations)	84,949
Total, Farm Service Agency	178,557
Commodity Credit Corporation Fund:	
Crop loss assistance (contingent emergency appropriations)	186,000
Specialty crop assistance (contingent emergency appropriations)	2,800
Livestock assistance (contingent emergency appropriations)	10,000
Total, Commodity Credit Corporation Fund	198,800
Natural Resources Conservation Service:	
Emergency conservation program (contingent emergency appropriations)	50,000
Watershed and flood prevention operations (contingent emergency appropriations)	80,000
Total, Natural Resources Conservation Service	130,000
Rural Housing Service:	
Rural Housing Insurance Fund Program Account:	
Loan authorization:	
Single family (sec. 502)	(50,000)
Housing repair (sec. 504)	(15,000)
Farm labor (sec. 514)	(5,000)
Subtotal	(70,000)
Loan subsidies:	
Single family (sec. 502) (contingent emergency appropriations)	4,265)
Housing repair (sec. 504) (contingent emergency appropriations)	4,584

Title I—Emergency Supplemental Appropriations: Chapter 1, Department of Agriculture Continued

Farm labor (sec. 514) (contingent emergency appropriations)	2,250
Total, Rural Housing Insurance Fund Program Account	11,099
Rural housing assistance grants (contingent emergency appropriations)	14,500
Total, Rural Housing Service	25,599
General Provisions:	
Noninsured crop disaster assistance program (contingent emergency appropriations)	20,000
Total, title I:	
New budget (obligational) authority	552,956
(Loan authorization)	(2,612,294)

Title II—Other Appropriations Matters

Department of Agriculture:	
Citrus canker/tree replacement (contingent emergency appropriations)	$16,000
Crop insurance pilot programs (contingent emergency appropriations)	1,000
Harney County losses (contingent emergency appropriations)	1,090
Tillamook Railroad disaster repairs (contingent emergency appropriations)	5,000
Department of Defense:	
Operation and Maintenance, Army: Army readiness enhancements	100,000
Operation and Maintenance, Defense-wide: Washington Square project (by transfer)	(500)
Department of the Interior:	
National Park Service: Land and water conservation fund	1,250
Legislative Branch:	
Payments to Widows and heirs of Deceased Members of Congress: Gratuities, deceased Member	137
Department of Transportation:	
Federal Transit Administration: Capital investments grants (Highway Trust Fund, Mass Transit Account): Buses and bus-related facilities	6,000
Federal Railroad Administration: Pennsylvania Station redevelopment project (advance appropriations)	60,000

Title II—Other Appropriations Matters—Continued

Department of the Treasury:	
United States Secret Service: Salaries and expenses	10,000
(By transfer)	(21,000)
Executive Office of the President:	
Office of National Drug Control Policy	3,000
Total, title II:	
New budget (obligational) authority	203,477
Appropriations	(120,387)
Contingent emergency appropriations	(23,090)
Advance appropriations	(60,000)
(By transfer)	(21,500)
(Loan authorization)	(2,612,294)
Grand total, all titles:	
New budget (obligational) authority	756,433
Appropriations	(120,387)
Contingent emergency appropriations	(576,046)
Advance appropriations	(60,000)
(By transfer)	(21,500)
(Loan authorization)	(2,612,294)

Congressional Budget Recap

Scorekeeping adjustments:	
Advance appropriations	−60,000
Total, adjustments	−60,000
Total (including adjustments)	696,433
Amounts in this bill	(756,433)
Scorekeeping adjustments	(−60,000)
Total mandatory and discretionary	696,433
Mandatory	(137)
Discretionary	(696,296)

TITLE III

FISCAL YEAR 2000 OFFSETS AND RESCISSIONS

The conference agreement includes several offsets and rescissions.

TITLE IV—CANYON FERRY RESERVOIR, MONTANA

The conference agreement includes a provision making technical corrections to the Canyon Ferry Reservoir, Montana, Act as incorporated in title X of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999.

TITLE IV—INTERNATIONAL DEBT RELIEF

The conference agreement contains new language authorizing certain transactions involving gold held by the International Monetary Fund for the purpose of debt relief of heavily indebted poor countries. The managers have also included statutory language providing policy guidance to the United States Government and its executive director at the International Monetary Fund on Several matters. Language is also included to require forgiveness of debt owed to the United States when specified conditions are met.

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 702. TRADE ACT AUTHORIZATION.—The conference agreement includes language amending section 245 of the Trade Act of 1974, as amended, to authorize appropriations to the Department of Labor through September 30, 2000 of such sums as may be necessary to administer the general TAA and NAFTA-related TAA programs of Chapter 2 of Title II of that Act. The provision caps NAFTA training expenses at $30,000,000.

In addition, the provision amends section 256 of the Trade Act of 1974 to authorize appropriations to the Secretary of Commerce through September 30, 2001 of such sums as may be necessary to administer the TAA for firms program.

The conference agreement would enact the provisions of H.R. 3426 as introduced on November 17, 1999. The text of that bill follows:

A BILL To amend titles XVIII, XIX, and XXI of the Social Security Act to make corrections and refinements in the medicine, medicaid,and State children's health insurance programs, as revised by the Balanced Budget Act of 1997

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

SECTION 1. SHORT TITLE; AMENDMENTS TO SOCIAL SECURITY ACT; REFERENCES TO BBA; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999''.

(b) AMENDMENTS TO SOCIAL SECURITY ACT.—Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

(c) REFERENCES TO THE BALANCED BUDGET ACT OF 1997.—In this Act, the term ''BBA'' means the Balanced Budget Act of 1997 (Public Law 105–33).

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

Sec. 1. Short title; amendments to Social Security Act; references to BBA; table of contents.

TITLE I—PROVISIONS RELATING TO PART A

Subtitle A—Adjustments to PPS Payments for Skilled Nursing Facilities

Sec. 101. Temporary increase in payment for certain high cost patients.
Sec. 102. Authorizing facilities to elect immediate transition to Federal rate.
Sec. 103. Part A pass-through payment for certain ambulance services, prostheses, and chemotherapy drugs.
Sec. 104. Provision for part B add-ons for facilities participating in the NHCMQ demonstration project.
Sec. 105. Special consideration for facilities serving specialized patient populations.
Sec. 106. MedPAC study on special payment for facilities located in Hawaii and Alaska.
Sec. 107. Study and report regarding State licensure and certification standards and respiratory therapy competency examinations.

Subtitle B—PPS Hospitals

Sec. 111. Modification in transition for indirect medical education (IME) percentage adjustment.
Sec. 112. Decrease in reductions for disproportionate share hospitals; data collection requirements.

Subtitle C—PPS-Exempt Hospitals

Sec. 121. Wage adjustment of percentile cap for PPS-exempt hospitals.
Sec. 122. Enhanced payments for long-term care and psychiatric hospitals until development of prospective payment systems for those hospitals.
Sec. 123. Per discharge prospective payment system for long-term care hospitals.
Sec. 124. Per diem prospective payment system for psychiatric hospitals.
Sec. 125. Refinement of prospective payment system for inpatient rehabilitation services.

Subtitle D—Hospice Care

Sec. 131. Temporary increase in payment for hospice care.
Sec. 132. Study and report to Congress regarding modification of the payment rates for hospice care.

Subtitle E—Other Provisions

Sec. 141. MedPAC study on medicare payment for nonphysician health professional clinical training in hospitals.

Subtitle F—Transitional Provisions

Sec. 151. Exception to CMI qualifier for one year.
Sec. 152. Reclassification of certain counties and other areas for purposes of reimbursement under the medicare program.
Sec. 153. Wage index correction.
Sec. 154. Calculation and application of wage index floor for a certain area.
Sec. 155. Special rule for certain skilled nursing facilities.

TITLE II—PROVISIONS RELATING TO PART B

Subtitle A—Hospital Outpatient Services

Sec. 201. Outlier adjustment and transitional pass-through for certain medical devices, drugs, and biologicals.
Sec. 202. Establishing a transitional corridor for application of OPD PPS.
Sec. 203. Study and report to Congress regarding the special treatment of rural and cancer hospitals in prospective payment system for hospital outpatient department services.
Sec. 204. Limitation on outpatient hospital copayment for a procedure to the hospital deductible amount.

Subtitle B—Physician Services

Sec. 211. Modification of update adjustment factor provisions to reduce update oscillations and require estimate revisions.
Sec. 212. Use of data collected by organizations and entities in determining practice expense relative values.
Sec. 213. GAO study on resources required to provide safe and effective outpatient cancer therapy.

Subtitle C—Other Services

Sec. 221. Revision of provisions relating to therapy services.
Sec. 222. Update in renal dialysis composite rate.
Sec. 223. Implementation of the inherent reasonableness (IR) authority.
Sec. 224. Increase in reimbursement for pap smears.
Sec. 225. Refinement of ambulance services demonstration project.
Sec. 226. Phase-in of PPS for ambulatory surgical centers.
Sec. 227. Extension of medicare benefits for immunosuppressive drugs.
Sec. 228. Temporary increase in payment rates for durable medical equipment and oxygen.
Sec. 229. Studies and reports.

TITLE III—PROVISIONS RELATING TO PARTS A AND B

Subtitle A—Home Health Services

Sec. 301. Adjustment to reflect administrative costs not included in the interim payment system; GAO report on costs of compliance with OASIS data collection requirements.
Sec. 302. Delay in application of 15 percent reduction in payment rates for home health services until one year after implementation of prospective payment system.
Sec. 303. Increase in per beneficiary limits.
Sec. 304. Clarification of surety bond requirements.
Sec. 305. Refinement of home health agency consolidated billing.
Sec. 306. Technical amendment clarifying applicable market basket increase for PPS.
Sec. 307. Study and report to Congress regarding the exemption of rural agencies and populations from inclusion in the home health prospective payment system.

Subtitle B—Direct Graduate Medical Education

Sec. 311. Use of national average payment methodology in computing direct graduate medical education (DGME) payments.
Sec. 312. Initial residency period for child neurology residency training programs.

Subtitle C—Technical Corrections

Sec. 321. BBA technical corrections.

TITLE IV—RURAL PROVIDER PROVISIONS

Subtitle A—Rural Hospitals

Sec. 401. Permitting reclassification of certain urban hospitals as rural hospitals.
Sec. 402. Update of standards applied for geographic reclassification for certain hospitals.
Sec. 403. Improvements in the critical access hospital (CAH) program.
Sec. 404. 5-year extension of medicare dependent hospital (MDH) program.
Sec. 405. Rebasing for certain sole community hospitals.
Sec. 406. One year sole community hospital payment increase.
Sec. 407. Increased flexibility in providing graduate physician training in rural and other areas.
Sec. 408. Elimination of certain restrictions with respect to hospital swing bed program.
Sec. 409. Grant program for rural hospital transition to prospective payment.
Sec. 410. GAO study on geographic reclassification.

Subtitle B—Other Rural Provisions

Sec. 411. MedPAC study of rural providers.
Sec. 412. Expansion of access to paramedic intercept services in rural areas.
Sec. 413. Promoting prompt implementation of informatics, telemedicine, and education demonstration project.

TITLE V—PROVISIONS RELATING TO PART C (MEDICARE+CHOICE PROGRAM) AND OTHER MEDICARE MANAGED CARE PROVISIONS

Subtitle A—Provisions To Accommodate and Protect Medicare Beneficiaries

Sec. 501. Changes in Medicare+Choice enrollment rules.
Sec. 502. Change in effective date of elections and changes of elections of Medicare+Choice plans.
Sec. 503. 2-year extension of medicare cost contracts.

Subtitle B—Provisions To Facilitate Implementation of the Medicare+Choice Program

Sec. 511. Phase-in of new risk adjustment methodology; studies and reports on risk adjustment.
Sec. 512. Encouraging offering of Medicare+Choice plans in areas without plans.
Sec. 513. Modification of 5-year re-entry rule for contract terminations.
Sec. 514. Continued computation and publication of medicare original fee-for-service expenditures on a county-specific basis.
Sec. 515. Flexibility to tailor benefits under Medicare+Choice plans.
Sec. 516. Delay in deadline for submission of adjusted community rates.
Sec. 517. Reduction in adjustment in national per capita Medicare+Choice growth percentage for 2002.
Sec. 518. Deeming of Medicare+Choice organization to meet requirements.
Sec. 519. Timing of Medicare+Choice health information fairs.
Sec. 520. Quality assurance requirements for preferred provider organization plans.
Sec. 521. Clarification of nonapplicability of certain provisions of discharge planning process to Medicare+Choice plans.
Sec. 522. User fee for Medicare+Choice organizations based on number of enrolled beneficiaries.
Sec. 523. Clarification regarding the ability of a religious fraternal benefit society to operate any Medicare+Choice plan.
Sec. 524. Rules regarding physician referrals for Medicare+Choice program.

Subtitle C—Demonstration Projects and Special Medicare Populations

Sec. 531. Extension of social health maintenance organization demonstration (SHMO) project authority.
Sec. 532. Extension of medicare community nursing organization demonstration project.
Sec. 533. Medicare+Choice competitive bidding demonstration project.
Sec. 534. Extension of medicare municipal health services demonstration projects.
Sec. 535. Medicare coordinated care demonstration project.
Sec. 536. Medigap protections for PACE program enrollees.

Subtitle D—Medicare+Choice Nursing and Allied Health Professional Education Payments

Sec. 541. Medicare+Choice nursing and allied health professional education payments.

Subtitle E—Studies and Reports

Sec. 551. Report on accounting for VA and DOD expenditures for medicare beneficiaries.
Sec. 552. Medicare Payment Advisory Commission studies and reports.
Sec. 553. GAO studies, audits, and reports.

TITLE VI—MEDICAID

Sec. 601. Increase in DSH allotment for certain States and the District of Columbia.
Sec. 602. Removal of fiscal year limitation on certain transitional administrative costs assistance.
Sec. 603. Modification of the phase-out of payment for Federally-qualified health center services and rural health clinic services based on reasonable costs.
Sec. 604. Parity in reimbursement for certain utilization and quality control services; elimination of duplicative requirements for external quality review of medicaid managed care organizations.
Sec. 605. Inapplicability of enhanced match under the State children's health insurance program to medicaid DSH payments.
Sec. 606. Optional deferment of the effective date for outpatient drug agreements.
Sec. 607. Making medicaid DSH transition rule permanent.
Sec. 608. Medicaid technical corrections.

TITLE VII—STATE CHILDREN'S HEALTH INSURANCE PROGRAM (SCHIP)

Sec. 701. Stabilizing the State children's health insurance program allotment formula.
Sec. 702. Increased allotments for territories under the State children's health insurance program.
Sec. 703. Improved data collection and evaluations of the State children's health insurance program.
Sec. 704. References to SCHIP and State children's health insurance program.
Sec. 705. SCHIP technical corrections.

TITLE I—PROVISIONS RELATING TO PART A

Subtitle A—Adjustments to PPS Payments for Skilled Nursing Facilities

SEC. 101. TEMPORARY INCREASE IN PAYMENT FOR CERTAIN HIGH COST PATIENTS.

(a) ADJUSTMENT FOR MEDICALLY COMPLEX PATIENTS UNTIL ESTABLISHMENT OF REFINED CASE-MIX ADJUSTMENT.—For purposes of computing payments for covered skilled nursing facility services under paragraph (1) of section 1888(e) of the Social Security Act (42 U.S.C. 1395yy(e)) for such services furnished on or after April 1, 2000, and before the date described in subsection (c), the Secretary of Health and Human Services shall increase by 20 percent the adjusted Federal per diem rate otherwise determined under paragraph (4) of such section (but for this section) for covered skilled nursing facility services for RUG–III groups described in subsection (b) furnished to an individual during the period in which such individual is classified in such a RUG–III category.

(b) GROUPS DESCRIBED.—The RUG–III groups for which the adjustment described in subsection (a) applies are SE3, SE2, SE1, SSC, SSB, SSA, CC2, CC1, CB2, CB1, CA2, CA1, RHC, RMC, and RMB as specified in Tables 3 and 4 of the final rule published in the Federal Register by the Health Care Financing Administration on July 30, 1999 (64 Fed. Reg. 41684).

(c) DATE DESCRIBED.—For purposes of subsection (a), the date described in this subsection is the later of—

(1) October 1, 2000; or

(2) the date on which the Secretary implements a refined case mix classification system under section 1888(e)(4)(G)(i) of the Social Security Act (42 U.S.C. 1395yy(e)(4)(G)(i)) to better account for medically complex patients.

(d) INCREASE FOR FISCAL YEARS 2001 AND 2002.—

(1) IN GENERAL.—For purposes of computing payments for covered skilled nursing facility services under paragraph (1) of section 1888(e) of the Social Security Act (42 U.S.C. 1395yy(e)) for covered skilled nursing facility services furnished during fiscal years 2001 and 2002, the Secretary of Health and Human Services shall increase by 4.0 percent for each such fiscal year the adjusted Federal per diem rate otherwise determined under paragraph (4) of such section (but for this section).

(2) ADDITIONAL PAYMENT NOT BUILT INTO THE BASE.—The Secretary of Health and Human Services shall not include any additional payment made under this subsection in updating the Federal per diem rate under section 1888(e)(4) of that Act (42 U.S.C. 1395yy(e)(4)).

SEC. 102. AUTHORIZING FACILITIES TO ELECT IMMEDIATE TRANSITION TO FEDERAL RATE.

(a) IN GENERAL.—Section 1888(e) (42 U.S.C. 1395yy(e)) is amended—

(1) in paragraph (1), in the matter preceding subparagraph (A), by striking ''paragraph (7)'' and inserting ''paragraphs (7) and (11)''; and

(2) by adding at the end the following new paragraph:

''(11) PERMITTING FACILITIES TO WAIVE 3-YEAR TRANSITION.—Notwithstanding paragraph (1)(A), a facility may elect to have the amount of the payment for all costs of covered skilled nursing facility services for each day of such services furnished in cost reporting periods beginning no earlier than 30 days before the date of such election determined pursuant to paragraph (1)(B).''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to elections made on or after December 15, 1999, except that no election shall be effective under such amendments for a cost reporting period beginning before January 1, 2000.

SEC. 103. PART A PASS-THROUGH PAYMENT FOR CERTAIN AMBULANCE SERVICES, PROSTHESES, AND CHEMOTHERAPY DRUGS.

(a) IN GENERAL.—Section 1888(e) (42 U.S.C. 1395yy(e)) is amended—

(1) in paragraph (2)(A)(i)(II), by striking ''services described in clause (ii)'' and inserting ''items and services described in clauses (ii) and (iii)'';

(2) by adding at the end of paragraph (2)(A) the following new clause:

''(iii) EXCLUSION OF CERTAIN ADDITIONAL ITEMS AND SERVICES.—Items and services described in this clause are the following:

''(I) Ambulance services furnished to an individual in conjunction with renal dialysis services described in section 1861(s)(2)(F).

''(II) Chemotherapy items (identified as of July 1, 1999, by HCPCS codes J9000–J9020; J9040–J9151; J9170–J9185; J9200–J9201; J9206–J9208; J9211; J9230–J9245; and J9265–J9600 (and as subsequently modified by the Secretary)) and any additional chemotherapy items identified by the Secretary.

''(III) Chemotherapy administration services (identified as of July 1, 1999, by HCPCS codes 36260–36262; 36489; 36530–36535; 36640; 36823; and 96405–96542 (and as subsequently modified by the Secretary)) and any additional chemotherapy administration services identified by the Secretary.

''(IV) Radioisotope services (identified as of July 1, 1999, by HCPCS codes 79030–79440 (and as subsequently modified by the Secretary)) and any additional radioisotope services identified by the Secretary.

''(V) Customized prosthetic devices (commonly known as artificial limbs or components of artificial limbs) under the following HCPCS codes (as of July 1, 1999 (and as subsequently modified by the Secretary)), and any additional customized prosthetic devices identified by the Secretary, if delivered to an inpatient for use during the stay in the skilled nursing facility and intended to be used by the individual after discharge from the facility: L5050–L5340; L5500–L5611; L5613–L5986; L5988; L6050–L6370; L6400–L6880; L6920–L7274; and L7362–7366.''; and

(3) by adding at the end of paragraph (9) the following: ''In the case of an item or service described in clause (iii) of paragraph (2)(A) that would be payable under part A but for the exclusion of such item or service under such clause, payment shall be made for the item or service, in an amount otherwise determined under part B of this title for such item or service, from the Federal Hospital Insurance Trust Fund under section 1817 (rather than from the Federal Supplementary Medical Insurance Trust Fund under section 1841).''.

(b) CONFORMING FOR BUDGET NEUTRALITY BEGINNING WITH FISCAL YEAR 2001.—

(1) IN GENERAL.—Section 1888(e)(4)(G) (42 U.S.C. 1395yy(e)(4)(G)) is amended by adding at the end the following new clause:

''(iii) ADJUSTMENT FOR EXCLUSION OF CERTAIN ADDITIONAL ITEMS AND SERVICES.—The Secretary shall provide for an appropriate proportional reduction in payments so that beginning with fiscal year 2001, the aggregate amount of such reductions is equal to the aggregate increase in payments attributable to the exclusion effected under clause (iii) of paragraph (2)(A).''.

(2) CONFORMING AMENDMENT.—Section 1888(e)(8)(A) (42 U.S.C. 1395yy(e)(8)(A)) is amended by striking ''and adjustments for variations in labor-related costs under paragraph (4)(G)(ii)'' and inserting ''adjustments for variations in labor-related costs under paragraph (4)(G)(ii), and adjustments under paragraph (4)(G)(iii)''.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payments made for items and services furnished on or after April 1, 2000.

SEC. 104. PROVISION FOR PART B ADD-ONS FOR FACILITIES PARTICIPATING IN THE NHCMQ DEMONSTRATION PROJECT.

(a) IN GENERAL.—Section 1888(e)(3) (42 U.S.C. 1395yy(e)(3)) is amended—

(1) in subparagraph (A)—

(A) in clause (i), by inserting ''or, in the case of a facility participating in the Nursing Home Case-Mix and Quality Demonstration (RUGS–III), the RUGS–III rate received by the facility during the cost reporting period beginning in 1997'' after ''to non-settled cost reports''; and

(B) in clause (ii), by striking ''furnished during such period'' and inserting ''furnished during the applicable cost reporting period described in clause (i)''; and

(2) by striking subparagraph (B) and inserting the following new subparagraph:

''(B) UPDATE TO FIRST COST REPORTING PERIOD.—The Secretary shall update the amount determined under subparagraph (A), for each cost reporting period after the applicable cost reporting period described in subparagraph (A)(i) and up to the first cost reporting period by a factor equal to the skilled nursing facility market basket percentage increase minus 1.0 percentage point.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective as if included in the enactment of section 4432(a) of BBA.

SEC. 105. SPECIAL CONSIDERATION FOR FACILITIES SERVING SPECIALIZED PATIENT POPULATIONS.

(a) IN GENERAL.—Section 1888(e) (42 U.S.C. 1395yy(e)), as amended by section 102(a)(1), is further amended—

(1) in paragraph (1), by striking ''subject to paragraphs (7) and (11)'' and inserting ''subject to paragraphs (7), (11), and (12)''; and

(2) by adding at the end the following new paragraph:

''(12) PAYMENT RULE FOR CERTAIN FACILITIES.—

''(A) IN GENERAL.—In the case of a qualified acute skilled nursing facility described in subparagraph (B), the per diem amount of payment shall be determined by applying the non-Federal percentage and Federal percentage specified in paragraph (2)(C)(ii).

''(B) FACILITY DESCRIBED.—For purposes of subparagraph (A), a qualified acute skilled nursing facility is a facility that—

''(i) was certified by the Secretary as a skilled nursing facility eligible to furnish services under this title before July 1, 1992;

''(ii) is a hospital-based facility; and

''(iii) for the cost reporting period beginning in fiscal year 1998, the facility had more than 60 percent of total patient days comprised of patients who are described in subparagraph (C).

''(C) DESCRIPTION OF PATIENTS.—For purposes of subparagraph (B), a patient described in this subparagraph is an individual who—

''(i) is entitled to benefits under part A; and

''(ii) is immuno-compromised secondary to an infectious disease, with specific diagnoses as specified by the Secretary.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply for the period beginning on the date on which the first cost reporting period of the facility begins after the date of the enactment of this Act and ending on September 30, 2001, and applies to skilled nursing facilities furnishing covered skilled nursing facility services on the date of the enactment of this Act for which payment is made under title XVIII of the Social Security Act.

(c) REPORT TO CONGRESS.—Not later than March 1, 2001, the Secretary of Health and Human Services shall assess the resource use of patients of skilled nursing facilities furnishing services under the medicare program who are immuno-compromised secondary to an infectious disease, with specific diagnoses as specified by the Secretary (under paragraph (12)(C), as added by subsection (a), of section 1888(e) of the Social Security Act (42 U.S.C. 1395yy(e))) to determine whether any permanent adjustments are needed to the RUGs to take into account the resource uses and costs of these patients.

SEC. 106. MEDPAC STUDY ON SPECIAL PAYMENT FOR FACILITIES LOCATED IN HAWAII AND ALASKA.

(a) IN GENERAL.—The Medicare Payment Advisory Commission shall conduct a study of skilled nursing facilities furnishing covered skilled nursing facility services (as defined in section 1888(e)(2)(A) of the Social Security Act (42 U.S.C. 1395yy(e)(2)(A)) to determine the need for an additional payment amount under section 1888(e)(4)(G) of such Act (42 U.S.C. 1395yy(e)(4)(G)) to take into account the unique circumstances of skilled nursing facilities located in Alaska and Hawaii.

(b) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Medicare Payment Advisory Commission shall submit a report to Congress on the study conducted under subsection (a).

SEC. 107. STUDY AND REPORT REGARDING STATE LICENSURE AND CERTIFICATION STANDARDS AND RESPIRATORY THERAPY COMPETENCY EXAMINATIONS.

(a) STUDY.—The Secretary of Health and Human Services shall conduct a study that—

(1) identifies variations in State licensure and certification standards for health care providers (including nursing and allied health professionals) and other individuals providing respiratory therapy in skilled nursing facilities;

(2) examines State requirements relating to respiratory therapy competency examinations for such providers and individuals; and

(3) determines whether regular respiratory therapy competency examinations or certifications should be required under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) for such providers and individuals.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a report on the results of the study

conducted under this section, together with any recommendations for legislation that the Secretary determines to be appropriate as a result of such study.

Subtitle B—PPS Hospitals

SEC. 111. MODIFICATION IN TRANSITION FOR INDIRECT MEDICAL EDUCATION (IME) PERCENTAGE ADJUSTMENT.

(a) IN GENERAL.—Section 1886(d)(5)(B)(ii) (42 U.S.C. 1395ww(d)(5)(B)(ii)) is amended—

(1) in subclause (IV), by striking ''and'' at the end;

(2) by redesignating subclause (V) as subclause (VI);

(3) by inserting after subclause (IV) the following new subclause:

''(V) during fiscal year 2001, 'c' is equal to 1.54; and''; and

(4) in subclause (VI), as so redesignated, by striking ''2000'' and inserting ''2001''.

(b) SPECIAL PAYMENTS TO MAINTAIN 6.5 PERCENT IME PAYMENT FOR FISCAL YEAR 2000.—

(1) ADDITIONAL PAYMENT.—In addition to payments made to each subsection (d) hospital (as defined in section 1886(d)(1)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B)) under section 1886(d)(5)(B) of such Act (42 U.S.C. 1395ww(d)(5)(B))) which receives payment for the direct costs of medical education for discharges occurring in fiscal year 2000, the Secretary of Health and Human Services shall make one or more payments to each such hospital in an amount which, as estimated by the Secretary, is equal in the aggregate to the difference between the amount of payments to the hospital under such section for such discharges and the amount of payments that would have been paid under such section for such discharges if ''c'' in clause (ii)(IV) of such section equalled 1.6 rather than 1.47. Additional payments made under this subsection shall be made applying the same structure as applies to payments made under section 1886(d)(5)(B) of such Act.

(2) NO EFFECT ON OTHER PAYMENTS OR DETERMINATIONS.—In making such additional payments, the Secretary shall not change payments, determinations, or budget neutrality adjustments made for such period under section 1886(d) of such Act (42 U.S.C. 1395ww(d)).

(c) CONFORMING AMENDMENT RELATING TO DETERMINATION OF STANDARDIZED AMOUNT.—Section 1886(d)(2)(C)(i) (42 U.S.C. 1395ww(d)(2)(C)(i)) is amended by inserting ''or any additional payments under such paragraph resulting from the application of section 111 of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999'' after ''Balanced Budget Act of 1997''.

SEC. 112. DECREASE IN REDUCTIONS FOR DISPROPORTIONATE SHARE HOSPITALS; DATA COLLECTION REQUIREMENTS.

(a) IN GENERAL.—Section 1886(d)(5)(F)(ix) (42 U.S.C. 1395ww(d)(5)(F)(ix)) is amended—

(1) in subclause (III), by striking ''during fiscal year 2000'' and inserting ''during each of fiscal years 2000 and 2001'';

(2) by striking subclause (IV);

(3) by redesignating subclauses (V) and (VI) as subclauses (IV) and (V), respectively; and

(4) in subclause (IV), as so redesignated, by striking ''reduced by 5 percent'' and inserting ''reduced by 4 percent''.

(b) DATA COLLECTION.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall require any subsection (d) hospital (as defined in section 1886(d)(1)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B))) to submit to the Secretary, in the cost reports submitted to the Secretary by such hospital for discharges occurring during a fiscal year, data on the costs incurred by the hospital for providing inpatient and outpatient hospital services for which the hospital is not compensated, including non-medicare bad debt, charity care, and charges for medicaid and indigent care.

(2) EFFECTIVE DATE.—The Secretary shall require the submission of the data described in paragraph (1) in cost reports for cost reporting periods beginning on or after October 1, 2001.

Subtitle C—PPS-Exempt Hospitals

SEC. 121. WAGE ADJUSTMENT OF PERCENTILE CAP FOR PPS-EXEMPT HOSPITALS.

(a) IN GENERAL.—Section 1886(b)(3)(H) (42 U.S.C. 1395ww(b)(3)(H)) is amended—

(1) in clause (i), by inserting '', as adjusted under clause (iii)'' before the period;

(2) in clause (ii), by striking ''clause (i)'' and ''such clause'' and inserting ''subclause (I)'' and ''such subclause'' respectively;

(3) by striking ''(H)(i)'' and inserting ''(ii)(I)'';

(4) by redesignating clauses (ii) and (iii) as subclauses (II) and (III);

(5) by inserting after clause (ii), as so redesignated, the following new clause:

''(iii) In applying clause (ii)(I) in the case of a hospital or unit, the Secretary shall provide for an appropriate adjustment to the labor-related portion of the amount determined under such subparagraph to take into account differences between average wage-related costs in the area of the hospital and the national average of such costs within the same class of hospital.''; and

(6) by inserting before clause (ii), as so redesignated, the following new clause:

''(H)(i) In the case of a hospital or unit that is within a class of hospital described in clause (iv), for a cost reporting period beginning during fiscal years 1998 through 2002, the target amount for such a hospital or unit may not exceed the amount as updated up to or for such cost reporting period under clause (ii).''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to cost reporting periods beginning on or after October 1, 1999.

SEC. 122. ENHANCED PAYMENTS FOR LONG-TERM CARE AND PSYCHIATRIC HOSPITALS UNTIL DEVELOPMENT OF PROSPECTIVE PAYMENT SYSTEMS FOR THOSE HOSPITALS.

Section 1886(b)(2) (42 U.S.C. 1395ww(b)(2)) is amended—

(1) in subparagraph (A), by striking ''In addition to'' and inserting ''Except as provided in subparagraph (E), in addition to''; and

(2) by adding at the end the following new subparagraph:

''(E)(i) In the case of an eligible hospital that is a hospital or unit that is within a class of hospital described in clause (ii) with a 12-month cost reporting period beginning before the enactment of this subparagraph, in determining the amount of the increase under subparagraph (A), the Secretary shall substitute for the percentage of the target amount applicable under subparagraph (A)(ii)—

''(I) for a cost reporting period beginning on or after October 1, 2000, and before September 30, 2001, 1.5 percent; and

''(II) for a cost reporting period beginning on or after October 1, 2001, and before September 30, 2002, 2 percent.

''(ii) For purposes of clause (i), each of the following shall be treated as a separate class of hospital:

''(I) Hospitals described in clause (i) of subsection (d)(1)(B) and psychiatric units described in the matter following clause (v) of such subsection.

''(II) Hospitals described in clause (iv) of such subsection.''.

SEC. 123. PER DISCHARGE PROSPECTIVE PAYMENT SYSTEM FOR LONG-TERM CARE HOSPITALS.

(a) DEVELOPMENT OF SYSTEM.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall develop a per discharge prospective payment system for payment for inpatient hospital services of long-term care hospitals described in section 1886(d)(1)(B)(iv) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B)(iv)) under the medicare program. Such system shall include an adequate patient classification system that is based on diagnosis-related groups (DRGs) and that reflects the differences in patient resource use and costs, and shall maintain budget neutrality.

(2) COLLECTION OF DATA AND EVALUATION.—In developing the system described in paragraph (1), the Secretary may require such long-term care hospitals to submit such information to the Secretary as the Secretary may require to develop the system.

(b) REPORT.—Not later than October 1, 2001, the Secretary shall submit to the appropriate committees of Congress a report that includes a description of the system developed under subsection (a)(1).

(c) IMPLEMENTATION OF PROSPECTIVE PAYMENT SYSTEM.—Notwithstanding section 1886(b)(3) of the Social Security Act (42 U.S.C. 1395ww(b)(3)), the Secretary shall provide, for cost reporting periods beginning on or after October 1, 2002, for payments for inpatient hospital services furnished by long-term care hospitals under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) in accordance with the system described in subsection (a).

SEC. 124. PER DIEM PROSPECTIVE PAYMENT SYSTEM FOR PSYCHIATRIC HOSPITALS.

(a) DEVELOPMENT OF SYSTEM.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall develop a per diem prospective payment system for payment for inpatient hospital services of psychiatric hospitals and units (as defined in paragraph (3)) under the medicare program. Such system shall include an adequate patient classification system that reflects the differences in patient resource use and costs among such hospitals and shall maintain budget neutrality.

(2) COLLECTION OF DATA AND EVALUATION.—In developing the system described in paragraph (1), the Secretary may require such psychiatric hospitals and units to submit such information to the Secretary as the Secretary may require to develop the system.

(3) DEFINITION.—In this section, the term ''psychiatric hospitals and units'' means a psychiatric hospital described in clause (i) of section 1886(d)(1)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B)) and psychiatric units described in the matter following clause (v) of such section.

(b) REPORT.—Not later than October 1, 2001, the Secretary shall submit to the appropriate committees of Congress a report that includes a description of the system developed under subsection (a)(1).

(c) IMPLEMENTATION OF PROSPECTIVE PAYMENT SYSTEM.—Notwithstanding section 1886(b)(3) of the Social Security Act (42 U.S.C. 1395ww(b)(3)), the Secretary shall provide, for cost reporting periods beginning on or after October 1, 2002, for payments for inpatient hospital services furnished by psychiatric hospitals and units under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) in accordance with the prospective payment system established by the Secretary under this section in a budget neutral manner.

SEC. 125. REFINEMENT OF PROSPECTIVE PAYMENT SYSTEM FOR INPATIENT REHABILITATION SERVICES.

(a) USE OF DISCHARGE AS PAYMENT UNIT.—

(1) IN GENERAL.—Section 1886(j)(1)(D) (42 U.S.C. 1395ww(j)(1)(D)) is amended by striking '', day of inpatient hospital services, or other unit of payment defined by the Secretary''.

(2) CONFORMING AMENDMENT TO CLASSIFICATION.—Section 1886(j)(2)(A)(i) (42 U.S.C. 1395ww(j)(2)(A)(i)) is amended to read as follows:

''(i) classes of patient discharges of rehabilitation facilities by functional-related groups (each in this subsection referred to as a 'case mix group'), based on impairment, age, comorbidities, and functional capability of the patient and such other factors as the Secretary deems appropriate to improve the explanatory power of functional independence measure-function related groups; and''.

(3) CONSTRUCTION RELATING TO TRANSFER AUTHORITY.—Section 1886(j)(1) (42 U.S.C. 1395ww(j)(1)) is amended by adding at the end the following new subparagraph:

''(E) CONSTRUCTION RELATING TO TRANSFER AUTHORITY.—Nothing in this subsection shall be construed as preventing the Secretary from providing for an adjustment to payments to take into account the early transfer of a patient from a rehabilitation facility to another site of care.''.

(b) STUDY ON IMPACT OF IMPLEMENTATION OF PROSPECTIVE PAYMENT SYSTEM.—

(1) STUDY.—The Secretary of Health and Human Services shall conduct a study of the impact on utilization and beneficiary access to services of the implementation of the medicare prospective payment system for inpatient hospital services or rehabilitation facilities under section 1886(j) of the Social Security Act (42 U.S.C. 1395ww(j)).

(2) REPORT.—Not later than 3 years after the date such system is first implemented, the Secretary shall submit to Congress a report on such study.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) are effective as if included in the enactment of section 4421(a) of BBA.

Subtitle D—Hospice Care

SEC. 131. TEMPORARY INCREASE IN PAYMENT FOR HOSPICE CARE.

(a) INCREASE FOR FISCAL YEARS 2001 AND 2002.—For purposes of payments under section 1814(i)(1)(C) of the Social Security Act (42 U.S.C. 1395f(i)(1)(C)) for hospice care furnished during fiscal years 2001 and 2002, the Secretary of Health and Human Services shall increase the payment rate in effect (but for this section) for—

(1) fiscal year 2001, by 0.5 percent, and

(2) fiscal year 2002, by 0.75 percent.

(b) ADDITIONAL PAYMENT NOT BUILT INTO THE BASE.—The Secretary of Health and Human Services shall not include any additional payment made under this subsection (a) in updating the payment rate, as increased by the applicable market basket percentage increase for the fiscal year involved under section 1814(i)(1)(C)(ii) of that Act (42 U.S.C. 1395f(i)(1)(C)(ii)).

SEC. 132. STUDY AND REPORT TO CONGRESS REGARDING MODIFICATION OF THE PAYMENT RATES FOR HOSPICE CARE.

(a) STUDY.—The Comptroller General of the United States shall conduct a study to determine the feasibility and advisability of updating the payment rates and the cap amount determined with respect to a fiscal year under section 1814(i) of the Social Security Act (42 U.S.C. 1395f(i)) for routine home care and other services included in hospice care. Such study shall examine the cost factors used to determine such rates and such amount and shall evaluate whether such factors should be modified, eliminated, or supplemented with additional cost factors.

(b) REPORT.—Not later than one year after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report on the study conducted under subsection (a), together with any recommendations for legislation that the Comptroller General determines to be appropriate as a result of such study.

Subtitle E—Other Provisions

SEC. 141. MEDPAC STUDY ON MEDICARE PAYMENT FOR NONPHYSICIAN HEALTH PROFESSIONAL CLINICAL TRAINING IN HOSPITALS.

(a) IN GENERAL.—The Medicare Payment Advisory Commission shall conduct a study of medicare payment policy with respect to professional clinical training of different classes of nonphysician health care professionals (such as nurses, nurse practitioners, allied health professionals, physician assistants, and psychologists) and the basis for any differences in treatment among such classes.

(b) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Commission shall submit a report to Congress on the study conducted under subsection (a).

Subtitle F—Transitional Provisions

SEC. 151. EXCEPTION TO CMI QUALIFIER FOR ONE YEAR.

Notwithstanding any other provision of law, for purposes of fiscal year 2000, the Northwest Mississippi Regional Medical Center located in Clarksdale, Mississippi shall be deemed to have satisfied the case mix index criteria under section 1886(d)(5)(C)(ii) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(C)(ii)) for classification as a rural referral center.

SEC. 152. RECLASSIFICATION OF CERTAIN COUNTIES AND AREAS FOR PURPOSES OF REIMBURSEMENT UNDER THE MEDICARE PROGRAM.

(a) FISCAL YEAR 2000.—Notwithstanding any other provision of law, effective for discharges occurring during fiscal year 2000, for purposes of making payments under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d))—

(1) to hospitals in Iredell County, North Carolina, such county is deemed to be located in the Charlotte-Gastonia-Rock Hill, North Carolina-South Carolina Metropolitan Statistical Area;

(2) to hospitals in Orange County, New York, the large urban area of New York, New York is deemed to include such county;

(3) to hospitals in Lake County, Indiana, and to hospitals in Lee County, Illinois, such counties are deemed to be located in the Chicago, Illinois Metropolitan Statistical Area;

(4) to hospitals in Hamilton-Middletown, Ohio, Hamilton-Middletown, Ohio, is deemed to be located in the Cincinnati, Ohio-Kentucky-Indiana Metropolitan Statistical Area;

(5) to hospitals in Brazoria County, Texas, such county is deemed to be located in the Houston, Texas Metropolitan Statistical Area; and

(6) to hospitals in Chittenden County, Vermont, such county is deemed to be located in the Boston-Worcester-Lawrence-Lowell-Brockton, Massachusetts-New Hampshire Metropolitan Statistical Area.

(b) FISCAL YEAR 2001.—Notwithstanding any other provision of law, effective for discharges occurring during fiscal year 2001, for purposes of making payments under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d))—

(1) Iredell County, North Carolina is deemed to be located in the Charlotte-Gastonia-Rock Hill, North Carolina-South Carolina Metropolitan Statistical Area;

(2) the large urban area of New York, New York is deemed to include Orange County, New York;

(3) Lake County, Indiana, and Lee County, Illinois, are deemed to be located in the Chicago, Illinois Metropolitan Statistical Area;

(4) Hamilton-Middletown, Ohio, is deemed to be located in the Cincinnati, Ohio-Kentucky-Indiana Metropolitan Statistical Area;

(5) Brazoria County, Texas, is deemed to be located in the Houston, Texas Metropolitan Statistical Area; and

(6) Chittenden County, Vermont is deemed to be located in the Boston-Worcester-Lawrence-Lowell-Brockton, Massachusetts-New Hampshire Metropolitan Statistical Area.

For purposes of that section, any reclassification under this subsection shall be treated as a decision of the Medicare Geographic Classification Review Board under paragraph (10) of that section.

SEC. 153. WAGE INDEX CORRECTION.

Notwithstanding any other provision of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)), the Secretary of Health and Human Services shall calculate and apply the Hattiesburg, Mississippi Metropolitan Statistical Area wage index under that section for discharges occurring during fiscal year 2000 using fiscal year 1996 wage and hour data for Wesley Medical Center for purposes of payment under that section for that fiscal year. Such recalculation shall not affect the wage index for any other area.

SEC. 154. CALCULATION AND APPLICATION OF WAGE INDEX FLOOR FOR A CERTAIN AREA.

(a) FISCAL YEAR 2000.—Notwithstanding any other provision of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)), for discharges occurring during fiscal year 2000, the Secretary of Health and Human Services shall calculate and apply the wage index for the Allentown-Bethlehem-Easton Metropolitan Statistical Area under that section as if the Lehigh Valley Hospital were classified in such area for purposes of payment under that section for such fiscal year. Such recalculation shall not affect the wage index for any other area.

(b) FISCAL YEAR 2001.—Notwithstanding any other provision of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)), in calculating and applying the wage indices under that section for discharges occurring during fiscal year 2001, Lehigh Valley Hospital shall be treated as being classified in the Allentown-Bethlehem-Easton Metropolitan Statistical Area.

SEC. 155. SPECIAL RULE FOR CERTAIN SKILLED NURSING FACILITIES.

(a) IN GENERAL.—Notwithstanding any provision of section 1888(e) of the Social Security Act (42 U.S.C. 1395yy(e)), for the cost reporting period beginning in fiscal year 2000 and for the cost reporting period beginning in fiscal year 2001, if a skilled nursing facility which meets the criteria described in subsection (b) elects to be paid in accordance with subsection (c), the Secretary of Health and Human Services shall establish a per diem payment amount for such facility according to the methodology described in subsection (c) for such cost reporting periods in lieu of the payment amount that would otherwise be established for such facility under section 1888(e)(1) of such Act (42 U.S.C. 1395yy(e)(1)).

(b) FACILITY ELIGIBILITY CRITERIA.—For purposes of this subsection, a skilled nursing facility is one—

(1) that began participation in the Medicare program under title XVIII of the Social Security Act before January 1, 1995;

(2) for which at least 80 percent of the total inpatient days of the facility in the cost reporting period beginning in fiscal year 1998 were comprised of individuals entitled to benefits under such title; and

(3) that is located in Baldwin or Mobile County, Alabama.

(c) DETERMINATION OF PER DIEM AMOUNT.—For purposes of subsection (a), the per diem payment amount shall be equal to 100 percent of the amount determined under section 1888(e)(3) of the Social Security Act (42 U.S.C.

1395yy(e)(3)) except that, in determining such amount, the Secretary shall—

(1) substitute the allowable costs of the facility for the cost reporting period beginning in fiscal year 1998 for those allowable costs of the cost reporting period beginning in fiscal year 1995; and

(2) exclude the update to the first cost reporting period (from fiscal year 1995 to fiscal year 1998) described in section 1888(e)(3)(B)(i) of such Act (42 U.S.C. 1395yy(e)(3)(B)(i)).

TITLE II—PROVISIONS RELATING TO PART B

Subtitle A—Hospital Outpatient Services

SEC. 201. OUTLIER ADJUSTMENT AND TRANSITIONAL PASS-THROUGH FOR CERTAIN MEDICAL DEVICES, DRUGS, AND BIOLOGICALS.

(a) OUTLIER ADJUSTMENT.—Section 1833(t) (42 U.S.C. 1395l(t)) is amended—

(1) by redesignating paragraphs (5) through (9) as paragraphs (7) through (11), respectively; and

(2) by inserting after paragraph (4) the following new paragraph:

''(5) OUTLIER ADJUSTMENT.—

''(A) IN GENERAL.—Subject to subparagraph (D), the Secretary shall provide for an additional payment for each covered OPD service (or group of services) for which a hospital's charges, adjusted to cost, exceed—

''(i) a fixed multiple of the sum of—

''(I) the applicable medicare OPD fee schedule amount determined under paragraph (3)(D), as adjusted under paragraph (4)(A) (other than for adjustments under this paragraph or paragraph (6)); and

''(II) any transitional pass-through payment under paragraph (6); and

''(ii) at the option of the Secretary, such fixed dollar amount as the Secretary may establish.

''(B) AMOUNT OF ADJUSTMENT.—The amount of the additional payment under subparagraph (A) shall be determined by the Secretary and shall approximate the marginal cost of care beyond the applicable cutoff point under such subparagraph.

''(C) LIMIT ON AGGREGATE OUTLIER ADJUSTMENTS.—

''(i) IN GENERAL.—The total of the additional payments made under this paragraph for covered OPD services furnished in a year (as estimated by the Secretary before the beginning of the year) may not exceed the applicable percentage (specified in clause (ii)) of the total program payments estimated to be made under this subsection for all covered OPD services furnished in that year. If this paragraph is first applied to less than a full year, the previous sentence shall apply only to the portion of such year.

''(ii) APPLICABLE PERCENTAGE.—For purposes of clause (i), the term 'applicable percentage' means a percentage specified by the Secretary up to (but not to exceed)—

''(I) for a year (or portion of a year) before 2004, 2.5 percent; and

''(II) for 2004 and thereafter, 3.0 percent.

''(D) TRANSITIONAL AUTHORITY.—In applying subparagraph (A) for covered OPD services furnished before January 1, 2002, the Secretary may—

''(i) apply such subparagraph to a bill for such services related to an outpatient encounter (rather than for a specific service or group of services) using OPD fee schedule amounts and transitional pass-through payments covered under the bill; and

''(ii) use an appropriate cost-to-charge ratio for the hospital involved (as determined by the Secretary), rather than for specific departments within the hospital.''.

(b) TRANSITIONAL PASS-THROUGH FOR ADDITIONAL COSTS OF INNOVATIVE MEDICAL DEVICES, DRUGS, AND BIOLOGICALS.—Such section is further amended by inserting after paragraph (5) the following new paragraph:

''(6) TRANSITIONAL PASS-THROUGH FOR ADDITIONAL COSTS OF INNOVATIVE MEDICAL DEVICES, DRUGS, AND BIOLOGICALS.—

''(A) IN GENERAL.—The Secretary shall provide for an additional payment under this paragraph for any of the following that are provided as part of a covered OPD service (or group of services):

''(i) CURRENT ORPHAN DRUGS.—A drug or biological that is used for a rare disease or condition with respect to which the drug or biological has been designated as an orphan drug under section 526 of the Federal Food, Drug and Cosmetic Act if payment for the drug or biological as an outpatient hospital service under this part was being made on the first date that the system under this subsection is implemented.

''(ii) CURRENT CANCER THERAPY DRUGS AND BIOLOGICALS AND BRACHYTHERAPY.—A drug or biological that is used in cancer therapy, including (but not limited to) a chemotherapeutic agent, an antiemetic, a hematopoietic growth factor, a colony stimulating factor, a biological response modifier, a bisphosphonate, and a device of brachytherapy, if payment for such drug, biological, or device as an outpatient hospital service under this part was being made on such first date.

''(iii) CURRENT RADIOPHARMACEUTICAL DRUGS AND BIOLOGICAL PRODUCTS.—A radiopharmaceutical drug or biological product used in diagnostic, monitoring, and therapeutic nuclear medicine procedures if payment for the drug or biological as an outpatient hospital service under this part was being made on such first date.

''(iv) NEW MEDICAL DEVICES, DRUGS, AND BIOLOGICALS.—A medical device, drug, or biological not described in clause (i), (ii), or (iii) if—

''(I) payment for the device, drug, or biological as an outpatient hospital service under this part was not being made as of December 31, 1996; and

''(II) the cost of the device, drug, or biological is not insignificant in relation to the OPD fee schedule amount (as calculated under paragraph (3)(D)) payable for the service (or group of services) involved.

''(B) LIMITED PERIOD OF PAYMENT.—The payment under this paragraph with respect to a medical device, drug, or biological shall only apply during a period of at least 2 years, but not more than 3 years, that begins—

''(i) on the first date this subsection is implemented in the case of a drug, biological, or device described in clause (i), (ii), or (iii) of subparagraph (A) and in the case of a device, drug, or biological described in subparagraph (A)(iv) and for which payment under this part is made as an outpatient hospital service before such first date; or

''(ii) in the case of a device, drug, or biological described in subparagraph (A)(iv) not described in clause (i), on the first date on which payment is made under this part for the device, drug, or biological as an outpatient hospital service.

''(C) AMOUNT OF ADDITIONAL PAYMENT.—Subject to subparagraph (D)(iii), the amount of the payment under this paragraph with respect to a device, drug, or biological provided as part of a covered OPD service is—

''(i) in the case of a drug or biological, the amount by which the amount determined under section 1842(o) for the drug or biological exceeds the portion of the otherwise applicable medicare OPD fee schedule that the Secretary determines is associated with the drug or biological; or

''(ii) in the case of a medical device, the amount by which the hospital's charges for the device, adjusted to cost, exceeds the portion of the otherwise applicable medicare OPD fee schedule that the Secretary determines is associated with the device.

''(D) LIMIT ON AGGREGATE ANNUAL ADJUSTMENT.—

''(i) IN GENERAL.—The total of the additional payments made under this paragraph for covered OPD services furnished in a year (as estimated by the Secretary before the beginning of the year) may not exceed the applicable percentage (specified in clause (ii)) of the total program payments estimated to be made under this subsection for all covered OPD services furnished in that year. If this paragraph is first applied to less than a full year, the previous sentence shall apply only to the portion of such year.

''(ii) APPLICABLE PERCENTAGE.—For purposes of clause (i), the term 'applicable percentage' means—

''(I) for a year (or portion of a year) before 2004, 2.5 percent; and

''(II) for 2004 and thereafter, a percentage specified by the Secretary up to (but not to exceed) 2.0 percent.

''(iii) UNIFORM PROSPECTIVE REDUCTION IF AGGREGATE LIMIT PROJECTED TO BE EXCEEDED.—If the Secretary estimates before the beginning of a year that the amount of the additional payments under this paragraph for the year (or portion thereof) as determined under clause (i) without regard to this clause will exceed the limit established under such clause, the Secretary shall reduce pro rata the amount of each of the additional payments under this paragraph for that year (or portion thereof) in order to ensure that the aggregate additional payments under this paragraph (as so estimated) do not exceed such limit.''.

(c) APPLICATION OF NEW ADJUSTMENTS ON A BUDGET NEUTRAL BASIS.—Section 1833(t)(2)(E) (42 U.S.C. 1395l(t)(2)(E)) is amended by striking ''other adjustments, in a budget neutral manner, as determined to be necessary to ensure equitable payments, such as outlier adjustments or'' and inserting '', in a budget neutral manner, outlier adjustments under paragraph (5) and transitional pass-through payments under paragraph (6) and other adjustments as determined to be necessary to ensure equitable payments, such as''.

(d) LIMITATION ON JUDICIAL REVIEW FOR NEW ADJUSTMENTS.—Section 1833(t)(11), as redesignated by subsection (a)(1), is amended—

(1) by striking ''and'' at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting ''; and''; and

(3) by adding at the end the following:

''(E) the determination of the fixed multiple, or a fixed dollar cutoff amount, the marginal cost of care, or applicable percentage under paragraph (5) or the determination of insignificance of cost, the duration of the additional payments (consistent with paragraph (6)(B)), the portion of the medicare OPD fee schedule amount associated with particular devices, drugs, or biologicals, and the application of any pro rata reduction under paragraph (6).''.

(e) INCLUSION OF CERTAIN IMPLANTABLE ITEMS UNDER SYSTEM.—

(1) IN GENERAL.—Section 1833(t) (42 U.S.C. 1395l(t)) is amended—

(A) in paragraph (1)(B)(ii), by striking ''clause (iii)'' and inserting ''clause (iv)'' and by striking ''but'';

(B) by redesignating clause (iii) of paragraph (1)(B) as clause (iv) and inserting after clause (ii) of such paragraph the following new clause:

''(iii) includes implantable items described in paragraph (3), (6), or (8) of section 1861(s); but''; and

(C) in paragraph (2)(B), by inserting after ''resources'' the following: ''and so that an

implantable item is classified to the group that includes the service to which the item relates''.

(2) CONFORMING AMENDMENT.—(A) Section 1834(a)(13) (42 U.S.C. 1395m(a)(13)) is amended by striking ''1861(m)(5))'' and inserting ''1861(m)(5), but not including implantable items for which payment may be made under section 1833(t)''.

(B) Section 1834(h)(4)(B) (42 U.S.C. 1395m(h)(4)(B)) is amended by inserting before the semicolon the following: ''and does not include an implantable item for which payment may be made under section 1833(t)''.

(f) AUTHORIZING PAYMENT WEIGHTS BASED ON MEAN HOSPITAL COSTS.—Section 1833(t)(2)(C) (42 U.S.C. 1395l(t)(2)(C)) is amended by inserting ''(or, at the election of the Secretary, mean)'' after ''median''.

(g) LIMITING VARIATION OF COSTS OF SERVICES CLASSIFIED WITH A GROUP.—Section 1833(t)(2) (42 U.S.C. 1395l(t)(2)) is amended by adding at the end the following new flush sentence:

''For purposes of subparagraph (B), items and services within a group shall not be treated as 'comparable with respect to the use of resources' if the highest median cost (or mean cost, if elected by the Secretary under subparagraph (C)) for an item or service within the group is more than 2 times greater than the lowest median cost (or mean cost, if so elected) for an item or service within the group; except that the Secretary may make exceptions in unusual cases, such as low volume items and services, but may not make such an exception in the case of a drug or biological that has been designated as an orphan drug under section 526 of the Federal Food, Drug and Cosmetic Act.''.

(h) ANNUAL REVIEW OF OPD PPS COMPONENTS.—

(1) IN GENERAL.—Section 1833(t)(8)(A) (42 U.S.C. 1395l(t)(8)(A)), as redesignated by subsection (a), is amended—

(A) by striking ''may periodically review'' and inserting ''shall review not less often than annually''; and

(B) by adding at the end the following: ''The Secretary shall consult with an expert outside advisory panel composed of an appropriate selection of representatives of providers to review (and advise the Secretary concerning) the clinical integrity of the groups and weights. Such panel may use data collected or developed by entities and organizations (other than the Department of Health and Human Services) in conducting such review.''.

(2) EFFECTIVE DATES.—The Secretary of Health and Human Services shall first conduct the annual review under the amendment made by paragraph (1)(A) in 2001 for application in 2002 and the amendment made by paragraph (1)(B) takes effect on the date of the enactment of this Act.

(i) NO IMPACT ON COPAYMENT.—Section 1833(t)(7) (42 U.S.C. 1395l(t)(7)), as redesignated by subsection (a), is amended by adding at the end the following new subparagraph:

''(D) COMPUTATION IGNORING OUTLIER AND PASS-THROUGH ADJUSTMENTS.—The copayment amount shall be computed under subparagraph (A) as if the adjustments under paragraphs (5) and (6) (and any adjustment made under paragraph (2)(E) in relation to such adjustments) had not occurred.''.

(j) TECHNICAL CORRECTION IN REFERENCE RELATING TO HOSPITAL-BASED AMBULANCE SERVICES.—Section 1833(t)(9) (42 U.S.C. 1395l(t)(9)), as redesignated by subsection (a), is amended by striking ''the matter in subsection (a)(1) preceding subparagraph (A)'' and inserting ''section 1861(v)(1)(U)''.

(k) EXTENSION OF PAYMENT PROVISIONS OF SECTION 4522 OF BBA UNTIL IMPLEMENTATION OF PPS.—Section 1861(v)(1)(S)(ii) (42 U.S.C. 1395x(v)(1)(S)(ii)) is amended in subclauses (I) and (II) by striking ''and during fiscal year 2000 before January 1, 2000'' and inserting ''and until the first date that the prospective payment system under section 1833(t) is implemented'' each place it appears.

(l) CONGRESSIONAL INTENTION REGARDING BASE AMOUNTS IN APPLYING THE HOPD PPS.—With respect to determining the amount of copayments described in paragraph (3)(A)(ii) of section 1833(t) of the Social Security Act, as added by section 4523(a) of BBA, Congress finds that such amount should be determined without regard to such section, in a budget neutral manner with respect to aggregate payments to hospitals, and that the Secretary of Health and Human Services has the authority to determine such amount without regard to such section.

(m) EFFECTIVE DATE.—Except as provided in this section, the amendments made by this section shall be effective as if included in the enactment of BBA.

(n) STUDY OF DELIVERY OF INTRAVENOUS IMMUNE GLOBULIN (IVIG) OUTSIDE HOSPITALS AND PHYSICIANS' OFFICES.—

(1) STUDY.—The Secretary of Health and Human Services shall conduct a study of the extent to which intravenous immune globulin (IVIG) could be delivered and reimbursed under the medicare program outside of a hospital or physician's office. In conducting the study, the Secretary shall—

(A) consider the sites of service that other payors, including Medicare+Choice plans, use for these drugs and biologicals;

(B) determine whether covering the delivery of these drugs and biologicals in a medicare patient's home raises any additional safety and health concerns for the patient;

(C) determine whether covering the delivery of these drugs and biologicals in a patient's home can reduce overall spending under the medicare program; and

(D) determine whether changing the site of setting for these services would affect beneficiary access to care.

(2) REPORT.—The Secretary shall submit a report on such study to the Committees on Ways and Means and Commerce of the House of Representatives and the Committee on Finance of the Senate within 18 months after the date of the enactment of this Act. The Secretary shall include in the report recommendations regarding the appropriate manner and settings under which the medicare program should pay for these drugs and biologicals delivered outside of a hospital or physician's office.

SEC. 202. ESTABLISHING A TRANSITIONAL CORRIDOR FOR APPLICATION OF OPD PPS.

(a) IN GENERAL.—Section 1833(t) (42 U.S.C. 1395l(t)), as amended by section 201(a), is further amended—

(1) in paragraph (4), in the matter before subparagraph (A), by inserting '', subject to paragraph (7),'' after ''is determined''; and

(2) by redesignating paragraphs (7) through (11) as paragraphs (8) through (12), respectively; and

(3) by inserting after paragraph (6), as inserted by section 201(b), the following new paragraph:

''(7) TRANSITIONAL ADJUSTMENT TO LIMIT DECLINE IN PAYMENT.—

''(A) BEFORE 2002.—Subject to subparagraph (D), for covered OPD services furnished before January 1, 2002, for which the PPS amount (as defined in subparagraph (E)) is—

''(i) at least 90 percent, but less than 100 percent, of the pre-BBA amount (as defined in subparagraph (F)), the amount of payment under this subsection shall be increased by 80 percent of the amount of such difference;

''(ii) at least 80 percent, but less than 90 percent, of the pre-BBA amount, the amount of payment under this subsection shall be increased by the amount by which (I) the product of 0.71 and the pre-BBA amount, exceeds (II) the product of 0.70 and the PPS amount;

''(iii) at least 70 percent, but less than 80 percent, of the pre-BBA amount, the amount of payment under this subsection shall be increased by the amount by which (I) the product of 0.63 and the pre-BBA amount, exceeds (II) the product of 0.60 and the PPS amount; or

''(iv) less than 70 percent of the pre-BBA amount, the amount of payment under this subsection shall be increased by 21 percent of the pre-BBA amount.

''(B) 2002.—Subject to subparagraph (D), for covered OPD services furnished during 2002, for which the PPS amount is—

''(i) at least 90 percent, but less than 100 percent, of the pre-BBA amount, the amount of payment under this subsection shall be increased by 70 percent of the amount of such difference;

''(ii) at least 80 percent, but less than 90 percent, of the pre-BBA amount, the amount of payment under this subsection shall be increased by the amount by which (I) the product of 0.61 and the pre-BBA amount, exceeds (II) the product of 0.60 and the PPS amount; or

''(iii) less than 80 percent of the pre-BBA amount, the amount of payment under this subsection shall be increased by 13 percent of the pre-BBA amount.

''(C) 2003.—Subject to subparagraph (D), for covered OPD services furnished during 2003, for which the PPS amount is—

''(i) at least 90 percent, but less than 100 percent, of the pre-BBA amount, the amount of payment under this subsection shall be increased by 60 percent of the amount of such difference; or

''(ii) less than 90 percent of the pre-BBA amount, the amount of payment under this subsection shall be increased by 6 percent of the pre-BBA amount.

''(D) HOLD HARMLESS PROVISIONS.—

''(i) TEMPORARY TREATMENT FOR SMALL RURAL HOSPITALS.—In the case of a hospital located in a rural area and that has not more than 100 beds, for covered OPD services furnished before January 1, 2004, for which the PPS amount is less than the pre-BBA amount, the amount of payment under this subsection shall be increased by the amount of such difference.

''(ii) PERMANENT TREATMENT FOR CANCER HOSPITALS.—In the case of a hospital described in section 1886(d)(1)(B)(v), for covered OPD services for which the PPS amount is less than the pre-BBA amount, the amount of payment under this subsection shall be increased by the amount of such difference.

''(E) PPS AMOUNT DEFINED.—In this paragraph, the term 'PPS amount' means, with respect to covered OPD services, the amount payable under this title for such services (determined without regard to this paragraph), including amounts payable as copayment under paragraph (8), coinsurance under section 1866(a)(2)(A)(ii), and the deductible under section 1833(b).

''(F) PRE-BBA AMOUNT DEFINED.—

''(i) IN GENERAL.—In this paragraph, the 'pre-BBA amount' means, with respect to covered OPD services furnished by a hospital in a year, an amount equal to the product of the reasonable cost of the hospital for such services for the portions of the hospital's cost reporting period (or periods) occurring in the year and the base OPD payment-to-cost ratio for the hospital (as defined in clause (ii)).

''(ii) BASE PAYMENT-TO-COST-RATIO DEFINED.—For purposes of this subparagraph, the 'base payment-to-cost ratio' for a hospital means the ratio of—

''(I) the hospital's reimbursement under this part for covered OPD services furnished during

the cost reporting period ending in 1996, including any reimbursement for such services through cost-sharing described in subparagraph (E), to

''(II) the reasonable cost of such services for such period.

The Secretary shall determine such ratios as if the amendments made by section 4521 of the Balanced Budget Act of 1997 were in effect in 1996.

''(G) INTERIM PAYMENTS.—The Secretary shall make payments under this paragraph to hospitals on an interim basis, subject to retrospective adjustments based on settled cost reports.

''(H) NO EFFECT ON COPAYMENTS.—Nothing in this paragraph shall be construed to affect the unadjusted copayment amount described in paragraph (3)(B) or the copayment amount under paragraph (8).

''(I) APPLICATION WITHOUT REGARD TO BUDGET NEUTRALITY.—The additional payments made under this paragraph—

''(i) shall not be considered an adjustment under paragraph (2)(E); and

''(ii) shall not be implemented in a budget neutral manner.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall be effective as if included in the enactment of BBA.

SEC. 203. STUDY AND REPORT TO CONGRESS REGARDING THE SPECIAL TREATMENT OF RURAL AND CANCER HOSPITALS IN PROSPECTIVE PAYMENT SYSTEM FOR HOSPITAL OUTPATIENT DEPARTMENT SERVICES.

(a) STUDY.—

(1) IN GENERAL.—The Medicare Payment Advisory Commission (referred to in this section as ''MedPAC'') shall conduct a study to determine the appropriateness (and the appropriate method) of providing payments to hospitals described in paragraph (2) for covered OPD services (as defined in paragraph (1)(B) of section 1833(t) of the Social Security Act (42 U.S.C. 1395l(t))) based on the prospective payment system established by the Secretary in accordance with such section.

(2) HOSPITALS DESCRIBED.—The hospitals described in this paragraph are the following:

(A) A medicare-dependent, small rural hospital (as defined in section 1886(d)(5)(G)(iv) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(G)(iv))).

(B) A sole community hospital (as defined in section 1886(d)(5)(D)(iii) of such Act (42 U.S.C. 1395ww(d)(5)(D)(iii))).

(C) Rural health clinics (as defined in section 1861(aa)(2) of such Act (42 U.S.C. 1395x(aa)(2)).

(D) Rural referral centers (as so classified under section 1886(d)(5)(C) of such Act (42 U.S.C. 1395ww(d)(5)(C)).

(E) Any other rural hospital with not more than 100 beds.

(F) Any other rural hospital that the Secretary determines appropriate.

(G) A hospital described in section 1886(d)(1)(B)(v) of such Act (42 U.S.C. 1395ww(d)(1)(B)(v)).

(b) REPORT.—Not later than 2 years after the date of the enactment of this Act, MedPAC shall submit a report to the Secretary of Health and Human Services and Congress on the study conducted under subsection (a), together with any recommendations for legislation that MedPAC determines to be appropriate as a result of such study.

(c) COMMENTS.—Not later than 60 days after the date on which MedPAC submits the report under subsection (b) to the Secretary of Health and Human Services, the Secretary shall submit comments on such report to Congress.

SEC. 204. LIMITATION ON OUTPATIENT HOSPITAL COPAYMENT FOR A PROCEDURE TO THE HOSPITAL DEDUCTIBLE AMOUNT.

(a) IN GENERAL.—Section 1833(t)(8) (42 U.S.C. 1395l(t)(8)), as redesignated by sections 201(a)(1) and 202(a)(2), is amended—

(1) in subparagraph (A), by striking ''subparagraph (B)'' and inserting ''subparagraphs (B) and (C)'';

(2) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(3) by inserting after subparagraph (B) the following new subparagraph:

''(C) LIMITING COPAYMENT AMOUNT TO INPATIENT HOSPITAL DEDUCTIBLE AMOUNT.—In no case shall the copayment amount for a procedure performed in a year exceed the amount of the inpatient hospital deductible established under section 1813(b) for that year.''.

(b) INCREASE IN PAYMENT TO REFLECT REDUCTION IN COPAYMENT.—Section 1833(t)(4)(C) (42 U.S.C. 1395l(t)(4)(C)) is amended by inserting '', plus the amount of any reduction in the copayment amount attributable to paragraph (8)(C)'' before the period at the end.

(c) EFFECTIVE DATE.—The amendments made by this section apply as if included in the enactment of BBA and shall only apply to procedures performed for which payment is made on the basis of the prospective payment system under section 1833(t) of the Social Security Act.

Subtitle B—Physician Services

SEC. 211. MODIFICATION OF UPDATE ADJUSTMENT FACTOR PROVISIONS TO REDUCE UPDATE OSCILLATIONS AND REQUIRE ESTIMATE REVISIONS.

(a) UPDATE ADJUSTMENT FACTOR.—

(1) IN GENERAL.—Section 1848(d) (42 U.S.C. 1395w–4(d)) is amended—

(A) in paragraph (3)—

(i) in the heading, by inserting ''FOR 1999 AND 2000'' after ''UPDATE'';

(ii) in subparagraph (A), by striking ''a year beginning with 1999'' and inserting ''1999 and 2000''; and

(iii) in subparagraph (C), by inserting ''and paragraph (4)'' after ''For purposes of this paragraph''; and

(B) by adding at the end the following new paragraph:

''(4) UPDATE FOR YEARS BEGINNING WITH 2001.—

''(A) IN GENERAL.—Unless otherwise provided by law, subject to the budget-neutrality factor determined by the Secretary under subsection (c)(2)(B)(ii) and subject to adjustment under subparagraph (F), the update to the single conversion factor established in paragraph (1)(C) for a year beginning with 2001 is equal to the product of—

''(i) 1 plus the Secretary's estimate of the percentage increase in the MEI (as defined in section 1842(i)(3)) for the year (divided by 100); and

''(ii) 1 plus the Secretary's estimate of the update adjustment factor under subparagraph (B) for the year.

''(B) UPDATE ADJUSTMENT FACTOR.—For purposes of subparagraph (A)(ii), subject to subparagraph (D), the 'update adjustment factor' for a year is equal (as estimated by the Secretary) to the sum of the following:

''(i) PRIOR YEAR ADJUSTMENT COMPONENT.—An amount determined by—

''(I) computing the difference (which may be positive or negative) between the amount of the allowed expenditures for physicians' services for the prior year (as determined under subparagraph (C)) and the amount of the actual expenditures for such services for that year;

''(II) dividing that difference by the amount of the actual expenditures for such services for that year; and

''(III) multiplying that quotient by 0.75.

''(ii) CUMULATIVE ADJUSTMENT COMPONENT.—An amount determined by—

''(I) computing the difference (which may be positive or negative) between the amount of the allowed expenditures for physicians' services (as determined under subparagraph (C)) from April 1, 1996, through the end of the prior year and the amount of the actual expenditures for such services during that period;

''(II) dividing that difference by actual expenditures for such services for the prior year as increased by the sustainable growth rate under subsection (f) for the year for which the update adjustment factor is to be determined; and

''(III) multiplying that quotient by 0.33.

''(C) DETERMINATION OF ALLOWED EXPENDITURES.—For purposes of this paragraph:

''(i) PERIOD UP TO APRIL 1, 1999.—The allowed expenditures for physicians' services for a period before April 1, 1999, shall be the amount of the allowed expenditures for such period as determined under paragraph (3)(C).

''(ii) TRANSITION TO CALENDAR YEAR ALLOWED EXPENDITURES.—Subject to subparagraph (E), the allowed expenditures for—

''(I) the 9-month period beginning April 1, 1999, shall be the Secretary's estimate of the amount of the allowed expenditures that would be permitted under paragraph (3)(C) for such period; and

''(II) the year of 1999, shall be the Secretary's estimate of the amount of the allowed expenditures that would be permitted under paragraph (3)(C) for such year.

''(iii) YEARS BEGINNING WITH 2000.—The allowed expenditures for a year (beginning with 2000) is equal to the allowed expenditures for physicians' services for the previous year, increased by the sustainable growth rate under subsection (f) for the year involved.

''(D) RESTRICTION ON UPDATE ADJUSTMENT FACTOR.—The update adjustment factor determined under subparagraph (B) for a year may not be less than −0.07 or greater than 0.03.

''(E) RECALCULATION OF ALLOWED EXPENDITURES FOR UPDATES BEGINNING WITH 2001.—For purposes of determining the update adjustment factor for a year beginning with 2001, the Secretary shall recompute the allowed expenditures for previous periods beginning on or after April 1, 1999, consistent with subsection (f)(3).

''(F) TRANSITIONAL ADJUSTMENT DESIGNED TO PROVIDE FOR BUDGET NEUTRALITY.—Under this subparagraph the Secretary shall provide for an adjustment to the update under subparagraph (A)—

''(i) for each of 2001, 2002, 2003, and 2004, of −0.2 percent; and

''(ii) for 2005 of +0.8 percent.''.

(2) PUBLICATION CHANGE.—

(A) IN GENERAL.—Section 1848(d)(1)(E) (42 U.S.C. 1395w–4(d)(1)(E)) is amended to read as follows:

''(E) PUBLICATION AND DISSEMINATION OF INFORMATION.—The Secretary shall—

''(i) cause to have published in the Federal Register not later than November 1 of each year (beginning with 2000) the conversion factor which will apply to physicians' services for the succeeding year, the update determined under paragraph (4) for such succeeding year, and the allowed expenditures under such paragraph for such succeeding year; and

''(ii) make available to the Medicare Payment Advisory Commission and the public by March 1 of each year (beginning with 2000) an estimate of the sustainable growth rate and of the conversion factor which will apply to physicians' services for the succeeding year and data used in making such estimate.''.

(B) MEDPAC REVIEW OF CONVERSION FACTOR ESTIMATES.—Section 1805(b)(1)(D) (42 U.S.C. 1395b–6(b)(1)(D)) is amended by inserting ''and including a review of the estimate of the conversion factor submitted under section 1848(d)(1)(E)(ii)'' before the period at the end.

(C) ONE-TIME PUBLICATION OF INFORMATION ON TRANSITION.—The Secretary of Health and Human Services shall cause to have published in the Federal Register, not later than 90 days

after the date of the enactment of this section, the Secretary's determination, based upon the best available data, of—

(i) the allowed expenditures under subclauses (I) and (II) of subsection (d)(4)(C)(ii) of section 1848 of the Social Security Act (42 U.S.C. 1395w–4), as added by subsection (a)(1)(B), for the 9-month period beginning on April 1, 1999, and for 1999;

(ii) the estimated actual expenditures described in subsection (d) of such section for 1999; and

(iii) the sustainable growth rate under subsection (f) of such section for 2000.

(3) CONFORMING AMENDMENTS.—

(A) Section 1848 (42 U.S.C. 1395w–4) is amended—

(i) in subsection (d)(1)(A), by inserting ''(for years before 2001) and, for years beginning with 2001, multiplied by the update (established under paragraph (4)) for the year involved'' after ''for the year involved''; and

(ii) in subsection (f)(2)(D), by inserting ''or (d)(4)(B), as the case may be'' after ''(d)(3)(B)''.

(B) Section 1833(l)(4)(A)(i)(VII) (42 U.S.C. 1395l(l)(4)(A)(i)(VII)) is amended by striking ''1848(d)(3)'' and inserting ''1848(d)''.

(b) SUSTAINABLE GROWTH RATES.—Section 1848(f) (42 U.S.C. 1395w–4(f)) is amended—

(1) by amending paragraph (1) to read as follows:

''(1) PUBLICATION.—The Secretary shall cause to have published in the Federal Register not later than—

''(A) November 1, 2000, the sustainable growth rate for 2000 and 2001; and

''(B) November 1 of each succeeding year the sustainable growth rate for such succeeding year and each of the preceding 2 years.'';

(2) in paragraph (2)—

(A) in the matter before subparagraph (A), by striking ''fiscal year 1998)'' and inserting ''fiscal year 1998 and ending with fiscal year 2000) and a year beginning with 2000''; and

(B) in subparagraphs (A) through (D), by striking ''fiscal year'' and inserting ''applicable period'' each place it appears;

(3) in paragraph (3), by adding at the end the following new subparagraph:

''(C) APPLICABLE PERIOD.—The term 'applicable period' means—

''(i) a fiscal year, in the case of fiscal year 1998, fiscal year 1999, and fiscal year 2000; or

''(ii) a calendar year with respect to a year beginning with 2000;

as the case may be.'';

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

(5) by inserting after paragraph (2) the following new paragraph:

''(3) DATA TO BE USED.—For purposes of determining the update adjustment factor under subsection (d)(4)(B) for a year beginning with 2001, the sustainable growth rates taken into consideration in the determination under paragraph (2) shall be determined as follows:

''(A) FOR 2001.—For purposes of such calculations for 2001, the sustainable growth rates for fiscal year 2000 and the years 2000 and 2001 shall be determined on the basis of the best data available to the Secretary as of September 1, 2000.

''(B) FOR 2002.—For purposes of such calculations for 2002, the sustainable growth rates for fiscal year 2000 and for years 2000, 2001, and 2002 shall be determined on the basis of the best data available to the Secretary as of September 1, 2001.

''(C) FOR 2003 AND SUCCEEDING YEARS.—For purposes of such calculations for a year after 2002—

''(i) the sustainable growth rates for that year and the preceding 2 years shall be determined on the basis of the best data available to the Secretary as of September 1 of the year preceding the year for which the calculation is made; and

''(ii) the sustainable growth rate for any year before a year described in clause (i) shall be the rate as most recently determined for that year under this subsection.

Nothing in this paragraph shall be construed as affecting the sustainable growth rates established for fiscal year 1998 or fiscal year 1999.''.

(c) STUDY AND REPORT REGARDING THE UTILIZATION OF PHYSICIANS' SERVICES BY MEDICARE BENEFICIARIES.—

(1) STUDY BY SECRETARY.—The Secretary of Health and Human Services, acting through the Administrator of the Agency for Health Care Policy and Research, shall conduct a study of the issues specified in paragraph (2).

(2) ISSUES TO BE STUDIED.—The issues specified in this paragraph are the following:

(A) The various methods for accurately estimating the economic impact on expenditures for physicians' services under the original medicare fee-for-service program under parts A and B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) resulting from—

(i) improvements in medical capabilities;

(ii) advancements in scientific technology;

(iii) demographic changes in the types of medicare beneficiaries that receive benefits under such program; and

(iv) geographic changes in locations where medicare beneficiaries receive benefits under such program.

(B) The rate of usage of physicians' services under the original medicare fee-for-service program under parts A and B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) among beneficiaries between ages 65 and 74, 75 and 84, 85 and over, and disabled beneficiaries under age 65.

(C) Other factors that may be reliable predictors of beneficiary utilization of physicians' services under the original medicare fee-for-service program under parts A and B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(3) REPORT TO CONGRESS.—Not later than 3 years after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit a report to Congress setting forth the results of the study conducted pursuant to paragraph (1), together with any recommendations the Secretary determines are appropriate.

(4) MEDPAC REPORT TO CONGRESS.—Not later than 180 days after the date of submission of the report under paragraph (3), the Medicare Payment Advisory Commission shall submit a report to Congress that includes—

(A) an analysis and evaluation of the report submitted under paragraph (3); and

(B) such recommendations as it determines are appropriate.

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective in determining the conversion factor under section 1848(d) of the Social Security Act (42 U.S.C. 1395w–4(d)) for years beginning with 2001 and shall not apply to or affect any update (or any update adjustment factor) for any year before 2001.

SEC. 212. USE OF DATA COLLECTED BY ORGANIZATIONS AND ENTITIES IN DETERMINING PRACTICE EXPENSE RELATIVE VALUES.

(a) IN GENERAL.—The Secretary of Health and Human Services shall establish by regulation (after notice and opportunity for public comment) a process (including data collection standards) under which the Secretary will accept for use and will use, to the maximum extent practicable and consistent with sound data practices, data collected or developed by entities and organizations (other than the Department of Health and Human Services) to supplement the data normally collected by that Department in determining the practice expense component under section 1848(c)(2)(C)(ii) of the Social Security Act (42 U.S.C. 1395w–4(c)(2)(C)(ii)) for purposes of determining relative values for payment for physicians' services under the fee schedule under section 1848 of such Act (42 U.S.C. 1395w–4). The Secretary shall first promulgate such regulation on an interim final basis in a manner that permits the submission and use of data in the computation of practice expense relative value units for payment rates for 2001.

(b) PUBLICATION OF INFORMATION.—The Secretary shall include, in the publication of the estimated and final updates under section 1848(c) of such Act (42 U.S.C. 1395w–4(c)) for payments for 2001 and for 2002, a description of the process established under subsection (a) for the use of external data in making adjustments in relative value units and the extent to which the Secretary has used such external data in making such adjustments for each such year, particularly in cases in which the data otherwise used are inadequate because such data are not based upon a large enough sample size to be statistically reliable.

SEC. 213. GAO STUDY ON RESOURCES REQUIRED TO PROVIDE SAFE AND EFFECTIVE OUTPATIENT CANCER THERAPY.

(a) STUDY.—The Comptroller General of the United States shall conduct a nationwide study to determine the physician and non-physician clinical resources necessary to provide safe outpatient cancer therapy services and the appropriate payment rates for such services under the medicare program. In making such determination, the Comptroller General shall—

(1) determine the adequacy of practice expense relative value units associated with the utilization of those clinical resources;

(2) determine the adequacy of work units in the practice expense formula; and

(3) assess various standards to assure the provision of safe outpatient cancer therapy services.

(b) REPORT TO CONGRESS.—The Comptroller General shall submit to Congress a report on the study conducted under subsection (a). The report shall include recommendations regarding practice expense adjustments to the payment methodology under part B of title XVIII of the Social Security Act, including the development and inclusion of adequate work units to assure the adequacy of payment amounts for safe outpatient cancer therapy services. The study shall also include an estimate of the cost of implementing such recommendations.

Subtitle C—Other Services

SEC. 221. REVISION OF PROVISIONS RELATING TO THERAPY SERVICES.

(a) 2-YEAR MORATORIUM ON CAPS.—

(1) IN GENERAL.—Section 1833(g) of the Social Security Act (42 U.S.C. 1395l(g)) is amended—

(A) in paragraphs (1) and (3), by striking ''In the case'' each place it appears and inserting ''Subject to paragraph (4), in the case''; and

(B) by adding at the end the following:

''(4) This subsection shall not apply to expenses incurred with respect to services furnished during 2000 and 2001.''.

(2) FOCUSED MEDICAL REVIEWS OF CLAIMS DURING MORATORIUM PERIOD.—During years in which paragraph (4) of section 1833(g) of the Social Security Act (42 U.S.C. 1395l(g)) applies (under the amendment made by paragraph (1)(B)), the Secretary of Health and Human Services shall conduct focused medical reviews of claims for reimbursement for services described in paragraph (1) or (3) of such section, with an emphasis on such claims for services that are provided to residents of skilled nursing facilities.

(b) TECHNICAL AMENDMENT RELATING TO BEING UNDER THE CARE OF A PHYSICIAN.—

(1) IN GENERAL.—Section 1861 (42 U.S.C. 1395x) is amended—

(A) in subsection (p)(1), by striking ''or (3)'' and inserting '', (3), or (4)''; and

(B) in subsection (r)(4), by inserting ''for purposes of subsection (p)(1) and'' after ''but only''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) apply to services furnished on or after January 1, 2000.

(c) REVISION OF REPORT.—

(1) IN GENERAL.—Section 4541(d)(2) of BBA (42 U.S.C. 1395l note) is amended to read as follows:

''(2) REPORT.—Not later than January 1, 2001, the Secretary of Health and Human Services shall submit to Congress a report that includes recommendations on—

''(A) the establishment of a mechanism for assuring appropriate utilization of outpatient physical therapy services, outpatient occupational therapy services, and speech-language pathology services that are covered under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395); and

''(B) the establishment of an alternative payment policy for such services based on classification of individuals by diagnostic category, functional status, prior use of services (in both inpatient and outpatient settings), and such other criteria as the Secretary determines appropriate, in place of the uniform dollar limitations specified in section 1833(g) of such Act, as amended by paragraph (1).

The recommendations shall include how such a mechanism or policy might be implemented in a budget-neutral manner.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect as if included in the enactment of section 4541 of BBA.

(d) STUDY AND REPORT ON UTILIZATION.—

(1) STUDY.—

(A) IN GENERAL.—The Secretary of Health and Human Services shall conduct a study which compares—

(i) utilization patterns (including nationwide patterns, and patterns by region, types of settings, and diagnosis or condition) of outpatient physical therapy services, outpatient occupational therapy services, and speech-language pathology services that are covered under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395) and provided on or after January 1, 2000; with

(ii) such patterns for such services that were provided in 1998 and 1999.

(B) REVIEW OF CLAIMS.—In conducting the study under this subsection the Secretary of Health and Human Services shall review a statistically significant number of claims for reimbursement for the services described in subparagraph (A).

(2) REPORT.—Not later than June 30, 2001, the Secretary of Health and Human Services shall submit a report to Congress on the study conducted under paragraph (1), together with any recommendations for legislation that the Secretary determines to be appropriate as a result of such study.

SEC. 222. UPDATE IN RENAL DIALYSIS COMPOSITE RATE.

(a) IN GENERAL.—Section 1881(b)(7) (42 U.S.C. 1395rr(b)(7)) is amended by adding at the end the following new flush sentence:

''The Secretary shall increase the amount of each composite rate payment for dialysis services furnished during 2000 by 1.2 percent above such composite rate payment amounts for such services furnished on December 31, 1999, and for such services furnished on or after January 1, 2001, by 1.2 percent above such composite rate payment amounts for such services furnished on December 31, 2000.''.

(b) CONFORMING AMENDMENT.—The second sentence of section 9335(a)(1) of the Omnibus Budget Reconciliation Act of 1986 (42 U.S.C. 1395rr note) is amended by inserting ''and before January 1, 2000,'' after ''on or after January 1, 1991,''.

(c) STUDY ON PAYMENT LEVEL FOR HOME HEMODIALYSIS.—The Medicare Payment Advisory Commission shall conduct a study on the appropriateness of the differential in payment under the medicare program for hemodialysis services furnished in a facility and such services furnished in a home. Not later than 18 months after the date of the enactment of this Act, the Commission shall submit to Congress a report on such study and shall include recommendations regarding changes in medicare payment policy in response to the study.

SEC. 223. IMPLEMENTATION OF THE INHERENT REASONABLENESS (IR) AUTHORITY.

(a) LIMITATION ON USE.—The Secretary of Health and Human Services may not use, or permit fiscal intermediaries or carriers to use, the inherent reasonableness authority provided under section 1842(b)(8) of the Social Security Act (42 U.S.C. 1395u(b)(8)) until after—

(1) the Comptroller General of the United States releases a report pursuant to the request for such a report made on March 1, 1999, regarding the impact of the Secretary's, fiscal intermediaries', and carriers' use of such authority; and

(2) the Secretary has published a notice of final rulemaking in the Federal Register that relates to such authority and that responds to such report and to comments received in response to the Secretary's interim final regulation relating to such authority that was published in the Federal Register on January 7, 1998.

(b) REEVALUATION OF IR CRITERIA.—In promulgating the final regulation under subsection (a)(2), the Secretary shall—

(1) reevaluate the appropriateness of the criteria included in such interim final regulation for identifying payments which are excessive or deficient; and

(2) take appropriate steps to ensure the use of valid and reliable data when exercising such authority.

(c) TECHNICAL CORRECTION.—Section 1842(b)(8)(A)(i)(I) (42 U.S.C. 1395u(b)(8)(A)(i)(I)) is amended by striking ''the application of this part'' and inserting ''the application of this title to payment under this part''.

SEC. 224. INCREASE IN REIMBURSEMENT FOR PAP SMEARS.

(a) PAP SMEAR PAYMENT INCREASE.—Section 1833(h) (42 U.S.C. 1395l(h)) is amended by adding at the end the following new paragraph:

''(7) Notwithstanding paragraphs (1) and (4), the Secretary shall establish a national minimum payment amount under this subsection for a diagnostic or screening pap smear laboratory test (including all cervical cancer screening technologies that have been approved by the Food and Drug Administration as a primary screening method for detection of cervical cancer) equal to $14.60 for tests furnished in 2000. For such tests furnished in subsequent years, such national minimum payment amount shall be adjusted annually as provided in paragraph (2).''.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the Health Care Financing Administration has been slow to incorporate or provide incentives for providers to use new screening diagnostic health care technologies in the area of cervical cancer;

(2) some new technologies have been developed which optimize the effectiveness of pap smear screening; and

(3) the Health Care Financing Administration should institute an appropriate increase in the payment rate for new cervical cancer screening technologies that have been approved by the Food and Drug Administration and that are significantly more effective than a conventional pap smear.

SEC. 225. REFINEMENT OF AMBULANCE SERVICES DEMONSTRATION PROJECT.

Effective as if included in the enactment of BBA, section 4532 of BBA (42 U.S.C. 1395m note) is amended—

(1) in subsection (a), by adding at the end the following: ''Not later than July 1, 2000, the Secretary shall publish a request for proposals for such projects.''; and

(2) by amending paragraph (2) of subsection (b) to read as follows:

''(2) CAPITATED PAYMENT RATE DEFINED.—In this subsection, the term 'capitated payment rate' means, with respect to a demonstration project—

''(A) in its first year, a rate established for the project by the Secretary, using the most current available data, in a manner that ensures that aggregate payments under the project will not exceed the aggregate payment that would have been made for ambulance services under part B of title XVIII of the Social Security Act in the local area of government's jurisdiction; and

''(B) in a subsequent year, the capitated payment rate established for the previous year increased by an appropriate inflation adjustment factor.''.

SEC. 226. PHASE-IN OF PPS FOR AMBULATORY SURGICAL CENTERS.

If the Secretary of Health and Human Services implements a revised prospective payment system for services of ambulatory surgical facilities under section 1833(i) of the Social Security Act (42 U.S.C. 1395l(i)), prior to incorporating data from the 1999 Medicare cost survey or a subsequent cost survey, such system shall be implemented in a manner so that—

(1) in the first year of its implementation, only a proportion (specified by the Secretary and not to exceed ⅓) of the payment for such services shall be made in accordance with such system and the remainder shall be made in accordance with current regulations; and

(2) in the following year a proportion (specified by the Secretary and not to exceed ⅔) of the payment for such services shall be made under such system and the remainder shall be made in accordance with current regulations.

SEC. 227. EXTENSION OF MEDICARE BENEFITS FOR IMMUNOSUPPRESSIVE DRUGS.

(a) IN GENERAL.—Section 1861(s)(2)(J)(v) (42 U.S.C. 1395x(s)(2)(J)(v)) is amended by inserting before the semicolon at the end the following: ''plus such additional number of months (if any) provided under section 1832(b)''.

(b) SPECIFICATION OF NUMBER OF ADDITIONAL MONTHS.—Section 1832 (42 U.S.C. 1395k) is amended—

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

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

''(b) EXTENSION OF COVERAGE OF IMMUNOSUPPRESSIVE DRUGS.—

''(1) EXTENSION.—

''(A) IN GENERAL.—The Secretary shall specify consistent with this subsection an additional number of months (which may be portions of months) of coverage of immunosuppressive drugs for each cohort (as defined in subparagraph (C)) in a year during the 5-year period beginning with 2000. The number of such months for the cohort—

''(i) for 2000 shall be 8 months; and

''(ii) for 2001 shall, subject to paragraph (2)(A)(i), be 8 months.

''(B) APPLICATION OF ADDITIONAL MONTHS IN A YEAR ONLY TO COHORT IN THAT YEAR.—

''(i) IN GENERAL.—The additional months specified under this subsection for a cohort in a year in such 5-year period shall apply under

section 1861(s)(2)(J)(v) only to individuals within such cohort for such year.

''(ii) CONSTRUCTION.—Nothing in this subsection shall be construed as preventing additional months of coverage provided for a cohort for a year from extending coverage to drugs furnished in months in the succeeding year.

''(C) COHORT DEFINED.—In this subsection, the term 'cohort' means, with respect to a year, those individuals who would (but for this subsection) exhaust benefits under section 1861(s)(2)(J)(v) for prescription drugs used in immunosuppressive therapy furnished at any time during such year.

''(2) TIMING OF SPECIFICATION.—Consistent with paragraphs (3) and (4)—

''(A) MAY 1, 2001.—Not later than May 1, 2001, the Secretary—

''(i) may increase the number of months for the cohort for 2001 above the 8 months provided under paragraph (1)(A)(ii); and

''(ii) shall compute and specify the number of additional months of benefits that will be available for the cohort for 2002.

''(B) MAY 1, 2002 AND 2003.—Not later than May 1 of 2002 and 2003, the Secretary shall compute and specify the number of additional months of benefits that will be available for the cohort for the following year under this subsection. Such number may be more or less than 8 months.

''(3) BASIS FOR SPECIFICATION.—Using appropriate actuarial methods, the Secretary shall compute the number of additional months for the cohort for a year under this subsection in a manner so that the total expenditures under this part attributable to this subsection, as computed based upon the best available data at the time additional months are specified under this subsection, do not exceed $150,000,000. Subject to paragraph (4), the Secretary shall seek to compute such months in a manner that provides for a level number of months for each cohort in each year in the last 4 years of the 5-year period described in paragraph (1)(A).

''(4) ANNUAL ADJUSTMENT TO MAINTAIN AGGREGATE EXPENDITURES WITHIN LIMITS.—In computing and specifying the number of additional months under paragraph (2), the Secretary shall adjust the number of additional months under this subsection for a cohort for a year from that provided in the previous year within such 5-year period to the extent necessary to take into account, based upon the best available data, differences between actual and estimated expenditures under this part attributable to this subsection for previous years and to comply with the limitation on total expenditures under paragraph (3).''.

(c) TRANSITIONAL PASS-THROUGH OF ADDITIONAL COSTS UNDER MEDICARE+CHOICE PROGRAM FOR 2000.—The provisions of subparagraphs (A) and (B) of section 1852(a)(5) of the Social Security Act (42 U.S.C. 1395w–22(a)(5)) shall apply with respect to the coverage of additional benefits for immunosuppressive drugs under the amendments made by this section for drugs furnished in 2000 in the same manner as if such amendments constituted a national coverage determination described in the matter in such section before subparagraph (A).

(d) REPORT ON IMMUNOSUPPRESSIVE DRUG BENEFIT.—

(1) IN GENERAL.—Not later than March 1, 2003, the Secretary of Health and Human Services shall submit to Congress a report on the operation of this section and the amendments made by this section. The report shall include—

(A) an analysis of the impact of this section; and

(B) recommendations regarding an appropriate cost-effective method for providing coverage of immunosuppressive drugs under the medicare program on a permanent basis.

(2) CONSIDERATIONS.—In making recommendations under paragraph (1)(B), the Secretary shall identify potential modifications to the immunosuppressive drug benefit that would best promote the objectives of—

(A) improving health outcomes (by decreasing transplant rejection rates that are attributable to failure to comply with immunosuppressive drug regimens);

(B) achieving cost savings to the medicare program (by decreasing the need for secondary transplants and other care relating to post-transplant complications); and

(C) meeting the needs of those medicare beneficiaries who, because of income or other factors, would be less likely to maintain an immunosuppressive drug regimen in the absence of such modifications.

SEC. 228. TEMPORARY INCREASE IN PAYMENT RATES FOR DURABLE MEDICAL EQUIPMENT AND OXYGEN.

(a) IN GENERAL.—For purposes of payments under section 1834(a) of the Social Security Act (42 U.S.C. 1395m(a)) for covered items (as defined in paragraph (13) of that section) furnished during 2001 and 2002, the Secretary of Health and Human Services shall increase the payment amount in effect (but for this section) for such items for—

(1) 2001 by 0.3 percent, and

(2) 2002 by 0.6 percent.

(b) LIMITING APPLICATION TO SPECIFIED YEARS.—The payment amount increase—

(1) under subsection (a)(1) shall not apply after 2001 and shall not be taken into account in calculating the payment amounts applicable for covered items furnished after such year; and

(2) under subsection (a)(2) shall not apply after 2002 and shall not be taken into account in calculating the payment amounts applicable for covered items furnished after such year.

SEC. 229. STUDIES AND REPORTS.

(a) MEDPAC STUDY ON POSTSURGICAL RECOVERY CARE CENTER SERVICES.—

(1) IN GENERAL.—The Medicare Payment Advisory Commission shall conduct a study on the cost-effectiveness and efficacy of covering under the medicare program under title XVIII of the Social Security Act services of a post-surgical recovery care center (that provides an intermediate level of recovery care following surgery). In conducting such study, the Commission shall consider data on these centers gathered in demonstration projects.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Commission shall submit to Congress a report on such study and shall include in the report recommendations on the feasibility, costs, and savings of covering such services under the medicare program.

(b) AHCPR STUDY ON EFFECT OF CREDENTIALING OF TECHNOLOGISTS AND SONOGRAPHERS ON QUALITY OF ULTRASOUND.—

(1) STUDY.—The Administrator for Health Care Policy and Research shall provide for a study that, with respect to the provision of ultrasound under the medicare and medicaid programs under titles XVIII and XIX of the Social Security Act, compares differences in quality between ultrasound furnished by individuals who are credentialed by private entities or organizations and ultrasound furnished by those who are not so credentialed. Such study shall examine and evaluate differences in error rates, resulting complications, and patient outcomes as a result of the differences in credentialing. In designing the study, the Administrator shall consult with organizations nationally recognized for their expertise in ultrasound.

(2) REPORT.—Not later than two years after the date of the enactment of this Act, the Administrator shall submit a report to Congress on the study conducted under paragraph (1).

(c) MEDPAC STUDY ON THE COMPLEXITY OF THE MEDICARE PROGRAM AND THE LEVELS OF BURDENS PLACED ON PROVIDERS THROUGH FEDERAL REGULATIONS.—

(1) STUDY.—The Medicare Payment Advisory Commission shall undertake a comprehensive study to review the regulatory burdens placed on all classes of health care providers under parts A and B of the medicare program under title XVIII of the Social Security Act and to determine the costs these burdens impose on the nation's health care system. The study shall also examine the complexity of the current regulatory system and its impact on providers.

(2) REPORT.—Not later than December 31, 2001, the Commission shall submit to Congress one or more reports on the study conducted under paragraph (1). The report shall include recommendations regarding—

(A) how the Health Care Financing Administration can reduce the regulatory burdens placed on patients and providers; and

(B) legislation that may be appropriate to reduce the complexity of the medicare program, including improvement of the rules regarding billing, compliance, and fraud and abuse.

(d) GAO CONTINUED MONITORING OF DEPARTMENT OF JUSTICE APPLICATION OF GUIDELINES ON USE OF FALSE CLAIMS ACT IN CIVIL HEALTH CARE MATTERS.—The Comptroller General of the United States shall—

(1) continue the monitoring, begun under section 118 of the Department of Justice Appropriations Act, 1999 (included in Public Law 105–277) of the compliance of the Department of Justice and all United States Attorneys with the ''Guidance on the Use of the False Claims Act in Civil Health Care Matters'' issued by the Department of Justice on June 3, 1998, including any revisions to that guidance; and

(2) not later than April 1, 2000, and of each of the two succeeding years, submit a report on such compliance to the appropriate Committees of Congress.

TITLE III—PROVISIONS RELATING TO PARTS A AND B

Subtitle A—Home Health Services

SEC. 301. ADJUSTMENT TO REFLECT ADMINISTRATIVE COSTS NOT INCLUDED IN THE INTERIM PAYMENT SYSTEM; GAO REPORT ON COSTS OF COMPLIANCE WITH OASIS DATA COLLECTION REQUIREMENTS.

(a) ADJUSTMENT TO REFLECT ADMINISTRATIVE COSTS.—

(1) IN GENERAL.—In the case of a home health agency that furnishes home health services to a medicare beneficiary, for each such beneficiary to whom the agency furnished such services during the agency's cost reporting period beginning in fiscal year 2000, the Secretary of Health and Human Services shall pay the agency, in addition to any amount of payment made under section 1861(v)(1)(L) of the Social Security Act (42 U.S.C. 1395x(v)(1)(L)) for the beneficiary and only for such cost reporting period, an aggregate amount of $10 to defray costs incurred by the agency attributable to data collection and reporting requirements under the Outcome and Assessment Information Set (OASIS) required by reason of section 4602(e) of BBA (42 U.S.C. 1395fff note).

(2) PAYMENT SCHEDULE.—

(A) MIDYEAR PAYMENT.—Not later than April 1, 2000, the Secretary shall pay to a home health agency an amount that the Secretary estimates to be 50 percent of the aggregate amount payable to the agency by reason of this subsection.

(B) UPON SETTLED COST REPORT.—The Secretary shall pay the balance of amounts payable to an agency under this subsection on the date that the cost report submitted by the agency for the cost reporting period beginning in fiscal year 2000 is settled.

(3) PAYMENT FROM TRUST FUNDS.—Payments under this subsection shall be made, in appropriate part as specified by the Secretary, from

the Federal Hospital Insurance Trust Fund and from the Federal Supplementary Medical Insurance Trust Fund.

(4) DEFINITIONS.—In this subsection:

(A) HOME HEALTH AGENCY.—The term ''home health agency'' has the meaning given that term under section 1861(o) of the Social Security Act (42 U.S.C. 1395x(o)).

(B) HOME HEALTH SERVICES.—The term ''home health services'' has the meaning given that term under section 1861(m) of such Act (42 U.S.C. 1395x(m)).

(C) MEDICARE BENEFICIARY.—The term ''medicare beneficiary'' means a beneficiary described in section 1861(v)(1)(L)(vi)(II) of the Social Security Act (42 U.S.C. 1395x(v)(1)(L)(vi)(II)).

(b) GAO REPORT ON COSTS OF COMPLIANCE WITH OASIS DATA COLLECTION REQUIREMENTS.—

(1) REPORT TO CONGRESS.—

(A) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General of the United States shall submit to Congress a report on the matters described in subparagraph (B) with respect to the data collection requirement of patients of such agencies under the Outcome and Assessment Information Set (OASIS) standard as part of the comprehensive assessment of patients.

(B) MATTERS STUDIED.—For purposes of subparagraph (A), the matters described in this subparagraph include the following:

(i) An assessment of the costs incurred by medicare home health agencies in complying with such data collection requirement.

(ii) An analysis of the effect of such data collection requirement on the privacy interests of patients from whom data is collected.

(C) AUDIT.—The Comptroller General shall conduct an independent audit of the costs described in subparagraph (B)(i). Not later than 180 days after receipt of the report under subparagraph (A), the Comptroller General shall submit to Congress a report describing the Comptroller General's findings with respect to such audit, and shall include comments on the report submitted to Congress by the Secretary of Health and Human Services under subparagraph (A).

(2) DEFINITIONS.—In this subsection:

(A) COMPREHENSIVE ASSESSMENT OF PATIENTS.—The term ''comprehensive assessment of patients'' means the rule published by the Health Care Financing Administration that requires, as a condition of participation in the medicare program, a home health agency to provide a patient-specific comprehensive assessment that accurately reflects the patient's current status and that incorporates the Outcome and Assessment Information Set (OASIS).

(B) OUTCOME AND ASSESSMENT INFORMATION SET.—The term ''Outcome and Assessment Information Set'' means the standard provided under the rule relating to data items that must be used in conducting a comprehensive assessment of patients.

SEC. 302. DELAY IN APPLICATION OF 15 PERCENT REDUCTION IN PAYMENT RATES FOR HOME HEALTH SERVICES UNTIL ONE YEAR AFTER IMPLEMENTATION OF PROSPECTIVE PAYMENT SYSTEM.

(a) CONTINGENCY REDUCTION.—Section 4603 of BBA (42 U.S.C. 1395fff note) (as amended by section 5101(c)(3) of the Tax and Trade Relief Extension Act of 1998 (contained in division J of Public Law 105–277)) is amended by striking subsection (e).

(b) PROSPECTIVE PAYMENT SYSTEM.—Section 1895(b)(3)(A)(i) (42 U.S.C. 1395fff(b)(3)(A)(i)) (as amended by section 5101 of the Tax and Trade Relief Extension Act of 1998 (contained in division J of Public Law 105–277)) is amended to read as follows:

''(i) IN GENERAL.—Under such system the Secretary shall provide for computation of a standard prospective payment amount (or amounts) as follows:

''(I) Such amount (or amounts) shall initially be based on the most current audited cost report data available to the Secretary and shall be computed in a manner so that the total amounts payable under the system for the 12-month period beginning on the date the Secretary implements the system shall be equal to the total amount that would have been made if the system had not been in effect.

''(II) For periods beginning after the period described in subclause (I), such amount (or amounts) shall be equal to the amount (or amounts) that would have been determined under subclause (I) that would have been made for fiscal year 2001 if the system had not been in effect but if the reduction in limits described in clause (ii) had been in effect, updated under subparagraph (B).

Each such amount shall be standardized in a manner that eliminates the effect of variations in relative case mix and area wage adjustments among different home health agencies in a budget neutral manner consistent with the case mix and wage level adjustments provided under paragraph (4)(A). Under the system, the Secretary may recognize regional differences or differences based upon whether or not the services or agency are in an urbanized area.''.

(c) REPORT.—Not later than the date that is six months after the date the Secretary of Health and Human Services implements the prospective payment system for home health services under section 1895 of the Social Security Act (42 U.S.C. 1395fff), the Secretary shall submit to Congress a report analyzing the need for the 15 percent reduction under subsection (b)(3)(A)(ii) of such section, or for any reduction, in the computation of the base payment amounts under the prospective payment system for home health services established under such section.

SEC. 303. INCREASE IN PER BENEFICIARY LIMITS.

(a) INCREASE IN PER BENEFICIARY LIMITS.—Section 1861(v)(1)(L) of the Social Security Act (42 U.S.C. 1395x(v)(1)(L)), as amended by section 5101 of the Tax and Trade Relief Extension Act of 1998 (contained in Division J of Public Law 105–277), is amended—

(1) by redesignating clause (ix) as clause (x); and

(2) by inserting after clause (viii) the following new clause:

''(ix) Notwithstanding the per beneficiary limit under clause (viii), if the limit imposed under clause (v) (determined without regard to this clause) for a cost reporting period beginning during or after fiscal year 2000 is less than the median described in clause (vi)(I) (but determined as if any reference in clause (v) to '98 percent' were a reference to '100 percent'), the limit otherwise imposed under clause (v) for such provider and period shall be increased by 2 percent.''.

(b) INCREASE NOT INCLUDED IN PPS BASE.—The second sentence of section 1895(b)(3)(A)(i) (42 U.S.C. 1395fff(b)(3)(A)(i)), as amended by section 302(b), is further amended—

(1) in subclause (I), by inserting ''and if section 1861(v)(1)(L)(ix) had not been enacted'' before the semicolon; and

(2) in subclause (II), by inserting ''and if section 1861(v)(1)(L)(ix) had not been enacted'' after ''if the system had not been in effect''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to services furnished by home health agencies for cost reporting periods beginning on or after October 1, 1999.

SEC. 304. CLARIFICATION OF SURETY BOND REQUIREMENTS.

(a) HOME HEALTH AGENCIES.—Section 1861(o)(7) (42 U.S.C. 1395x(o)(7)) is amended to read as follows:

''(7) provides the Secretary with a surety bond—

''(A) effective for a period of 4 years (as specified by the Secretary) or in the case of a change in the ownership or control of the agency (as determined by the Secretary) during or after such 4-year period, an additional period of time that the Secretary determines appropriate, such additional period not to exceed 4 years from the date of such change in ownership or control;

''(B) in a form specified by the Secretary; and

''(C) for a year in the period described in subparagraph (A) in an amount that is equal to the lesser of $50,000 or 10 percent of the aggregate amount of payments to the agency under this title and title XIX for that year, as estimated by the Secretary; and''.

(b) COORDINATION OF SURETY BONDS.—Part A of title XI of the Social Security Act is amended by inserting after section 1128E the following new section:

''COORDINATION OF MEDICARE AND MEDICAID SURETY BOND PROVISIONS

''SEC. 1128F. In the case of a home health agency that is subject to a surety bond requirement under title XVIII and title XIX, the surety bond provided to satisfy the requirement under one such title shall satisfy the requirement under the other such title so long as the bond applies to guarantee return of overpayments under both such titles.''.

(c) EFFECTIVE DATE.—The amendments made by this section take effect on the date of the enactment of this Act, and in applying section 1861(o)(7) of the Social Security Act (42 U.S.C. 1395x(o)(7)), as amended by subsection (a), the Secretary of Health and Human Services may take into account the previous period for which a home health agency had a surety bond in effect under such section before such date.

SEC. 305. REFINEMENT OF HOME HEALTH AGENCY CONSOLIDATED BILLING.

(a) IN GENERAL.—Section 1842(b)(6)(F) (42 U.S.C. 1395u(b)(6)(F)) is amended by inserting ''(including medical supplies described in section 1861(m)(5), but excluding durable medical equipment to the extent provided for in such section)'' after ''home health services''.

(b) CONFORMING AMENDMENT.—Section 1862(a)(21) (42 U.S.C. 1395y(a)(21)) is amended by inserting ''(including medical supplies described in section 1861(m)(5), but excluding durable medical equipment to the extent provided for in such section)'' after ''home health services''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to payments for services provided on or after the date of enactment of this Act.

SEC. 306. TECHNICAL AMENDMENT CLARIFYING APPLICABLE MARKET BASKET INCREASE FOR PPS.

Section 1895(b)(3)(B)(ii)(I) (42 U.S.C. 1395fff(b)(3)(B)(ii)(I)) is amended by striking ''fiscal year 2002 or 2003'' and inserting ''each of fiscal years 2002 and 2003''.

SEC. 307. STUDY AND REPORT TO CONGRESS REGARDING THE EXEMPTION OF RURAL AGENCIES AND POPULATIONS FROM INCLUSION IN THE HOME HEALTH PROSPECTIVE PAYMENT SYSTEM.

(a) STUDY.—The Medicare Payment Advisory Commission (referred to in this section as ''MedPAC'') shall conduct a study to determine the feasibility and advisability of exempting home health services provided by a home health agency (or by others under arrangements with such agency) located in a rural area, or to an individual residing in a rural area, from payment under the prospective payment system for such services established by the Secretary of Health and Human Services in accordance with section 1895 of the Social Security Act (42 U.S.C. 1395fff).

(b) REPORT.—Not later than 2 years after the date of the enactment of this Act, MedPAC shall

submit a report to Congress on the study conducted under subsection (a), together with any recommendations for legislation that MedPAC determines to be appropriate as a result of such study.

Subtitle B—Direct Graduate Medical Education

SEC. 311. USE OF NATIONAL AVERAGE PAYMENT METHODOLOGY IN COMPUTING DIRECT GRADUATE MEDICAL EDUCATION (DGME) PAYMENTS.

(a) IN GENERAL.—Section 1886(h)(2) (42 U.S.C. 1395ww(h)(2)) is amended—

(1) in subparagraph (D)(i), by striking ''clause (ii)'' and inserting ''a subsequent clause'';

(2) by adding at the end of subparagraph (D) the following new clauses:

''(iii) FLOOR IN FISCAL YEAR 2001 AT 70 PERCENT OF LOCALITY ADJUSTED NATIONAL AVERAGE PER RESIDENT AMOUNT.—The approved FTE resident amount for a hospital for the cost reporting period beginning during fiscal year 2001 shall not be less than 70 percent of the locality adjusted national average per resident amount computed under subparagraph (E) for the hospital and period.

''(iv) ADJUSTMENT IN RATE OF INCREASE FOR HOSPITALS WITH FTE APPROVED AMOUNT ABOVE 140 PERCENT OF LOCALITY ADJUSTED NATIONAL AVERAGE PER RESIDENT AMOUNT.—

''(I) FREEZE FOR FISCAL YEARS 2001 AND 2002.—For a cost reporting period beginning during fiscal year 2001 or fiscal year 2002, if the approved FTE resident amount for a hospital for the preceding cost reporting period exceeds 140 percent of the locality adjusted national average per resident amount computed under subparagraph (E) for that hospital and period, subject to subclause (III), the approved FTE resident amount for the period involved shall be the same as the approved FTE resident amount for the hospital for such preceding cost reporting period.

''(II) 2 PERCENT DECREASE IN UPDATE FOR FISCAL YEARS 2003, 2004, AND 2005.—For a cost reporting period beginning during fiscal year 2003, fiscal year 2004, or fiscal year 2005, if the approved FTE resident amount for a hospital for the preceding cost reporting period exceeds 140 percent of the locality adjusted national average per resident amount computed under subparagraph (E) for that hospital and preceding period, the approved FTE resident amount for the period involved shall be updated in the manner described in subparagraph (D)(i) except that, subject to subclause (III), the consumer price index applied for a 12-month period shall be reduced (but not below zero) by 2 percentage points.

''(III) NO ADJUSTMENT BELOW 140 PERCENT.—In no case shall subclause (I) or (II) reduce an approved FTE resident amount for a hospital for a cost reporting period below 140 percent of the locality adjusted national average per resident amount computed under subparagraph (E) for such hospital and period.'';

(3) by redesignating subparagraph (E) as subparagraph (F); and

(4) by inserting after subparagraph (D) the following new subparagraph:

''(E) DETERMINATION OF LOCALITY ADJUSTED NATIONAL AVERAGE PER RESIDENT AMOUNT.—The Secretary shall determine a locality adjusted national average per resident amount with respect to a cost reporting period of a hospital beginning during a fiscal year as follows:

''(i) DETERMINING HOSPITAL SINGLE PER RESIDENT AMOUNT.—The Secretary shall compute for each hospital operating an approved graduate medical education program a single per resident amount equal to the average (weighted by number of full-time equivalent residents, as determined under paragraph (4)) of the primary care per resident amount and the non-primary care per resident amount computed under paragraph (2) for cost reporting periods ending during fiscal year 1997.

''(ii) STANDARDIZING PER RESIDENT AMOUNTS.—The Secretary shall compute a standardized per resident amount for each such hospital by dividing the single per resident amount computed under clause (i) by an average of the 3 geographic index values (weighted by the national average weight for each of the work, practice expense, and malpractice components) as applied under section 1848(e) for 1999 for the fee schedule area in which the hospital is located.

''(iii) COMPUTING OF WEIGHTED AVERAGE.—The Secretary shall compute the average of the standardized per resident amounts computed under clause (ii) for such hospitals, with the amount for each hospital weighted by the average number of full-time equivalent residents at such hospital (as determined under paragraph (4)).

''(iv) COMPUTING NATIONAL AVERAGE PER RESIDENT AMOUNT.—The Secretary shall compute the national average per resident amount, for a hospital's cost reporting period that begins during fiscal year 2001, equal to the weighted average computed under clause (iii) increased by the estimated percentage increase in the consumer price index for all urban consumers during the period beginning with the month that represents the midpoint of the cost reporting periods described in clause (i) and ending with the midpoint of the hospital's cost reporting period that begins during fiscal year 2001.

''(v) ADJUSTING FOR LOCALITY.—The Secretary shall compute the product of—

''(I) the national average per resident amount computed under clause (iv) for the hospital, and

''(II) the geographic index value average (described and applied under clause (ii)) for the fee schedule area in which the hospital is located.

''(vi) COMPUTING LOCALITY ADJUSTED AMOUNT.—The locality adjusted national per resident amount for a hospital for—

''(I) the cost reporting period beginning during fiscal year 2001 is the product computed under clause (v); or

''(II) each subsequent cost reporting period is equal to the locality adjusted national per resident amount for the hospital for the previous cost reporting period (as determined under this clause) updated, through the midpoint of the period, by projecting the estimated percentage change in the consumer price index for all urban consumers during the 12-month period ending at that midpoint.''.

(b) CONFORMING AMENDMENTS.—Section 1886(h)(2)(D) (42 U.S.C. 1395ww(h)(2)(D)) is further amended—

(1) in clause (i)—

(A) by striking ''PERIODS.—(i)'' and inserting the following (and conforming the indentation of the succeeding matter accordingly): ''PERIODS.—

''(i) IN GENERAL.—''; and

(B) by striking ''the amount determined'' and inserting ''the approved FTE resident amount determined''; and

(2) in clause (ii)—

(A) by indenting the clause 2 ems to the right; and

(B) by inserting ''FREEZE IN UPDATE FOR FISCAL YEARS 1994 AND 1995.—'' after ''(ii)''.

SEC. 312. INITIAL RESIDENCY PERIOD FOR CHILD NEUROLOGY RESIDENCY TRAINING PROGRAMS.

(a) IN GENERAL.—Section 1886(h)(5) (42 U.S.C. 1395ww(h)(5)) is amended—

(1) in the last sentence of subparagraph (F), by striking ''The initial residency period'' and inserting ''Subject to subparagraph (G)(v), the initial residency period''; and

(2) in subparagraph (G)—

(A) in clause (i) by striking ''and (iv)'' and inserting ''(iv), and (v)''; and

(B) by adding at the end the following new clause:

''(v) CHILD NEUROLOGY TRAINING PROGRAMS.—In the case of a resident enrolled in a child neurology residency training program, the period of board eligibility and the initial residency period shall be the period of board eligibility for pediatrics plus 2 years.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply on and after July 1, 2000, to residency programs that began before, on, or after the date of the enactment of this Act.

(c) MEDPAC REPORT.—The Medicare Payment Advisory Commission shall include in its report submitted to Congress in March of 2001 recommendations regarding the appropriateness of the initial residency period used under section 1886(h)(5)(F) of the Social Security Act (42 U.S.C. 1395ww(h)(5)(F)) for other residency training programs in a specialty that require preliminary years of study in another specialty.

Subtitle C—Technical Corrections

SEC. 321. BBA TECHNICAL CORRECTIONS.

(a) SECTION 4201.—Section 1820(c)(2)(B)(i) (42 U.S.C. 1395i–4(c)(2)(B)(i)) is amended by striking ''and is located in a county (or equivalent unit of local government) in a rural area (as defined in section 1886(d)(2)(D)) that'' and inserting ''that is located in a county (or equivalent unit of local government) in a rural area (as defined in section 1886(d)(2)(D)), and that''.

(b) SECTION 4204.—(1) Section 1886(d)(5)(G) (42 U.S.C. 1395ww(d)(5)(G)) is amended—

(A) in clause (i), by striking ''or beginning on or after October 1, 1997, and before October 1, 2001,'' and inserting ''or discharges occurring on or after October 1, 1997, and before October 1, 2001,''; and

(B) in clause (ii)(II), by striking ''or beginning on or after October 1, 1997, and before October 1, 2001,'' and inserting ''or discharges occurring on or after October 1, 1997, and before October 1, 2001,''.

(2) Section 1886(b)(3)(D) (42 U.S.C. 1395ww(b)(3)(D)) is amended in the matter preceding clause (i) by striking ''and for cost reporting periods beginning on or after October 1, 1997, and before October 1, 2001,'' and inserting ''and for discharges beginning on or after October 1, 1997, and before October 1, 2001,''.

(c) SECTION 4319.—Section 1847(b)(2) (42 U.S.C. 1395w–3(b)(2)) is amended by inserting ''and'' after ''specified by the Secretary''.

(d) SECTION 4401.—Section 4401(b)(1)(B) of BBA (42 U.S.C. 1395ww note) is amended by striking ''section 1886(b)(3)(B)(i)(XIII) of the Social Security Act (42 U.S.C. 1395ww(b)(3)(B)(i)(XIII))'' and inserting ''section 1886(b)(3)(B)(i)(XIV) of the Social Security Act (42 U.S.C. 1395ww(b)(3)(B)(i)(XIV))''.

(e) SECTION 4402.—The last sentence of section 1886(g)(1)(A) (42 U.S.C. 1395ww(g)(1)(A)) is amended by striking ''September 30, 2002,'' and inserting ''October 1, 2002,''.

(f) SECTION 4419.—The first sentence of section 1886(b)(4)(A)(i) (42 U.S.C. 1395ww(b)(4)(A)(i)) is amended by striking ''or unit''.

(g) SECTION 4432.—(1) Section 1888(e)(8)(B) (42 U.S.C. 1395yy(e)(8)(B)) is amended by striking ''January 1, 1999,'' and inserting ''July 1, 1999''.

(2) Section 1833(h)(5)(A)(iii) (42 U.S.C. 1395l(h)(5)(A)(iii)) is amended—

(A) by striking ''or critical access hospital,'' and inserting '', critical access hospital, or skilled nursing facility,''; and

(B) by inserting ''or skilled nursing facility'' before the period.

(h) SECTION 4416.—Section 1886(b)(7)(A)(i)(II) (42 U.S.C. 1395ww(b)(7)(A)(i)(II)) is amended by inserting ''(as estimated by the Secretary)'' after ''median''.

(i) SECTION 4442.—Section 4442(b) of BBA (42 U.S.C. 1395f note) is amended by striking ''applies to cost reporting periods beginning'' and inserting ''applies to items and services furnished''.

(j) HIPAA SECTION 201.—

(1) IN GENERAL.—Section 1817(k)(2)(C)(i) (42 U.S.C. 1395i(k)(2)(C)(i)) is amended by striking ''section 982(a)(6)(B)'' and inserting ''section 24(a)''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect as if included in the amendment made by section 201 of the Health Insurance Portability and Accountability Act of 1996 (Public Law 104–191; 110 Stat. 1992).

(k) OTHER TECHNICAL AMENDMENTS.—

(1) SECTION 4611.—Section 1812(b) (42 U.S.C. 1395d(b)) is amended in the matter following paragraph (3) by inserting ''during'' after ''100 visits''.

(2) SECTION 4511.—Section 1833(a)(1)(O) (42 U.S.C. 1395l(a)(1)(O)) is amended by striking the semicolon and inserting a comma.

(3) SECTION 4551.—Section 1834(h)(4)(A) (42 U.S.C. 1395m(h)(4)(A)) is amended—

(A) in clause (i), by striking the comma at the end and inserting a semicolon; and

(B) in clause (v), by striking '', and'' and inserting ''; and''.

(4) SECTION 4315.— Section 1842(s)(2)(E) (42 U.S.C. 1395u(s)(2)(E)) is amended by inserting a period at the end.

(5) SECTIONS 4103, 4104, AND 4106.—

(A) SECTION 4103.—Section 1848(j)(3) (42 U.S.C. 1395w–4(j)(3)) is amended by striking ''1861(oo)(2),'' and inserting ''1861(oo)(2))''.

(B) SECTION 4104.—Such section is further amended by striking ''(B) ,'' and inserting ''(B),''.

(C) SECTION 4106.—Such section is further amended by striking ''and (15)'' and inserting '', and (15)''.

(6) SECTION 4001.—(A) Section 1851(i)(2) (42 U.S.C. 1395w–21(i)(2)) is amended by striking ''and'' after ''1857(f)(2),''.

(B) Section 1852 (42 U.S.C. 1395w–22) is amended—

(i) in subsection (a)(3)(A)—

(I) by striking the comma after ''MSA plan''; and

(II) by inserting a comma after ''the coverage)'';

(ii) in subsection (g)—

(I) in paragraph (1)(B), by inserting ''or'' after ''in whole''; and

(II) in paragraph (3)(B)(ii), by inserting a period at the end;

(iii) in subsection (h)(2), by striking the comma and inserting a semicolon; and

(iv) in subsection (k)(2)(C)(ii), by striking ''balancing'' and inserting ''balance''.

(C) Section 1854(a) (42 U.S.C. 1395w–24(a)) is amended—

(i) in paragraph (2)—

(I) in subparagraph (A), in the matter preceding clause (i), by inserting ''section'' before ''1852(a)(1)(A)''; and

(II) in subparagraph (B), in the matter preceding clause (i), by inserting ''section'' after ''described in'';

(ii) in paragraph (3)—

(I) in subparagraph (A), by inserting ''section'' after ''described in''; and

(II) in subparagraph (B), by inserting ''section'' after ''described in''; and

(iii) in paragraph (4)—

(I) in the matter preceding subparagraph (A), by inserting ''section'' after ''described in'';

(II) in subparagraph (A), in the matter preceding clause (i), by inserting ''section'' after ''described in''; and

(III) in subparagraph (B), by inserting ''section'' after ''described in''.

(7) SECTION 4557.—Section 1861(s)(2)(T)(ii) (42 U.S.C. 1395x(s)(2)(T)(ii)) is amended by striking the period and inserting a semicolon.

(8) SECTION 4205.—Section 1861(aa)(2) (42 U.S.C. 1395x(aa)(2)) is amended—

(A) in subparagraph (I), by striking the comma at the end and inserting a semicolon; and

(B) by realigning subparagraph (I) so as to align the left margin of such subparagraph with the left margin of subparagraph (H); and

(9) SECTION 4454.—Section 1861(ss)(1)(G)(i) (42 U.S.C. 1395x(ss)(1)(G)(i)) is amended—

(A) by striking ''owed'' and inserting ''owned''; and

(B) by striking ''of'' and inserting ''or''.

(10) SECTION 4103.—Section 1862(a)(7) (42 U.S.C. 1395y(a)(7)) is amended by striking ''subparagraphs'' and inserting ''subparagraph''.

(11) SECTION 4002.—Section 1866(a)(1) (42 U.S.C. 1395cc(a)(1)) is amended—

(A) in subparagraph (I)(iii), by striking the semicolon and inserting a comma;

(B) in subparagraph (N)(iv), by striking ''and'' at the end; and

(C) in subparagraph (O), by striking the semicolon at the end and inserting a comma.

(12) SECTION 4321.—Section 1866(a)(1) (42 U.S.C. 1395cc(a)(1)) is amended—

(A) in subparagraph (Q), by striking the semicolon at the end and inserting a comma; and

(B) in subparagraph (R), by inserting '', and'' at the end.

(13) SECTION 4003.—Section 1882(g)(1) (42 U.S.C. 1395ss(g)(1)) is amended by striking ''or'' after ''does not include''.

(14) SECTION 4031.—Section 1882(s)(2)(D) (42 U.S.C. 1395ss(s)(2)(D)), is amended in the matter preceding clause (i), by inserting ''section'' after ''as defined in''.

(15) SECTION 4421.—Section 1886(b) (42 U.S.C. 1395ww(b)) is amended—

(A) in paragraph (1), in the matter following subparagraph (C), by inserting a comma after ''paragraph (2)''; and

(B) in paragraph (3)(B)(ii)—

(i) in subclause (VI), by striking the semicolon and inserting a comma; and

(ii) in subclause (VII), by striking the semicolon and inserting a comma.

(16) SECTION 4403.—Section 1886(d)(5)(F) (42 U.S.C. 1395ww(d)(5)(F)) is amended by inserting a comma after ''1986''.

(17) SECTION 4406.—Section 1886(d)(9)(A)(ii) (42 U.S.C. 1395ww(d)(9)(A)(ii)) is amended by inserting a comma after ''1987''.

(18) SECTION 4432.—Section 1888(e)(4)(E) (42 U.S.C. 1395yy(e)(4)(E)) is amended—

(A) in clause (i), by striking ''federal'' and inserting ''Federal''; and

(B) in clause (ii), in the matter preceding subclause (I), by striking ''federal'' each place it appears and inserting ''Federal''.

(19) SECTION 4603.—Section 1895(b)(1) (42 U.S.C. 1395fff(b)(1)) is amended by striking ''the this section'' and inserting ''this section''.

(l) SECTION 1135 OF THE SOCIAL SECURITY ACT.—Effective on the date of the enactment of this Act, section 1135 (42 U.S.C. 1320b–5) is repealed.

(m) EFFECTIVE DATE.—Except as otherwise provided, the amendments made by this section shall take effect as if included in the enactment of BBA.

TITLE IV—RURAL PROVIDER PROVISIONS

Subtitle A—Rural Hospitals

SEC. 401. PERMITTING RECLASSIFICATION OF CERTAIN URBAN HOSPITALS AS RURAL HOSPITALS.

(a) IN GENERAL.—Section 1886(d)(8) (42 U.S.C. 1395ww(d)(8)) is amended by adding at the end the following new subparagraph:

''(E)(i) For purposes of this subsection, not later than 60 days after the receipt of an application (in a form and manner determined by the Secretary) from a subsection (d) hospital described in clause (ii), the Secretary shall treat the hospital as being located in the rural area (as defined in paragraph (2)(D)) of the State in which the hospital is located.

''(ii) For purposes of clause (i), a subsection (d) hospital described in this clause is a subsection (d) hospital that is located in an urban area (as defined in paragraph (2)(D)) and satisfies any of the following criteria:

''(I) The hospital is located in a rural census tract of a metropolitan statistical area (as determined under the most recent modification of the Goldsmith Modification, originally published in the Federal Register on February 27, 1992 (57 Fed. Reg. 6725)).

''(II) The hospital is located in an area designated by any law or regulation of such State as a rural area (or is designated by such State as a rural hospital).

''(III) The hospital would qualify as a rural, regional, or national referral center under paragraph (5)(C) or as a sole community hospital under paragraph (5)(D) if the hospital were located in a rural area.

''(IV) The hospital meets such other criteria as the Secretary may specify.''.

(b) CONFORMING CHANGES.—(1) Section 1833(t) (42 U.S.C. 1395l(t)), as amended by sections 201 and 202, is further amended by adding at the end the following new paragraph:

''(13) MISCELLANEOUS PROVISIONS.—

''(A) APPLICATION OF RECLASSIFICATION OF CERTAIN HOSPITALS.—If a hospital is being treated as being located in a rural area under section 1886(d)(8)(E), that hospital shall be treated under this subsection as being located in that rural area.''.

(2) Section 1820(c)(2)(B)(i) (42 U.S.C. 1395i–4(c)(2)(B)(i)) is amended, in the matter preceding subclause (I), by inserting ''or is treated as being located in a rural area pursuant to section 1886(d)(8)(E)'' after ''section 1886(d)(2)(D))''.

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective on January 1, 2000.

SEC. 402. UPDATE OF STANDARDS APPLIED FOR GEOGRAPHIC RECLASSIFICATION FOR CERTAIN HOSPITALS.

(a) IN GENERAL.—Section 1886(d)(8)(B) (42 U.S.C. 1395ww(d)(8)(B)) is amended—

(1) by inserting ''(i)'' after ''(B)'';

(2) by striking ''published in the Federal Register on January 3, 1980'' and inserting ''described in clause (ii)''; and

(3) by adding at the end the following new clause:

''(ii) The standards described in this clause for cost reporting periods beginning in a fiscal year—

''(I) before fiscal year 2003, are the standards published in the Federal Register on January 3, 1980, or, at the election of the hospital with respect to fiscal years 2001 and 2002, standards so published on March 30, 1990; and

''(II) after fiscal year 2002, are the standards published in the Federal Register by the Director of the Office of Management and Budget based on the most recent available decennial population data.

Subparagraphs (C) and (D) shall not apply with respect to the application of subclause (I).''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to discharges occurring during cost reporting periods beginning on or after October 1, 1999.

SEC. 403. IMPROVEMENTS IN THE CRITICAL ACCESS HOSPITAL (CAH) PROGRAM.

(a) APPLYING 96-HOUR LIMIT ON AN ANNUAL, AVERAGE BASIS.—

(1) IN GENERAL.—Section 1820(c)(2)(B)(iii) (42 U.S.C. 1395i–4(c)(2)(B)(iii)) is amended by striking ''for a period not to exceed 96 hours'' and all that follows and inserting ''for a period that does not exceed, as determined on an annual, average basis, 96 hours per patient;''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect on the date of the enactment of this Act.

(b) PERMITTING FOR-PROFIT HOSPITALS TO QUALIFY FOR DESIGNATION AS A CRITICAL ACCESS HOSPITAL.—Section 1820(c)(2)(B)(i) (42 U.S.C. 1395i–4(c)(2)(B)(i)) is amended in the matter preceding subclause (I), by striking ''nonprofit or public hospital'' and inserting ''hospital''.

(c) ALLOWING CLOSED OR DOWNSIZED HOSPITALS TO CONVERT TO CRITICAL ACCESS HOSPITALS.—Section 1820(c)(2) (42 U.S.C. 1395i–4(c)(2)) is amended—

(1) in subparagraph (A), by striking ''subparagraph (B)'' and inserting ''subparagraphs (B), (C), and (D)''; and

(2) by adding at the end the following new subparagraphs:

''(C) RECENTLY CLOSED FACILITIES.—A State may designate a facility as a critical access hospital if the facility—

''(i) was a hospital that ceased operations on or after the date that is 10 years before the date of the enactment of this subparagraph; and

''(ii) as of the effective date of such designation, meets the criteria for designation under subparagraph (B).

''(D) DOWNSIZED FACILITIES.—A State may designate a health clinic or a health center (as defined by the State) as a critical access hospital if such clinic or center—

''(i) is licensed by the State as a health clinic or a health center;

''(ii) was a hospital that was downsized to a health clinic or health center; and

''(iii) as of the effective date of such designation, meets the criteria for designation under subparagraph (B).''.

(d) ELECTION OF COST-BASED PAYMENT OPTION FOR OUTPATIENT CRITICAL ACCESS HOSPITAL SERVICES.—

(1) IN GENERAL.—Section 1834(g) (42 U.S.C. 1395m(g)) is amended to read as follows:

''(g) PAYMENT FOR OUTPATIENT CRITICAL ACCESS HOSPITAL SERVICES.—

''(1) IN GENERAL.—The amount of payment for outpatient critical access hospital services of a critical access hospital is the reasonable costs of the hospital in providing such services, unless the hospital makes the election under paragraph (2).

''(2) ELECTION OF COST-BASED HOSPITAL OUTPATIENT SERVICE PAYMENT PLUS FEE SCHEDULE FOR PROFESSIONAL SERVICES.—A critical access hospital may elect to be paid for outpatient critical access hospital services amounts equal to the sum of the following, less the amount that such hospital may charge as described in section 1866(a)(2)(A):

''(A) FACILITY FEE.—With respect to facility services, not including any services for which payment may be made under subparagraph (B), the reasonable costs of the critical access hospital in providing such services.

''(B) FEE SCHEDULE FOR PROFESSIONAL SERVICES.—With respect to professional services otherwise included within outpatient critical access hospital services, such amounts as would otherwise be paid under this part if such services were not included in outpatient critical access hospital services.

''(3) DISREGARDING CHARGES.—The payment amounts under this subsection shall be determined without regard to the amount of the customary or other charge.''.

(2) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply for cost reporting periods beginning on or after October 1, 2000.

(e) ELIMINATION OF COINSURANCE FOR CLINICAL DIAGNOSTIC LABORATORY TESTS FURNISHED BY A CRITICAL ACCESS HOSPITAL ON AN OUTPATIENT BASIS.—

(1) IN GENERAL.—Paragraphs (1)(D)(i) and (2)(D)(i) of section 1833(a) (42 U.S.C. 1395l(a)) are each amended by inserting ''or which are furnished on an outpatient basis by a critical access hospital'' after ''on an assignment-related basis''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall apply to services furnished on or after the date of the enactment of this Act.

(f) PARTICIPATION IN SWING BED PROGRAM.—Section 1883 (42 U.S.C. 1395tt) is amended—

(1) in subsection (a)(1), by striking ''(other than a hospital which has in effect a waiver under subparagraph (A) of the last sentence of section 1861(e))''; and

(2) in subsection (c), by striking '', or during which there is in effect for the hospital a waiver under subparagraph (A) of the last sentence of section 1861(e)''.

SEC. 404. 5-YEAR EXTENSION OF MEDICARE DEPENDENT HOSPITAL (MDH) PROGRAM.

(a) EXTENSION OF PAYMENT METHODOLOGY.—Section 1886(d)(5)(G) (42 U.S.C. 1395ww(d)(5)(G)) is amended—

(1) in clause (i), by striking ''and before October 1, 2001,'' and inserting ''and before October 1, 2006,''; and

(2) in clause (ii)(II), by striking ''and before October 1, 2001,'' and inserting ''and before October 1, 2006,''.

(b) CONFORMING AMENDMENTS.—

(1) EXTENSION OF TARGET AMOUNT.—Section 1886(b)(3)(D) (42 U.S.C. 1395ww(b)(3)(D)) is amended—

(A) in the matter preceding clause (i), by striking ''and before October 1, 2001,'' and inserting ''and before October 1, 2006,''; and

(B) in clause (iv), by striking ''during fiscal year 1998 through fiscal year 2000'' and inserting ''during fiscal year 1998 through fiscal year 2005''.

(2) PERMITTING HOSPITALS TO DECLINE RECLASSIFICATION.—Section 13501(e)(2) of Omnibus Budget Reconciliation Act of 1993 (42 U.S.C. 1395ww note), as amended by section 4204(a)(3) of BBA, is amended by striking ''or fiscal year 2000'' and inserting ''or fiscal year 2000 through fiscal year 2005''.

SEC. 405. REBASING FOR CERTAIN SOLE COMMUNITY HOSPITALS.

Section 1886(b)(3) (42 U.S.C. 1395ww(b)(3)) is amended—

(1) in subparagraph (C), by inserting ''subject to subparagraph (I),'' before ''the term 'target amount' means''; and

(2) by adding at the end the following new subparagraph:

''(I)(i) For cost reporting periods beginning on or after October 1, 2000, in the case of a sole community hospital that for its cost reporting period beginning during 1999 is paid on the basis of the target amount applicable to the hospital under subparagraph (C) and that elects (in a form and manner determined by the Secretary) this subparagraph to apply to the hospital, there shall be substituted for such target amount—

''(I) with respect to discharges occurring in fiscal year 2001, 75 percent of the target amount otherwise applicable to the hospital under subparagraph (C) (referred to in this clause as the 'subparagraph (C) target amount') and 25 percent of the rebased target amount (as defined in clause (ii));

''(II) with respect to discharges occurring in fiscal year 2002, 50 percent of the subparagraph (C) target amount and 50 percent of the rebased target amount;

''(III) with respect to discharges occurring in fiscal year 2003, 25 percent of the subparagraph (C) target amount and 75 percent of the rebased target amount; and

''(IV) with respect to discharges occurring after fiscal year 2003, 100 percent of the rebased target amount.

''(ii) For purposes of this subparagraph, the 'rebased target amount' has the meaning given the term 'target amount' in subparagraph (C) except that—

''(I) there shall be substituted for the base cost reporting period the 12-month cost reporting period beginning during fiscal year 1996;

''(II) any reference in subparagraph (C)(i) to the 'first cost reporting period' described in such subparagraph is deemed a reference to the first cost reporting period beginning on or after October 1, 2000; and

''(III) applicable increase percentage shall only be applied under subparagraph (C)(iv) for discharges occurring in fiscal years beginning with fiscal year 2002.''.

SEC. 406. ONE YEAR SOLE COMMUNITY HOSPITAL PAYMENT INCREASE.

Section 1886(b)(3)(B)(i) (42 U.S.C. 1395ww(b)(3)(B)(i)) is amended—

(1) by redesignating subclause (XVII) as subclause (XVIII);

(2) by striking subclause (XVI); and

(3) by inserting after subclause (XV) the following new subclauses:

''(XVI) for fiscal year 2001, the market basket percentage increase minus 1.1 percentage points for hospitals (other than sole community hospitals) in all areas, and the market basket percentage increase for sole community hospitals,

''(XVII) for fiscal year 2002, the market basket percentage increase minus 1.1 percentage points for hospitals in all areas, and''.

SEC. 407. INCREASED FLEXIBILITY IN PROVIDING GRADUATE PHYSICIAN TRAINING IN RURAL AND OTHER AREAS.

(a) COUNTING PRIMARY CARE RESIDENTS ON CERTAIN APPROVED LEAVES OF ABSENCE IN BASE YEAR FTE COUNT.—

(1) PAYMENT FOR DIRECT GRADUATE MEDICAL EDUCATION.—Section 1886(h)(4)(F) (42 U.S.C. 1395ww(h)(4)(F)) is amended—

(A) by redesignating the first sentence as clause (i) with the heading ''IN GENERAL.—'' and appropriate indentation; and

(B) by adding at the end the following new clause:

''(ii) COUNTING PRIMARY CARE RESIDENTS ON CERTAIN APPROVED LEAVES OF ABSENCE IN BASE YEAR FTE COUNT.—

''(I) IN GENERAL.—In determining the number of such full-time equivalent residents for a hospital's most recent cost reporting period ending on or before December 31, 1996, for purposes of clause (i), the Secretary shall count an individual to the extent that the individual would have been counted as a primary care resident for such period but for the fact that the individual, as determined by the Secretary, was on maternity or disability leave or a similar approved leave of absence.

''(II) LIMITATION TO 3 FTE RESIDENTS FOR ANY HOSPITAL.—The total number of individuals counted under subclause (I) for a hospital may not exceed 3 full-time equivalent residents.''.

(2) PAYMENT FOR INDIRECT MEDICAL EDUCATION.—Section 1886(d)(5)(B)(v) (42 U.S.C. 1395ww(d)(5)(B)(v)) is amended by adding at the end the following: ''Rules similar to the rules of subsection (h)(4)(F)(ii) shall apply for purposes of this clause.''.

(3) EFFECTIVE DATE.—

(A) DGME.—The amendments made by paragraph (1) apply to cost reporting periods that begin on or after the date of the enactment of this Act.

(B) IME.—The amendment made by paragraph (2) applies to discharges occurring in cost reporting periods that begin on or after such date of enactment.

(b) PERMITTING 30 PERCENT EXPANSION IN CURRENT GME TRAINING PROGRAMS FOR HOSPITALS LOCATED IN RURAL AREAS.—

(1) PAYMENT FOR DIRECT GRADUATE MEDICAL EDUCATION.—Section 1886(h)(4)(F)(i) (42 U.S.C. 1395ww(h)(4)(F)(i)), as amended by subsection

(a)(1), is amended by inserting ''(or, 130 percent of such number in the case of a hospital located in a rural area)'' after ''may not exceed the number''.

(2) PAYMENT FOR INDIRECT MEDICAL EDUCATION.—Section 1886(d)(5)(B)(v) (42 U.S.C. 1395ww(d)(5)(B)(v)) is amended by inserting ''(or, 130 percent of such number in the case of a hospital located in a rural area)'' after ''may not exceed the number''.

(3) EFFECTIVE DATES.—

(A) DGME.—The amendment made by paragraph (1) applies to cost reporting periods beginning on or after April 1, 2000.

(B) IME.—The amendment made by paragraph (2) applies to discharges occurring on or after April 1, 2000.

(c) SPECIAL RULE FOR NONRURAL FACILITIES SERVING RURAL AREAS.—

(1) IN GENERAL.—Section 1886(h)(4)(H) (42 U.S.C. 1395ww(h)(4)(H)) is amended by adding at the end the following new clause:

''(iv) NONRURAL HOSPITALS OPERATING TRAINING PROGRAMS IN RURAL AREAS.—In the case of a hospital that is not located in a rural area but establishes separately accredited approved medical residency training programs (or rural tracks) in an rural area or has an accredited training program with an integrated rural track, the Secretary shall adjust the limitation under subparagraph (F) in an appropriate manner insofar as it applies to such programs in such rural areas in order to encourage the training of physicians in rural areas.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) applies with respect to—

(A) payments to hospitals under section 1886(h) of the Social Security Act (42 U.S.C. 1395ww(h)) for cost reporting periods beginning on or after April 1, 2000; and

(B) payments to hospitals under section 1886(d)(5)(B)(v) of such Act (42 U.S.C. 1395ww(d)(5)(B)(v)) for discharges occurring on or after April 1, 2000.

(d) NOT COUNTING AGAINST NUMERICAL LIMITATION CERTAIN INTERNS AND RESIDENTS TRANSFERRED FROM A VA RESIDENCY PROGRAM THAT LOSES ACCREDITATION.—

(1) IN GENERAL.—Any applicable resident described in paragraph (2) shall not be taken into account in applying any limitation regarding the number of residents or interns for which payment may be made under section 1886 of the Social Security Act (42 U.S.C. 1395ww).

(2) APPLICABLE RESIDENT DESCRIBED.—An applicable resident described in this paragraph is a resident or intern who—

(A) participated in graduate medical education at a facility of the Department of Veterans Affairs;

(B) was subsequently transferred on or after January 1, 1997, and before July 31, 1998, to a hospital that was not a Department of Veterans Affairs facility; and

(C) was transferred because the approved medical residency program in which the resident or intern participated would lose accreditation by the Accreditation Council on Graduate Medical Education if such program continued to train residents at the Department of Veterans Affairs facility.

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—Paragraph (1) applies as if included in the enactment of BBA.

(B) RETROACTIVE PAYMENTS.—If the Secretary of Health and Human Services determines that a hospital operating an approved medical residency program is owed payments as a result of enactment of this subsection, the Secretary shall make such payments not later than 60 days after the date of the enactment of this Act.

SEC. 408. ELIMINATION OF CERTAIN RESTRICTIONS WITH RESPECT TO HOSPITAL SWING BED PROGRAM.

(a) ELIMINATION OF REQUIREMENT FOR STATE CERTIFICATE OF NEED.—Section 1883(b) (42 U.S.C. 1395tt(b)) is amended to read as follows:

''(b) The Secretary may not enter into an agreement under this section with any hospital unless, except as provided under subsection (g), the hospital is located in a rural area and has less than 100 beds.''.

(b) ELIMINATION OF SWING BED RESTRICTIONS ON CERTAIN HOSPITALS WITH MORE THAN 49 BEDS.—Section 1883(d) (42 U.S.C. 1395tt(d)) is amended—

(1) by striking paragraphs (2) and (3); and

(2) by striking ''(d)(1)'' and inserting ''(d)''.

(c) EFFECTIVE DATE.—The amendments made by this section take effect on the date that is the first day after the expiration of the transition period under section 1888(e)(2)(E) of the Social Security Act (42 U.S.C. 1395yy(e)(2)(E)) for payments for covered skilled nursing facility services under the medicare program.

SEC. 409. GRANT PROGRAM FOR RURAL HOSPITAL TRANSITION TO PROSPECTIVE PAYMENT.

Section 1820(g) (42 U.S.C. 1395i–4(g)) is amended by adding at the end the following new paragraph:

''(3) UPGRADING DATA SYSTEMS.—

''(A) GRANTS TO HOSPITALS.—The Secretary may award grants to hospitals that have submitted applications in accordance with subparagraph (C) to assist eligible small rural hospitals in meeting the costs of implementing data systems required to meet requirements established under the medicare program pursuant to amendments made by the Balanced Budget Act of 1997.

''(B) ELIGIBLE SMALL RURAL HOSPITAL DEFINED.—For purposes of this paragraph, the term 'eligible small rural hospital' means a non-Federal, short-term general acute care hospital that—

''(i) is located in a rural area (as defined for purposes of section 1886(d)); and

''(ii) has less than 50 beds.

''(C) APPLICATION.—A hospital seeking a grant under this paragraph shall submit an application to the Secretary on or before such date and in such form and manner as the Secretary specifies.

''(D) AMOUNT OF GRANT.—A grant to a hospital under this paragraph may not exceed $50,000.

''(E) USE OF FUNDS.—A hospital receiving a grant under this paragraph may use the funds for the purchase of computer software and hardware, the education and training of hospital staff on computer information systems, and to offset costs related to the implementation of prospective payment systems.

''(F) REPORTS.—

''(i) INFORMATION.—A hospital receiving a grant under this section shall furnish the Secretary with such information as the Secretary may require to evaluate the project for which the grant is made and to ensure that the grant is expended for the purposes for which it is made.

''(ii) TIMING OF SUBMISSION.—

''(I) INTERIM REPORTS.—The Secretary shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate at least annually on the grant program established under this section, including in such report information on the number of grants made, the nature of the projects involved, the geographic distribution of grant recipients, and such other matters as the Secretary deems appropriate.

''(II) FINAL REPORT.—The Secretary shall submit a final report to such committees not later than 180 days after the completion of all of the projects for which a grant is made under this section.''.

SEC. 410. GAO STUDY ON GEOGRAPHIC RECLASSIFICATION.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the current laws and regulations for geographic reclassification of hospitals to determine whether such reclassification is appropriate for purposes of applying wage indices under the medicare program and whether such reclassification results in more accurate payments for all hospitals. Such study shall examine data on the number of hospitals that are reclassified and their reclassified status in determining payments under the medicare program. The study shall evaluate—

(1) the magnitude of the effect of geographic reclassification on rural hospitals that are not reclassified;

(2) whether the current thresholds used in geographic reclassification reclassify hospitals to the appropriate labor markets;

(3) the effect of eliminating geographic reclassification through use of the occupational mix data;

(4) the group reclassification policy;

(5) changes in the number of reclassifications and the compositions of the groups;

(6) the effect of State-specific budget neutrality compared to national budget neutrality; and

(7) whether there are sufficient controls over the intermediary evaluation of the wage data reported by hospitals.

(b) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Comptroller General of the United States shall submit to Congress a report on the study conducted under subsection (a).

Subtitle B—Other Rural Provisions

SEC. 411. MEDPAC STUDY OF RURAL PROVIDERS.

(a) STUDY.—The Medicare Payment Advisory Commission shall conduct a study of rural providers furnishing items and services for which payment is made under title XVIII of the Social Security Act. Such study shall examine and evaluate the adequacy and appropriateness of the categories of special payments (and payment methodologies) established for rural hospitals under the medicare program, and the impact of such categories on beneficiary access and quality of health care services.

(b) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Medicare Payment Advisory Commission shall submit to Congress a report on the study conducted under subsection (a).

SEC. 412. EXPANSION OF ACCESS TO PARAMEDIC INTERCEPT SERVICES IN RURAL AREAS.

(a) EXPANSION OF PAYMENT AREAS.—Section 4531(c) of BBA (42 U.S.C. 1395x note) is amended by adding at the end the following flush sentence:

''For purposes of this subsection, an area shall be treated as a rural area if it is designated as a rural area by any law or regulation of the State or if it is located in a rural census tract of a metropolitan statistical area (as determined under the most recent Goldsmith Modification, originally published in the Federal Register on February 27, 1992 (57 Fed. Reg. 6725)).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on January 1, 2000, and applies to ALS intercept services furnished on or after such date.

SEC. 413. PROMOTING PROMPT IMPLEMENTATION OF INFORMATICS, TELEMEDICINE, AND EDUCATION DEMONSTRATION PROJECT.

Section 4207 of BBA (42 U.S.C. 1395b-1 note) is amended—

(1) in subsection (a)(1), by adding at the end the following: ''The Secretary shall make an award for such project not later than 3 months

after the date of the enactment of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999. The Secretary shall accept the proposal adjudged to be the best technical proposal as of such date of enactment without the need for additional review or resubmission of proposals.'';

(2) in subsection (a)(2)(A), by inserting before the period at the end the following: ''that qualify as Federally designated medically underserved areas or health professional shortage areas at the time of enrollment of beneficiaries under the project'';

(3) in subsection (c)(2), by striking ''and the source and amount of non-Federal funds used in the project'';

(4) in subsection (d)(2)(A), by striking ''at a rate of 50 percent of the costs that are reasonable and'' and inserting ''for the costs that are'';

(5) in subsection (d)(2)(B)(i), by striking ''(but only in the case of patients located in medically underserved areas)'' and inserting ''or at sites providing health care to patients located in medically underserved areas'';

(6) in subsection (d)(2)(C)(i), by striking ''to deliver medical informatics services under'' and inserting ''for activities related to''; and

(7) by amending paragraph (4) of subsection (d) to read as follows:

''(4) COST-SHARING.—The project may not impose cost-sharing on a medicare beneficiary for the receipt of services under the project. Project costs will cover all costs to medicare beneficiaries and providers related to participation in the project.''.

TITLE V—PROVISIONS RELATING TO PART C (MEDICARE+CHOICE PROGRAM) AND OTHER MEDICARE MANAGED CARE PROVISIONS

Subtitle A—Provisions To Accommodate and Protect Medicare Beneficiaries

SEC. 501. CHANGES IN MEDICARE+CHOICE ENROLLMENT RULES.

(a) PERMITTING ENROLLMENT IN ALTERNATIVE MEDICARE+CHOICE PLANS AND MEDIGAP COVERAGE IN CASE OF INVOLUNTARY TERMINATION OF MEDICARE+CHOICE ENROLLMENT.—

(1) IN GENERAL.—Section 1851(e)(4) (42 U.S.C. 1395w–21(e)(4)) is amended by striking subparagraph (A) and inserting the following:

''(A)(i) the certification of the organization or plan under this part has been terminated, or the organization or plan has notified the individual of an impending termination of such certification; or

''(ii) the organization has terminated or otherwise discontinued providing the plan in the area in which the individual resides, or has notified the individual of an impending termination or discontinuation of such plan;''.

(2) CONFORMING MEDIGAP AMENDMENT.—Section 1882(s)(3) (42 U.S.C. 1395ss(s)(3)) is amended—

(A) in subparagraph (A) in the matter following clause (iii), by inserting '', subject to subparagraph (E),'' after ''in the case of an individual described in subparagraph (B) who''; and

(B) by adding at the end the following new subparagraph:

''(E)(i) An individual described in subparagraph (B)(ii) may elect to apply subparagraph (A) by substituting, for the date of termination of enrollment, the date on which the individual was notified by the Medicare+Choice organization of the impending termination or discontinuance of the Medicare+Choice plan it offers in the area in which the individual resides, but only if the individual disenrolls from the plan as a result of such notification.

''(ii) In the case of an individual making such an election, the issuer involved shall accept the application of the individual submitted before the date of termination of enrollment, but the coverage under subparagraph (A) shall only become effective upon termination of coverage under the Medicare+Choice plan involved.''.

(b) CONTINUOUS OPEN ENROLLMENT FOR INSTITUTIONALIZED INDIVIDUALS.—Section 1851(e)(2) (42 U.S.C. 1395w–21(e)(2)) is amended—

(1) in subparagraph (B)(i), by inserting ''and subparagraph (D)'' after ''clause (ii)'';

(2) in subparagraph (C)(i), by inserting ''and subparagraph (D)'' after ''clause (ii)''; and

(3) by adding at the end the following new subparagraph:

''(D) CONTINUOUS OPEN ENROLLMENT FOR INSTITUTIONALIZED INDIVIDUALS.—At any time after 2001 in the case of a Medicare+Choice eligible individual who is institutionalized (as defined by the Secretary), the individual may elect under subsection (a)(1)—

''(i) to enroll in a Medicare+Choice plan; or

''(ii) to change the Medicare+Choice plan in which the individual is enrolled.''.

(c) CONTINUING ENROLLMENT FOR CERTAIN ENROLLEES.—Section 1851(b)(1) (42 U.S.C. 1395w–21(b)(1)) is amended—

(1) in subparagraph (A), by inserting ''and except as provided in subparagraph (C)'' after ''may otherwise provide''; and

(2) by adding at the end the following new subparagraph:

''(C) CONTINUATION OF ENROLLMENT PERMITTED WHERE SERVICE CHANGED.—Notwithstanding subparagraph (A) and in addition to subparagraph (B), if a Medicare+Choice organization eliminates from its service area a Medicare+Choice payment area that was previously within its service area, the organization may elect to offer individuals residing in all or portions of the affected area who would otherwise be ineligible to continue enrollment the option to continue enrollment in a Medicare+Choice plan it offers so long as—

''(i) the enrollee agrees to receive the full range of basic benefits (excluding emergency and urgently needed care) exclusively at facilities designated by the organization within the plan service area; and

''(ii) there is no other Medicare+Choice plan offered in the area in which the enrollee resides at the time of the organization's election.''.

(d) EFFECTIVE DATES.—

(1) The amendments made by subsection (a) apply to notices of impending terminations or discontinuances made on or after the date of the enactment of this Act.

(2) The amendments made by subsection (c) apply to elections made on or after the date of the enactment of this Act with respect to eliminations of Medicare+Choice payment areas from a service area that occur before, on, or after the date of the enactment of this Act.

SEC. 502. CHANGE IN EFFECTIVE DATE OF ELECTIONS AND CHANGES OF ELECTIONS OF MEDICARE+CHOICE PLANS.

(a) OPEN ENROLLMENT.—Section 1851(f)(2) (42 U.S.C. 1395w–21(f)(2)) is amended—

(1) by inserting ''or change'' before ''is made''; and

(2) by inserting '', except that if such election or change is made after the 10th day of any calendar month, then the election or change shall not take effect until the first day of the second calendar month following the date on which the election or change is made'' before the period.

(b) EFFECTIVE DATE.—The amendments made by this section apply to elections and changes of coverage made on or after January 1, 2000.

SEC. 503. 2-YEAR EXTENSION OF MEDICARE COST CONTRACTS.

Section 1876(h)(5)(B) (42 U.S.C. 1395mm(h)(5)(B)) is amended by striking ''2002'' and inserting ''2004''.

Subtitle B—Provisions To Facilitate Implementation of the Medicare+Choice Program

SEC. 511. PHASE-IN OF NEW RISK ADJUSTMENT METHODOLOGY; STUDIES AND REPORTS ON RISK ADJUSTMENT.

(a) PHASE-IN.—Section 1853(a)(3)(C) (42 U.S.C. 1395w–23(a)(3)(C)) is amended—

(1) by redesignating the first sentence as clause (i) with the heading ''IN GENERAL.—'' and appropriate indentation; and

(2) by adding at the end the following new clause:

''(ii) PHASE-IN.—Such risk adjustment methodology shall be implemented in a phased-in manner so that the methodology insofar as it makes adjustments to capitation rates for health status applies to—

''(I) 10 percent of 1/12 of the annual Medicare+Choice capitation rate in 2000 and 2001; and

''(II) not more than 20 percent of such capitation rate in 2002.''.

(b) MEDPAC STUDY AND REPORT.—

(1) STUDY.—The Medicare Payment Advisory Commission shall conduct a study that evaluates the methodology used by the Secretary of Health and Human Services in developing the risk factors used in adjusting the Medicare+Choice capitation rate paid to Medicare+Choice organizations under section 1853 of the Social Security Act (42 U.S.C. 1395w–23) and includes the issues described in paragraph (2).

(2) ISSUES TO BE STUDIED.—The issues described in this paragraph are the following:

(A) The ability of the average risk adjustment factor applied to a Medicare+Choice plan to explain variations in plans' average per capita medicare costs, as reported by Medicare+Choice plans in the plans' adjusted community rate filings.

(B) The year-to-year stability of the risk factors applied to each Medicare+Choice plan and the potential for substantial changes in payment for small Medicare+Choice plans.

(C) For medicare beneficiaries newly enrolled in Medicare+Choice plans in a given year, the correspondence between the average risk factor calculated from medicare fee-for-service data for those individuals from the period prior to their enrollment in a Medicare+Choice plan and the average risk factor calculated for such individuals during their initial year of enrollment in a Medicare+Choice plan.

(D) For medicare beneficiaries disenrolling from or switching among Medicare+Choice plans in a given year, the correspondence between the average risk factor calculated from data pertaining to the period prior to their disenrollment from a Medicare+Choice plan and the average risk factor calculated from data pertaining to the period after disenrollment.

(E) An evaluation of the exclusion of ''discretionary'' hospitalizations from consideration in the risk adjustment methodology.

(F) Suggestions for changes or improvements in the risk adjustment methodology.

(3) REPORT.—Not later than December 1, 2000, the Commission shall submit a report to Congress on the study conducted under paragraph (1), together with any recommendations for legislation that the Commission determines to be appropriate as a result of such study.

(c) STUDY AND REPORT REGARDING REPORTING OF ENCOUNTER DATA.—

(1) STUDY.—The Secretary of Health and Human Services shall conduct a study on how to reduce the costs and burdens on Medicare+Choice organizations of their complying with reporting requirements for encounter data imposed by the Secretary in establishing and implementing a risk adjustment methodology used in making payments to such organizations under section 1853 of the Social

Security Act (42 U.S.C. 1395w–23). The Secretary shall consult with representatives of Medicare+Choice organizations in conducting the study. The study shall address the following issues:

(A) Limiting the number and types of sites of services (that are in addition to inpatient sites) for which encounter data must be reported.

(B) Establishing alternative risk adjustment methods that would require submission of less data.

(C) The potential for Medicare+Choice organizations to misreport, overreport, or underreport prevalence of diagnoses in outpatient sites of care, the potential for increases in payments to Medicare+Choice organizations from changes in Medicare+Choice plan coding practices (commonly known as ''coding creep'') and proposed methods for detecting and adjusting for such variations in diagnosis coding as part of the risk adjustment methodology using encounter data from multiple sites of care.

(D) The impact of such requirements on the willingness of insurers to offer Medicare+Choice MSA plans and options for modifying encounter data reporting requirements to accommodate such plans.

(E) Differences in the ability of Medicare+Choice organizations to report encounter data, and the potential for adverse competitive impacts on group and staff model health maintenance organizations or other integrated providers of care based on data reporting capabilities.

(2) REPORT.—Not later than January 1, 2001, the Secretary shall submit a report to Congress on the study conducted under this subsection, together with any recommendations for legislation that the Secretary determines to be appropriate as a result of such study.

SEC. 512. ENCOURAGING OFFERING OF MEDICARE+CHOICE PLANS IN AREAS WITHOUT PLANS.

Section 1853 (42 U.S.C. 1395w–23) is amended—

(1) in subsection (a)(1), by striking ''subsections (e) and (f)'' and inserting ''subsections (e), (g), and (i)'';

(2) in subsection (c)(5), by inserting ''(other than those attributable to subsection (i))'' after ''payments under this part''; and

(3) by adding at the end the following new subsection:

''(i) NEW ENTRY BONUS.—

''(1) IN GENERAL.—Subject to paragraphs (2) and (3), in the case of Medicare+Choice payment area in which a Medicare+Choice plan has not been offered since 1997 (or in which all organizations that offered a plan since such date have filed notice with the Secretary, as of October 13, 1999, that they will not be offering such a plan as of January 1, 2000), the amount of the monthly payment otherwise made under this section shall be increased—

''(A) only for the first 12 months in which any Medicare+Choice plan is offered in the area, by 5 percent of the total monthly payment otherwise computed for such payment area; and

''(B) only for the subsequent 12 months, by 3 percent of the total monthly payment otherwise computed for such payment area.

''(2) PERIOD OF APPLICATION.—Paragraph (1) shall only apply to payment for Medicare+Choice plans which are first offered in a Medicare+Choice payment area during the 2-year period beginning on January 1, 2000.

''(3) LIMITATION TO ORGANIZATION OFFERING FIRST PLAN IN AN AREA.—Paragraph (1) shall only apply to payment to the first Medicare+Choice organization that offers a Medicare+Choice plan in each Medicare+Choice payment area, except that if more than one such organization first offers such a plan in an area on the same date, paragraph (1) shall apply to payment for such organizations.

''(4) CONSTRUCTION.—Nothing in paragraph (1) shall be construed as affecting the calculation of the annual Medicare+Choice capitation rate under subsection (c) for any payment area or as applying to payment for any period not described in such paragraph and paragraph (2).

''(5) OFFERED DEFINED.—In this subsection, the term 'offered' means, with respect to a Medicare+Choice plan as of a date, that a Medicare+Choice eligible individual may enroll with the plan on that date, regardless of when the enrollment takes effect or when the individual obtains benefits under the plan.''.

SEC. 513. MODIFICATION OF 5-YEAR RE-ENTRY RULE FOR CONTRACT TERMINATIONS.

(a) REDUCTION OF GENERAL EXCLUSION PERIOD TO 2 YEARS.—Section 1857(c)(4) (42 U.S.C. 1395w–27(c)(4)) is amended by striking ''5-year period'' and inserting ''2-year period''.

(b) SPECIFIC EXCEPTION WHERE CHANGE IN PAYMENT POLICY.—

(1) IN GENERAL.—Section 1857(c)(4) (42 U.S.C. 1395w–27(c)(4)) is amended—

(A) by striking ''except in circumstances'' and inserting ''except as provided in subparagraph (B) and except in such other circumstances'';

(B) by redesignating the sentence following ''(4)'' as a subparagraph (A) with an appropriate indentation and the heading ''IN GENERAL.—''; and

(C) by adding at the end the following new subparagraph:

''(B) EARLIER RE-ENTRY PERMITTED WHERE CHANGE IN PAYMENT POLICY.—Subparagraph (A) shall not apply with respect to the offering by a Medicare+Choice organization of a Medicare+Choice plan in a Medicare+Choice payment area if during the 6-month period beginning on the date the organization notified the Secretary of the intention to terminate the most recent previous contract, there was a legislative change enacted (or a regulatory change adopted) that has the effect of increasing payment amounts under section 1853 for that Medicare+Choice payment area.''.

(2) CONSTRUCTION RELATING TO ADDITIONAL EXCEPTIONS.—Nothing in the amendment made by paragraph (1)(C) shall be construed to affect the authority of the Secretary of Health and Human Services to provide for exceptions in addition to the exception provided in such amendment, including exceptions provided under Operational Policy Letter #103 (OPL99.103).

(c) EFFECTIVE DATE.—The amendments made by this section apply to contract terminations occurring before, on, or after the date of the enactment of this Act.

SEC. 514. CONTINUED COMPUTATION AND PUBLICATION OF MEDICARE ORIGINAL FEE-FOR-SERVICE EXPENDITURES ON A COUNTY-SPECIFIC BASIS.

(a) IN GENERAL.—Section 1853(b) (42 U.S.C. 1395w–23(b)) is amended by adding at the end the following new paragraph:

''(4) CONTINUED COMPUTATION AND PUBLICATION OF COUNTY-SPECIFIC PER CAPITA FEE-FOR-SERVICE EXPENDITURE INFORMATION.—The Secretary, through the Chief Actuary of the Health Care Financing Administration, shall provide for the computation and publication, on an annual basis beginning with 2001 at the time of publication of the annual Medicare+Choice capitation rates under paragraph (1), of the following information for the original medicare fee-for-service program under parts A and B (exclusive of individuals eligible for coverage under section 226A) for each Medicare+Choice payment area for the second calendar year ending before the date of publication:

''(A) Total expenditures per capita per month, computed separately for part A and for part B.

''(B) The expenditures described in subparagraph (A) reduced by the best estimate of the expenditures (such as graduate medical education and disproportionate share hospital payments) not related to the payment of claims.

''(C) The average risk factor for the covered population based on diagnoses reported for medicare inpatient services, using the same methodology as is expected to be applied in making payments under subsection (a).

''(D) Such average risk factor based on diagnoses for inpatient and other sites of service, using the same methodology as is expected to be applied in making payments under subsection (a).''.

(b) SPECIAL RULE FOR 2001.—In providing for the publication of information under section 1853(b)(4) of the Social Security Act (42 U.S.C. 1395w–23(b)(4)), as added by subsection (a), in 2001, the Secretary of Health and Human Services shall also include the information described in such section for 1998, as well as for 1999.

SEC. 515. FLEXIBILITY TO TAILOR BENEFITS UNDER MEDICARE+CHOICE PLANS.

(a) IN GENERAL.—Section 1854 (42 U.S.C. 1395w–24) is amended—

(1) in subsection (a)(1), by inserting ''(or segment of such an area if permitted under subsection (h))'' after ''service area'' in the matter preceding subparagraph (A); and

(2) by adding at the end the following:

''(h) PERMITTING USE OF SEGMENTS OF SERVICE AREAS.—The Secretary shall permit a Medicare+Choice organization to elect to apply the provisions of this section uniformly to separate segments of a service area (rather than uniformly to an entire service area) as long as such segments are composed of one or more Medicare+Choice payment areas.''.

(b) EFFECTIVE DATE.—The amendments made by this section apply to contract years beginning on or after January 1, 2001.

SEC. 516. DELAY IN DEADLINE FOR SUBMISSION OF ADJUSTED COMMUNITY RATES.

(a) DELAY IN DEADLINE FOR SUBMISSION OF ADJUSTED COMMUNITY RATES.—Section 1854(a)(1) (42 U.S.C. 1395w–24(a)(1)) is amended by striking ''May 1'' and inserting ''July 1'' in the matter preceding subparagraph (A).

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies to information submitted by Medicare+Choice organizations for years beginning with 1999.

SEC. 517. REDUCTION IN ADJUSTMENT IN NATIONAL PER CAPITA MEDICARE+CHOICE GROWTH PERCENTAGE FOR 2002.

Section 1853(c)(6)(B)(v) (42 U.S.C. 1395w–23(c)(6)(B)(v)) is amended by striking ''0.5 percentage points'' and inserting ''0.3 percentage points''.

SEC. 518. DEEMING OF MEDICARE+CHOICE ORGANIZATION TO MEET REQUIREMENTS.

Section 1852(e)(4) (42 U.S.C. 1395w–22(e)(4)) is amended to read as follows:

''(4) TREATMENT OF ACCREDITATION.—

''(A) IN GENERAL.—The Secretary shall provide that a Medicare+Choice organization is deemed to meet all the requirements described in any specific clause of subparagraph (B) if the organization is accredited (and periodically reaccredited) by a private accrediting organization under a process that the Secretary has determined assures that the accrediting organization applies and enforces standards that meet or exceed the standards established under section 1856 to carry out the requirements in such clause.

''(B) REQUIREMENTS DESCRIBED.—The provisions described in this subparagraph are the following:

''(i) Paragraphs (1) and (2) of this subsection (relating to quality assurance programs).

''(ii) Subsection (b) (relating to antidiscrimination).

''(iii) Subsection (d) (relating to access to services).

''(iv) Subsection (h) (relating to confidentiality and accuracy of enrollee records).

''(v) Subsection (i) (relating to information on advance directives).

''(vi) Subsection (j) (relating to provider participation rules).

''(C) TIMELY ACTION ON APPLICATIONS.—The Secretary shall determine, within 210 days after the date the Secretary receives an application by a private accrediting organization and using the criteria specified in section 1865(b)(2), whether the process of the private accrediting organization meets the requirements with respect to any specific clause in subparagraph (B) with respect to which the application is made. The Secretary may not deny such an application on the basis that it seeks to meet the requirements with respect to only one, or more than one, such specific clause.

''(D) CONSTRUCTION.—Nothing in this paragraph shall be construed as limiting the authority of the Secretary under section 1857, including the authority to terminate contracts with Medicare+Choice organizations under subsection (c)(2) of such section.''.

SEC. 519. TIMING OF MEDICARE+CHOICE HEALTH INFORMATION FAIRS.

(a) IN GENERAL.—Section 1851(e)(3)(C) (42 U.S.C. 1395w–21(e)(3)(C)) is amended by striking ''In the month of November'' and inserting ''During the fall season''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) first applies to campaigns conducted beginning in 2000.

SEC. 520. QUALITY ASSURANCE REQUIREMENTS FOR PREFERRED PROVIDER ORGANIZATION PLANS.

(a) IN GENERAL.—Section 1852(e)(2) (42 U.S.C. 1395w–22(e)(2)) is amended—

(1) in subparagraph (A), by striking ''or a non-network MSA plan'' and inserting '', a non-network MSA plan, or a preferred provider organization plan';

(2) in subparagraph (B)—

(A) in the heading, by striking ''AND NON-NETWORK MSA PLANS'' and inserting '', NON-NETWORK MSA PLANS, AND PREFERRED PROVIDER ORGANIZATION PLANS''; and

(B) by striking ''or a non-network MSA plan'' and inserting '', a non-network MSA plan, or a preferred provider organization plan'';

(3) by adding at the end the following:

''(D) DEFINITION OF PREFERRED PROVIDER ORGANIZATION PLAN.—In this paragraph, the term 'preferred provider organization plan' means a Medicare+Choice plan that—

''(i) has a network of providers that have agreed to a contractually specified reimbursement for covered benefits with the organization offering the plan;

''(ii) provides for reimbursement for all covered benefits regardless of whether such benefits are provided within such network of providers; and

''(iii) is offered by an organization that is not licensed or organized under State law as a health maintenance organization.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to contract years beginning on or after January 1, 2000.

(c) QUALITY IMPROVEMENT STANDARDS.—

(1) STUDY.—The Medicare Payment Advisory Commission shall conduct a study on the appropriate quality improvement standards that should apply to—

(A) each type of Medicare+Choice plan described in section 1851(a)(2) of the Social Security Act (42 U.S.C. 1395w–21(a)(2)), including each type of Medicare+Choice plan that is a coordinated care plan (as described in subparagraph (A) of such section); and

(B) the original medicare fee-for-service program under parts A and B title XVIII of such Act (42 U.S.C. 1395 et seq.).

(2) CONSIDERATIONS.—Such study shall specifically examine the effects, costs, and feasibility of requiring entities, physicians, and other health care providers that provide items and services under the original medicare fee-for-service program to comply with quality standards and related reporting requirements that are comparable to the quality standards and related reporting requirements that are applicable to Medicare+Choice organizations.

(3) REPORT.—Not later than 2 years after the date of the enactment of this Act, such Commission shall submit a report to Congress on the study conducted under this subsection, together with any recommendations for legislation that it determines to be appropriate as a result of such study.

SEC. 521. CLARIFICATION OF NONAPPLICABILITY OF CERTAIN PROVISIONS OF DISCHARGE PLANNING PROCESS TO MEDICARE+CHOICE PLANS.

Section 1861(ee) (42 U.S.C. 1395x(ee)(2)(H)) is amended by adding at the end the following:

''(3) With respect to a discharge plan for an individual who is enrolled with a Medicare+Choice organization under a Medicare+Choice plan and is furnished inpatient hospital services by a hospital under a contract with the organization—

''(A) the discharge planning evaluation under paragraph (2)(D) is not required to include information on the availability of home health services through individuals and entities which do not have a contract with the organization; and

''(B) notwithstanding subparagraph (H)(i), the plan may specify or limit the provider (or providers) of post-hospital home health services or other post-hospital services under the plan.''.

SEC. 522. USER FEE FOR MEDICARE+CHOICE ORGANIZATIONS BASED ON NUMBER OF ENROLLED BENEFICIARIES.

(a) IN GENERAL.—Section 1857(e)(2) (42 U.S.C. 1395w–27(e)(2)) is amended—

(1) in subparagraph (B), by striking ''Any amounts collected are authorized to be appropriated only for'' and inserting ''Any amounts collected shall be available without further appropriation to the Secretary for'';

(2) by amending subparagraph (C) to read as follows:

''(C) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the purposes described in subparagraph (B) for each fiscal year beginning with fiscal year 2001 an amount equal to $100,000,000, reduced by the amount of fees authorized to be collected under this paragraph for the fiscal year.'';

(3) in subparagraph (D)(ii)—

(A) in subclause (II), by striking ''and'';

(B) in subclause (III), by striking '' and each subsequent fiscal year.'' and inserting ''; and''; and

(C) by adding at the end the following:

''(IV) the Medicare+Choice portion (as defined in subparagraph (E)) of $100,000,000 in fiscal year 2001 and each succeeding fiscal year.''; and

(4) by adding at the end the following:

''(E) MEDICARE+CHOICE PORTION DEFINED.—In this paragraph, the term 'Medicare+Choice portion' means, for a fiscal year, the ratio, as estimated by the Secretary, of—

''(i) the average number of individuals enrolled in Medicare+Choice plans during the fiscal year, to

''(ii) the average number of individuals entitled to benefits under part A, and enrolled under part B, during the fiscal year.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to fees charged on or after January 1, 2001. The Secretary of Health and Human Services may not increase the fees charged under section 1857(e)(2) of the Social Security Act (42 U.S.C. 1395w–27(e)(2)) for the 3-month period beginning with October 2000 above the level in effect during the previous 9-month period.

SEC. 523. CLARIFICATION REGARDING THE ABILITY OF A RELIGIOUS FRATERNAL BENEFIT SOCIETY TO OPERATE ANY MEDICARE+CHOICE PLAN.

Section 1859(e)(2) (42 U.S.C. 1395w–29(e)(2)) is amended in the matter preceding subparagraph (A) by striking ''section 1851(a)(2)(A)'' and inserting ''section 1851(a)(2)''.

SEC. 524. RULES REGARDING PHYSICIAN REFERRALS FOR MEDICARE+CHOICE PROGRAM.

(a) IN GENERAL.—Section 1877(b)(3) (42 U.S.C. 1395nn(b)(3)) is amended—

(1) in subparagraph (C), by striking ''or'' at the end;

(3) by adding at the end the following:

(2) in subparagraph (D), by striking the period at the end and inserting '', or''; and

''(E) that is a Medicare+Choice organization under part C that is offering a coordinated care plan described in section 1851(a)(2)(A) to an individual enrolled with the organization.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to services furnished on or after the date of the enactment of this Act.

Subtitle C—Demonstration Projects and Special Medicare Populations

SEC. 531. EXTENSION OF SOCIAL HEALTH MAINTENANCE ORGANIZATION DEMONSTRATION (SHMO) PROJECT AUTHORITY.

(a) EXTENSION.—Section 4018(b) of the Omnibus Budget Reconciliation Act of 1987 (Public Law 100–203) is amended—

(1) in paragraph (1), by striking ''December 31, 2000'' and inserting ''the date that is 18 months after the date that the Secretary submits to Congress the report described in section 4014(c) of the Balanced Budget Act of 1997'';

(2) in paragraph (4), by striking ''March 31, 2001'' and inserting ''the date that is 21 months after the date on which Secretary submits to Congress the report described in section 4014(c) of the Balanced Budget Act of 1997''; and

(3) by adding at the end of paragraph (4) the following: ''Not later than 6 months after the date the Secretary submits such final report, the Medicare Payment Advisory Commission shall submit to Congress a report containing recommendations regarding such project.''.

(b) SUBSTITUTION OF AGGREGATE CAP.—Section 13567(c) of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66) is amended to read as follows:

''(c) AGGREGATE LIMIT ON NUMBER OF MEMBERS.—The Secretary of Health and Human Services may not impose a limit on the number of individuals that may participate in a project conducted under section 2355 of the Deficit Reduction Act of 1984, other than an aggregate limit of not less than 324,000 for all sites.''.

SEC. 532. EXTENSION OF MEDICARE COMMUNITY NURSING ORGANIZATION DEMONSTRATION PROJECT.

(a) EXTENSION.—Notwithstanding any other provision of law, any demonstration project conducted under section 4079 of the Omnibus Budget Reconciliation Act of 1987 (Public Law 100–123; 42 U.S.C. 1395mm note) and conducted for the additional period of 2 years as provided for under section 4019 of BBA, shall be conducted for an additional period of 2 years. The Secretary of Health and Human Services shall provide for such reduction in payments under such project in the extension period provided under the previous sentence as the Secretary determines is necessary to ensure that total Federal expenditures during the extension period under the project do not exceed the total Federal expenditures that would have been made under title XVIII of the Social Security Act if such project had not been so extended.

(b) REPORT.—Not later than July 1, 2001, the Secretary of Health and Human Services shall submit to Congress a report describing the results of any demonstration project conducted under section 4079 of the Omnibus Budget Reconciliation Act of 1987, and describing the data collected by the Secretary relevant to the analysis of the results of such project, including the most recently available data through the end of 2000.

SEC. 533. MEDICARE+CHOICE COMPETITIVE BIDDING DEMONSTRATION PROJECT.

Section 4011 of BBA (42 U.S.C. 1395w–23 note) is amended—

(1) in subsection (a)—

(A) by striking ''The Secretary'' and inserting the following (and conforming the indentation for the remainder of the subsection accordingly):

''(1) IN GENERAL.—Subject to the succeeding provisions of this subsection, the Secretary''; and

(B) by adding at the end the following:

''(2) DELAY IN IMPLEMENTATION.—The Secretary shall not implement the project until January 1, 2002, or, if later, 6 months after the date the Competitive Pricing Advisory Committee has submitted to Congress a report on each of the following topics:

''(A) INCORPORATION OF ORIGINAL MEDICARE FEE-FOR-SERVICE PROGRAM INTO PROJECT.—What changes would be required in the project to feasibly incorporate the original medicare fee-for-service program into the project in the areas in which the project is operational.

''(B) QUALITY ACTIVITIES.—The nature and extent of the quality reporting and monitoring activities that should be required of plans participating in the project, the estimated costs that plans will incur as a result of these requirements, and the current ability of the Health Care Financing Administration to collect and report comparable data, sufficient to support comparable quality reporting and monitoring activities with respect to beneficiaries enrolled in the original medicare fee-for-service program generally.

''(C) RURAL PROJECT.—The current viability of initiating a project site in a rural area, given the site specific budget neutrality requirements of the project under subsection (g), and insofar as the Committee decides that the addition of such a site is not viable, recommendations on how the project might best be changed so that such a site is viable.

''(D) BENEFIT STRUCTURE.—The nature and extent of the benefit structure that should be required of plans participating in the project, the rationale for such benefit structure, the potential implications that any benefit standardization requirement may have on the number of plan choices available to a beneficiary in an area designated under the project, the potential implications of requiring participating plans to offer variations on any standardized benefit package the committee might recommend, such that a beneficiary could elect to pay a higher percentage of out-of-pocket costs in exchange for a lower premium (or premium rebate as the case may be), and the potential implications of expanding the project (in conjunction with the potential inclusion of the original medicare fee-for-service program) to require medicare supplemental insurance plans operating in an area designated under the project to offer a coordinated and comparable standardized benefit package.

''(3) CONFORMING DEADLINES.—Any dates specified in the succeeding provisions of this section shall be delayed (as specified by the Secretary) in a manner consistent with the delay effected under paragraph (2).''; and

(2) in subsection (c)(1)(A)—

(A) by striking ''and'' at the end of clause (i); and

(B) by adding at the end the following new clause:

''(iii) establish beneficiary premiums for plans offered in such area in a manner such that a beneficiary who enrolls in an offered plan the per capita bid for which is less than the standard per capita government contribution (as established by the competitive pricing methodology established for such area) may, at the plan's election, be offered a rebate of some or all of the medicare part B premium that such individual must otherwise pay in order to participate in a Medicare+Choice plan under the Medicare+Choice program; and''.

SEC. 534. EXTENSION OF MEDICARE MUNICIPAL HEALTH SERVICES DEMONSTRATION PROJECTS.

Section 9215(a) of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended by section 6135 of the Omnibus Budget Reconciliation Act of 1989, section 13557 of the Omnibus Budget Reconciliation Act of 1993, and section 4017 of BBA, is amended by striking ''December 31, 2000'' and inserting ''December 31, 2002''.

SEC. 535. MEDICARE COORDINATED CARE DEMONSTRATION PROJECT.

Section 4016(e)(1)(A)(ii) of BBA (42 U.S.C. 1395b–1 note) is amended to read as follows:

''(ii) CANCER HOSPITAL.—In the case of the project described in subsection (b)(2)(C), the Secretary shall provide for the transfer from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Insurance Trust Fund under title XVIII of the Social Security Act (42 U.S.C. 1395i, 1395t), in such proportions as the Secretary determines to be appropriate, of such funds as are necessary to cover costs of the project, including costs for information infrastructure and recurring costs of case management services, flexible benefits, and program management.''.

SEC. 536. MEDIGAP PROTECTIONS FOR PACE PROGRAM ENROLLEES.

(a) IN GENERAL.—Section 1882(s)(3)(B) (42 U.S.C. 1395ss(s)(3)(B)) is amended—

(1) in clause (ii), by inserting ''or the individual is 65 years of age or older and is enrolled with a PACE provider under section 1894, and there are circumstances that would permit the discontinuance of the individual's enrollment with such provider under circumstances that are similar to the circumstances that would permit discontinuance of the individual's election under the first sentence of such section if such individual were enrolled in a Medicare+Choice plan'' before the period;

(2) in clause (v)(II), by inserting ''any PACE provider under section 1894,'' after ''demonstration project authority,''; and

(3) in clause (vi)—

(A) by inserting ''or in a PACE program under section 1894'' after ''part C''; and

(B) by striking ''such plan'' and inserting ''such plan or such program''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to terminations or discontinuances made on or after the date of the enactment of this Act.

Subtitle D—Medicare+Choice Nursing and Allied Health Professional Education Payments

SEC. 541. MEDICARE+CHOICE NURSING AND ALLIED HEALTH PROFESSIONAL EDUCATION PAYMENTS.

(a) ADDITIONAL PAYMENTS FOR NURSING AND ALLIED HEALTH EDUCATION.—Section 1886 (42 U.S.C. 1395ww) is amended by adding at the end the following new subsection:

''(l) PAYMENT FOR NURSING AND ALLIED HEALTH EDUCATION FOR MANAGED CARE ENROLLEES.—

''(1) IN GENERAL.—For portions of cost reporting periods occurring in a year (beginning with 2000), the Secretary shall provide for an additional payment amount for any hospital that receives payments for the costs of approved educational activities for nurse and allied health professional training under section 1861(v)(1).

''(2) PAYMENT AMOUNT.—The additional payment amount under this subsection for each hospital for portions of cost reporting periods occurring in a year shall be an amount specified by the Secretary in a manner consistent with the following:

''(A) DETERMINATION OF MANAGED CARE ENROLLEE PAYMENT RATIO FOR GRADUATE MEDICAL EDUCATION PAYMENTS.—The Secretary shall estimate the ratio of payments for all hospitals for portions of cost reporting periods occurring in the year under subsection (h)(3)(D) to total direct graduate medical education payments estimated for such portions of periods under subsection (h)(3).

''(B) APPLICATION TO FEE-FOR-SERVICE NURSING AND ALLIED HEALTH EDUCATION PAYMENTS.—Such ratio shall be applied to the Secretary's estimate of total payments for nursing and allied health education determined under section 1861(v) for portions of cost reporting periods occurring in the year to determine a total amount of additional payments for nursing and allied health education to be distributed to hospitals under this subsection for portions of cost reporting periods occurring in the year; except that in no case shall such total amount exceed $60,000,000 in any year.

''(C) APPLICATION TO HOSPITAL.—The amount of payment under this subsection to a hospital for portions of cost reporting periods occurring in a year is equal to the total amount of payments determined under subparagraph (B) for the year multiplied by the Secretary's estimate of the ratio of the amount of payments made under section 1861(v) to the hospital for nursing and allied health education activities for the hospital's cost reporting period ending in the second preceding fiscal year to the total of such amounts for all hospitals for such cost reporting periods.''.

(b) ADJUSTMENTS IN PAYMENTS FOR DIRECT GRADUATE MEDICAL EDUCATION.—Section 1886(h)(3)(D) (42 U.S.C. 1395ww(h)(3)(D)) is amended—

(1) in clause (i), by inserting '', subject to clause (iii),'' after ''shall equal'';

(2) by redesignating clause (iii) as clause (iv); and

(3) by inserting after clause (ii) the following new clause:

''(iii) PROPORTIONAL REDUCTION FOR NURSING AND ALLIED HEALTH EDUCATION.—The Secretary shall estimate a proportional adjustment in payments to all hospitals determined under clauses (i) and (ii) for portions of cost reporting periods beginning in a year (beginning with 2000) such that the proportional adjustment reduces payments in an amount for such year equal to the total additional payment amounts for nursing and allied health education determined under subsection (l) for portions of cost reporting periods occurring in that year.''.

Subtitle E—Studies and Reports

SEC. 551. REPORT ON ACCOUNTING FOR VA AND DOD EXPENDITURES FOR MEDICARE BENEFICIARIES.

Not later April 1, 2001, the Secretary of Health and Human Services, jointly with the Secretaries of Defense and of Veterans Affairs, shall submit to Congress a report on the estimated use of health care services furnished by the Departments of Defense and of Veterans Affairs to medicare beneficiaries, including both beneficiaries under the original medicare fee-for-service program and under the Medicare+Choice program. The report shall include an analysis of how best to properly account for expenditures for such services in the computation of Medicare+Choice capitation rates.

SEC. 552. MEDICARE PAYMENT ADVISORY COMMISSION STUDIES AND REPORTS.

(a) DEVELOPMENT OF SPECIAL PAYMENT RULES UNDER THE MEDICARE+CHOICE PROGRAM FOR FRAIL ELDERLY ENROLLED IN SPECIALIZED PROGRAMS.—

(1) STUDY.—The Medicare Payment Advisory Commission shall conduct a study on the development of a payment methodology under the Medicare+Choice program for frail elderly Medicare+Choice beneficiaries enrolled in a Medicare+Choice plan under a specialized program for the frail elderly that—

(A) accounts for the prevalence, mix, and severity of chronic conditions among such frail elderly Medicare+Choice beneficiaries;

(B) includes medical diagnostic factors from all provider settings (including hospital and nursing facility settings); and

(C) includes functional indicators of health status and such other factors as may be necessary to achieve appropriate payments for plans serving such beneficiaries.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Commission shall submit a report to Congress on the study conducted under paragraph (1), together with any recommendations for legislation that the Commission determines to be appropriate as a result of such study.

(b) REPORT ON MEDICARE MSA (MEDICAL SAVINGS ACCOUNT) PLANS.—Not later than 1 year after the date of the enactment of this Act, the Medicare Payment Assessment Commission shall submit to Congress a report on specific legislative changes that should be made to make MSA plans (as defined in section 1859(b)(3) of the Social Security Act, 42 U.S.C. 1395w–29(b)(3)) a viable option under the Medicare+Choice program.

SEC. 553. GAO STUDIES, AUDITS, AND REPORTS.

(a) STUDY OF MEDIGAP POLICIES.—

(1) IN GENERAL.—The Comptroller General of the United States (in this section referred to as the ''Comptroller General'') shall conduct a study of the issues described in paragraph (2) regarding medicare supplemental policies described in section 1882(g)(1) of the Social Security Act (42 U.S.C. 1395ss(g)(1)).

(2) ISSUES TO BE STUDIED.—The issues described in this paragraph are the following:

(A) The level of coverage provided by each type of medicare supplemental policy.

(B) The current enrollment levels in each type of medicare supplemental policy.

(C) The availability of each type of medicare supplemental policy to medicare beneficiaries over age 65½.

(D) The number and type of medicare supplemental policies offered in each State.

(E) The average out-of-pocket costs (including premiums) per beneficiary under each type of medicare supplemental policy.

(2) REPORT.—Not later than July 31, 2001, the Comptroller General shall submit a report to Congress on the results of the study conducted under this subsection, together with any recommendations for legislation that the Comptroller General determines to be appropriate as a result of such study.

(b) GAO AUDIT AND REPORTS ON THE PROVISION OF MEDICARE+CHOICE HEALTH INFORMATION TO BENEFICIARIES.—

(1) IN GENERAL.—Beginning in 2000, the Comptroller General shall conduct an annual audit of the expenditures by the Secretary of Health and Human Services during the preceding year in providing information regarding the Medicare+Choice program under part C of title XVIII of the Social Security Act (42 U.S.C. 1395w–21 et seq.) to eligible medicare beneficiaries.

(3) REPORTS.—Not later than March 31 of 2001, 2004, 2007, and 2010, the Comptroller General shall submit a report to Congress on the results of the audit of the expenditures of the preceding 3 years conducted pursuant to subsection (a), together with an evaluation of the effectiveness of the means used by the Secretary of Health and Human Services in providing information regarding the Medicare+Choice program under part C of title XVIII of the Social Security Act (42 U.S.C. 1395w–21 et seq.) to eligible medicare beneficiaries.

TITLE VI—MEDICAID

SEC. 601. INCREASE IN DSH ALLOTMENT FOR CERTAIN STATES AND THE DISTRICT OF COLUMBIA.

(a) IN GENERAL.—The table in section 1923(f)(2) (42 U.S.C. 1396r–4(f)(2)) is amended under each of the columns for FY 00, FY 01, and FY 02—

(1) in the entry for the District of Columbia, by striking ''23'' and inserting ''32'';

(2) in the entry for Minnesota, by striking ''16'' and inserting ''33'';

(3) in the entry for New Mexico, by striking ''5'' and inserting ''9''; and

(4) in the entry for Wyoming, by striking ''0'' and inserting ''0.1''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) take effect on October 1, 1999, and applies to expenditures made on or after such date.

SEC. 602. REMOVAL OF FISCAL YEAR LIMITATION ON CERTAIN TRANSITIONAL ADMINISTRATIVE COSTS ASSISTANCE.

(a) IN GENERAL.—Section 1931(h) (42 U.S.C. 1396u–1(h)) is amended—

(1) in paragraph (3), by striking ''and ending with fiscal year 2000''; and

(2) by striking paragraph (4).

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of section 114 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2177).

SEC. 603. MODIFICATION OF THE PHASE-OUT OF PAYMENT FOR FEDERALLY-QUALIFIED HEALTH CENTER SERVICES AND RURAL HEALTH CLINIC SERVICES BASED ON REASONABLE COSTS.

(a) MODIFICATION OF PHASE-OUT.—

(1) IN GENERAL.—Section 1902(a)(13)(C)(i) (42 U.S.C. 1396a(a)(13)(C)(i)) is amended by striking ''90 percent for services furnished during fiscal year 2001, 85 percent for services furnished during fiscal year 2002, or 70 percent for services furnished during fiscal year 2003'' and inserting ''fiscal year 2001, or fiscal year 2002, 90 percent for services furnished during fiscal year 2003, or 85 percent for services furnished during fiscal year 2004''.

(2) CONFORMING AMENDMENT TO END OF TRANSITIONAL PAYMENT RULES.—Section 4712(c) of BBA (111 Stat. 509) is amended by striking ''2003'' and inserting ''2004''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the enactment of section 4712 of BBA (111 Stat. 508).

(b) GAO STUDY AND REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to Congress that evaluates the effect on Federally-qualified health centers and rural health clinics and on the populations served by such centers and clinics of the phase-out and elimination of the reasonable cost basis for payment for Federally-qualified health center services and rural health clinic services provided under section 1902(a)(13)(C)(i) of the Social Security Act (42 U.S.C. 1396a(a)(13)(C)(i)), as amended by section 4712 of BBA (111 Stat. 508) and subsection (a) of this section. Such report shall include an analysis of the amount, method, and impact of payments made by States that have provided for payment under title XIX of such Act for such services on a basis other than payment of costs which are reasonable and related to the cost of furnishing such services, together with any recommendations for legislation, including whether a new payment system is needed, that the Comptroller General determines to be appropriate as a result of the study.

SEC. 604. PARITY IN REIMBURSEMENT FOR CERTAIN UTILIZATION AND QUALITY CONTROL SERVICES; ELIMINATION OF DUPLICATIVE REQUIREMENTS FOR EXTERNAL QUALITY REVIEW OF MEDICAID MANAGED CARE ORGANIZATIONS.

(a) PARITY IN REIMBURSEMENT FOR CERTAIN UTILIZATION AND QUALITY CONTROL SERVICES.—

(1) INTERIM AMENDMENT TO REMOVE REFERENCES TO QUALITY REVIEW.—Section 1902(d) (42 U.S.C. 1396a(d)) is amended by striking ''for the performance of the quality review functions described in subsection (a)(30)(C),''.

(2) FINAL AMENDMENTS TO REMOVE REFERENCES TO QUALITY REVIEW.—

(A) SECTION 1902.—Section 1902(d) (42 U.S.C. 1396a(d)) is amended by striking ''(including quality review functions described in subsection (a)(30)(C))''.

(B) SECTION 1903.—Section 1903(a)(3)(C)(i) (42 U.S.C. 1396b(a)(3)(C)(i)) is amended by striking ''or quality review''.

(b) ELIMINATION OF DUPLICATIVE REQUIREMENTS FOR EXTERNAL QUALITY REVIEW OF MEDICAID MANAGED CARE ORGANIZATIONS.—

(1) IN GENERAL.—Section 1902(a)(30) (42 U.S.C. 1396a(a)(30)) is amended—

(A) in subparagraph (A), by adding ''and'' at the end;

(B) in subparagraph (B)(ii), by striking ''and'' at the end; and

(C) by striking subparagraph (C).

(2) CONFORMING AMENDMENT.—Section 1903(m)(6)(B) (42 U.S.C. 1396b(m)(6)(B)) is amended—

(A) in clause (ii), by adding ''and'' at the end;

(B) in clause (iii), by striking ''; and'' and inserting a period; and

(C) by striking clause (iv).

(c) EFFECTIVE DATES.—

(1) The amendment made by subsection (a)(1) applies to expenditures made on and after the date of the enactment of this Act.

(2) The amendments made by subsections (a)(2) and (b) apply as of such date as the Secretary of Health and Human Services certifies to Congress that the Secretary is fully implementing section 1932(c)(2) of the Social Security Act (42 U.S.C. 1396u–2(c)(2)).

SEC. 605. INAPPLICABILITY OF ENHANCED MATCH UNDER THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM TO MEDICAID DSH PAYMENTS.

(a) IN GENERAL.—The last sentence of section 1905(b) (42 U.S.C. 1396d(b)) is amended by inserting ''(other than expenditures under section 1923)'' after ''with respect to expenditures''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on October 1, 1999, and applies to expenditures made on or after such date.

SEC. 606. OPTIONAL DEFERMENT OF THE EFFECTIVE DATE FOR OUTPATIENT DRUG AGREEMENTS.

(a) IN GENERAL.—Section 1927(a)(1) (42 U.S.C. 1396r–8(a)(1)) is amended by striking ''shall not be effective until'' and inserting ''shall become effective as of the date on which the agreement is entered into or, at State option, on any date thereafter on or before''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies to agreements entered into on or after the date of enactment of this Act.

SEC. 607. MAKING MEDICAID DSH TRANSITION RULE PERMANENT.

(a) IN GENERAL.—Section 4721(e) of BBA (42 U.S.C. 1396r–4 note) is amended—

(1) in the matter before paragraph (1), by striking ''1923(g)(2)(A)'' and ''1396r–4(g)(2)(A)'' and inserting ''1923(g)(2)'' and ''1396r–4(g)(2)'', respectively;

(2) in paragraphs (1) and (2)—

(A) by striking '', and before July 1, 1999''; and

(B) by striking ''in such section'' and inserting ''in subparagraph (A) of such section''; and

(3) by striking ''and'' at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting ''; and'', and by adding at the end the following new paragraph:

''(3) effective for State fiscal years that begin on or after July 1, 1999, 'or (b)(1)(B)' were inserted in section 1923(g)(2)(B)(ii)(I) after '(b)(1)(A)'.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as if included in the enactment of section 4721(e) of BBA.

SEC. 608. MEDICAID TECHNICAL CORRECTIONS.

(a) Section 1902(a)(64) (42 U.S.C. 1396a(a)(64)) is amended by adding ''and'' at the end.

(b) Section 1902(j) (42 U.S.C. 1396a(j)) is amended by striking ''of of'' and inserting ''of''.

(c) Section 1902(l) (42 U.S.C. 1396a(l)) is amended—

(1) in paragraph (1)(C), by striking ''children children'' and inserting ''children'';

(2) in paragraph (3), in the matter preceding subparagraph (A), by striking the first comma after ''(a)(10)(A)(i)(VII)''; and

(3) in paragraph (4)(B), by inserting a comma after ''(a)(10)(A)(i)(IV)''.

(d) Section 1902(v) (42 U.S.C. 1396a(v)) is amended by striking ''(1)''.

(e) Section 1903(b)(4) (42 U.S.C. 1396b(b)(4)) is amended, in the matter preceding subparagraph (A), by inserting ''of'' after ''for the use''.

(f) The left margins of clauses (i) and (ii) of section 1903(d)(3)(B) (42 U.S.C. 1396b(d)(3)(B)) are each realigned so as to align with the left margin of section 1903(d)(3)(A).

(g) Section 1903(f)(2) (42 U.S.C. 1396b(f)(2)) is amended by striking the extra period at the end.

(h) Section 1903(i)(14) (1396b(i)(14)) is amended by adding ''or'' after the semicolon.

(i) Section 1903(m)(2)(A) (42 U.S.C. 1396b(m)(2)(A)) is amended—

(1) in clause (vi), by striking the semicolon the first place it appears; and

(2) by redesignating the clause (xi) added by section 4701(c)(3) of BBA (111 Stat. 493) as clause (xii).

(j) Section 1903(o) (42 U.S.C. 1396b(o)) is amended by striking ''1974))'' and inserting ''1974)''.

(k) Section 1903(w) (42 U.S.C. 1396b(w)) is amended—

(1) in paragraph (1)(B), by striking ''puroses'' and inserting ''purposes'';

(2) in paragraph (3)(B), by inserting a comma after ''(D)''; and

(3) by realigning the left margin of clause (viii) in paragraph (7)(A) so as to align with the left margin of clause (vii) of that paragraph.

(l) Section 1905(b)(1) (42 U.S.C. 1396d(b)(1)) is amended by striking ''per centum,,'' and inserting ''per centum,''.

(m) Section 1905(l)(2)(B) (42 U.S.C. 1936d(l)(2)(B)) is amended by striking ''a entity'' and inserting ''an entity''.

(n) The heading for section 1910 (42 U.S.C. 1396i) is amended by striking ''OF'' the first place it appears.

(o) Section 1915 (42 U.S.C. 1396n) is amended—

(1) in subsection (b), by striking ''1902(a)(13)(E)'' and inserting ''1902(a)(13)(C)'';

(2) in the last sentence of subsection (d)(5)(B)(iii), by striking ''75'' and inserting ''65''; and

(3) in subsection (h), by striking ''90 day'' and inserting ''90 days''.

(p) Section 1919 (42 U.S.C. 1396r) is amended—

(1) in subsection (b)(3)(C)(i)(I), by striking ''not later than'' the first place it appears; and

(2) in subsection (d)(4)(A), by striking ''1124'' and inserting ''1124)''.

(q) Section 1920(b)(2)(D)(i)(I) (42 U.S.C. 1396r–1(b)(2)(D)(i)(I)) is amended by striking ''329, 330, or 340'' and inserting ''330 or 330A''.

(r) Section 1920A(d)(1)(B) (42 U.S.C. 1396r–1a(d)(1)(B)) is amended by striking ''a entity'' and inserting ''an entity''.

(s) Section 1923(c)(3)(B) (42 U.S.C. 1396r–4(c)(3)(B)) is amended by striking ''patients.'' and inserting ''patients,''.

(t) Section 1925 (42 U.S.C. 1396r–6) is amended—

(1) in subsection (a)(3)(C), by striking ''(i)(VI) (i)(VII),,'' and inserting ''(i)(VI), (i)(VII),''; and

(2) in subsection (b)(3)(C)(i), by striking ''(i)(IV) (i)(VI) (i)(VII),,'' and inserting ''(i)(IV), (i)(VI), (i)(VII),''.

(u) Section 1927 (42 U.S.C. 1396r–8) is amended—

(1) in subsection (g)(2)(A)(ii)(II)(cc), by striking ''individuals'' and inserting ''individual's'';

(2) in subsection (i)(1), by striking ''the the'' and inserting ''the''; and

(3) in subsection (k)(7)—

(A) in subparagraph (A)(iv), by striking ''distributers'' and inserting ''distributors''; and

(B) in subparagraph (C)(i), by striking ''pharmaceuutically'' and inserting ''pharmaceutically''.

(v) Section 1929 (42 U.S.C. 1396t) is amended—

(1) in subsection (c)(2), by realigning the left margins of clauses (i) and (ii) of subparagraph (E) so as to align with the left margins of clauses (i) and (ii) of subparagraph (F) of that subsection;

(2) in subsection (k)(1)(A)(i), by striking ''settings,'' and inserting ''settings),''; and

(3) in subsection (l), by striking ''State wideness'' and inserting ''Statewideness''.

(w) Section 1932 (42 U.S.C. 1396u–2) is amended—

(1) in subsection (c)(2)(C), by inserting ''part'' before ''C of title XVIII''; and

(2) in subsection (d)—

(A) in paragraph (1)(C)(ii), by striking ''Act'' and inserting ''Regulation''; and

(B) in paragraph (2)(B), by striking ''1903(t)(3)'' and inserting ''1905(t)(3)''.

(x) Section 1933(b)(4) (42 U.S.C. 1396u–3(b)(4)) is amended by inserting ''a'' after ''for a month in''.

(y)(1) The section 1908 (42 U.S.C. 1396g–1) that relates to required laws relating to medical child support is redesignated as section 1908A.

(2) Section 1902(a)(60) (42 U.S.C. 1396b(a)(60)) is amended by striking ''1908'' and inserting ''1908A''.

(z) Effective October 1, 2004, section 1915(b) (42 U.S.C. 1396n(b)) is amended, in the matter preceding paragraph (1), by striking ''sections 1902(a)(13)(C) and'' and inserting ''section''.

(aa) Effective as if included in the enactment of BBA—

(1) section 1902(a)(10)(A)(ii)(XIV) (42 U.S.C. 1396a(a)(10)(A)(ii)(XIV)) is amended by striking ''1905(u)(2)(C)'' and inserting ''1905(u)(2)(B)'';

(2) section 1903(f)(4) (42 U.S.C. 1396b(f)(4)) is amended, in the matter preceding subparagraph (A), by striking ''1905(p)(1), or 1905(u)'' and inserting ''1902(a)(10)(A)(ii)(XIII), 1902(a)(10)(A)(ii)(XIV), or 1905(p)(1)''; and

(3) section 1905(a)(15) (42 U.S.C. 1396d(a)(15)) is amended by striking ''1902(a)(31)(A)'' and inserting ''1902(a)(31)''.

(bb) Except as otherwise provided, the amendments made by this section shall take effect on the date of enactment of this Act.

TITLE VII—STATE CHILDREN'S HEALTH INSURANCE PROGRAM (SCHIP)

SEC. 701. STABILIZING THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM ALLOTMENT FORMULA.

(a) IN GENERAL.—Section 2104(b) (42 U.S.C. 1397dd(b)) is amended—

(1) in paragraph (2)(A)—

(A) in clause (i), by striking ''through 2000'' and inserting ''and 1999''; and

(B) in clause (ii), by striking ''2001'' and inserting ''2000'';

(2) by amending paragraph (4) to read as follows:

''(4) FLOORS AND CEILINGS IN STATE ALLOTMENTS.—

''(A) IN GENERAL.—The proportion of the allotment under this subsection for a subsection (b) State (as defined in subparagraph (D)) for fiscal year 2000 and each fiscal year thereafter shall be subject to the following floors and ceilings:

''(i) FLOOR OF $2,000,000.—A floor equal to $2,000,000 divided by the total of the amount available under this subsection for all such allotments for the fiscal year.

''(ii) ANNUAL FLOOR OF 10 PERCENT BELOW PRECEDING FISCAL YEAR'S PROPORTION.—A floor of 90 percent of the proportion for the State for the preceding fiscal year.

''(iii) CUMULATIVE FLOOR OF 30 PERCENT BELOW THE FY 1999 PROPORTION.—A floor of 70 percent of the proportion for the State for fiscal year 1999.

''(iv) CUMULATIVE CEILING OF 45 PERCENT ABOVE FY 1999 PROPORTION.—A ceiling of 145 percent of the proportion for the State for fiscal year 1999.

''(B) RECONCILIATION.—

''(i) ELIMINATION OF ANY DEFICIT BY ESTABLISHING A PERCENTAGE INCREASE CEILING FOR STATES WITH HIGHEST ANNUAL PERCENTAGE INCREASES.—To the extent that the application of subparagraph (A) would result in the sum of the proportions of the allotments for all subsection (b) States exceeding 1.0, the Secretary shall establish a maximum percentage increase in such proportions for all subsection (b) States for the fiscal year in a manner so that such sum equals 1.0.

''(ii) ALLOCATION OF SURPLUS THROUGH PRO RATA INCREASE.—To the extent that the application of subparagraph (A) would result in the sum of the proportions of the allotments for all subsection (b) States being less than 1.0, the proportions of such allotments (as computed before the application of floors under clauses (i), (ii), and (iii) of subparagraph (A)) for all subsection (b) States shall be increased in a pro rata manner (but not to exceed the ceiling established under subparagraph (A)(iv)) so that (after the application of such floors and ceiling) such sum equals 1.0.

''(C) CONSTRUCTION.—This paragraph shall not be construed as applying to (or taking into account) amounts of allotments redistributed under subsection (f).

''(D) DEFINITIONS.—In this paragraph:

''(i) PROPORTION OF ALLOTMENT.—The term 'proportion' means, with respect to the allotment of a subsection (b) State for a fiscal year, the amount of the allotment of such State under this subsection for the fiscal year divided by the total of the amount available under this subsection for all such allotments for the fiscal year.

''(ii) SUBSECTION (b) STATE.—The term 'subsection (b) State' means one of the 50 States or the District of Columbia.'';

(3) in paragraph (2)(B), by striking ''the fiscal year'' and inserting ''the calendar year in which such fiscal year begins''; and

(4) in paragraph (3)(B), by striking ''the fiscal year involved'' and inserting ''the calendar year in which such fiscal year begins''.

(b) EFFECTIVE DATE.—The amendments made by this section apply to allotments determined under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.) for fiscal year 2000 and each fiscal year thereafter.

SEC. 702. INCREASED ALLOTMENTS FOR TERRITORIES UNDER THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM.

Section 2104(c)(4)(B) (42 U.S.C. 1397dd(c)(4)(B)) is amended by inserting '', $34,200,000 for each of fiscal years 2000 and 2001, $25,200,000 for each of fiscal years 2002 through 2004, $32,400,000 for each of fiscal years 2005 and 2006, and $40,000,000 for fiscal year 2007'' before the period.

SEC. 703. IMPROVED DATA COLLECTION AND EVALUATIONS OF THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM.

(a) FUNDING FOR RELIABLE ANNUAL STATE-BY-STATE ESTIMATES ON THE NUMBER OF CHILDREN WHO DO NOT HAVE HEALTH INSURANCE COVERAGE.—Section 2109 (42 U.S.C. 1397ii) is amended by adding at the end the following:

''(b) ADJUSTMENT TO CURRENT POPULATION SURVEY TO INCLUDE STATE-BY-STATE DATA RELATING TO CHILDREN WITHOUT HEALTH INSURANCE COVERAGE.—

''(1) IN GENERAL.—The Secretary of Commerce shall make appropriate adjustments to the annual Current Population Survey conducted by the Bureau of the Census in order to produce statistically reliable annual State data on the number of low-income children who do not have health insurance coverage, so that real changes in the uninsurance rates of children can reasonably be detected. The Current Population Survey should produce data under this subsection that categorizes such children by family income, age, and race or ethnicity. The adjustments made to produce such data shall include, where appropriate, expanding the sample size used in the State sampling units, expanding the number of sampling units in a State, and an appropriate verification element.

''(2) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated $10,000,000 for fiscal year 2000 and each fiscal year thereafter for the purpose of carrying out this subsection.''.

(b) FEDERAL EVALUATION OF STATE CHILDREN'S HEALTH INSURANCE PROGRAMS.—Section 2108 (42 U.S.C. 1397hh) is amended by adding at the end the following:

''(c) FEDERAL EVALUATION.—

''(1) IN GENERAL.—The Secretary, directly or through contracts or interagency agreements, shall conduct an independent evaluation of 10 States with approved child health plans.

''(2) SELECTION OF STATES.—In selecting States for the evaluation conducted under this subsection, the Secretary shall choose 10 States that utilize diverse approaches to providing child health assistance, represent various geographic areas (including a mix of rural and urban areas), and contain a significant portion of uncovered children.

''(3) MATTERS INCLUDED.—In addition to the elements described in subsection (b)(1), the evaluation conducted under this subsection shall include each of the following:

''(A) Surveys of the target population (enrollees, disenrollees, and individuals eligible for but not enrolled in the program under this title).

''(B) Evaluation of effective and ineffective outreach and enrollment practices with respect to children (for both the program under this title and the medicaid program under title XIX), and identification of enrollment barriers and key elements of effective outreach and enrollment practices, including practices that have successfully enrolled hard-to-reach populations such as children who are eligible for medical assistance under title XIX but have not been enrolled previously in the medicaid program under that title.

''(C) Evaluation of the extent to which State medicaid eligibility practices and procedures under the medicaid program under title XIX are a barrier to the enrollment of children under that program, and the extent to which coordination (or lack of coordination) between that program and the program under this title affects the enrollment of children under both programs.

''(D) An assessment of the effect of cost-sharing on utilization, enrollment, and coverage retention.

''(E) Evaluation of disenrollment or other retention issues, such as switching to private coverage, failure to pay premiums, or barriers in the recertification process.

''(4) SUBMISSION TO CONGRESS.—Not later than December 31, 2001, the Secretary shall submit to Congress the results of the evaluation conducted under this subsection.

''(5) FUNDING.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated $10,000,000 for fiscal year 2000 for the purpose of conducting the evaluation authorized under this subsection. Amounts appropriated under this paragraph shall remain available for expenditure through fiscal year 2002.''.

(c) INSPECTOR GENERAL AUDIT AND GAO REPORT ON ENROLLEES ELIGIBLE FOR MEDICAID.—Section 2108 (42 U.S.C. 1397hh), as amended by subsection (b), is amended by adding at the end the following:

''(d) INSPECTOR GENERAL AUDIT AND GAO REPORT.—

''(1) AUDIT.—Beginning with fiscal year 2000, and every third fiscal year thereafter, the Secretary, through the Inspector General of the Department of Health and Human Services, shall audit a sample from among the States described in paragraph (2) in order to—

''(A) determine the number, if any, of enrollees under the plan under this title who are eligible for medical assistance under title XIX (other than as optional targeted low-income children under section 1902(a)(10)(A)(ii)(XIV)); and

''(B) assess the progress made in reducing the number of uncovered low-income children, including the progress made to achieve the strategic objectives and performance goals included in the State child health plan under section 2107(a).

''(2) STATE DESCRIBED.—A State described in this paragraph is a State with an approved State child health plan under this title that does not, as part of such plan, provide health benefits coverage under the State's medicaid program under title XIX.

''(3) MONITORING AND REPORT FROM GAO.—The Comptroller General of the United States shall monitor the audits conducted under this subsection and, not later than March 1 of each fiscal year after a fiscal year in which an audit is conducted under this subsection, shall submit a report to Congress on the results of the audit conducted during the prior fiscal year.''.

(d) COORDINATION OF DATA COLLECTION WITH DATA REQUIREMENTS UNDER THE MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT.—

(1) IN GENERAL.—Paragraphs (2)(D)(ii) and (3)(D)(ii)(II) of section 506(a) (42 U.S.C. 706(a)) are each amended by inserting ''or the State plan under title XXI'' after ''title XIX''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) apply to annual reports submitted under section 506 of the Social Security Act (42 U.S.C. 706) for years beginning after the date of the enactment of this Act.

(e) COORDINATION OF DATA SURVEYS AND REPORTS.—The Secretary of Health and Human Services, through the Assistant Secretary for Planning and Evaluation, shall establish a clearinghouse for the consolidation and coordination of all Federal databases and reports regarding children's health.

SEC. 704. REFERENCES TO SCHIP AND STATE CHILDREN'S HEALTH INSURANCE PROGRAM.

The Secretary of Health and Human Services or any other Federal officer or employee, with respect to any reference to the program under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.) in any publication or other official communication, shall use—

(1) the term ''SCHIP'' instead of the term ''CHIP''; and

(2) the term ''State children's health insurance program'' instead of the term ''children's health insurance program''.

SEC. 705. SCHIP TECHNICAL CORRECTIONS.

(a) Section 2104(b)(3)(B) (42 U.S.C. 1397dd(b)(3)(B)) is amended by striking ''States.'' and inserting ''States,''.

(b) Section 2105(d)(2)(B)(iii) (42 U.S.C. 1397ee(d)(2)(B)(iii)) is amended by inserting ''in'' after ''described''.

(c) Section 2109(a) (42 U.S.C.1397ii(a)) is amended—

(1) in paragraph (1), by striking ''title II'' and inserting ''title I''; and

(2) in paragraph (2), by inserting ''(''' before the period.

The Following is explanatory language on H.R. 3426, as introduced on November 17, 1999.

TITLE I—PROVISIONS RELATING TO PART A

SUBTITLE A-ADJUSTMENTS TO PPS PAYMENTS FOR SKILLED NURSING FACILITIES (SNFS)

SEC. 101. TEMPORARY INCREASE IN PAYMENT FOR CERTAIN HIGH COST PATIENTS

Current law

The SNF prospective payment system (PPS) includes 44 hierarchical resource utilization groups (RUGs). The RUGs are utilized to formulate the per diem payments to SNFs on behalf of Medicare patients. The RUG payments represent the average cost for patients in each RUG category. During a phase-in starting in 1998, the per diem payment is based partially on the facility's specific costs and partially on a federal per diem rate.

H.R. 3075, as passed

Increases temporarily the federal per diem payment by 10% for 12 RUGs in the ''Extensive Services,'' ''Special Care,'' and ''Clinically Complex'' categories. Increased payments would be made from April 1, 2000 through September 30, 2000.

S. 1788, as reported

Increases temporarily the federal per diem payment by 25% for ''Extensive Services'' and ''Special Care'' categories and adds specified dollar amounts to per diem rates for five RUGs for rehabilitation therapies. Increased payments would be made from April 1, 2000 through September 30, 2001.

Agreement

The agreement includes the Senate provision with amendments. For SNF services furnished on or after April 1, 2000, and before the later of October 1, 2000, or implementation by the Secretary of Health and Human Services (hereafter referred to as ''Secretary'') of a refined RUG system, per diem payments are increased by 20% for 15 RUGs falling under categories for Extensive Services, Special Care, Clinically Complex, High Rehabilitation, and Medium Rehabilitation. It is the intent of the parties to the agreement that the implementation begin on

April 1, 2000, and that on this date, each payment shall increase by the required amount so that the facilities will receive payment authorized on April 1, 2000. In FY 2001 and 2002 the federal per diem payment to a facility is increased by 4% in each year, calculated exclusive of the 20% RUG rate increase.

SEC. 102. AUTHORIZING FACILITIES TO ELECT IMMEDIATE TRANSITION TO FEDERAL RATE

Current law

Payments to SNFs under the federal per diem RUG system are phased in over a period of time. Starting in 1998, a SNF receives per diem rates that are a blend of 75% of the facility-specific rate and 25% of the federal per diem rate. The proportions shift annually by 25 percentage points until the federal rate equals the full payment.

H.R. 3075, as passed

Permits SNFs to choose to receive payments based wholly on the federal per diem rate if that would be more advantageous to the facility; effective for elections made more than 60 days after enactment.

S. 1788, as reported

Permits SNFs to choose to receive payments based wholly on the federal per diem rate if that would be more advantageous to the facility; effective upon enactment.

Agreement

The agreement includes the House provision with modification. SNFs may elect immediate transition to the federal rate on or after December 15, 1999 for cost reporting periods beginning on or after January 1, 2000. There is no election for cost reporting periods beginning before January 1, 2000. SNFs may elect immediate transition up to 30 days after the start of their cost reporting period.

SEC. 103. PART A PASS-THROUGH PAYMENTS FOR CERTAIN AMBULANCE SERVICES, PROSTHESES, AND CHEMOTHERAPY DRUGS

Current law

SNF PPS payments are inclusive of ancillary services and drugs (except for renal dialysis services) needed by patients in specified RUGs.

H.R. 3075, as passed

Excludes certain items, starting April 1, 2000, from RUG payments. Provides separate payment for ambulance services for beneficiaries needing renal dialysis in a facility outside of the SNF, specific chemotherapy items and services, radioisotope services, and customized prosthetic devices delivered to the beneficiary during an inpatient SNF stay. Beginning with FY 2001, requires Secretary to reduce base RUG rates to account for exclusion of these items to ensure budget neutrality.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision. The parties to the agreement include this provision in recognition that skilled nursing facilities (SNFs) from time to time experience high-cost, low probability events that could have devastating financial impacts because their costs far exceed the payment they receive under the prospective payment system (PPS). This provision is an attempt to exclude from the PPS certain services and costly items that are provided infrequently in SNFs. For example, in the case of chemotherapy drugs, Health Care Financing Administration (HCFA) physicians excluded specific chemotherapy drugs from the PPS because these drugs are not typically administered in a SNF, or are exceptionally expensive, or are given as infusions, thus requiring special staff expertise to administer. Some chemotherapy drugs, which are relatively inexpensive and are administered routinely in SNFs, were excluded from this provision.

While this provision exempts ambulance services for end-stage renal disease (ESRD) patients, the parties to the agreement note that, in many cases, regularly scheduled trips may be made in vehicles that are less costly than an Advanced or Basic Life Support ambulance, and the parties to the agreement urge that SNFs use these cost-saving services appropriately.

The parties to the agreement recognize that excluding services or items from the PPS by specifying codes in legislation may not be the most appropriate way to protect SNFs from extraordinary events. Additionally, some items may have been inadvertently excluded from the list. New, extremely costly items may come into use or codes may change over time. Therefore, the parties to the agreement expect the Secretary to use her authority to review periodically and modify, as needed, the list of excluded services and items to reflect changes in codes and developments in medical technology. The parties to the agreement also request the General Accounting Office (GAO) to review the codes of the excluded items and make recommendations on whether the criteria for their exclusion are appropriate by July 1, 2000.

Section 1888(e)(5)(A) of the Social Security Act directed the Secretary to establish a SNF market basket index (MBI) that ''reflects the changes over time in the prices of an appropriate mix'' of goods and services. The parties to the agreement believe that the Secretary should ensure that the current SNF MBI, as developed by the Secretary and based on Fiscal Year 1992 costs, fulfills this mandate. The parties to the agreement recognize that the Secretary revised and rebased the 1992 costs when developing the MBI; however, the Secretary should ensure that these types of modifications adequately reflect the costs of the efficient delivery of medically necessary new medications developed since 1992. Innovative medical research techniques, combined with significant technological advances, have led to the development of numerous new medications over the past seven years. The Secretary should ensure that these types of changes are represented in the current SNF MBI.

Accordingly, Congress expects the Secretary to: (1) evaluate the appropriateness of the SNF MBI with respect to medications used in the SNF population based on data from the first fiscal year after full implementation of the SNF PPS when they become available; (2) consider modification of the current SNF MBI as appropriate; and (3) ensure that the MBI continues to be responsive to new medications used by the SNF population.

SEC. 104. PROVISION FOR PART B ADD-ONS FOR FACILITIES PARTICIPATING IN THE NURSING HOME CASE MIX AND QUALITY (NHCMQ) DEMONSTRATION PROJECT

Current law

SNFs that had participated in the NHCMQ demonstration that preceded completion and implementation of the RUG/PPS do not have the cost of Part B services to their Medicare patients accounted for under the facility-specific component of the PPS during the transition period as do other SNFs.

H.R. 3075, as passed

Includes the cost of Part B services in the computation of the facility-specific component of the per diem payment during the transition to the federal per diem PPS for SNFs that had participated in the NHCMQ demonstration, including updates of the SNF market basket increase minus 1 percentage point, except for an increase in FY 2001 of the SNF market basket plus 0.8 percentage points. The provision becomes effective retroactively to implementation of the Balanced Budget Act of 1997 (BBA 97).

S. 1788, as reported

Similar to the House provision, with updates of the market basket increase minus 1 percentage point for cost reporting periods after 1997 and with allowances for exceptions payments.

Agreement

The agreement includes the House provision with a modification to keep the FY 2001 update at market basket minus 1 percentage point.

SEC. 105. SPECIAL CONSIDERATION FOR FACILITIES SERVING SPECIALIZED PATIENT POPULATIONS

Current law

No provision.

H.R. 3075, as passed

Provides temporarily for special per diem payments to be based 50% on the facility-specific rate and 50% on the federal rate for hospital-based SNFs: (1) that were certified for Medicare before July 1, 1992; (2) in 1998 served patients who were immuno-compromised secondary to an infectious disease; and (3) for which such patients accounted for more than 60% of the facility's total patient days in 1998. The special rates apply for the first cost reporting period starting after enactment and end on September 30, 2001. Requires the Secretary to assess and report within 1 year of enactment on the resource use of such patients and recommend whether permanent adjustments should be made to the RUGs in which they are classified.

S. 1788, as reported

Requires the Secretary to study and report to Congress within 1 year of enactment on alternative payment methods for SNFs specializing in caring for extremely high cost, chronically ill populations.

Agreement

The agreement includes the House provision.

SEC. 106. MEDPAC STUDY ON SPECIAL PAYMENT FOR FACILITIES LOCATED IN HAWAII AND ALASKA

Current law

No provision.

H.R. 3075, as passed

Requires the Medicare Payment Advisory Commission (MedPAC) to study and report within 18 months of enactment on the need for additional payments for SNFs in Alaska and Hawaii.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision.

SEC. 107. STUDY AND REPORT REGARDING STATE LICENSURE AND CERTIFICATION STANDARDS AND RESPIRATORY THERAPY COMPETENCY EXAMINATIONS

Current law

No provision.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Requires the Secretary to report within 1 year of enactment on variations in state licensure and certification standards for workers providing respiratory therapy in SNFs and to make recommendations regarding Medicare requirements for licensing or certification.

Agreement

The agreement includes the Senate provision with modification.

SUBTITLE B—PPS HOSPITALS

SEC. 111. MODIFICATION IN TRANSITION FOR INDIRECT MEDICAL EDUCATION (IME) PERCENTAGE ADJUSTMENT

Current law

Medicare pays teaching hospitals for its share of the direct costs of providing graduate medical education, and the indirect costs associated with approved graduate medical education programs. Prior to BBA 97, Medicare's indirect medical education (IME) payments increased 7.7% for each 10% increase in a hospital's ratio of interns and residents to beds. BBA 97 reduced the IME adjustment to 6.5% in FY 1999; to 6.0% in FY 2000 and to 5.5% in FY 2001 and subsequent years.

H.R. 3075, as passed

Freezes the IME adjustment at 6.0% for FY 2001 and then reduces the adjustment to 5.5% in FY 2002 and subsequent years.

S. 1788, as reported

Freezes the IME adjustment at 6.5% through FY 2003 and then reduces the adjustment to 5.5% in FY 2004 and subsequent years.

Agreement

The agreement includes the Senate provision with modifications. The IME adjustment would be frozen at 6.5% through FY 2000. The adjustment would be reduced to 6.25% in FY 2001 and then to 5.5% in FY 2002 and subsequent years.

The parties to the agreement include in this provision a special adjustment to achieve the 6.5 percent IME payment for the first six months of FY 2000. Because the PPS rates for FY 2000 were set prior to enactment and claims have already been paid at the IME percentage adjustment of 6.0 percent as mandated in the Balanced Budget Act of 1997, reverting to the 6.5 percent IME percentage adjustment provided in this legislation would require re-processing of beneficiary claims. Due to necessary Year 2000 computer adjustments, the Secretary is unable to make payment changes until April 1, 2000, thus requiring a special adjustment to accommodate the changes made under this section. To prevent reprocessing of over 5 million beneficiary claims and reissuing an FY 2000 PPS payment rule, the payment difference between a 6.0 and a 6.5 IME percentage adjustment will be accomplished through an aggregate adjustment to teaching hospital payments.

SEC. 112. DECREASE IN REDUCTIONS FOR DISPROPORTIONATE SHARE HOSPITALS; DATA COLLECTION REQUIREMENTS

Current law

Medicare makes additional payments to hospitals that serve a disproportionate share of low-income Medicare and Medicaid patients. BBA 97 reduced the disproportionate share hospital (DSH) payment formula by 1% in FY 1998; 2% in FY 1999; 3% in FY 2000; 4% in FY 2001; 5% in FY 2002 and 0% in FY 2003 and in each subsequent year.

H.R. 3075, as passed

Freezes the reduction in the DSH payment formula to 3% in FY 2001. Changes the reduction to 4% in FY 2002.

Requires the Secretary to collect hospital cost data on uncompensated inpatient and outpatient care, including non-Medicare bad debt and charity care as well as Medicaid and indigent care charges. Requires the submission of the data in cost reports for cost reporting periods beginning on or after the enactment date.

S. 1788, as reported

Freezes the reduction in the DSH payment formula to 3% in FY 2001.

Agreement

The agreement includes the House provision with modification by requiring the Secretary to have hospitals submit the data requested in cost reports for cost reporting periods beginning on or after October 1, 2001.

This provision eases the financial burden of hospitals caring for a disproportionate share of low-income individuals. In addition, the Secretary is required to collect additional data necessary to develop a DSH payment methodology that takes into account the cost of serving uninsured and underinsured patients, as recommended by MedPAC. Presently, the DSH formula is based only on the costs associated with Medicaid patients and Medicare patients eligible for Supplementary Security Income (SSI). MedPAC has recommended that the formula be amended to include inpatient and outpatient costs associated with services provided to low-income patients, defined broadly to include all care to the poor.

In order to develop such a revised formula, it is necessary first to collect additional data. MedPAC recommends that data be collected on patients enrolled in state and local indigent care programs, as well as uncompensated care associated with uninsured or underinsured patients. State and local indigent care programs would include non-federally financed programs with specific eligibility criteria for specified health care services. Financial data on state and local appropriations that offset uncompensated care expenses should also be collected. Uncompensated care costs and charges are those identified more typically as bad debt and charity care. While the parties to the agreement recognize that there may be problems in defining and appropriately measuring such costs and charges in a way that avoids duplication, such problems can best be overcome by developing standard definitions at the national level. The parties to the agreement expect the Secretary to report on the financial interactions and potential for shifts between Federal and State governments.

SUBTITLE C—PPS-EXEMPT HOSPITALS

SEC. 121. WAGE ADJUSTMENT OF PERCENTILE CAP FOR PPS-EXEMPT HOSPITALS

Current law

BBA 97 established a national cap on the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) limits for PPS-exempt hospitals at 75% of the target amount for that class of hospital.

H.R. 3075, as passed

Adjusts the labor-related portion of the 75% cap to reflect differences between the wage-related costs in the area of the hospital and the national average of such costs within the same class of hospitals beginning for cost reporting periods on or after October 1, 1999.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision.

SEC. 122. ENHANCED PAYMENTS FOR LONG-TERM CARE AND PSYCHIATRIC HOSPITALS UNTIL DEVELOPMENT OF PROSPECTIVE PAYMENT SYSTEMS (PPS) FOR THOSE HOSPITALS

Current law

BBA 97 established the amount of bonus and relief payments for eligible PPS-exempt providers.

H.R. 3075, as passed

Increases the amount of continuous bonus payments to the eligible long-term care and psychiatric providers from 1% to 1.5% for cost reporting periods beginning on or after October 1, 2000 and before September 30, 2001 and 2% for cost reporting periods beginning on or after October 1, 2001 and before September 30, 2002.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision.

SEC. 123. PER DISCHARGE PROSPECTIVE PAYMENT SYSTEM (PPS) FOR LONG-TERM CARE HOSPITALS

Current law

BBA 97 requires the Secretary to develop a legislative proposal for a PPS for long-term care hospitals that includes an adequate patient classification system by October 1, 1999.

H.R. 3075, as passed

Requires the Secretary to report to the appropriate Congressional committees by October 1, 2001 on a discharge-based PPS with an adequate patient classification system for long-term care hospitals which would be implemented in a budget-neutral fashion for cost reporting periods beginning on or after October 1, 2002. The Secretary may require such long-term care hospitals to submit information to develop the payment system.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision. In developing and evaluating the new PPS system, the parties to the agreement encourage the Secretary to measure the quality of outcomes.

SEC. 124. PER DIEM PROSPECTIVE PAYMENT SYSTEM (PPS) FOR PSYCHIATRIC HOSPITALS

Current law

No provision.

H.R. 3075, as passed

Requires the Secretary to report to the appropriate Congressional committees by October 1, 2001 on a per diem-based PPS with an adequate patient classification system for psychiatric hospitals and distinct-part units which would be implemented in a budget-neutral fashion for cost reporting periods beginning on or after October 1, 2002. The Secretary may require such psychiatric hospitals and units to submit information to develop the system.

S. 1788, as reported

Requires the Secretary to report to Congress within 2 years of enactment on a PPS for psychiatric hospitals and units. The study should take into account the unique circumstances of psychiatric hospitals in rural areas.

Agreement

The agreement includes the House provision. The parties to the agreement are aware

that changes to payments for psychiatric units and hospitals contained in this bill could affect the provision of mental health services in rural areas. Accordingly, the parties to the agreement request that MedPAC evaluate the impact of these changes and make recommendations if further modifications are needed to maintain the availability of rural hospitals to provide critical behavioral health services.

SEC. 125. REFINEMENT OF PROSPECTIVE PAYMENT SYSTEM (PPS) FOR INPATIENT REHABILITATION HOSPITALS

Current law

BBA 97 requires the Secretary to establish a case-mix adjusted prospective payment system (PPS) for rehabilitation hospitals and distinct-part units, effective beginning in FY 2001. PPS rates are to be phased-in between October 1, 2000 and before October 1, 2002 with an increasing percentage of the hospitals' payment based on the PPS amount. For FY 2001 and FY 2002, the Secretary is required to establish prospective payment amounts so that total payments for rehabilitation hospitals equal 98% of the amount that would have been paid if the PPS had not been enacted. The inpatient rehabilitation hospital/distinct-part unit PPS will be fully implemented by October 1, 2002.

H.R. 3075, as passed

Changes the phase-in requirements to permit rehabilitation facilities to elect to have their payment based entirely on the PPS amount in FY 2001 and FY 2002. Changes the budget neutrality requirement for FY 2001 and FY 2002 to account for the facilities that have elected to be fully reimbursed on the PPS amount during the transition period. Requires the Secretary, after obtaining substantially complete FY 2001 data, to analyze the extent to which changes in case-mix (or changes in the severity of illnesses) are attributable to changes in medical record coding and patient classification and do not reflect real changes in case-mix. Based on the analysis of the case-mix change attributable to coding and classification change, the Secretary shall adjust FY 2004 PPS rates by 150% of the estimate of the PPS percentage adjustment that would have achieved budget neutrality in FY 2001 if it had applied to setting the rates for that fiscal year. If this FY 2004 adjustment resulted in a percentage decrease in the rates, the Secretary shall increase the FY 2005 PPS rates by a percentage equal to ⅓ of such percentage decrease. If this FY 2004 adjustment resulted in a percentage increase in the rates, the Secretary shall decrease the FY 2005 PPS rates by a percentage equal to 1/3 of such percentage increase.

Requires the Secretary to base PPS on discharges. Requires the Secretary to establish classes of patient discharges of rehabilitation facilities by functional-related groups, based on impairment, age, comorbidities, and functional capability of the patient and such other factors as the Secretary deems appropriate to improve the explanatory power of Functional Independence Measure-Function Related Groups (FIMFRGs). Clarifies that the Secretary may adjust payments to account for the early transfer of a patient from a rehabilitation facility to another site of care. Requires the Secretary to submit a study to Congress not later than 3 years after the implementation of the PPS of its impact on utilization and access.

S. 1788, as reported

Bases the PPS on discharges classified according to functional-related groups based on impairment, age, comorbidities, and functional capability of the patient as well as other factors deemed appropriate to improve the explanatory power of FIMFRGs. Requires the Secretary to submit a study to Congress, not later than 2 years after implementation of PPS, of its impact on service utilization, beneficiary access, non-therapy ancillary services and other factors that the Secretary determines to be appropriate. The study should include legislative recommendations on payment adjustments as appropriate.

Agreement

The agreement includes the House provision with amendments.

SUBTITLE D—HOSPICE CARE

SEC. 131. TEMPORARY INCREASE IN PAYMENT FOR HOSPICE CARE

Current law

Hospice payments are based on one of four prospectively determined daily rates which correspond to levels of care. Before BBA 97, the rates were updated annually by the hospital market basket; BBA 97 reduced the updates to market basket minus 1 percentage point for FY 1999 through FY 2002 and required the Secretary to collect hospice cost data.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Changes the hospice update to market basket minus 0.5 percentage point through FY 2002.

Agreement

The agreement includes the Senate provision with an amendment. For each of fiscal years 2001 and 2002, hospice payment rates (otherwise in effect for those years) are increased by 0.5 percent and 0.75 percent, respectively. The Secretary is prohibited from including these additional payments in the updates of payment rates after FY 2002.

SEC. 132. STUDY AND REPORT TO CONGRESS REGARDING MODIFICATION OF THE PAYMENT RATES FOR HOSPICE CARE

Current law

The Secretary is required to collect data from hospices on the costs of care provided for each fiscal year beginning with FY 1999.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Requires the GAO to conduct a study on the feasibility and advisability of updating the hospice rates and certain capped payment amounts, including an evaluation of whether the cost factors used to determine the rates should be modified, eliminated, or supplemented with additional cost factors. The report and recommendation are to be submitted to Congress within 1 year of enactment.

Agreement

The agreement includes the Senate provision.

SUBTITLE E—OTHER PROVISIONS

SEC. 141. MEDPAC STUDY ON MEDICARE PAYMENT FOR NON-PHYSICIAN HEALTH PROFESSIONAL CLINICAL TRAINING IN HOSPITALS

Current law

BBA 97 required that, not later than 2 years after enactment, MedPAC submit to Congress a study of Medicare's graduate medical education payment policy and reimbursement methodologies including whether and to what extent payments are being made (or should be made) for training in nursing and other allied health professions.

H.R. 3075, as passed

Requires MedPAC, within 18 months of enactment, to submit to Congress a study of Medicare payment policy with respect to professional clinical training of different types of non-physician health care professionals (such as nurses, nurse practitioners, allied health professionals, physician assistants, and psychologists).

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision. The parties to the agreement recognize that MedPAC has considered non-physician clinical training in its report to the Congress on long-term policies for graduate medical education. However, the parties to the agreement require additional explicit information on Medicare's role in financing clinical training for non-physician health professionals. A continuation of the existing effort, combined with quantitative analysis, will provide the Congress with all aspects of Medicare's support for health professional training, including possible methodologies for making payments and the entities that should receive them.

The parties to the agreement are pleased that the Secretary, consistent with language included in the Conference Report (Report 105–217) of the Balanced Budget Act of 1997, is considering a proposal to initiate graduate medical education payments to institutions involved in the training of clinical psychologists. The parties to the agreement urge the Secretary to issue a notice of proposed rulemaking to accomplish this modification before June 1, 2000.

SUBTITLE F—TRANSITIONAL PROVISIONS

SEC. 151. EXCEPTION TO CMI QUALIFIER FOR ONE YEAR

Current law

The Secretary is authorized to allow for exceptions and adjustments to the amount paid under PPS for hospitals that act as regional or national referral centers for patients transferred from other hospitals. Generally, a referral center is located in a rural area, has at least 275 or more beds, can show that at least 50% of its Medicare patients are referred from other hospitals, and that at least 60% of its Medicare patients live more than 25 miles from the hospital or that 60% of all the services that the hospital furnishes to Medicare beneficiaries are furnished to those that live more than 25 miles from the hospital.

Alternatively, a hospital may meet certain other specified criteria including (1) a case-mix index above the national average or above the median case-mix value for urban hospitals located in that region; (2) a number of discharges greater than 5,000 or, if less, above the median number of discharges for urban hospitals in the region; (3) more than 50% of the hospital's active medical staff are specialists; (4) at least 60% of all its discharges are for patients who live more than 25 miles from the hospital; or (5) at least 40% of all patients treated at the hospital are referred from other hospitals or by physicians not on the hospital's staff. These referral centers receive preferential treatment in the Medicare inpatient PPS for the disproportionate share hospital payment adjustment and when considered for geographic reclassification.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Deems that Northwest Mississippi Regional Medical Center meets the case-mix

index criterion for classification as a referral center for FY 2000.

Agreement

The agreement includes the Senate provision.

SEC. 152. RECLASSIFICATION OF CERTAIN COUNTIES AND AREAS FOR PURPOSES OF REIMBURSEMENT UNDER THE MEDICARE PROGRAM

Current law

Medicare's inpatient hospital PPS payments vary by urban/rural classification and the geographic area where a hospital is located or to which a hospital is assigned.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Deems that: Iredell County, NC is to be considered part of the Charlotte-Gastonia Rock Hill NC-SC Metropolitan Statistical Area (MSA); and Orange County, NY is to be considered part of the large urban area of New York, NY for discharges occurring on or after October 1, 1999.

Agreement

The agreement contains the Senate provision with modifications. For purposes of Medicare reimbursement, Lake County, Indiana and Lee County, Illinois are deemed to be considered part of the Chicago, Illinois MSA; Hamilton-Middletown, Ohio is deemed to be considered part of the Cincinnati, Ohio-Kentucky-Indiana MSA; Brazoria County, Texas is deemed to be considered part of the Houston, Texas MSA; and Chittenden County, Vermont is deemed to be considered part of the Boston-Worcester-Lawrence-Lowell-Brockton, Massachusetts-New Hampshire MSA. These counties would be reclassified for the purposes of the Medicare inpatient PPS in FY 2000 and FY 2001.

SEC. 153. WAGE INDEX CORRECTION

Current law

Medicare's inpatient hospital PPS payments are adjusted to reflect the wage level in the geographic area where a hospital is located or to which a hospital is assigned. Hospitals can only submit and correct wage data during specified times. All payment changes that result from changes to the wage data are implemented in a budget-neutral fashion.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Requires the Secretary to recalculate and apply the Hattiesburg, MS MSA wage index for FY 2000 using FY 1996 wage and hour data for Wesley Medical Center. The Secretary is instructed to adjust PPS to take into account the corrected wage index.

Agreement

The agreement includes the Senate provision with modifications. The wage index recalculation would not affect the wage indices for any other areas.

SEC. 154. CALCULATION AND APPLICATION OF WAGE INDEX FLOOR FOR A CERTAIN AREA

Current law

Medicare's inpatient hospital PPS payments are adjusted to reflect the wage level in the geographic area where a hospital is located or to which a hospital is assigned. Hospitals can only submit and correct wage data during specified times. All payment changes that result from changes to the wage data are implemented in a budget-neutral fashion.

H.R. 3075, as passed

No provision.

S. 1788, as reported

No provision.

Agreement

The agreement would require the Secretary to calculate and apply the wage index for the Allentown-Bethlehem-Easton MSA for FY 2000 as if Lehigh Valley Hospital were classified in such area. Such recalculation would not affect the wage index for any other area. For FY 2001, Lehigh Valley Hospital would be treated as being classified to the Allentown-Bethlehem-Easton MSA.

SEC. 155. SPECIAL RULE FOR CERTAIN SKILLED NURSING FACILITIES

Current law

The SNF prospective payment system pays SNFs a per diem amount for all covered services provided to Medicare beneficiaries. During a transition period lasting through the three cost reporting periods beginning on or after July 1, 1998, a portion of the per diem payment to a SNF will be based on a facility-specific rate, and the remaining portion on a federal rate. By the end of the transition, 100% of the per diem payment will be based on the federal rate. Federal and facility-specific payments are based on updated 1995 cost reports.

H.R. 3075, as passed

No provision.

S. 1788, as reported

No provision.

Agreement

The agreement includes provisions to require the Secretary to establish for each cost reporting period beginning in FY 2000 and in FY 2001, special per diem payments for SNFs: (1) that began participation in the Medicare program before January 1, 1995; (2) for which at least 80 percent of total inpatient days of the facility in the cost reporting beginning in 1998 were comprised of persons entitled to Medicare; and (3) that are located in Baldwin or Mobile County, Alabama. The payment amount would be equal to 100 percent of the facility-specific rate, which would be based on allowable costs for the cost reporting period beginning in FY 1998.

TITLE II—PROVISIONS RELATING TO PART B

SEC. 201. OUTLIER ADJUSTMENT; TRANSITIONAL PASS-THROUGH FOR CERTAIN MEDICAL DEVICES, DRUGS, BIOLOGICALS

Current law

Under the hospital outpatient PPS, payments will be uniform for all patients undergoing a certain procedure in certain hospitals. Currently, beneficiaries pay 20% of charges for outpatient services. Under the outpatient PPS, beneficiary copayments will be limited to frozen dollar amounts based on 20% of the national median of charges for services in 1996, updated to the year of implementation of the PPS.

H.R. 3075, as passed

For certain high cost (or ''outlier'') patients, permits the Secretary to determine and provide additional payments to hospitals for each covered service for which the hospital's costs exceed a fixed multiple of the PPS amount, including any ''transitional pass-through'' payments and including other adjustments. The pool of funds for such outlier payments may not exceed 2.5% of total program costs in years before 2004 and 3.0% thereafter, but must be budget-neutral.

Allows for 2 to 3 years of payments to be made in addition to PPS payments (''transitional pass through'' payments) for innovative medical devices, drugs, and biologicals, including orphan drugs, cancer therapy drugs and biologicals, and certain ''new'' medical devices, drugs, and biologicals. The pool of funds for such items would be 2.5% for years up to 2004 and 2% thereafter, but must be budget-neutral.

For the outpatient PPS, defines covered outpatient services to include implantable medical devices; gives the Secretary the option of basing the system's relative payment weights on the mean or the median of hospital costs.

Limits cost range of services and items (except for orphan drugs) comprising a cost group on which a prospective payment is based. Provides that beneficiary copayments will not reflect Medicare payments to hospitals for outlier costs or transitional pass through payments for certain drugs, biologicals, and devices.

S. 1788, as reported

Similar to House provision with additional transitional pass-through payments for radiopharmaceuticals.

Agreement

The agreement includes the House provision with amendments: the agreement includes a transitional pass-through of costs of radiopharmaceuticals. In addition, the agreement allows the Secretary to apply outlier payments for covered outpatient services furnished before January 1, 2002, for individual outpatient encounters, using an appropriate cost-to-charge ratio for the hospital rather than for the specific departments within the hospital.

It is the intent of the conferees that the phase-down in beneficiary coinsurance for hospital outpatient services enacted by the Balanced Budget Act of 1997 not be delayed further by any changes to the hospital outpatient prospective payment system included in this bill. The BBA 97 provision was intended to fix an anomaly in the law that resulted in Medicare beneficiaries paying more than 20 percent in coinsurance for hospital outpatient services. There has already been a one-year delay in the implementation of the BBA 97 provision. The conferees fully expect that the beneficiary coinsurance phase-down will commence, as scheduled, on July 1, 2000, and that beneficiary coinsurance for outpatient department (OPD) services will be frozen until it equals 20 percent of the Medicare OPD fee schedule amount, which should be determined without regard to any outlier adjustments, adjustments that limit payment declines, or transitional add-on payments.

The parties to the agreement believe that HCFA's plans for implementing the outpatient prospective payment system (PPS), as described in HCFA's September 7, 1998 proposed regulation, raise many concerns. The proposal: (1) fails to provide adjustments for high cost care; (2) does not adequately provide a transition to include medical devices, drugs and biologicals in the system, and; (3) will not be updated annually to keep pace with changes in technology and medical practice. The Committee is making several structural changes to improve the design of the outpatient PPS and to assure that patients are not denied access to needed care.

In the proposed regulation, HCFA classified many different services with varying costs into a single payment group. In one example, brachytherapy has been placed in a group with other procedures that are much less costly. This could provide disincentives to use this technology. The Committee believes that while some level of variation is unavoidable, there should not be wide variation that could potentially restrict access to the most costly services. To address this

problem, this agreement would place an upper limit on the variation of costs among services included in the same group. The most costly item or service in a group could not have a mean or median cost that was more than twice the mean or median cost of the least costly item or service in the group. To provide additional flexibility, the parties to the agreement give the Secretary the option to base the relative payment weights on either the mean or median cost of the items and services in a group. Further, in classifying drugs and biologicals into payment categories, the parties to the agreement expect that consideration will be given to products that are therapeutically equivalent.

The parties to the agreement recognize that there may be unusual cases, such as low volume items and services, and the Secretary is given discretion to exempt these exceptional cases from the limitation. The parties expect that the Secretary would not use this exception to include orphan drugs in a group that contains very different resources.

In the proposed regulation, HCFA stated its intention not to update the payment groups and rates annually. This is different from the agency's process of annually updating the inpatient prospective payment system. Given the rapid pace of technological change as well as changes in medical practice, the parties to the agreement require the Secretary to review the outpatient payment groups and amounts annually and to update them as necessary.

BBA 97 gave the Secretary the discretion to make additional payments (called outlier payments) to hospitals for particularly costly cases. The parties to the agreement require the Secretary to make outlier payments in a budget neutral manner and in a similar way as is currently done in the inpatient PPS. The outlier pool would be established at any level up to 2.5 percent of total payments for the first three years under the new system. After the third year, the pool could be set at any level up to 3 percent of total payments.

While the statutory provisions for the inpatient PPS require an outlier pool equal to a level between 5 and 6 percent of total inpatient PPS payments, the Committee believes that the lower levels of 2.5 and 3.0 percent are more appropriate for the outpatient PPS because the outpatient PPS will make separate payments for most individual services performed during an outpatient encounter. The allowed upper limit on the size of the pool is increased after the third year because the need for outlier payments may increase after the temporary add-on payments for drugs and biologicals, described below, are replaced with a transitional provision that applies only to new products.

The parties to the agreement are concerned that HCFA's proposed payment system does not adequately address issues pertaining to the treatment of drugs, biologicals and new technology. The parties believe that these oversights could lead to restricted beneficiary access to drugs, biologicals and new technology. The provisions would establish transitional payments to cover the added costs of certain services involving the use of medical devices, drugs and biologicals. Hospitals using these drugs, biologicals and devices would be eligible for additional payments.

The duration of the transitional payment would be for a period of at least two years but not more than three years. For drugs, biologicals, and brachytherapy used in cancer therapy and orphan drugs, the period would begin with the implementation date of the outpatient PPS. This also would be the period applicable to medical devices first paid as an outpatient hospital service after 1996 but before implementation of the outpatient PPS (as well as for any other item or service eligible for the additional payments at the inception of the outpatient PPS because of insufficient data or use of the Secretary's discretion). For products first paid as an outpatient service after implementation of the outpatient PPS, the transitional payment would begin with the first date on which payment is made for the device, drug or biological as an outpatient hospital service and continue for at least two, but not more than three, years.

The parties to the agreement expect the Secretary to develop a process to address new devices, drugs and biologicals introduced after the outpatient fee schedule for a particular year has been set. This process should include assigning an appropriate code (or codes) to the product and establishing the amount of the add-on payment. New codes and add-on payment amounts should be made effective quarterly.

The amount of the additional payment to hospitals, before applying the limitation described below, should equal the amount specified for the new technology less the average cost included in the outpatient payment schedule for the existing technology. Specifically, for drugs and biologicals, the amount of the additional payment is the amount by which 95 percent of the Average Wholesale Price (AWP) exceeds the portion of the applicable outpatient fee schedule amount that the Secretary determines is associated with the drug or biological. Similarly, for new medical devices, the add-on payment is the amount by which the hospital's charges for the device, adjusted to cost, exceed the outpatient fee schedule amount associated with the device.

The total amount of additional pass-through payments in a year should not exceed a prescribed percentage of total projected payments under the outpatient prospective payment system. The applicable percentages are: (1) 2.5 percent for the first three years after implementation of the new outpatient payment system; and (2) up to 2.0 percent in subsequent years. In setting the hospital outpatient department (OPD) rates and add-on amounts for a particular year, the Secretary will estimate the total amount of additional payments that would be made based on the add-on amounts specified above and the expected utilization for each service. If the estimated total amount exceeds the percentage limitation, the Secretary will apply a pro rata reduction to the add-on payment amounts so that projected total payments are within the limitation.

The parties to the agreement believe that the current DMEPOS fee schedule is not appropriate for certain implantable items, since their use in the hospital setting involves the provision of services by the hospital. It is the parties' intent that payment for implantable medical items (for example, pacemakers, defibrillators, cardiac sensors, venous grafts, drug pumps, stents, neurostimulators, and orthopedic implants), as well as for items that come into contact with internal human tissue during invasive medical procedures (but are not permanently implanted), will be made through the outpatient PPS system—regardless of how these products might be classified on current HCFA fee schedules.

The parties to the agreement understand that the Secretary is committed to creating separate payment categories for blood, blood products, and plasma-based and recombinant therapies. The parties to the agreement continue to be concerned that the inadequate payment for these products and therapies could represent a barrier to patient access. Accordingly, the parties to the agreement expect the Secretary to carefully analyze potential patient access issues and create sufficient payment categories to adequately differentiate these products.

The agreement also requires the Secretary to conduct a study of intravenous immune globulin (IVIG) services in settings other than hospital outpatient departments and physicians' offices to be completed within 1 year of enactment. In addition, the agreement requires the Secretary to make recommendations on the appropriate manner and settings under which Medicare should pay for these services in such settings.

The parties to the agreement encourage the Secretary to examine Medicare policies regarding outpatient rehabilitation services (including cardiac and pulmonary rehabilitation services) in hospital outpatient departments and other ambulatory settings in light of advances in medical technology.

SEC. 202. ESTABLISHING A TRANSITIONAL CORRIDOR FOR APPLICATION OF OPD PPS

Current law

The hospital outpatient PPS is to be implemented in full and simultaneously for all services and hospitals (estimated for July 2000).

H.R. 3075, as passed

Provides payments in addition to PPS payments to a hospital during the first 3 years of the PPS if its PPS payments are less than the payments that would have been made prior to the PPS. During the first year, a hospital would receive an additional amount equal to 80% of the first 10% of the difference between its payments under the prior system and under the PPS, 70% of the next 10% of reduced payments, and 60% of the next 10%. If PPS payments are less than 70% of prior levels, the additional sum is 21% of the pre-BBA amount. During the second year, the payments as a proportion of reduced payments would change to 70% of the first 10% and 60% of the second 10%. If PPS payments are less than 80% of prior amounts the additional sum is 13% of the pre-BBA amount. In the third year, the payment would be 60% of the first 10% of reduced payments, and if the PPS payments are less than 90% of the prior amounts, the additional payment is 6% of the pre-BBA amount. These additional payments would be made through 2003.

Until January 1, 2004, for rural hospitals with fewer than 100 beds, provides special payments to bring payments to hospital outpatient departments up to their pre-PPS amounts if their PPS payments are less than under the prior system. Waives budget neutrality for these payments; applies BBA 97 beneficiary copayment rules. Requires the Secretary to report by July 1, 2002, on whether the outpatient PPS should apply to Medicare dependent small rural hospitals; sole community hospitals; rural health clinics; rural referral centers; rural hospitals with 100 or fewer beds; other rural hospitals as determined by the Secretary.

S. 1788, as reported

Requires the Secretary to increase payments under the hospital outpatient PPS in amounts such that the ratio of Medicare payments (after correction for the formula-driven overpayment) plus beneficiary copayments to hospital costs would be no less than 90%, 85%, and 80% of the ratio of the hospital's 1996 payments-to-costs in the first,

second, and third years of the new system, respectively. Authorizes the Secretary to make interim payments to hospitals during these 3 years and to make subsequent retroactive adjustments. The budget neutrality requirement of the PPS is waived. For each year beginning in 2000, the Secretary is authorized to increase permanently PPS payments to Medicare dependent small rural hospitals, sole community hospitals, and cancer hospitals to amounts such that the ratio of Medicare payments plus beneficiary copayments to a hospital's costs would be not less than that ratio in 1996. Beneficiary copayment reductions in BBA 97 would be protected for care in these facilities. The BBA 97 budget neutrality requirements would be waived for these payments.

Agreement

The agreement includes the House and Senate provisions with amendments. The agreement includes the House corridor amounts and a temporary hold harmless provision for small rural hospitals with modifications. It also includes the Senate's permanent hold harmless provision for cancer hospitals under the PPS. For services furnished before January 1, 2004, by rural hospitals with not more than 100 beds, Medicare payments will equal 100% of the hospitals' pre-BBA outpatient payment amounts if their PPS amount is less than the pre-BBA amount. On a permanent basis, Medicare payments to cancer hospitals will equal 100% of their pre-BBA amount if their PPS amount is less than their pre-BBA amount. Pre-BBA amount is defined as the amount equal to the product of the reasonable cost of the hospital for such services for the portions of the hospital's cost reporting period (or periods) occurring in the year and the base OPD payment-to-cost ratio for the hospital, excluding formula-driven overpayments.

SEC. 203. STUDY AND REPORT TO CONGRESS REGARDING THE SPECIAL TREATMENT OF RURAL AND CANCER HOSPITALS IN PROSPECTIVE PAYMENT SYSTEM (PPS) FOR HOSPITAL OUTPATIENT DEPARTMENT SERVICES

Current law

No provision.

H.R. 3075, as passed

Requires the Secretary to submit a report and recommendations to Congress by July 1, 2002 on whether a hospital outpatient prospective payment system (PPS) should continue to apply to Medicare Dependent Hospitals, Sole Community Hospitals, rural health clinics, rural referral centers, and other rural hospitals.

S. 1788, as reported

Requires MedPAC to prepare a report to the Secretary of HHS and the Congress within 2 years of enactment regarding the feasibility and advisability of including cancer hospitals and rural hospitals in the outpatient PPS. After submission of the report, the Secretary shall submit comments on the report within 60 days.

Agreement

The agreement includes the Senate provision with modifications.

SEC 204. LIMITATION ON OUTPATIENT HOSPITAL COPAYMENT FOR A PROCEDURE TO THE HOSPITAL DEDUCTIBLE AMOUNT

Current law

When the hospital outpatient PPS is implemented, BBA 97 freezes beneficiary copayments at the dollar amount that is equal to 20% of national median changes for a procedure in 1996 updated to 1999 (or the year of implementation of the PPS).

H.R. 3075, as passed

Caps beneficiary copayments under the PPS for care and services in hospital outpatient departments to the dollar amount of the deductible for an inpatient hospital stay under Part A. Provides Medicare payments to make up the difference between the frozen copayment amount and the new limit. Effective retroactively to enactment of the BBA 97.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision.

Subtitle B—Physician Services

SEC. 211. MODIFICATION OF UPDATE ADJUSTMENT FACTOR PROVISIONS TO REDUCE UPDATE OSCILLATIONS AND REQUIRE ESTIMATE REVISIONS

Current law

Payments to physicians are made on the basis of a fee schedule which assigns a relative value unit to each service. The conversion factor is a dollar figure that converts the geographically adjusted relative value into a dollar payment amount. This amount is updated each year. Beginning in 1999, the update percentage equals the Medicare Economic Index (MEI), subject to an adjustment to match actual spending to target spending for physicians services under the sustainable growth rate (SGR) system.

H.R. 3075, as passed

Makes technical changes to limit oscillations in the annual update to the conversion factor beginning in 2001 by: (a) requiring that future update adjustment factors be calculated using data measured on a calendar year basis; (b) modifying the formula for determining the update by adding a new component to the formula to measure past year variances from allowed spending growth; and (c) mitigating the year-to-year impact of these measures on the update by the addition of dampening multipliers. Provides for a budget-neutral transition to the revised system. Provides that the SGR is to be calculated on a calendar basis. Requires that an estimate of the conversion factor and SGR be made available to MedPAC and the public by March 1 of each year, MedPAC comments in its annual report, and final publication November 1. Requires the Secretary to use the best available data to revise prior SGR estimates for up to 2 years after the estimate is first published. Provides that provision would not apply to or affect any update for any year before 2001.

S. 1788, as reported

Nearly identical provision. In addition, requires the Secretary, acting through the Administrator of the Agency for Health Care Policy and Research, to conduct a study on the utilization of physicians services under the fee-for-service program.

Agreement

The agreement includes the House provision with Senate amendment to include the AHCPR study. With regard to physician supervision of anesthesia services under Medicare's Conditions of Participation, if the Secretary determines that there is insufficient current scientific data comparing mortality and adverse outcome rates in the provision of anesthesia services to Medicare patients, the Secretary should conduct a comparative outcome study and report back to the parties to the agreement. If the Secretary believes that she has sufficient mortality and quality information regarding the provision of anesthesia services by nurse anesthetists and anesthesiologists, then she could make the appropriate regulatory changes to ensure access to quality care for Medicare beneficiaries.

SEC. 212. USE OF DATA COLLECTED BY ORGANIZATIONS AND ENTITIES IN DETERMINING PRACTICE EXPENSE RELATIVE VALUES

Current law

The Social Security Act Amendments of 1994 (P.L. 103–432) required the Secretary to develop a methodology for a resource-based system for calculating practice expenses which would be implemented in calendar year 1998. BBA 97 delayed implementation of a resource-based practice expense methodology for a year, until 1999. BBA 97 also reduced certain practice expense relative value units in 1998. The new resource-based system is being phased-in beginning in calendar year 1999; 1998 is used as the base year for the calculation. Beginning in 2002, the values will be totally resource-based.

H.R. 3075, as passed

Requires the Secretary to establish by regulation a process (including data collection standards) under which the Secretary would accept for use and would use, to the maximum extent practicable and consistent with sound data practices, data collected by organizations and entities other than HHS. Requires a report to the Secretary on the process and the extent to which such data has been used.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision. The parties to the agreement direct the Secretary to give fair consideration to data submitted by external entities. The parties to the agreement are particularly concerned about the instances when HCFA may not have adequate data for rate setting.

SEC. 213. GAO STUDY ON RESOURCES REQUIRED TO PROVIDE SAFE AND EFFECTIVE OUTPATIENT CANCER THERAPY

Current law

No provision.

H.R. 3075, as passed

Requires a study and report to Congress on resources required to provide safe and effective outpatient cancer therapy and the appropriate payment rates for such services.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision. The parties to the agreement direct the Comptroller General to determine the adequacy of practice expenses associated with the utilization of outpatient cancer clinical resources, examine the current level of work values in the practice expense formula, and assess various standards to assure the provision of safe outpatient cancer therapy services. The parties to the agreement also direct the Comptroller General to submit to Congress a report on this study. As part of the study, the Comptroller General is directed to make recommendations regarding adjustments to practice expense values in effect under Part B of the Medicare program and the impact on program costs. In addition, the parties to the agreement encourage the Comptroller General to examine the variation in Medicare payments for these services in hospital and non-hospital settings.

SUBTITLE C—OTHER SERVICES

SEC. 221. REVISION OF PROVISIONS RELATING TO THERAPY SERVICES

Current law

BBA 97 set annual payment limits for all outpatient therapy services provided by nonhospital providers. There are two per beneficiary limits. The first is a $1,500 per beneficiary annual cap for all outpatient physical therapy services and speech language pathology services. The second is a $1,500 per beneficiary annual cap for all outpatient occupational therapy services. The Secretary is required to report to Congress by Jan. 1, 2001 on recommendations for establishing a revised payment policy based on diagnostic groups.

H.R. 3075, as passed

Creates separate $1,500 caps for physical therapy and speech-language pathology services which would be applied to services furnished on a per beneficiary, per facility (or provider) basis beginning in 2000. The cap on occupational therapy services would also be applied on a per beneficiary, per facility (or provider) basis. Directs the Secretary to establish a process so that a facility or provider may apply for an increase in the limitation for a beneficiary for services furnished in 2000 or 2001; limits additional payments to $40 million in FY2000, $60 million in FY2001, and $20 million in FY2002.

In addition, H.R. 3075 specifies that an optometrist may meet the physician supervision requirement for outpatient physical therapy services. Current law limits outpatient occupational therapy services to services furnished to individuals who are under the care of a medical doctor, doctor of osteopathy, or podiatrist. Persons suffering from low vision (visual impairments not correctable using conventional eyewear) may be under the care of either a medical doctor, doctor of osteopathy, or optometrist. The provision would clarify that rehabilitation services for these individuals may be covered when the patient is under the care of, and the treatment plan has been ordered by, either a medical doctor, doctor of osteopathy, or optometrist.

S. 1788, as reported

Provides that the cap would not apply in 2000 and 2001. Modifies current report to Congress to include recommendation for assuring appropriate utilization and incorporation of functional status in recommended payment modifications. Requires Secretary to study utilization patterns in 2000 compared to those in 1998 and 1999.

Agreement

The agreement includes the Senate provision with a modification requiring the Secretary to conduct focused medical reviews of therapy services during 2000 and 2001, with emphasis on claims for services provided to residents of SNFs.

The agreement also includes the House provision regarding optometrists and the supervision of outpatient physical therapy services. The parties to the agreement note that the extent to which these rehabilitation services are covered is a coverage decision made by carriers and the Health Care Financing Administration. Based on an agreement between organizations representing ophthalmology and optometry on appropriate low vision rehabilitation services, the parties to the agreement expect that referral for low vision rehabilitation services by optometrists would be limited to three codes—97530, 97535, and 97537.

SEC. 222. UPDATE IN RENAL DIALYSIS COMPOSITE RATE

Current law

Dialysis facilities providing care to beneficiaries with end-stage renal disease (ESRD) receive a fixed prospective payment amount for each dialysis treatment. The base composite rate is $126 for hospital-based providers and $122 for free-standing facilities.

H.R. 3075, as passed

Updates the composite rate by 1.2% for dialysis services furnished during CY2000 and an additional 1.2% for services furnished in CY2001. Requires a MedPAC study on the use of home dialysis services by Medicare beneficiaries.

S. 1788, as reported

Updates the rate for services furnished after October 1, 2000 by 2.0%.

Agreement

The agreement includes the House provision.

SEC. 223. IMPLEMENTATION OF THE INHERENT REASONABLENESS (IR) AUTHORITY

Current law

The Secretary has the authority to modify payment rates for Part B services (other than physicians services) if such rates (as determined by prevailing payment methodologies) are ''grossly excessive or grossly deficient'' and therefore inherently unreasonable. The Secretary is required, by regulation, to describe the factors to be used in making inherent reasonableness determinations. Interim final regulations describing such factors were issued January 7, 1998.

H.R. 3075, as passed

Prohibits the Secretary from exercising inherent reasonableness authority until after the Secretary has issued final rule-making. Specifies that final rule-making must be preceded by new proposed rule-making and a minimum 60-day public comment period.

S. 1788, as reported

Prohibits the Secretary from using inherent reasonableness authority until 90 days after the GAO issues a report regarding this issue.

Agreement

The agreement includes the House and Senate provisions with modifications to prohibit the Secretary from using inherent reasonableness authority until after (1) the GAO releases a report regarding the Secretary's recent use of the authority; and (2) the Secretary has published a notice of final rule-making in the Federal Register that responds to the GAO report and to comments received in response to the Secretary's interim final regulation published January 7, 1998. In promulgating the final regulation, the Secretary is required to (1) reevaluate the appropriateness of the criteria included in the interim regulation for identifying payments which are excessive or deficient; and (2) take appropriate steps to ensure the use of valid and reliable data when exercising the authority. The parties to the agreement believe that the inherent reasonableness authority provided by section 1842(b) should be administered judiciously and applied only after public concerns and suggestions about proposed administrative criteria have been openly addressed. Also, the rules should include an explanation of the Secretary's costing methodology which should be based on statistically reliable and relevant data.

SEC. 224. INCREASE REIMBURSEMENT FOR PAP SMEARS

Current law

Medicare pays for Pap smears under the clinical laboratory fee schedule.

H.R. 3075, as passed

Sets the minimum payment for the test component of a Pap smear at $14.60. Expresses Sense of Congress that HCFA should institute appropriate increases for new cervical cancer screening technologies approved by the FDA.

S. 1788, as reported

Similar payment provision, but does not include the language relating to the sense of Congress.

Agreement

The agreement includes the House provision.

SEC. 225. REFINEMENT OF AMBULANCE SERVICES DEMONSTRATION PROJECT

Current law

BBA 97 authorized a demonstration project under which a unit of local government could enter into a contract with the Secretary to furnish ambulance services for individuals living in the local government unit. Capitated payments in the first year are to equal 95% of the amount which would otherwise be payable. Requires on a capitated basis the Secretary to publish a request for proposals for the project by July 1, 2000. Specifies that the capitation rate is to be based on the most current data and that the aggregate payments do not exceed what would otherwise be paid.

H.R. 3075, as passed

Requires the Secretary to publish a request for proposals for the project by July 1, 2000. Specifies that the capitation rate is to be based on the most current data and that the aggregate payments do not exceed what would otherwise be paid.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision.

SEC. 226. PHASE-IN OF PPS FOR AMBULATORY SURGICAL CENTERS (ASC)

Current law

Medicare payments for services in ASCs have been based on a fee schedule (a form of PPS) since such services were first covered by Medicare in 1982. On June 12, 1998, HCFA published proposed rules rebasing, regrouping, and revising ASC rates which are to be implemented with the hospital outpatient PPS. These new rates are based on 1994 survey data.

H.R. 3075, as passed

For ASC rates based on pre-1999 survey data, requires the new rates to be phased in over a period of at least three years. In the first year, new payment rates cannot exceed ⅓ of the payment totals made to an ASC; in the second year, new payment rates cannot exceed ⅔ of the payment totals made to an ASC.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision. The parties to the agreement note that the data upon which HCFA's proposed payment system is based was collected in 1994 and that there have been substantial changes in costs and technologies associated with these procedures since that time. In addition, the parties to the agreement note that HCFA is now completing a new cost survey intended to yield more reliable information and encourages the Secretary to obtain adequate cost data for rate setting. Should

HCFA move forward with its new payment policy, this provision will ensure that the Agency has the flexibility necessary to implement the new ASC system over a period of three years or longer.

SEC. 227. EXTENSION OF MEDICARE BENEFITS FOR IMMUNOSUPPRESSIVE DRUGS

Current law

Medicare pays for drugs used in immunosuppressive therapy during the first 36 months following a Medicare covered organ transplant.

H.R. 3075, as passed

Requires the Secretary to provide for an extension of the 36-month time period. Prohibits any extension after September 30, 2004. Permits the Secretary to limit (or provide priority in) eligibility to those persons who because of income or other factors would be less likely to continue the regimen in the absence of the extension. Limits total expenditures under the extension to $40 million in FY2000 and $200 million overall. Requires a report on the operation of the extension.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision with amendments. The extension would apply to beneficiaries whose benefits under current law expire during the 5-year period beginning January 1, 2000 and ending December 31, 2004. Beneficiaries who current law benefits are set to expire in 2000 would be provided an additional eight months of coverage. Those whose benefits are set to expire in calendar year 2001 would receive a minimum of eight months of additional coverage. Beginning in 2001, the Secretary would be required to compute and specify in May what period of such additional months (which may be portions of months) qualifying beneficiaries would receive in the following year. In May 2001, the Secretary could also extend the period of coverage provided in statute for 2001, if her actuarial estimates supported such an extension. The Secretary is required to compute additional months of coverage in such a manner as to limit total expenditures for the extension to $150 million over the 5-year period. The Secretary would be required to adjust the number of additional months of coverage specified for each year beginning in 2001 and ending 2004 to the extent necessary to take into account differences between actual and estimated expenditures and to assure compliance with the limitation on spending for the extension. The Secretary's computations for any given year is to be based on the best data available to her at the time of computation in the preceeding May. The additional months of coverage established for a given year would apply to an individual who exhausts their 36-month period of coverage during that year. The Secretary's report on the extension would be due March 1, 2003.

SEC. 228. TEMPORARY INCREASE IN PAYMENT AMOUNT FOR DURABLE MEDICAL EQUIPMENT (DME) AND OXYGEN

Current law

The DME fee schedules are updated annually by the CPI–U; BBA 97 eliminated the updates for 1998 through 2002.

H.R. 3075, as passed

Provides an update to the DME payments in 2001 and 2002 by the CPI minus 2 percentage points, for the 12-month period ending with June of the previous year.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision, with a modification to provide temporary adjustments to the DME fee schedule payments equaling 0.3 percent in FY 2001 and 0.6 percent in FY 2002. The Secretary is prohibited from including the additional payments for FY 2001 and 2002 in updates for future years.

SEC. 229. STUDIES AND REPORTS

Current law

No provision.

H.R. 3075, as passed

Requires the following studies: (1) MedPAC study on cost-effectiveness of covering services of a post-surgical recovery center (that provides an intermediate level of recovery care following surgery); (2) AHCPR study comparing differences in the quality of ultrasound and other imaging services provided by credentialed individuals versus those provided by non-credentialed individuals; (3) MedPAC comprehensive study of the regulatory burdens placed on all classes of providers under fee-for-service Medicare and the associated costs; and (4) GAO monitoring of Department of Justice application of guidelines on use of False Claims Act in civil health care matters.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision. The parties to the agreement are concerned that federal regulations governing health care providers participating in the Medicare program are overly complex and administratively burdensome. Therefore, the parties direct MedPAC to conduct a comprehensive study to review the regulatory burdens placed on all classes of health care providers under Parts A and B of the Medicare program. The purpose of the study is to determine the costs these burdens impose on the nation's health care system and the impact on patients and providers, and their ability to deliver cost-effective quality care to Medicare beneficiaries.

The parties to the agreement note that the Congress has expressed concern regarding the application of the False Claims Act (FCA) to Medicare billing errors that are the result of a complex regulatory system. The Department of Justice issued written guidance (''Guidance'') to the United States Attorneys on the appropriate use of the FCA in health care investigations. In 1998, the Congress directed the General Accounting Office (GAO) to monitor the implementation of and compliance with the ''Guidance'' and report to Congress. The provision directs the GAO to continue its monitoring of the issue.

The parties to the agreement request that AHCPR focus its report on the role and the value of credentialing. In designing the study, the Administrator should consult with groups with expertise in ultrasound procedures, including the Society of Diagnostic Medical Sonographers, the Society of Vascular Technology, the American Society of Echocardiography and the American Registry of Diagnostic Medical Sonographers.

TITLE III—PROVISIONS RELATING TO PARTS A AND B

SUBTITLE A—HOME HEALTH SERVICES

SEC. 301. ADJUSTMENT TO REFLECT ADMINISTRATIVE COSTS NOT INCLUDED IN THE INTERIM PAYMENT SYSTEM; GAO REPORT ON COSTS OF COMPLIANCE WITH OASIS DATA COLLECTION REQUIREMENTS

Current law

Home health agency workers are required to collect clinical and social data on new home health patients using the standard Outcome and Assessment Information Set (OASIS) data collection instrument.

H.R. 3075, as passed

Authorizes payments to home health agencies of $10 for each beneficiary served during a cost reporting period beginning in FY 2000. By April 1, 2000, the Secretary shall pay an estimated 50% of the aggregate annual amount. The payments are to be made from the Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund as determined appropriate by the Secretary. Requires the GAO to report to Congress within 180 days of enactment on the cost of OASIS data collection and the effects on patient privacy. Requires the GAO to perform an audit of the costs of OASIS and report to Congress 180 days after the first cost and privacy report.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision.

SEC. 302. DELAY IN APPLICATION OF 15 PERCENT REDUCTION IN PAYMENT RATES FOR HOME HEALTH SERVICES UNTIL 1 YEAR AFTER IMPLEMENTATION OF PROSPECTIVE PAYMENT SYSTEM (PPS)

Current law

PPS is to be designed to reduce Medicare payments to home health agencies by 15% from pre-PPS payments; if PPS is not implemented by October 1, 2000, payment limits per visit and per beneficiary are to be reduced by 15%.

H.R. 3075, as passed

Delays the 15% reduction in home health payments under the PPS until 12 months after implementation of the PPS. Total Medicare payments to home health agencies in the first year of the PPS shall be the same in total as would have been paid had the PPS not been in effect. The 15% reduction to begin 12 months after the start of the PPS shall be applied to the level of total payments in FY 2001 with updates. Within 6 months of implementation of the PPS, the Secretary shall report to Congress on the need for the 15% or other reduction.

S. 1788, as reported

Repeals the 15% reduction to the interim cost limits if PPS is not ready for implementation on October 1, 2000. Phases in the 15% reduction under the PPS by 5% over 3 years, starting in FY 2001.

Agreement

The agreement includes the House provision. The parties to the agreement encourage the Secretary to consider what changes would be necessary to provide home health care agencies with the flexibility to adopt new market innovations and new technologies that can improve health outcomes while maintaining the goals of quality of care and cost containment. The parties to the agreement also encourage the Secretary to eliminate barriers to the use of branch offices, by allowing the use of technology for means of supervision and oversight by the parent agency. The adequate level of onsite supervision from the parent agency should be determined based on quality outcomes.

SEC. 303. INCREASE IN PER BENEFICIARY LIMITS

Current law

Under the home health care interim payment system established in BBA 97, aggregate payments to home health agencies are computed using the least of reasonable costs,

payments based on per visit limits (applied in the aggregate), or payments based on an average payment per beneficiary in FY 1994, with certain updates, applied in the aggregate. No limit applies to individual beneficiaries.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Increases agency per beneficiary limits by 1% starting in October 1, 1999. The increase does not affect per visit limits and is not included in the payment base for establishing the PPS.

Agreement

The agreement includes the Senate provision with an amendment to raise the increase in per beneficiary limits for cost reporting periods beginning during or after FY 2000 by 2% for home health agencies with per beneficiary limits below the national median per beneficiary limit for agencies with cost reporting periods starting during or before FY 1994. This increase will not be included in the base on which payments under the home health PPS are determined.

SEC. 304. CLARIFICATION OF SURETY BOND REQUIREMENTS

Current law

Home health agencies must provide the Secretary on a continuing basis with a surety bond that is not less than $50,000. HCFA regulations require the bond to be not less than 15% of the agency's Medicare payments in the previous year.

H.R. 3075, as passed

Establishes the lesser of $50,000 or 10% of the agency's Medicare payments in the previous year as the annual amount of an agency's surety bond requirement. Requires the bond to be in effect for 4 years, or longer if agency ownership changes; prior periods covered by a bond may be counted. Coordinates Medicare and Medicaid surety bonds.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision. The parties to the agreement encourage the Secretary to provide home health agencies with the opportunity to repay overpayments (due to incorrect interim payment system estimates) over a three-year period without interest costs.

SEC. 305. REFINEMENT OF HOME HEALTH AGENCY CONSOLIDATED BILLING

Current law

When the home health PPS is implemented, home health agencies will be responsible for billing Medicare and paying all other providers for services supplied on behalf of individual home health beneficiaries.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Excludes durable medical equipment, including oxygen and oxygen supplies, from the consolidated billing requirement.

Agreement

The agreement includes the Senate provision.

SEC. 306. TECHNICAL AMENDMENT CLARIFYING APPLICABLE MARKET BASKET INCREASE FOR PROSPECTIVE PAYMENT SYSTEM (PPS)

Current law

When the home health PPS is in effect, the payments are to be updated in FY 2002 ''or'' 2003 by the market basket minus 1.1 percentage points.

H.R. 3075, as passed

Clarifies that the PPS market basket increase minus 1.1 percentage points applies to FY 2002 and FY 2003.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision.

SEC. 307. STUDY AND REPORT TO CONGRESS REGARDING THE EXEMPTION OF RURAL AGENCIES AND POPULATIONS FROM INCLUSION IN THE HOME HEALTH PROSPECTIVE PAYMENT SYSTEM (PPS)

Current law

No provision.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Requires MedPAC to report to Congress within 2 years on the feasibility and advisability of exempting rural home health agencies or services to individuals residing in rural areas from the home health PPS.

Agreement

The agreement includes the Senate provision.

SUBTITLE B—DIRECT GRADUATE MEDICAL EDUCATION

SEC. 311. USE OF NATIONAL AVERAGE PAYMENT METHODOLOGY IN COMPUTING DIRECT GRADUATE MEDICAL EDUCATION PAYMENTS

Current law

Medicare pays hospitals for its share of direct graduate medical education (DGME) costs in approved training programs using a hospital-specific historic cost per resident, updated for inflation and multiplied by a hospital's number of full-time equivalent (FTE) residents.

H.R. 3075, as passed

Establishes a national average per resident payment amount, adjusted for differences in area wages, starting on or after October 1, 2000. Hospitals would receive the greater of the national average per resident amount or a blended amount of the hospital-specific amount and the national average amount for a transition period for cost reporting periods on or after October 1, 2000 and before October 1, 2004. For cost reports starting on or after October 1, 2004, teaching hospitals would receive Medicare's share of a wage-adjusted national average per resident amount. The national per resident amount would be calculated using each hospital's combined primary care and non-primary care per resident amount, weighted by the number of full time equivalent residents in each hospital with an approved program, and standardized for differences in area wages. The amount would be calculated with data from cost reporting periods ending during FY 1997 updated by the CPI to the midpoint of the FY 2001 cost reporting period. Subsequent updates would be based on the CPI. During the transition period, a hospital with a wage index of less than 1.00 would not have its payment based on the national average adjusted by its area wage index.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision with amendments. This provision establishes a direct graduate medical education payment methodology based on the national average per resident amount modified by the geographic adjustment factor (GAF) used to adjust physician payments, that is the weighted average of the three geographic practice cost indices (GPCIs) weighted by the national average percentage as published in the Federal Register on October 31, 1997. A national average per resident payment amount, based on FY 1997 data, would be calculated from each hospital's combined primary care and non-primary care per resident amounts and would be standardized by the average of the three geographic index values (weighted by the national average weight for each of the work, practice expense, and malpractice components) as applied for 1999 in the fee schedule in which the hospital is located. The national average per resident amount, standardized for locality, would be calculated using each hospital's amount weighted by the number of FTE residents and would be updated to FY 2001 by the consumer price index for urban areas (CPI).

Beginning during FY 2001, a lower bound would be calculated at 70% of the locality-adjusted, or standardized, national average per resident amount. An upper bound of 140% of the locality-adjusted national average per resident amount also would be calculated. Each hospital's FY 2001 per resident amount would then be compared to the upper and lower bounds adjusted by the GAF for the locality in which the hospital is situated. Hospitals with per resident amounts below 70% of the locality-adjusted threshold would have their per resident amounts increased to the 70% locality-adjusted threshold. Hospitals with per resident amounts that exceed 140% of their locality-adjusted upper bound would receive no update to their per resident amounts for two years (FY 2001 and FY 2002), and would receive updates of CPI minus two percentage points (but not below zero) for three years (FY 2003, FY 2004 and FY 2005). Hospitals with per resident amounts within the locality-adjusted boundaries of 70% and 140% would continue to be paid portions of their per resident amounts and would receive updates for inflation.

The parties to the agreement concur that the GAF seems to be an appropriate measure for adjusting per resident payment amounts, and represents an initial attempt to adjust for differences among geographic areas in the costs related to physician training. The parties to the agreement request that MedPAC study the use of the GAF for this purpose and, if appropriate, make recommendations by March 2002 on the development of a more sophisticated or refined index to adjust payment amounts for physician training.

SEC. 312. INITIAL RESIDENCY PERIOD FOR CHILD NEUROLOGY RESIDENCY TRAINING PROGRAMS

Current law

Each full-time intern and resident is counted as a 1.0 full time equivalent (FTE) resident during the initial residency period. After the initial residency period, a full-time resident can be counted only as 0.5 FTE for Medicare's direct graduate medical education payment. Generally, the initial residency period is the minimum number of years in which a resident must train to be eligible for certification in a medical specialty as listed in the American Medical Association's (AMA) Graduate Medical Education Directory. With a combined primary care specialty program, such as internal medicine-pediatrics, the initial residency period is defined as the minimum number of years for the longer of the two programs, plus one additional year. However, with a combined program where one of the programs is not

primary care, then the initial residency period is based on the minimum years to qualify for the longer of the composite programs.

H.R. 3075, as passed

Establishes a 3–year period where an individual in a child neurology residency program shall be treated as part of the initial residency period and shall not be counted against any limitation of the initial residency period.

Requires MedPAC to include in its March 2001 report to Congress a recommendation on whether the initial residency period for other combined residency training programs should be extended.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision with amendment. A resident enrolled in a child neurology residency training program would have a period of board eligibility and initial residency of the board eligibility for pediatrics plus 2 years. This provision would be effective on or after July 1, 2000 to residency programs that began before, on, or after the enactment of this division.

MedPAC would be required to include in its March 2001 report to Congress a recommendation on whether the initial residency period for other combined residency training programs should be extended.

SEC. 321. BBA TECHNICAL CORRECTIONS

H.R. 3075, as passed

Includes various technical corrections to the Balanced Budget Act of 1997.

S. 1788, as reported

Includes various technical corrections to the Balanced Budget Act of 1997.

Agreement

The agreement includes amendments to Medicare law that are needed as a result of the Balanced Budget Act of 1997.

TITLE IV—RURAL PROVIDER PROVISIONS

SUBTITLE A—RURAL HOSPITALS

SEC. 401. PERMITTING RECLASSIFICATION OF CERTAIN URBAN HOSPITALS AS RURAL HOSPITALS

Current law

Medicare's inpatient hospital PPS payments vary by urban/rural classification and the geographic area where a hospital is located or to which a hospital is reassigned. Several mechanisms within the Medicare program permit hospitals that meet certain criteria to apply to the Secretary to change their geographic designation.

H.R. 3075, as passed

Instructs the Secretary to treat certain urban hospitals as rural hospitals no later than 60 days after their application for such treatment if the hospitals: (1) are located in a rural census tract of a Metropolitan Statistical Area (as determined by the Goldsmith Modification published in the Federal Register on February 27, 1992); (2) are located in an area designated by State law or regulation as a rural area or designated by the State as rural providers; or (3) meet other criteria as the Secretary specifies. Permits otherwise qualifying urban hospitals to be classified as sole community hospitals, regional referral centers, rural referral centers, or national referral centers. Extends this rural designation for use in outpatient PPS. Updates other federal criteria used to designate rural providers.

Provides that a hospital in an urban area may apply to the Secretary to be treated as if the hospital were located in a rural area of the State in which the hospital is located. Hospitals qualifying under this section shall be eligible to qualify for all categories and designations available to rural hospitals, including sole community, Medicare dependent, critical access, and referral centers. Additionally, qualifying hospitals shall be eligible to apply to the Medicare Geographic Reclassification Review Board for geographic reclassification to another area. The Board shall regard such hospitals as rural and as entitled to the exceptions extended to referral centers and sole community hospitals, if such hospitals are so designated.

S. 1788, as reported

Provides alternative federal criteria to designate providers as rural.

Agreement

The agreement includes the House provision with clarification that the most recent Goldsmith Modification will be used.

SEC. 402. UPDATE OF STANDARDS APPLIED FOR GEOGRAPHIC RECLASSIFICATION FOR CERTAIN HOSPITALS

Current law

Section 1886(d)(8)(B) of the Social Security Act requires the Secretary to treat a hospital located in a rural county adjacent to one or more urban areas as being located in the urban Metropolitan Statistical Area (MSA) to which the greatest number of rural workers commute if the rural county's aggregate commuting rate (to all the contiguous MSAs) meets the standards for designating outlier counties to MSAs (and New England County Metropolitan Statistical Areas) that were published in the Federal Register on January 3, 1980.

H.R. 3075, as passed

Updates the standards which are used to classify hospitals located between two Metropolitan Statistical Areas (MSAs) from 1980 to 1990 census data and then to the most recently available decennial population data for FY 2003 and subsequent years. For FY 2000, the 1980 census data would be used. A transition is provided for discharges occurring during cost report periods during FY 2001 and 2002 for hospitals to choose between the standards published in 1980 and 1990. Beginning with cost reporting periods during FY 2003, standards would be based on the most recent decennial population data published by the Bureau of the Census as revised by the Office of Management and Budget. This provision is effective with discharges occurring during cost reporting periods beginning on or after October 1, 1999.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision. The parties to the agreement believe that a transition period for hospitals that might be negatively affected by the change in the standard is appropriate.

SEC. 403. IMPROVEMENTS IN THE CRITICAL ACCESS HOSPITAL (CAH) PROGRAM

Current law

BBA 97 established criteria for a small, rural, limited service hospital to be designated as a critical access hospital (CAH). These are geographically remote, rural nonprofit or public hospitals that are certified by the state as a necessary provider and have hospital stays of no more than 96 hours except under certain circumstances.

H.R. 3075, as passed

Applies the 96-hour length of stay limitation on an average annual basis. Permits for-profit hospitals and hospitals that have closed within the past 10 years to be CAHs. Permits States to designate a facility as a CAH if the facility: (1) was a hospital that ceased operations on or after 10 years before enactment of this legislation; (2) is a State-licensed health clinic or health center; (3) was a hospital that was downsized to a health clinic or health center; and (4) meets the criteria for designation as a CAH. Permits CAHs to elect either a cost-based hospital outpatient service payment plus a fee schedule payment for professional services or an all-inclusive rate. Eliminates coinsurance for clinical laboratory tests. Clarifies CAH's ability to participate in the swing bed program.

S. 1788, as reported

Applies the 96-hour length of stay limitation on an average annual basis.

Agreement

The agreement includes the House provision.

SEC. 404. 5-YEAR EXTENSION OF MEDICARE DEPENDENT HOSPITAL (MDH) PROGRAM

Current law

Medicare dependent hospitals (MDH) are small rural hospitals, not classified as sole community hospitals, that treat relatively high proportions of Medicare patients. BBA 97 reinstated and extended the MDH program to FY 2001.

H.R. 3075, as passed

Extends the Medicare Dependent Hospital program through FY 2006.

S. 1788, as reported

Authorizes Medicare Dependent Hospitals to receive the market basket update in FY 2000 and subsequent years.

Extends the Medicare Dependent Hospital program through FY 2003.

Agreement

The agreement includes the House provision.

SEC. 405. REBASING FOR CERTAIN SOLE COMMUNITY HOSPITALS

Current law

Sole community hospitals are paid based on whichever of the following amounts yields the greatest Medicare reimbursement: (1) a hospital-specific amount based on its updated FY 1982 costs; (2) a hospital-specific amount based on its updated FY 1987 costs; or (3) the federal amount.

H.R. 3075, as passed

Permits sole community hospitals that are now paid the federal rate to transition over time to Medicare payment based on their FY 1996 costs.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision.

SEC. 406. ONE-YEAR SOLE COMMUNITY HOSPITAL PAYMENT INCREASE

Current law

Sole community hospitals are paid based on whichever of the following amounts yields the greatest Medicare reimbursement: (1) a hospital-specific amount based on its updated FY 1982 costs; (2) a hospital-specific amount based on its updated FY 1987 costs; or (3) the federal amount.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Provides for market basket update for sole community hospitals and Medicare Dependent Hospitals in FY 2000 and subsequent years.

Agreement

The agreement includes the Senate provision with modifications. Sole community hospitals will receive a market basket update for one year only for discharges occurring in FY 2001.

SEC. 407. INCREASED FLEXIBILITY IN PROVIDING GRADUATE PHYSICIAN TRAINING IN RURAL AND OTHER AREAS

Current law

BBA 97 limited the number of residents that a hospital may count for graduate medical education (GME) to the number of full-time equivalent residents recognized in the hospital's most recent cost reporting period ending on or before December 31, 1996.

H.R. 3075, as passed

Permits rural hospitals to increase their resident limits by 30% for direct graduate medical education payments for cost reporting periods starting on or after October 1, 1999 and indirect medical education payments for discharges occurring on or after October 1, 1999.

Permits non-rural facilities that operate separately accredited rural training programs in underserved rural areas, or that operate accredited training programs with integrated rural tracks, to increase their resident limits for purposes of calculating direct graduate medical education payments effective for cost reporting periods starting on or after October 1, 1999 and for indirect medical education payments effective for discharges occurring on or after October 1, 1999.

S. 1788, as reported

Expands the number of residents reimbursed by Medicare to those appointed by the hospitals for periods ending on or before December 31, 1996; allows hospitals with only one residency program to increase their resident count by one per year, up to a maximum of three; allows hospitals to count residents associated with new training programs established on or after January 1, 1995 and before September 30, 1999; gives special consideration to facilities that are not located in a rural area but have established separately accredited rural training tracks.

Provides an exception to the count of residents to include those who participated in GME at a Veterans Affairs (VA) facility and were subsequently transferred on or after January 1, 1997 and before July 31, 1998 to the hospital because the program would lose accreditation if residents were trained at the VA facility. If the Secretary determines that the hospital is owed retroactive payments, these payments shall be made within 60 days of enactment.

Agreement

The agreement includes the House provision with amendment. It would allow hospitals to increase the number of primary care residents that it counts in the base year limit by up to 3 full-time equivalent residents if those individuals were on maternity, disability, or a similar approved leave of absence. The provision also permits non-rural facilities that operate separately accredited rural training programs in rural areas, or that operate accredited training programs with integrated rural tracks, to receive direct graduate medical education and indirect medical education payments for cost reporting periods beginning on of after April 1, 2000 and for discharges occurring on or after April 1, 2000. In addition, the agreement includes the Senate provision regarding an exception to the count of residents to include those who participated in GME at a Veterans Affairs (VA) facility and were subsequently transferred.

SEC. 408. ELIMINATION OF CERTAIN RESTRICTIONS WITH RESPECT TO HOSPITAL SWING BED PROGRAM

Current law

Medicare permits certain rural hospitals with fewer than 50 beds to use their inpatient facilities, as necessary, to furnish long-term care services. Rural hospitals with less than 100 beds can operate swing beds under certain circumstances.

H.R. 3075, as passed

Eliminates requirement that States review the need for swing beds through the Certificate of Need (CON) process. Constraints on length of stay are also eliminated.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision.

SEC. 409. GRANT PROGRAM FOR RURAL HOSPITAL TRANSITION TO PROSPECTIVE PAYMENT

Current law

BBA 97 replaced and modified the existing Essential Access Community Hospital (EACH) program. The Secretary was authorized to award grants for certain limited purposes.

H.R. 3075, as passed

Permits rural hospitals with fewer than 50 beds to apply for grants not to exceed $50,000 for meeting the costs of implementing data systems required to meet BBA 97 amendments. A hospital receiving a grant may use the funds for the purchase of computer software and hardware, for the education and training of hospital staff, and costs related to the implementation of PPS systems. Requires the Secretary to report to Congressional committees at least annually on the grant program including the number of grants, the nature of projects that are funded, the geographic distribution of the grant recipients, and other matters that are deemed appropriate. Requires the Secretary to submit a final report no later than 180 days after the completion of all projects funded by such grants.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision.

SEC. 410. GAO STUDY ON GEOGRAPHIC RECLASSIFICATION

Current law

No provision.

H.R. 3075, as passed

Requires the GAO to submit a report to Congress no later than 18 months after enactment on the current laws and regulations for geographic reclassification of hospitals under Medicare. The purpose of the GAO study is to determine the need for geographic reclassification, whether reclassification is appropriate for the application of wage indices, and whether reclassification results in more accurate payments to all hospitals. The study shall evaluate: (1) the magnitude of the effect of geographic reclassification on rural hospitals that do not reclassify; (2) whether the current thresholds used in geographic reclassification assign hospitals to appropriate labor markets; (3) the effect of eliminating geographic reclassification through the use of data on occupational mix; (4) the group reclassification process; (5) changes in the number of reclassifications and the compositions of the groups; (6) the effect of State-specific budget neutrality compared to national budget neutrality; and (7) whether there are sufficient controls over the intermediary evaluation of wage data reported by hospitals.

S. 1788, as reported

Requires the Secretary, in consultation with the Medicare Geographic Classification Review Board, to conduct a study to determine whether acute hospital PPS payment rates are an adequate proxy for the costs of inpatient hospital services and whether the standard for county-wide geographic reclassification needs to be updated or revised.

Agreement

The agreement includes the House provision. The parties to the agreement note that in recent years the geographic reclassification process and the increasing number of special designations for groups of hospitals have resulted in a system that is administratively cumbersome. In addition, the system, which relies on exceptions and waivers, lacks consistency and undermines the ability of hospitals to implement long-term planning. Most hospitals are required to reapply annually for geographic reclassification with no certainty that they will receive the desired wage index or standardized amount.

The parties to the agreement expect the GAO study to assess the background, rationale, and analytic justification for the current rural definitions and exceptions process. The parties to the agreement hope that this report will be an important tool in helping the Congress craft a more objective and equitable approach to Medicare payment for rural hospitals. This will only become more critical as the Congress considers extending geographic reclassification to other types of prospective payment systems. The parties to the agreement specifically ask the GAO to consider in its analysis whether the geographic reclassification process should be extended to other types of providers, particularly to skilled nursing facilities.

SUBTITLE B—OTHER RURAL PROVISIONS

SEC. 411. MEDPAC STUDY OF RURAL PROVIDERS

Current law

No provision.

H.R. 3075, as passed

Requires MedPAC to conduct a study of rural providers, evaluate the adequacy and appropriateness of the categories of special Medicare payments (and payment methodologies) for rural hospitals, and their impact on beneficiary access and quality of health services. MedPAC shall submit its recommendations to Congress no later than 18 months after the date of enactment.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision.

SEC. 412. EXPANSION OF ACCESS TO PARAMEDIC INTERCEPT SERVICES IN RURAL AREAS

Current law

BBA 97 authorized coverage of advanced life support (ALS) services provided by a paramedic intercept service provider in a rural area when medically necessary for the individual being transported and provided

under contract with one or more qualified volunteer ambulance services. The volunteer ambulance service is certified, provides only basic life support services, and is prohibited by State law from billing for any services. The entity supplying the advanced life support services is Medicare-certified and bills all recipients who receive ALS services, regardless of whether the recipients are Medicare-eligible.

H.R. 3075, as passed

Expands the areas to be treated as rural areas to include those designated as rural areas by any State law or regulation or those located in a rural census tract of a Metropolitan Statistical Area (as determined under the Goldsmith Modification, published in the Federal Register on February 27, 1992).

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision with modification to clarify that the most recent Goldsmith Modification should be used. The parties to the agreement believe that a State-determined designation of a rural area or an area located in a rural census tract of a Metropolitan Statistical Area should be acceptable for purposes of expanding access to paramedic intercept services.

SEC. 413. PROMOTING PROMPT IMPLEMENTATION OF INFORMATICS, TELEMEDICINE, AND EDUCATION DEMONSTRATION PROJECT

Current law

BBA 97 authorized Medicare payment for professional consultations via telecommunications systems to beneficiaries residing in rural areas designated as health professional shortage areas (HPSA). HPSAs encompass either a full county or part of a county. BBA 97 also authorized a telehealth demonstration project for beneficiaries with diabetes mellitus in medically underserved rural or inner-city areas.

H.R. 3075, as passed

Requires the Secretary to award without additional review the diabetes mellitus demonstration project no later than 3 months after enactment to the best technical proposal as of the bill's enactment date. Clarifies that qualified medically underserved rural or urban inner-city areas are federally-designated medically underserved areas or HPSAs at the time of enrollment in the project. Changes the project's data requirements. Limits beneficiary cost sharing.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision.

TITLE V—PROVISIONS RELATING TO PART C (MEDICARE+CHOICE PROGRAM) AND OTHER MEDICARE MANAGED CARE PROVISIONS

SUBTITLE A—PROVISIONS TO ACCOMMODATE AND PROTECT MEDICARE BENEFICIARIES

SEC. 501. CHANGES IN MEDICARE+CHOICE ENROLLMENT RULES

Current law

Beneficiaries enrolled in a Medicare+Choice (M+C) plan that terminates its contract with HCFA are guaranteed access to certain Medicare supplemental insurance policies (i.e. ''Medigap'' policies) offered in their area of residence if they sign up within 63 days of their Medicare+Choice plan termination.

In addition, beneficiaries, at their election, may enroll or disenroll from a M+C plan offered in their area any time during the year. Beginning in 2002, however, beneficiaries generally will be able to enroll in a M+C plan or change plans only during an annual, month-long, open enrollment period.

If a M+C plan withdrawals from a M+C payment area (typically a county), enrollees who reside in that county may only elect to retain their enrollment in the plan (and travel to neighboring counties to obtain covered services) in certain circumstances.

H.R. 3075, as passed

Specifies that an individual who is enrolled in a M+C plan that announces its intention to withdrawal from the M+C program may elect to exercise their guaranteed issue rights with (respect to obtaining a Medicare supplemental insurance policy) within 63 days of being notified of the plan's intention to terminate.

Permits continuous open enrollment in M+C plans after 2002 for institutionalized beneficiaries. Permits a plan leaving a M+C payment area (typically a county) to offer enrollees in that county the option of continuing enrollment in the plan, so long as they agree to obtain all basic services through plan providers located in other counties.

S. 1788, as reported

Similar provision regarding Medigap special election period.

Agreement

The agreement includes the House provision with a modification clarifying that the continuous open enrollment provisions for the institutionalized only permit enrollment in a M+C plan or changing from one M+C plan to another.

SEC. 502. CHANGE IN EFFECTIVE DATE OF ELECTIONS AND CHANGES OF ELECTIONS OF MEDICARE+CHOICE PLANS

Current law

Medicare+Choice plan enrollees may elect to disenroll from their M+C plan at any time, and either switch to another M+C plan offered in their area or elect to obtain benefits through the fee-for-service Medicare program. Beginning in 2002, generally enrollees will be only be able to change coverage options once a year.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Specifies that any request to enroll in or disenroll from a M+C plan made after the 10th of the month will not be effective until the first day of the second calendar month thereafter.

Agreement

The agreement includes the Senate provision.

SEC. 503. 2-YEAR EXTENSION OF MEDICARE COST CONTRACTS

Current law

Prior to enactment of BBA 97, beneficiaries were able to enroll in organizations with cost contracts. BBA 97 specified that cost-based contracts could not be renewed after December 31, 2002.

H.R. 3075, as passed

Extends the cost contract program through 2004.

S. 1788, as reported

Similar provision. However, after December 31, 2003, no new persons could enroll in a plan.

Agreement

The agreement includes the House provision.

SUBTITLE B—PROVISIONS TO FACILITATE IMPLEMENTATION OF THE MEDICARE+CHOICE PROGRAM

SEC. 511. PHASE-IN OF NEW RISK ADJUSTMENT METHODOLOGY; STUDIES AND REPORTS ON RISK ADJUSTMENT

Current law

Currently, M+C payments to plans are adjusted using only demographic factors, including age, gender, coverage by Medicaid, institutionalized status, and working status. The law requires implementation of a risk adjustment payment methodology based on health status, effective January 1, 2000.

The Secretary has proposed use of the principal inpatient diagnostic cost groups (PIP–DCG) method of risk adjustment, which is based on diagnoses of beneficiaries with an inpatient hospitalization as well as demographic characteristics.

The Secretary has proposed a phase-in of the new risk adjustment methodology by blending the current demographic method with the new PIP–DCG method. The proposed phase-in schedule would be:

Year	Demographics	PIP–DCG
2000	90 percent	10 percent
2001	70 percent	30 percent
2002	45 percent	55 percent
2003	20 percent	80 percent

A new comprehensive risk adjustment method based on inpatient and other settings would be used beginning in 2004.

H.R. 3075, as passed

The phase-in schedule is modified as follows:

Year	Demographic	Health status
2000	90 percent	10 percent
2001	90 percent	10 percent
2002	80 percent	20 percent
2003	70 percent	30 percent

Beginning in 2004, M+C rates would be adjusted by a risk adjuster based 100% on data from multiple settings.

S. 1788, as reported

The Senate phase-in would be identical to the House provision from 2000 through 2003.

In 2004, the risk adjuster would be 45% demographic/55% health status based, with 67% of health status rate based on data from inpatient settings and 33% based on data from inpatient and other settings. In 2005, it would be 20% demographic/80% health status based, with 33% of health status rate based on data from inpatient settings and 67% on data from inpatient and other settings. Beginning in 2006, 100% of the risk adjuster would be based health status data, and be completely determined using data from inpatient and other settings.

Exempts frail elderly beneficiaries enrolled in EverCare demonstration projects for the frail elderly from the new risk adjustment system in 2000.

Requires Secretary to: (a) conduct a study on the effects, costs, and feasibility of requiring fee-for-service providers and entities to comply with quality standards and related reporting requirements which are comparable to those required for M+C plans; and (b) study and report to Congress regarding data submissions used to establish risk adjustment methodology under M+C.

Agreement

The agreement includes the identical House/Senate provisions for 2000–2002, only. The parties to the agreement note that in 1997, when Congress required the Secretary to develop a risk adjuster for

Medicare+Choice plans, it was concerned that those plans that treated the most severely ill enrollees were not adequately paid. The Congress envisioned a risk adjuster that would be more clinically-based than the old method of adjusting payments. The Congress did not instruct HCFA to implement the provision in a manner that would reduce aggregate Medicare+Choice payments. In addition, the Congressional Budget Office did not estimate that the provision would reduce aggregate Medicare+Choice payments. Consequently, the parties to the agreement urge the Secretary to revise the regulations implementing the risk adjuster so as to provide for more accurate payments, without reducing overall Medicare+Choice payments.

The parties to the agreement also note that as currently designed, the proposed Medicare+Choice risk adjuster fails to account for several unique aspects of Medicare's frail elderly population. The parties to the agreement note that the Secretary recently acknowledged her authority to address this problem by waiving application of the risk adjuster within the frail elderly demonstration project commonly known as EverCare. The parties to the agreement note that the Secretary will begin implementation of a multi-setting risk adjuster for all enrollees in 2004, and that such a risk adjuster should be designed to better predict the unique costs associated with caring for frail elderly beneficiaries. Consequently, the parties to the agreement encourage the Secretary to consider her ability to waive the application of the new risk adjuster to such beneficiaries until that time.

The parties to the agreement also believe Medicare enrollees with end-stage renal disease (ESRD) could benefit by being offered the opportunity to enroll in Medicare+Choice plans. However, the parties to the agreement understand that the current risk adjuster may not adequately reflect the varying costs of these patients and requests further information from the Secretary so that it might address this issue in the future. The parties to the agreement also encourage the Secretary to develop proposed quality of care requirements for Medicare beneficiaries with ESRD in this report.

The parties agreed to the Senate proposed study requiring the Secretary to: (a) conduct a study on the effects, costs, and feasibility of requiring fee-for-service providers and entities to comply with quality standards and related reporting requirements which are comparable to those required for M+C plans; and (b) study and report to Congress regarding data submission used to establish risk adjustment methodology under M+C.

SEC. 512. ENCOURAGING OFFERING OF MEDICARE+CHOICE PLANS IN AREAS WITHOUT PLANS

Current law

A M+C plan receives the M+C payment rate applicable to the payment area (typically a county) in which the enrollee resides, adjusted for risk. This rate is based on a formula which assigns to the county the highest of three different rates—a floor, a minimum update or a blended rate.

H.R. 3075, as passed

Would establish added bonus payments to encourage new M+C plans to enter counties that would otherwise not have a plan participating. The first plan to enter a previously unserved county would receive a 5% added payment during their first year and a 3% added payment during their second year.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision. In some counties, beneficiaries have access to only one Medicare option: the fee-for-service Medicare program. The parties to the agreement expect that this temporary enhancement of payments will encourage new plans to enter areas without Medicare+Choice options.

SEC. 513. MODIFICATION OF 5-YEAR RE-ENTRY RULE FOR CONTRACT TERMINATIONS

Current law

The Secretary cannot enter into a M+C contract with a M+C organization, if within the preceding 5 years, that organization had a M+C contract which it did not renew. This prohibition may be waived under special circumstances.

H.R. 3075, as passed

Allows, under certain circumstances, a plan to re-enter a county if a legislative or regulatory change that would increase M+C payments in the area occurred within 6 months of the plan's notification to the Secretary of its intent to terminate its M+C contract. Permits re-entry only if, at the time it notified the Secretary, there is no more than one other M+C plan offered in the area.

S. 1788, as reported

Reduces the exclusion period from 5 years to 2 years.

Agreement

The agreement includes the House and Senate provisions with modifications. The parties recognize that some plans left the Medicare+Choice program because of increased administrative requirements and payment growth that was lower than expected. Since this bill would make payment changes affecting Medicare+Choice plans, this provision would provide an opportunity for the plans to return to a county, and therefore, increase options for beneficiaries.

The general exclusion period is reduced from 5 to 2 years, with specific exceptions permitted where there is a change in payment policy. Further, nothing is to be construed as affecting the authority of the Secretary to provide additional exceptions, including those specified in Operational Policy Letter Number 103.

SEC. 514. CONTINUED COMPUTATION AND PUBLICATION OF MEDICARE ORIGINAL FEE-FOR-SERVICE EXPENDITURES ON A COUNTY-SPECIFIC BASIS

Current law

The Secretary is required to announce each year the M+C payment rates for each payment area, as well as risk and other factors that are used in adjusting those payments. The Secretary is not currently required to publish adjusted annual per capita cost (AAPCC) data.

H.R. 3075, as passed

Requires the Secretary to continue to publish estimates of adjusted annual per capita cost data (AAPCCs) for each M+C payment area, which represent county-specific per capita fee-for-service expenditure information.

S. 1788, as reported

Requires Secretary to provide county-level data on fee-for-service spending.

Agreement

The agreement includes the Senate provision with modifications to require the Secretary to publish for the original Medicare fee-for-service program under Parts A and B for each M+C payment area: 1) total expenditures per capita separately for Parts A and B; 2) expenditures as in ''1'' reduced by best estimates of expenditures (such as graduate medical education and disproportionate share hospital payments) not related to payment of claims; 3) average risk factors based on diagnoses reported for medicare inpatient services; and 4) average risk factors based on diagnoses reported for inpatient and other sites of service. The Secretary is required to provide information for 1998 and 1999 in the 2001 report.

SEC. 515. FLEXIBILITY TO TAILOR BENEFITS UNDER MEDICARE+CHOICE PLANS

Current law

In general, M+C managed care plans offer benefits in addition to those provided under Medicare's benefit package, and may, subject to regulation, charge for these additional benefits. Under current law, the monthly basic and supplemental premiums and benefits cannot vary among individuals enrolled in the plan.

H.R. 3075, as passed

Permits a M+C plan to waive part or all of a premium if the M+C capitation rates the plan receives vary, so long as premiums do not vary within payment areas.

S. 1788, as reported

Allows plans to vary premiums, benefits, and cost-sharing across individuals enrolled in the plan so long as these are uniform within a separate segment of a service area. A segment would comprise one or more counties within the plan's service area.

Agreement

The agreement includes the Senate provision. The parties to the agreement are also concerned about allegations that some Medicare beneficiaries enrolled in the Medicare+Choice program are being denied certain Medicare-covered benefits. It was the clear intent of Congress in passing the Medicare+Choice program in BBA 97 that all beneficiaries enrolled in Medicare+Choice plans should be guaranteed access to all benefits covered by the traditional Medicare fee-for-service program. Therefore, the parties to the agreement would like to clarify that, pursuant to this fundamental requirement of the Balanced Budget Act of 1997, all Medicare beneficiaries enrolled in a Medicare+Choice plan under Part C are entitled to treatment by means of manual manipulation of the spine to correct a subluxation.

SEC. 516. DELAY IN DEADLINE FOR SUBMISSION OF ADJUSTED COMMUNITY RATES

Current law

BBA 97 required M+C plans to submit adjusted community rate (ACR) proposals by May 1 of the previous calendar year. The Secretary is required to make available, during the open enrollment period, comparative information on plans.

H.R. 3075, as passed

Changes the date for ACR submission from May 1st to July 1st. Specifies that, the Secretary will provide information to the extent it is available.

S. 1788, as reported

Similar provision. Also specifies that if a M+C organization intends to terminate a contract, it must provide notice to the Secretary 6 months in advance.

Agreement

The agreement includes the Senate provision with an amendment which retains the current law provisions relating to the information the Secretary is required to make

available during the open enrollment period, and which reduces the required period of advance notification from 6 months to 4 months.

Despite this change, the parties to the agreement note that HCFA will know by mid-August of each year what the final plan premiums and benefits will be for each Medicare+Choice plan for the following calendar year. To help employers who sponsor retiree health benefits coordinate their own annual enrollment procedures, the parties to the agreement urge the Secretary to make this information available to such employers as soon as possible.

SEC. 517. REDUCTION IN ADJUSTMENT IN NATIONAL PER CAPITA MEDICARE+CHOICE GROWTH PERCENTAGE FOR 2002

Current law

The M+C payment rate is based on a formula which gives the payment area (generally a county) the highest of three different rates—a floor, a minimum update, or a blended rate. The blended capitation rates are subject to a budget neutrality provision. Each year, the Secretary projects national per capita growth rates in expenditures in fee-for-service Medicare. These projected rates are reduced by 0.8 percentage points for 1998, and by 0.5 percentage points annually from 1999 through 2002 to determine the national M+C growth percentage for that year. Growth rates are used to update the floor and blend payments in the M+C payment rate formula. Because the blend payments are subject to budget neutrality, they may not always be fully funded; thus annual increases in payment rates to these counties may be limited.

H.R. 3075, as passed

The provision would increase the national per capita M+C growth rate by 0.2 percentage points in 2002, by replacing the adjustment of -0.5 percentage points with -0.3 percentage points. The adjustment would remain at 0 for a year after 2002.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision. The parties to the agreement expect that the increase in payments that will result from this provision will help to increase the number of counties paid a blended capitation payment rate.

SEC. 518. DEEMING OF MEDICARE+CHOICE ORGANIZATION TO MEET REQUIREMENTS

Current law

A M+C organization is required to meet certain standards. It is deemed to meet standards relating to quality assurance and confidentiality of records if it is accredited by a private organization that applies standards that are no less strict than M+C standards.

H.R. 3075, as passed

Requires the Secretary, within 210 days of receiving an application from a private accrediting organization, to determine whether such organization's accreditation procedures meet the requirements. If it does, the Secretary would be required to deem a M+C organization accredited by such accrediting entity as meeting the requirements relating to quality assurance and confidentiality of records.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision with amendments. The Secretary would be required to recognize accreditation with respect to M+C requirements relating to anti-discrimination, access to services, information on advance directives, and provider participation. In approving accrediting bodies for M+C program purposes, the Secretary would be required to use the same basic organizational criteria that are used to approve accrediting bodies who survey hospitals under the fee-for-service program. The agreement also clarifies that the accreditation bodies may choose to deem M+C plans' compliance with one or more of the specified requirements.

This provision would clarify the deeming process so that it is consistent with deeming in the Medicare fee-for-service program. The provision puts in place incentives for M+C plans to seek higher standards achievable through accreditation and would reduce redundancy in the oversight process. This will help ensure that improvements in the quality of care are made available through M+C plans.

Although accredited plans will be deemed to meet HCFA's standards, the parties to the agreement note that HCFA will continue to have broad authority to establish the actual standards that the accrediting bodies enforce. Moreover, HCFA continues to have broad authority to conduct independent oversight activities with respect to plans and to respond to any concerns beneficiaries may raise about a M+C plan. HCFA will also be able to approve or disapprove of the deeming process submitted by private accreditation bodies and maintain its authority to review periodically an approved accreditation body's standards and performance in the field. Nevertheless, the parties to the agreement emphasize that the intent of Congress in 1997 was clear that private accreditation procedures should be utilized in the Medicare+Choice program. The parties to the agreement's intent in this regard has not changed. Consequently, the parties to the agreement expect that the Secretary shall recognize and utilize qualified accreditation entities that have the ability to certify and enforce any of the requirements specified in the provision.

SEC. 519. TIMING OF MEDICARE+CHOICE HEALTH INFORMATION FAIRS

Current law

There is an annual coordinated period in November of each year during which beneficiaries may sign up for or change their M+C plan. Beginning in 2002, this enrollment period generally will be the only time during the calendar year that such an election or change of election may be made. A nationally coordinated information and publicity campaign is held in November each year to provide beneficiaries with information about their plan options.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Permits HCFA to conduct the annual information campaign during the fall season.

Agreement

The agreement includes the Senate provision. The parties intend to give HCFA the flexibility to begin the annual information campaign earlier. For the purpose of this provision the parties intent for the Fall season to mean the months of September, October or November.

SEC. 520. QUALITY ASSURANCE REQUIREMENTS FOR PREFERRED PROVIDER ORGANIZATION PLANS

Current law

M+C program requirements mandate that participating plans maintain ongoing quality assurance programs. Quality assurance program requirements are more extensive for coordinated care plans (which rely upon networks of providers with whom they contract to provide coordinated services) than they are from MSA and fee-for-service M+C plans. In implementing these quality assurance requirements, the Secretary has required that participating plans meet Quality Improvement System for Managed Care (QISMC) standards and guidelines.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Exempts M+C preferred provider organizations from the QISMC requirements unless the Secretary establishes similar requirements for Medicare fee-for-service providers.

Agreement

The agreement includes the Senate provision with modifications. The provision would clarify that preferred provider organizations (PPOs) only be required to meet the quality assurance requirements currently applied to private fee-for-service and MSA plans. The provision further requires MedPAC to conduct a study on the appropriate quality assurance standards that should apply to each type of M+C plan (including each type of coordinated care plan) and to the original Medicare program. A report on this study is due within 2 years of enactment.

The changes incorporated in this provision are in response to the lack of preferred provider organizations participating in the M+C program, especially in rural counties. The parties to the agreement have taken these steps to help ensure that PPOs can reasonably comply with the quality assurance requirements under Part C, and strongly encourage PPO plans to begin offering coverage in rural counties.

SEC. 521. CLARIFICATION OF NONAPPLICABILITY OF CERTAIN PROVISIONS OF DISCHARGE PLANNING PROCESS TO MEDICARE+CHOICE PLANS

Current law

BBA 97 modified hospital discharge planning process to assure that patients are not directed to a single post-acute facility.

H.R. 3075, as passed

Provides an exemption for M+C enrollees.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision with a modification specifying that a M+C discharge planning evaluation is not required to include information on the availability of home health services provided by individuals or entities that do not have a contract with the M+C organization. Further, the plan may specify or limit the provider or providers of post-hospital home health services or other post-hospital services.

SEC. 522. USER FEE FOR MEDICARE+CHOICE ORGANIZATIONS BASED ON NUMBER OF ENROLLED BENEFICIARIES

Current law

Requires the Secretary to collect a user fee from each M+C organization for use in carrying out Medicare+Choice education and enrollment activities. The activities are directed at all Medicare beneficiaries, including the 84% still enrolled in the original medicare fee-for-service program under Parts A and B. The user fee is equal to the organization's pro rata share of the aggregate amount of fees authorized to be collected from M+C organizations. The Secretary is authorized to collect $100 million in user fees each year.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Specifies that the aggregate amount of fees collected from M+C organizations would be limited to a pro rata share of the total budget for the education and enrollment related activities. This pro rata share is to be based on the number of beneficiaries in M+C plans as compared to the total number of Medicare beneficiaries. Limits total amount available in a fiscal year to the Secretary to carry out functions to $100 million. Authorizes the Secretary to draw upon the trust funds to finance that portion of authorized activities that are not financed by user fees imposed on M+C plans.

Agreement

The agreement includes the Senate provision with modifications. The program is authorized for $100 million per year. A Medicare+Choice plan's share of the total is the same proportion as their share of the total Medicare population. For example, if a particular Medicare+Choice plans enrolled 2.5 percent of the total Medicare population, that plan would be responsible for 2.5 percent of the costs associated with the information campaign, up to the $100,000,000 authorized.

SEC. 523. CLARIFICATION REGARDING THE ABILITY OF A RELIGIOUS FRATERNAL BENEFIT SOCIETY TO OPERATE ANY MEDICARE+CHOICE PLAN

Current law

Religious fraternal benefit societies may restrict enrollment in their M+C plans to their members. This allowable restriction applies only to coordinated care plans.

H.R. 3075, as passed

Extends the authority to all M+C plans.

S. 1788, as reported

Extends the authority to all M+C plans except MSAs.

Agreement

The agreement includes the House provision.

SEC. 524. RULES REGARDING PHYSICIAN REFERRALS FOR MEDICARE+CHOICE PROGRAM

Current law

Currently it is unlawful for physicians who bill Medicare to refer patients to certain entities if the physician has an ownership interest in or a compensation arrangement with the entity to which the patient is referred. There is an exception for referrals to certain specified health plans that agree to provide care on a prepaid basis.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Specifies that the exception applies to M+C coordinated care plans.

Agreement

The agreement includes the Senate provision.

SUBTITLE C—DEMONSTRATION PROJECTS AND SPECIAL MEDICARE POPULATIONS

SEC. 531. EXTENSION OF SOCIAL HEALTH MAINTENANCE ORGANIZATION (SHMO) DEMONSTRATION PROJECT AUTHORITY

Current law

Under waivers from the Secretary of HHS, SHMOs provide integrated health and long-term care services on a prepaid capitation basis. Medicare demonstration project waivers are to expire on December 31, 2000. The Secretary is required to submit to Congress by January 1, 1999, a report with a plan for integration and transition of SHMOs into an option under Medicare+Choice (this report is not yet completed) and a final report on the demonstration projects by March 31, 2001. Permits enrollment limits per site to be no fewer than 36,000.

H.R. 3075, as passed

Extends the Medicare demonstration project waivers until 18 months after the Secretary submits an integration and transition plan report to Congress. Within 6 months after the Secretary's final report (due March 31, 2001), requires MedPAC to submit a report to Congress with recommendations regarding the demonstration project. Increases the aggregate limit on participants at all sites to not less than 324,000.

S. 1788, as reported

Extends Medicare demonstration project waivers until 1 year after the Secretary submits an integration and transition plan report to Congress. Requires the Secretary to submit a final report on the demonstration projects to Congress 1 year after the integration and transition plan report.

Agreement

The agreement includes the House provision.

SEC. 532. EXTENSION OF MEDICARE COMMUNITY NURSING ORGANIZATION DEMONSTRATION PROJECT

Current law

The community nursing organization demonstration project began on January 1, 1994 to test in four sites a system of capitated payments for specified community nursing services covered by Medicare. Experimental and control groups were followed for health care utilization and costs. The experiment ended at the end of 1997. BBA 97 extended the availability of services through 1999. A final report is in progress.

H.R. 3075, as passed

Extends the demonstration project for 2 years; requires the Secretary to submit a report to Congress on the results of the demonstration project no later than July 1, 2001.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision with an amendment requiring the Secretary to provide for such reductions in payments under the project, in either year, which are necessary to ensure that federal expenditures under the project do not exceed those which would have been made in the absence of the project extension.

SEC. 533. MEDICARE+CHOICE COMPETITIVE BIDDING DEMONSTRATION PROJECT

Current law

BBA 97 requires the Secretary to establish a demonstration project under which payments to Medicare+Choice organizations are determined by a competitive pricing methodology, in accordance with the recommendations of the Competitive Pricing Advisory Committee (CPAC), the composition and responsibilities of which were also established under BBA 97.

H.R. 3075, as passed

Delays implementation of the project until January 1, 2002 or, if later, 6 months after CPAC submits reports on (a) incorporating original fee-for-service Medicare into the demonstration; (b) quality activities required by participating plans; (c) the viability of expanding the demonstration project to a rural site; and (d) the nature of the benefit structure required from plans that participate in the demonstration. The Secretary is also required, subject to recommendations by CPAC, to allow plans that make bids below the established government contribution rate, to offer beneficiaries rebates on their Part B premiums.

This provision is designed to give both CPAC and Congress more time to resolve some of the initial concerns that have been raised about the demonstration project, as it is currently designed. By delaying the start date an additional year, and by tasking CPAC to report back on the identified areas of concern, the parties to the agreement believe appropriate modifications to the project can be implemented before its inauguration so as to improve its chances of success. Similarly, the additional time provided by the delay will afford the Secretary, CPAC and the area advisory committees additional time to work with the communities designated under the project to resolve outstanding issues of concern.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision.

Sec. 534. Extension of Medicare Municipal Health Services Demonstration Projects (MHSP)

Current law

The MHSP is a multi-site demonstration to improve access to primary care services. BBA 97 extended the project through Dec. 2000 to provide a transition to mainstream Medicare.

H.R. 3075, as passed

Extends the project through December 31, 2001.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision, with an amendment to extend the project through December 31, 2002.

SEC. 535. MEDICARE COORDINATED CARE DEMONSTRATION PROJECT

Current law

BBA 97 provided for a coordinated care demonstration project in a cancer hospital. Funds would only be available as provided in any law making appropriations for the District of Columbia.

H.R. 3075, as passed

Specifies that the funding is to be made from Medicare trust funds in such amounts as are necessary to cover the costs of the project.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision.

The parties to the agreement are concerned that the Secretary has not acted upon a previously expressed Congressional mandate contained in the Balanced Budget Act of 1997 with respect to best practices in the area of coordinated care. Specifically, the mandate contained in Subchapter D, Section 4016 of the law required the Secretary no later than two years after enactment to conduct nine demonstration projects, that among other things, would evaluate best practices in the management of chronic illness. The parties to the agreement are aware that a solicitation for such proposals in the

areas of, but not limited to, congestive heart failure and diabetes mellitus contained in the Health Care Financing Administration Federal Register Notice of June 11, 1998, Vol. 63, No. 112 has not yet been acted upon by the Department, despite clear Congressional interest to evaluate and understand the potential benefits of these programs for better delivery of care to Medicare beneficiaries.

Therefore, the parties direct the Secretary to implement no later than 90 days after enactment of this law demonstrations enunciated in BBA 97, including a demonstration focused on the best practices available in chronic illness. Specifically, the parties also direct the Secretary no later than 90 days after enactment of this law to implement the case management demonstration focused on congestive heart failure and diabetes mellitus contained in the HCFA Federal Register solicitation of June 11, 1998.

SEC. 536. MEDIGAP PROTECTIONS FOR PACE PROGRAM ENROLLEES

Current law

The law guarantees issuance of specified Medigap policies to certain persons in terminating plans and, within their first twelve months of Medicare eligibility, to persons who enter directly into a M+C plan when becoming eligible for Medicare.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Extends protections to PACE enrollees in similar circumstances.

Agreement

The agreement includes the Senate provision with a modification to limit application of the provision to persons 65 years of age and older. The agreement does not include an extension of the disenrollment window for involuntarily terminated enrollees.

Subtitle D—Medicare+Choice Nursing and Allied Health Professional Education Payments

SEC. 541. MEDICARE+CHOICE NURSING AND ALLIED HEALTH PROFESSIONAL EDUCATION PAYMENTS

Current law

Medicare's calculation of managed care rates incorporates the additional payments made to teaching hospitals that operate residency training programs. BBA 97 reduced these rates by carving out the costs attributable to graduate medical education payments for physicians. The payment reduction is phased in over 5 years. Teaching hospitals will receive additional payments depending upon the number of Medicare managed care beneficiaries they serve.

H.R. 3075, as passed

Authorizes hospitals that operate approved nursing and allied health professional training programs to receive additional payments to reflect utilization of Medicare+Choice enrollees. The relationship of allied health direct graduate medical education (DGME) payments for Medicare+Choice enrollees to physician DGME payments for Medicare+Choice enrollees shall be in the same proportion as total allied health DGME payments to total DGME payments. The allied health payments to different hospitals are proportional to the direct costs of each hospital for such programs. In no case can this payment exceed $60 million. Physician DGME payment for Medicare+Choice utilization will be adjusted by the amount of additional payments that will be made for allied health professions under this provision.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision with technical modifications. Hospitals that operate approved nursing and allied health professional training programs and receive Medicare reasonable cost reimbursement for these programs would receive additional payments to reflect utilization of Medicare+Choice enrollees for portions of the cost reporting periods occurring in a year beginning in 2000. As specified by the Secretary, the payment amount would be calculated based on the proportion of physician direct graduate medical education (DGME) payments for Medicare+Choice enrollees to total physician DGME payments multiplied by the Secretary's estimate of total reasonable cost reimbursement for approved nursing and allied health professional training programs. In no case could this payment exceed $60 million. Hospitals would receive these allied health payments in proportion to amount of Medicare reasonable cost reimbursement for nursing and allied health programs received in the cost reporting period in the second preceding fiscal year to the total paid to all hospitals for such cost reporting period. Physician DGME payment for Medicare+Choice utilization would be reduced by the amount of additional payments that would be made for nursing and allied health professions under this provision.

SUBTITLE E—STUDIES AND REPORTS

SEC. 551. REPORT ON ACCOUNTING FOR VA AND DOD EXPENDITURES FOR MEDICARE BENEFICIARIES

Current law

No provision.

H.R. 3075, as passed

Requires the Secretaries of HHS, DOD, and VA no later than a year from enactment to submit to Congress a report on the use of health services furnished by DOD and VA to Medicare beneficiaries including Medicare+Choice enrollees and Medicare fee-for-service beneficiaries.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision with an amendment. The amendment requires the study to be conducted no later than April 1, 2001.

On a similar matter, the parties to the agreement are also concerned about the ability of Medicare beneficiaries who are also entitled to Veterans Administration health care services to obtain the full benefit of these separate entitlements. This issue is of particular concern in areas where VA health facilities are inadequate to fully meet the needs of these veteran beneficiaries. While beneficiaries in these areas are often able to readily obtain Medicare covered services from Medicare providers, the lack of Veterans Health Administration facilities often prevents them from obtaining more generous VA benefits for their health care needs. As a result, these beneficiaries often have to pay more in out-of-pocket health spending than similarly entitled veterans who reside near VA facilities.

To address this problem, the parties to the agreement encourage the Secretary to consult with the Secretary of the Department of Veterans Affairs and consider ways in which the two Secretaries could institute procedures that would allow for the greater coordination of benefits—and consequently greater access to needed care—for this special population.

SEC. 552. MEDICARE PAYMENT ADVISORY COMMISSION (MEDPAC) STUDIES AND REPORTS

Current law

No provision.

H.R. 3075, as passed

Requires MedPAC to submit to Congress a report on specific legislative changes that would make MSA plans a viable option under the M+C program.

S. 1788, as reported

Requires MedPAC to conduct a study that evaluates the methodology used by the Secretary in developing risk adjustment factors for M+C capitation rates. Requires MedPAC to conduct a study on the development of a payment methodology under M+C for frail elderly beneficiaries enrolled in specialized programs.

Agreement

The agreement includes the House and Senate provisions.

SEC. 553. GAO STUDIES, AUDITS, AND REPORTS

Current law

No provision.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Requires the GAO to conduct a study of Medigap policies. Requires the GAO to conduct annual audits of the Secretary's expenditures for providing M+C information to beneficiaries.

Agreement

The agreement includes the Senate provision.

TITLE VI—MEDICAID

SEC. 601. INCREASE IN DSH ALLOTMENT FOR CERTAIN STATES AND THE DISTRICT OF COLUMBIA

Current law

The federal share of Medicaid disproportionate share payments is capped at amounts specified for each state.

H.R. 3075, as passed

Increases the ceiling on the federal share of DSH payments for the District of Columbia, from $23 million to $32 million for each of fiscal years 2000 through 2002; for Minnesota, from $16 million to $33 million for each of fiscal years 1999 through 2002; for New Mexico, from $5 million to $9 million for each of fiscal years 1998 through 2002; and for Wyoming, from 0 to $.1 million for each of fiscal years 1999 through 2002.

S. 1788, as reported

Same as House provision.

Agreement

The agreement follows the House bill and the Senate bill.

SEC. 602. REMOVAL OF FISCAL YEAR LIMITATION ON CERTAIN TRANSITIONAL ADMINISTRATIVE COSTS ASSISTANCE

Current law

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 replaced the Aid to Families with Dependent Children (AFDC) program and established the Temporary Assistance for Needy Families (TANF) program. Under the old program, people who qualified for AFDC were automatically eligible for Medicaid. Welfare reform de-linked Medicaid and TANF eligibility. Concerned that state Medicaid programs would face large new administrative costs for conducting Medicaid eligibility determinations that would otherwise not have occurred, Congress established a fund of $500 million to assist with the transitional costs

of the new eligibility activities. The funds are available at an increased federal match for states that can demonstrate to the satisfaction of the Secretary that such additional administrative costs were attributable to welfare reform. The increased matching funds are available for the period beginning with fiscal year 1997 and ending with fiscal year 2000 and must relate to costs incurred during the first 12 quarters following the welfare reform effective date.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Extends the availability of the transitional increased federal matching funds beyond fiscal year 2000 and allows costs for which the increased matching funds are claimed to relate to costs incurred for the calender quarters beyond the first 12 following the effective date of welfare reform.

Agreement

The agreement includes the Senate provision.

SEC. 603. TWO-YEAR MORATORIUM ON PHASE-OUT OF PAYMENT FOR FEDERALLY-QUALIFIED HEALTH CENTER SERVICES AND RURAL HEALTH CLINIC SERVICES BASED ON REASONABLE COSTS

Current law

States pay FQHCs and RHCs a percentage of the facilities' reasonable costs for providing services. This percentage decreases for specified fiscal years—100% of costs for services furnished during FY1998 and FY1999; 95% for FY2000; 90% for FY2001; 85% for FY2002; and 70% for FY2003. For services furnished on or after October 1, 2003, no required payment percentage will apply. Two special payment rules are applicable during FY1998–FY2002. In the case of a contract between an FQHC or RHC and a managed care organization (MCO), the MCO must pay the FQHC or RHC at least as much as it would pay any other provider for similar services. States are required to make supplemental payments to the FQHCs and RHCs, equal to the difference between the contracted amounts and the cost-based amounts.

H.R. 3075, as passed

Creates a new Medicaid prospective payment system for FQHCs and RHCs beginning with FY2000. For the base year (defined as FY2000 for existing entities and the initial year of FQHC or RHC qualification for new entities established after FY1999), per visit payments are equal to 100% of the reasonable costs during the previous year for existing entities and the base year for new entities, adjusted for any increase in the scope of services furnished. For each fiscal year thereafter, per visit payments are equal to amounts for the preceding fiscal year increased by the percentage increase in the Medicare Economic Index applicable to primary care services for that fiscal year, and adjusted for any increase in the scope of services furnished during that fiscal year. In managed care contracts, States must make supplemental payments equal to the difference between contracted amounts and the cost-based amounts. Alternative payment methods are permitted only when payments are at least equal to amounts otherwise provided.

S. 1788, as reported

Retains the phase-out of cost-based reimbursement under Medicaid for FQHCs and RHCs as delineated in current law, and adds a new grant program. Beginning in FY2001, transitional grants outside the Medicaid program may be awarded to qualifying states to pay for services allowable under Medicaid when provided by FQHC and RHC to individuals who are not eligible for Medicaid. These grants will be made only to states that are paying 100% of reasonable costs to FQHCs and RHCs under Medicaid with one exception—states that have elected to pay FQHCs and RHCs 95% of reasonable costs in FY2000 and which revert to paying 100% of reasonable costs for FY2001 through FY2003 may also qualify for this new grant. For each of fiscal years 2001 through 2003, grant amounts are based on the ratio of the number of low-income persons in a state to the total number of such persons in all states. Counts of low-income persons equal the average number of such persons estimated using the 3 most recent March supplements of the CPS before the beginning of the calendar year in which the fiscal year begins. Annual grant amounts for any state will be no less than $400,000, and the Secretary will make pro rata adjustments as needed to achieve this requirement. There are no matching fund requirements for states. Also, each state awarded a grant will have 3 years in which to spend the funds allotted for a given fiscal year. States must distribute funds among all FQHCs and RHCs using uniform criteria based on factors such as size of caseload and treatment costs. Up to 15% of grant amounts per fiscal year may be used by states for administrative costs associated with this program. Total annual appropriations are $25 million for each of fiscal years 2001 through 2003. The GAO will conduct an annual study (due on November 1 of each year for 2000 through 2003) to determine the impact of the phase-out of cost-based reimbursement for FQHCs and RHCs and will report related recommendations for legislation.

Agreement

The agreement imposes a two-year moratorium on the phase-down of the cost-based reimbursement system set forth in the Balanced Budget Act of 1997. This will freeze the phase-down at 95 percent for fiscal years 2001 and 2002, and then the phase-down will resume at 90 percent in 2003, 85 percent in 2004. Cost-based reimbursement will be repealed in 2005. The General Accounting Office (GAO) will conduct an analysis of the impact of reducing or modifying payments based on the reasonable cost standard for federally qualified health centers and rural health clinics and the populations they serve. The GAO shall report back to Congress within 12 months with their findings and recommendations. This study shall evaluate a sampling of different payment approaches.

SEC. 604. PARITY IN REIMBURSEMENT FOR CERTAIN UTILIZATION AND QUALITY CONTROL SERVICES; ELIMINATION OF DUPLICATIVE REQUIREMENTS FOR EXTERNAL QUALITY REVIEW OF MEDICAID MANAGED CARE ORGANIZATIONS

a. Parity in Reimbursement for Certain Utilization and Quality Control Services

Current law

Current Medicaid law provides that States will receive 75% federal financial participation (FFP) when contracting with a Peer Review Organization (PRO) for medical and utilization reviews and for quality reviews. In addition, states can receive 75% FFP when they contract with a PRO-like entity but only for external quality reviews of Medicaid managed care. For all other reviews and entities, the standard 50% FFP applies.

A PRO is an entity that has a Medicare contract to perform medical and utilization reviews. A PRO-like entity is one that is certified by the Secretary as meeting the requirements of Section 1152 which defines standards for PROs under Medicare.

H.R. 3075, as passed

States will receive 75% FFP when PRO-like entities conduct medical and utilization reviews for fee-for-service Medicaid, and quality reviews for Medicaid managed care.

S. 1788, as reported

No provision.

Agreement

The agreement includes the House provision.

b. Elimination of Duplicative Requirements for External Quality Review of Medicaid Managed Care Organizations

Current law

Medicaid managed care organizations are required to obtain annual independent, external reviews using either a utilization and quality control peer review organization, a PRO defined under section 1152, or a private accreditation body. The results must be made available to the State and upon request to the Secretary, the Inspector General of HHS and the Comptroller General. This requirement is contained in three different sections of Medicaid law.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Deletes the external review requirements of Section 1902(a)(30)(C) and related parts of Sections 1902(d), 1903(a)(3)(C)(i) and 1903(m)(6)(B). Also requires the Secretary of HHS to certify to Congress that the external review requirement in Section 1932(c)(2) is fully implemented.

Agreement

The agreement includes the Senate provision.

SEC. 605. INAPPLICABILITY OF ENHANCED MATCH UNDER THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM TO MEDICAID DSH PAYMENTS

Current law

States have a great deal of flexibility in determining the formula used to calculate DSH payments to individual hospitals within minimum and maximum federal criteria. Those payments are matched by the federal government at the federal medical assistance percentage (FMAP), the same percentage that the federal government matches most other Medicaid payments for benefits. On the other hand, Medicaid payments for children who are eligible for benefits on the basis of being a targeted low-income child under Title XXI are matched at an enhanced federal matching percentage which is considerably higher than the basic Medicaid FMAP.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Clarifies that Medicaid DSH payments are matched at the FMAP and not at the enhanced federal matching percentage authorized under Title XXI.

Agreement

The agreement includes the Senate provision.

SEC. 606. OPTIONAL DEFERMENT OF THE EFFECTIVE DATE FOR OUTPATIENT DRUG AGREEMENTS

Current law

Medicaid law requires that rebate agreements between the Secretary (or, if authorized by the Secretary, with the States) and drug manufacturers that were not in effect

before March 1, 1991 become effective the first day of the calendar quarter that begins more than 60 days after the date the agreement is entered into.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Allows rebate agreements entered into after the date of enactment of this act to become effective on the date on which the agreement is entered into, or at State option, any date before or after the date on which the agreement is entered into.

Agreement

The agreement includes the Senate provision.

SEC. 607. MAKING MEDICAID DSH TRANSITION RULE PERMANENT

Current law

Medicaid authorizes states to make special disproportionate share (DSH) payments to certain hospitals treating large numbers of low-income and Medicaid patients. States determine the formula used to calculate DSH payments to individual hospitals within minimum and maximum federal criteria. For the period July 1, 1997 through July 1, 1999, hospital-specific disproportionate share payments for the State of California may be as high as 175% of the cost of care provided to Medicaid recipients and individuals who have no health insurance or other third-party coverage for services during the year (net of non-disproportionate share Medicaid payments and other payments by uninsured individuals).

H.R. 3075, as passed

Removes the July 1, 1999, end date for increased hospital-specific disproportionate share payments for the State of California, extending the transition period indefinitely.

S. 1788, as reported

Same as House provision.

Agreement

The agreement follows the House bill and the Senate bill.

SEC. 608. MEDICAID TECHNICAL CORRECTIONS

Current law

No provision.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Makes technical corrections to cross-references in Title XIX.

Agreement

The agreement includes the Senate provision.

TITLE VII—STATE CHILDREN'S HEALTH INSURANCE PROGRAM (SCHIP)

SEC. 701. STABILIZING THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM ALLOTMENT FORMULA

Current law

States and the District of Columbia are allotted funds for SCHIP using a distribution formula based on the product of the ''number of children'' and a ''state cost factor.'' For FY1998 through FY2000, the number of children is equal to the 3-year average of uninsured children in families with income below 200% FPL, using the three most recent March supplements of the Current Population Survey. For subsequent fiscal years, the number of children is a combination of low-income uninsured children and low-income children (75/25 percent split for FY2001 and a 50/50 percent split for FY2002 and thereafter). The state cost factor for a fiscal year equals the sum of .85 multiplied by the ratio of the annual average wages per employee to the national average wages per employee and .15. The measure for the annual average wages per employee is based on the 3 most recent years for employees in the health services industry. SCHIP allotments are subject to a floor of $2 million.

H.R. 3075, as passed

Accelerates the phase-in of the use of low-income children in calculating the ''number of children'' in the allotment distribution formula. Changes the data set to be used to estimate the number of children for a fiscal year from the three most recent March supplements of the CPS to the three most recent supplements available before the calendar year in which the fiscal year begins. Specifies new methods for determining floors and ceilings on allotments for the states and the District of Columbia for FY2000 and beyond. The floor remains $2 million, stated as a proportion of the total amount available for allotments for a fiscal year. For each fiscal year, the floor will not be less than 90% of a state's allotment proportion for the preceding year. The cumulative floor is set at 70% of the proportion for FY1999. The cumulative ceiling is capped at 145% of a state's allotment proportion for FY1999. If these methods create a deficit in a given year, there will be a ceiling on the maximum increase permitted in that year to ensure budget neutrality; if these methods create a surplus in a given year, there will be a pro-rata increase for all states below the ceiling. These new methods do not apply to unspent allotments that are redistributed to states as specified in Section 2104(f) of Title XXI.

S. 1788, as reported

Same as House provision.

Agreement

The agreement follows the House bill and the Senate bill.

SEC. 702. INCREASED ALLOTMENTS FOR TERRITORIES UNDER THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM

Current law

Of the total amount available for allotment for the SCHIP program, commonwealths and territories are allotted .25%, to be divided among them based on specified percentages. In addition, for fiscal year 1999, commonwealths and territories were allotted $32 million. This additional allotment amount was also divided among them based on the same specified percentages as the basic allotment.

H.R. 3075, as passed

Requires additional allotments for the commonwealths and territories of $34.2 million for each of fiscal years 2000 and 2001, $25.2 million for each of fiscal years 2002 through 2004, $32.4 million for each of fiscal years 2005 and 2006, and $40 million for fiscal year 2007.

S. 1788, as reported

Same as House provision.

Agreement

The agreement follows the House bill and the Senate bill.

SEC. 703. IMPROVED DATA COLLECTION AND EVALUATIONS OF THE STATE CHILDREN'S HEALTH INSURANCE PROGRAM

a. Funding for Reliable Annual State-by-State Estimates on the Number of Children Who Do Not Have Health Insurance Coverage

Current law

No provision.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Requires that the Secretary of Commerce make appropriate adjustments to the annual CPS to produce statistically reliable annual State-level data on the number of low-income children without health insurance. Data should be stratified by family income, age, and race or ethnicity. Appropriate adjustments to the CPS may include expanding sample size and/or sampling units within States, and appropriate verification methods. Requires that $10 million be appropriated for FY–2000 and for each year thereafter. These changes to the CPS will improve critical data for evaluation purposes. They will also affect State-specific counts of number of low-income children and the number of such children who have no health insurance coverage that feed into the formula in existing law that determines annual State-specific allotments from federal SCHIP appropriations.

Agreement

The agreement includes the Senate provision.

b. Funding for Children's Health Care Access and Utilization State-by-State Data

CURRENT LAW

No provision.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Requires the Secretary of HHS, acting through the National Center for Health Statistics (NCHS), to collect data on children's health insurance through the State and Local Area Integrated Telephone Survey (SLAITS) for the 50 States and the District of Columbia. The data collected must provide reliable, annual State-by-State information on health care access and utilization by low-income children. Data must also allow for stratification by family income, age, and race or ethnicity. The Secretary must obtain input from appropriate sources, including States, in designing the survey and its content. Requires that $9 million be appropriated for FY–2000 and for each year thereafter. At State request, the Secretary may also collect additional SLAITS data to assist with individual State SCHIP evaluations, for which the States must reimburse NCHS for such services.

Agreement

The Senate provision is not included.

c. FEDERAL EVALUATION OF STATE CHILDREN'S HEALTH INSURANCE PROGRAMS

CURRENT LAW

The Secretary is required to submit to Congress by December 31, 2001, a report based on the annual evaluations submitted by States, with conclusions and recommendations, as appropriate.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Adds a new federal evaluation to current law. The Secretary of HHS, directly or through contracts or interagency agreements, would be required to conduct an independent evaluation of 10 States with approved SCHIP plans. The selected States must represent diverse approaches to providing child health assistance, a mix of geographic areas (including rural and urban areas), and a significant portion of uninsured children. The federal evaluation will include,

but not be limited to: (1) a survey of the target population, (2) an assessment of effective and ineffective outreach and enrollment practices for both SCHIP and Medicaid, (3) an analysis of Medicaid eligibility rules and procedures that are a barrier to enrollment in Medicaid, and how coordination between Medicaid and SCHIP has affected enrollment under both programs, (4) an assessment of the effects of cost-sharing policies on enrollment, utilization and retention, and (5) an analysis of disenrollment patterns and factors influencing this process. The Secretary must submit the results of the federal evaluation to Congress no later than December 31, 2001. Requires that $10 million be appropriated for FY–2000. This appropriation shall remain available without fiscal year limitation.

Agreement

The agreement includes the Senate provision.

d. Inspector General Audit and GAO Report on Enrollees Eligible for Medicaid

Current law

No provision.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Requires that the Inspector General of HHS conduct an audit to determine how many Medicaid-eligible children are incorrectly enrolled in SCHIP among a sample of States that provide child health assistance through separate programs only (not via a Medicaid expansion). This audit will also assess progress in reducing the number of uninsured children relative to the goals stated in approved SCHIP plans. The first such audit will be conducted in FY2000, and will be repeated every third fiscal year thereafter. Requires the GAO to monitor these audits and report their results to Congress within six months of audit completion (i.e., by March 1 of the fiscal year following each audit).

Agreement

The agreement includes the Senate provision.

e. Coordination of Data Collection with Data Requirements Under the Maternal and Child Health Services Block Grant

Current law

States are required to submit annual reports detailing their activities under the Maternal and Child Health (MCH) Services Block Grant. These reports must include, among other items, information (by racial and ethnic group) on: (1) the number of deliveries to pregnant women who were provided prenatal, delivery or postpartum care under the block grant or who were entitled to benefits with respect to such deliveries under Medicaid, and (2) the number of infants under one year of age who were provided services under the block grant or were entitled to benefits under Medicaid.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Adds to the existing reporting requirement under the MCH Block Grant authority inclusion of information (by racial and ethnic group) on the number of deliveries to pregnant women entitled to benefits under SCHIP, and the number of infants under age one year entitled to SCHIP benefits.

Agreement

The agreement includes the Senate provision.

f. Coordination of Data Surveys and Reports

Current law

No provision.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Requires that the Secretary of HHS establish a clearinghouse for the consolidation and coordination of all federal data bases and reports regarding children's health.

Agreement

The agreement includes the Senate provision.

SEC. 704. REFERENCES TO SCHIP AND STATE CHILDREN'S HEALTH INSURANCE PROGRAM

Current law

No provision.

H.R. 3075, as passed

No provision.

S. 1788, as reported

No provision.

Agreement

Requires that the Secretary of Health and Human Services use the term State children's health insurance program and SCHIP instead of children's health insurance program and CHIP.

SEC. 705. STATE CHILDREN'S HEALTH INSURANCE PROGRAM TECHNICAL CORRECTIONS

Current law

No provision.

H.R. 3075, as passed

No provision.

S. 1788, as reported

Makes technical corrections to selected sections of Title XXI.

Agreement

The agreement includes the Senate provision.

The conference agreement would enact the provisions of H.R. 3427 as introduced on November 17, 1999. The text of that bill follows:

A BILL To authorize appropriations for the Department of State for fiscal year 2000 and 2001: to provide for enhanced security at United States diplomatic facilities: to provide for certain arms control, nonproliferation, and other national security measures: to provide for reform of the United Nations; and for other purposes

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 ''Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001''.

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

(a) ACT.—This Act is organized into two divisions as follows:

(1) DIVISION A.—Department of State Provisions.

(2) DIVISION B.—Arms Control, Nonproliferation, and Security Assistance Provisions.

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

Sec. 1. Short title.
Sec. 2. Organization of act into divisions; table of contents.
Sec. 3. Definitions.

DIVISION A—DEPARTMENT OF STATE PROVISIONS

TITLE I—AUTHORIZATIONS OF APPROPRIATIONS

Subtitle A—Department of State

Sec. 101. Administration of foreign affairs.
Sec. 102. International commissions.
Sec. 103. Migration and refugee assistance.
Sec. 104. United States informational, educational, and cultural programs.
Sec. 105. Grants to the Asia Foundation.
Sec. 106. Contributions to international organizations.
Sec. 107. Contributions for international peacekeeping activities.
Sec. 108. Voluntary contributions to international organizations.

Subtitle B—United States International Broadcasting Activities

Sec. 121. Authorizations of appropriations.

TITLE II—DEPARTMENT OF STATE AUTHORITIES AND ACTIVITIES

Subtitle A—Basic Authorities and Activities

Sec. 201. Office of Children's Issues.
Sec. 202. Strengthening implementation of the Hague Convention on the Civil Aspects of International Child Abduction.
Sec. 203. Report concerning attack in Cambodia.
Sec. 204. International expositions.
Sec. 205. Responsibility of the AID Inspector General for the Inter-American Foundation and the African Development Foundation.
Sec. 206. Report on Cuban drug trafficking.
Sec. 207. Revision of reporting requirement.
Sec. 208. Foreign language proficiency.
Sec. 209. Continuation of reporting requirements.
Sec. 210. Joint funds under agreements for cooperation in environmental, scientific, cultural and related areas.
Sec. 211. Report on international extradition.

Subtitle B—Consular Authorities

Sec. 231. Machine readable visas.
Sec. 232. Fees relating to affidavits of support.
Sec. 233. Passport fees.
Sec. 234. Deaths and estates of United States citizens abroad.
Sec. 235. Duties of consular officers regarding major disasters and incidents abroad affecting United States citizens.
Sec. 236. Issuance of passports for children under age 14.
Sec. 237. Processing of visa applications.
Sec. 238. Feasibility study on further passport restrictions on individuals in arrears on child support.

Subtitle C—Refugees

Sec. 251. United States policy regarding the involuntary return of refugees.
Sec. 252. Human rights reports.
Sec. 253. Guidelines for refugee processing posts.
Sec. 254. Gender-related persecution task force.
Sec. 255. Eligibility for refugee status.

TITLE III—ORGANIZATION AND PERSONNEL OF THE DEPARTMENT OF STATE

Subtitle A—Organization Matters

Sec. 301. Legislative liaison offices of the Department of State.
Sec. 302. State Department official for Northeastern Europe.
Sec. 303. Science and Technology Adviser to the Secretary of State.
Sec. 304. Application of certain laws to public diplomacy funds.
Sec. 305. Reform of the diplomatic telecommunications service office.

Subtitle B—Personnel of the Department of State

Sec. 321. Award of Foreign Service star.
Sec. 322. United States citizens hired abroad.
Sec. 323. Limitation on percentage of Senior Foreign Service eligible for performance pay.

Sec. 324. Placement of Senior Foreign Service personnel.
Sec. 325. Report on management training.
Sec. 326. Workforce planning for Foreign Service personnel by Federal agencies.
Sec. 327. Records of disciplinary actions.
Sec. 328. Limitation on salary and benefits for members of the Foreign Service recommended for separation for cause.
Sec. 329. Treatment of grievance records.
Sec. 330. Deadlines for filing grievances.
Sec. 331. Reports by the Foreign Service Grievance Board.
Sec. 332. Extension of use of Foreign Service personnel system.
Sec. 333. Border equalization pay adjustment.
Sec. 334. Treatment of certain persons reemployed after service with international organizations.
Sec. 335. Transfer allowance for families of deceased Foreign Service personnel.
Sec. 336. Parental choice in education.
Sec. 337. Medical emergency assistance.
Sec. 338. Report concerning financial disadvantages for administrative and technical personnel.
Sec. 339. State Department Inspector General and personnel investigations.
Sec. 340. Study of compensation for survivors of terrorist attacks overseas.
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SEC. 3. DEFINITIONS.

In this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—Except as otherwise provided in section 902(1), the term ''appropriate congressional committees'' means the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of State.

DIVISION A—DEPARTMENT OF STATE PROVISIONS

TITLE I—AUTHORIZATIONS OF APPROPRIATIONS

Subtitle A—Department of State

SEC. 101. ADMINISTRATION OF FOREIGN AFFAIRS.

The following amounts are authorized to be appropriated for the Department of State under ''Administration of Foreign Affairs'' to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States and for other purposes authorized by law, including public diplomacy activities and the diplomatic security program:

(1) DIPLOMATIC AND CONSULAR PROGRAMS.—

(A) AUTHORIZATION OF APPROPRIATIONS.—For ''Diplomatic and Consular Programs'' of the Department of State, $2,837,772,000 for the fiscal year 2000 and $3,263,438,000 for the fiscal year 2001.

(B) LIMITATIONS.—

(i) WORLDWIDE SECURITY UPGRADES.—Of the amounts authorized to be appropriated by subparagraph (A), $254,000,000 for the fiscal year 2000 and $315,000,000 for the fiscal year 2001 is authorized to be appropriated only for worldwide security upgrades.

(ii) BUREAU OF DEMOCRACY, HUMAN RIGHTS, AND LABOR.—Of the amounts authorized to be appropriated by subparagraph (A), $12,000,000 for the fiscal year 2000 and $12,000,000 for the fiscal year 2001 is authorized to be appropriated only for salaries and expenses of the Bureau of Democracy, Human Rights, and Labor.

(iii) RECRUITMENT OF MINORITY GROUPS.—Of the amounts authorized to be appropriated by subparagraph (A), $2,000,000 for fiscal year 2000 and $2,000,000 for fiscal year 2001 is authorized to be appropriated only for the recruitment of members of minority groups for careers in the Foreign Service and international affairs.

(2) CAPITAL INVESTMENT FUND.—For ''Capital Investment Fund'' of the Department of State, $90,000,000 for the fiscal year 2000 and $150,000,000 for the fiscal year 2001.

(3) EMBASSY SECURITY, CONSTRUCTION AND MAINTENANCE.—For ''Embassy Security, Construction and Maintenance'', $434,066,000 for the fiscal year 2000 and $445,000,000 for the fiscal year 2001.

(4) REPRESENTATION ALLOWANCES.—For ''Representation Allowances'', $5,850,000 for the fiscal year 2000 and $5,850,000 for the fiscal year 2001.

(5) EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE.—For ''Emergencies in the Diplomatic and Consular Service'', $17,000,000 for the fiscal year 2000 and $17,000,000 for the fiscal year 2001.

(6) OFFICE OF THE INSPECTOR GENERAL.—For ''Office of the Inspector General'', $30,054,000 for the fiscal year 2000 and $30,054,000 for the fiscal year 2001.

(7) PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN.—For ''Payment to the American Institute in Taiwan'', $15,760,000 for the fiscal year 2000 and $15,918,000 for the fiscal year 2001.

(8) PROTECTION OF FOREIGN MISSIONS AND OFFICIALS.—

(A) AMOUNTS AUTHORIZED TO BE APPROPRIATED.—For ''Protection of Foreign Missions and Officials'', $9,490,000 for the fiscal year 2000 and $9,490,000 for the fiscal year 2001.

(B) AVAILABILITY OF FUNDS.—Each amount appropriated pursuant to this paragraph is authorized to remain available through September 30 of the fiscal year following the fiscal year for which the amount was appropriated.

(9) REPATRIATION LOANS.—For ''Repatriation Loans'', $1,200,000 for the fiscal year 2000 and $1,200,000 for the fiscal year 2001, for administrative expenses.

SEC. 102. INTERNATIONAL COMMISSIONS.

The following amounts are authorized to be appropriated under ''International Commissions'' for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States and for other purposes authorized by law:

(1) INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO.—For ''International Boundary and Water Commission, United States and Mexico''—

(A) for ''Salaries and Expenses'', $20,413,000 for the fiscal year 2000 and $20,413,000 for the fiscal year 2001; and

(B) for ''Construction'', $8,435,000 for the fiscal year 2000 and $8,435,000 for the fiscal year 2001.

(2) INTERNATIONAL BOUNDARY COMMISSION, UNITED STATES AND CANADA.—For ''International Boundary Commission, United States and Canada'', $859,000 for the fiscal year 2000 and $859,000 for the fiscal year 2001.

(3) INTERNATIONAL JOINT COMMISSION.—For ''International Joint Commission'', $3,819,000 for the fiscal year 2000 and $3,819,000 for the fiscal year 2001.

(4) INTERNATIONAL FISHERIES COMMISSIONS.—For ''International Fisheries Commissions'', $16,702,000 for the fiscal year 2000 and $16,702,000 for the fiscal year 2001.

SEC. 103. MIGRATION AND REFUGEE ASSISTANCE.

(a) MIGRATION AND REFUGEE ASSISTANCE.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for ''Migration and Refugee Assistance'' for authorized activities, $750,000,000 for the fiscal year 2000 and $750,000,000 for the fiscal year 2001.

(2) LIMITATIONS.—

(A) TIBETAN REFUGEES IN INDIA AND NEPAL.—Of the amounts authorized to be appropriated in paragraph (1), $2,000,000 for the fiscal year 2000 and $2,000,000 for the fiscal year 2001 is authorized to be available for humanitarian assistance, including food, medicine, clothing, and medical and vocational training, to Tibetan refugees in India and Nepal who have fled Chinese-occupied Tibet.

(B) REFUGEES RESETTLING IN ISRAEL.—Of the amounts authorized to be appropriated in paragraph (1), $60,000,000 for the fiscal year 2000 and $60,000,000 for the fiscal year 2001 is authorized to be available only for assistance for refugees resettling in Israel from other countries.

(C) HUMANITARIAN ASSISTANCE FOR DISPLACED BURMESE.—Of the amounts authorized to be appropriated in paragraph (1), $2,000,000 for the fiscal year 2000 and $2,000,000 for the fiscal year 2001 are authorized to be available for humanitarian assistance (including food, medicine, clothing, and medical and vocational training) to persons displaced as a result of civil conflict in Burma, including persons still within Burma.

(D) ASSISTANCE FOR DISPLACED SIERRA LEONEANS.—Of the amounts authorized to be appropriated in paragraph (1), $2,000,000 for the fiscal year 2000 and $2,000,000 for the fiscal year 2001 are authorized to be available for humanitarian assistance (including food, medicine, clothing, and medical and vocational training) and resettlement of persons who have been severely mutilated as a result of civil conflict in Sierra Leone, including persons still within Sierra Leone.

(E) INTERNATIONAL RAPE COUNSELING PROGRAM.—Of the amounts authorized to be appropriated in paragraph (1), $1,000,000 for the fiscal year 2000 and $1,000,000 for the fiscal year 2001 are authorized to be appropriated for a program of counseling for female victims of rape and gender violence in times of conflict and war.

(b) AVAILABILITY OF FUNDS.—Funds appropriated pursuant to this section are authorized to remain available until expended.

SEC. 104. UNITED STATES INFORMATIONAL, EDUCATIONAL, AND CULTURAL PROGRAMS.

(a) IN GENERAL.—The following amounts are authorized to be appropriated for the Department of State to carry out international information activities and educational and cultural exchange programs under the United States Information and Educational Exchange Act of 1948, the Mutual Educational and Cultural Exchange Act of 1961, Reorganization Plan Number 2 of 1977, the Dante B. Fascell North-South Center Act of 1991, and the National Endowment for Democracy Act, other such programs including the Claude and Mildred Pepper Scholarship Program of the Washington Workshops Foundation and the Mike Mansfield Fellowship Program, and to carry out other authorities in law consistent with such purposes:

(1) EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS.—

(A) FULBRIGHT ACADEMIC EXCHANGE PROGRAMS.—For the ''Fulbright Academic Exchange Programs'' (other than programs described in subparagraph (B)), $112,000,000 for the fiscal year 2000 and $120,000,000 for the fiscal year 2001.

(B) OTHER EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS.—

(i) IN GENERAL.—For other educational and cultural exchange programs authorized by law, including the Claude and Mildred Pepper Scholarship Program of the Washington Workshops Foundation and Mike Mansfield Fellowship Program, $98,329,000 for the fiscal year 2000 and $105,000,000 for the fiscal year 2001.

(ii) SOUTH PACIFIC EXCHANGES.—Of the amounts authorized to be appropriated under clause (i), $750,000 for the fiscal year 2000 and $750,000 for the fiscal year 2001 is authorized to be available for ''South Pacific Exchanges''.

(iii) EAST TIMORESE SCHOLARSHIPS.—Of the amounts authorized to be appropriated under clause (i), $500,000 for the fiscal year 2000 and $500,000 for the fiscal year 2001 is authorized to be available for ''East Timorese Scholarships''.

(iv) TIBETAN EXCHANGES.—Of the amounts authorized to be appropriated under clause (i), $500,000 for the fiscal year 2000 and $500,000 for the fiscal year 2001 is authorized to be available for ''Ngawang Choephel Exchange Programs'' (formerly known as educational and cultural exchanges with Tibet) under section 103(a) of the Human Rights, Refugee, and Other Foreign Relations Provisions Act of 1996 (Public Law 104–319).

(v) AFRICAN EXCHANGES.—Of the amounts authorized to be appropriated under clause (i), $500,000 for the fiscal year 2000 and $500,000 for the fiscal year 2001 is authorized to be available only for ''Educational and Cultural Exchanges with Sub-Saharan Africa''.

(vi) ISRAEL-ARAB PEACE PARTNERS PROGRAM.—Of the amounts authorized to be appropriated under clause (i), $750,000 for the fiscal year 2000 and $750,000 for the fiscal year 2001 is authorized to be available only for people-to-people activities (with a focus on young people) to support the Middle East peace process involving participants from Israel, the Palestinian Authority, Arab countries, and the United States, to be known as the ''Israel-Arab Peace Partners Program''. Not later than 90 days after the date of the enactment of this Act, the Secretary of State shall submit a plan to the appropriate congressional committees for implementation of such program. The Secretary shall not implement the plan until 45 days after its submission to the appropriate congressional committees.

(2) NATIONAL ENDOWMENT FOR DEMOCRACY.—

(A) AUTHORIZATION OF APPROPRIATIONS.—For the ''National Endowment for Democracy'', $32,000,000 for the fiscal year 2000 and $32,000,000 for the fiscal year 2001.

(B) REAGAN-FASCELL DEMOCRACY FELLOWS.—Of the amount authorized to be appropriated by subparagraph (A), $1,000,000 for fiscal year 2000 and $1,000,000 for the fiscal year 2001 is authorized to be appropriated only for a fellowship program, to be known as the ''Reagan-Fascell Democracy Fellows'', for democracy activists and scholars from around the world at the International Forum for Democratic Studies in Washington, D.C., to study, write, and exchange views with other activists and scholars and with Americans.

(3) DANTE B. FASCELL NORTH-SOUTH CENTER.—For ''Dante B. Fascell North-South Center'' $2,500,000 for the fiscal year 2000 and $2,500,000 for the fiscal year 2001.

(4) CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST.—For the ''Center for Cultural and Technical Interchange between East and West'', $12,500,000 for the fiscal year 2000 and $12,500,000 for the fiscal year 2001.

(b) MUSKIE FELLOWSHIPS.—

(1) EXCHANGES WITH RUSSIA.—Of the amounts authorized to be appropriated by this or any other Act for the fiscal years 2000 and 2001 for exchange programs with the Russian Federation, $5,000,000 for fiscal year 2000 and $5,000,000 for fiscal year 2001 shall be available only to carry out the Edmund S. Muskie Program under section 227 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (Public Law 102–138; 22 U.S.C. 2452 note).

(2) DOCTORAL GRADUATE STUDIES FOR NATIONALS OF THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.—Of the amounts authorized to be appropriated by this or any other Act for the fiscal years 2000 and 2001 for exchange programs, $1,500,000 for fiscal year 2000 and $1,500,000 for fiscal year 2001 shall be available only to provide scholarships for doctoral graduate study in economics to nationals of the independent states of the former Soviet Union under the Edmund S. Muskie Fellowship Program authorized by section 227 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (Public Law 102–138; 22 U.S.C. 2452 note).

(c) VIETNAM FULBRIGHT ACADEMIC EXCHANGE PROGRAM.—Of the amounts authorized to be appropriated by subsection (a)(1)(A), $4,000,000 for the fiscal year 2000 and $4,000,000 for the fiscal year 2001 shall be available only to carry out the Vietnam scholarship program established by section 229 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (Public Law 102–138; 22 U.S.C. 2452 note).

SEC. 105. GRANTS TO THE ASIA FOUNDATION.

Section 404 of The Asia Foundation Act (title IV of Public Law 98–164; 22 U.S.C. 4403) is amended to read as follows:

''SEC. 404. There are authorized to be appropriated to the Secretary of State $15,000,000 for each of the fiscal years 2000 and 2001 for grants to The Asia Foundation pursuant to this title.''.

SEC. 106. CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated under the heading ''Contributions to International Organizations'' $940,000,000 for the fiscal year 2000 and such sums as may be necessary for the fiscal year 2001 for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States with respect to international organizations and to carry out other authorities in law consistent with such purposes.

(2) AVAILABILITY OF FUNDS FOR CIVIL BUDGET OF NATO.—Of the amounts authorized in paragraph (1), $48,977,000 are authorized in fiscal year 2000 and such sums as may be necessary in fiscal year 2001 for the United States assessment for the civil budget of the North Atlantic Treaty Organization.

(b) NO GROWTH BUDGET.—Of the funds made available under subsection (a), $80,000,000 may be made available during each calendar year only after the Secretary of State certifies that the United Nations has taken no action during the preceding calendar year to increase funding for any United Nations program without identifying an offsetting decrease during that calendar year elsewhere in the United Nations budget of $2,533,000,000, and cause the United Nations to exceed the initial 1998–99 United Nations biennium budget adopted in December 1997.

(c) INSPECTOR GENERAL OF THE UNITED NATIONS.—

(1) WITHHOLDING OF FUNDS.—Twenty percent of the funds made available in each fiscal year under subsection (a) for the assessed contribution of the United States to the United Nations shall be withheld from obligation and expenditure until a certification is made under paragraph (2).

(2) CERTIFICATION.—A certification under this paragraph is a certification by the Secretary of State in the fiscal year concerned that the following conditions are satisfied:

(A) ACTION BY THE UNITED NATIONS.—The United Nations—

(i) has met the requirements of paragraphs (1) through (6) of section 401(b) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (22 U.S.C. 287e note), as amended by paragraph (3);

(ii) has established procedures that require the Under Secretary General of the Office of Internal Oversight Services to report directly to the Secretary General on the adequacy of the Office's resources to enable the Office to fulfill its mandate; and

(iii) has made available an adequate amount of funds to the Office for carrying out its functions.

(B) AUTHORITY BY OIOS.—The Office of Internal Oversight Services has authority to audit, inspect, or investigate each program, project, or activity funded by the United Nations, and each executive board created under the United Nations has been notified of that authority.

(3) AMENDMENT OF THE FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1994 AND 1995.—Section 401(b) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 is amended—

(A) by amending paragraph (6) to read as follows:

''(6) the United Nations has procedures in place to ensure that all reports submitted by the Office of Internal Oversight Services are made available to the member states of the United Nations without modification except to the extent necessary to protect the privacy rights of individuals.''; and

(B) by striking ''Inspector General'' each place it appears and inserting ''Office of Internal Oversight Services''.

(d) PROHIBITION ON CERTAIN GLOBAL CONFERENCES.—None of the funds made available under subsection (a) shall be available for any United States contribution to pay for any expense related to the holding of any United Nations global conference, except for any conference scheduled prior to October 1, 1998.

(e) PROHIBITION ON FUNDING OTHER FRAMEWORK TREATY-BASED ORGANIZATIONS.—None of the funds made available for the 1998–1999 biennium budget under subsection (a) for United States contributions to the regular budget of the United Nations shall be available for the United States proportionate share of any other framework treaty-based organization, including the Framework Convention on Global Climate Change, the International Seabed Authority, the Desertification Convention, and the International Criminal Court.

(f) FOREIGN CURRENCY EXCHANGE RATES.—

(1) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts authorized to be appropriated by subsection (a), there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2000 and 2001 to offset adverse fluctuations in foreign currency exchange rates.

(2) AVAILABILITY OF FUNDS.—Amounts appropriated under this subsection shall be available for obligation and expenditure only to the extent that the Director of the Office of Management and Budget determines and certifies to Congress that such amounts are necessary due to such fluctuations.

(g) REFUND OF EXCESS CONTRIBUTIONS.—The United States shall continue to insist that the United Nations and its specialized and affiliated agencies shall credit or refund to each member of the agency concerned its proportionate share of the amount by which the total contributions to the agency exceed the expenditures of the regular assessed budgets of these agencies.

SEC. 107. CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES.

There are authorized to be appropriated under the heading ''Contributions for International Peacekeeping Activities'' $500,000,000 for the fiscal year 2000 and such sums as may be necessary for the fiscal year 2001 for the Department of State to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States with respect to international peacekeeping activities and to carry out other authorities in law consistent with such purposes.

SEC. 108. VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for ''Voluntary Contributions to International Organizations'', $293,000,000 for the fiscal year 2000 and such sums as may be necessary for the fiscal year 2001.

(b) LIMITATIONS ON AUTHORIZATIONS OF APPROPRIATIONS.—

(1) WORLD FOOD PROGRAM.—Of the amounts authorized to be appropriated under subsection (a), $5,000,000 for the fiscal year 2000 and $5,000,000 for the fiscal year 2001 is authorized to be appropriated only for a United States contribution to the World Food Program.

(2) UNITED NATIONS VOLUNTARY FUND FOR VICTIMS OF TORTURE.—Of the amounts authorized to be appropriated under subsection (a), $5,000,000 for the fiscal year 2000 and $5,000,000 for the fiscal year 2001 is authorized to be appropriated only for a United States contribution to the United Nations Voluntary Fund for Victims of Torture.

(3) ORGANIZATION OF AMERICAN STATES.—Of the amounts authorized to be appropriated under subsection (a), $240,000 for the fiscal year 2000 and $240,000 for the fiscal year 2001 is authorized to be appropriated only for a United States contribution to the Organization of American States for the Office of the Special Rapporteur for Freedom of Expression in the Western Hemisphere to conduct investigations, including field visits, to establish a network of nongovernmental organizations, and to hold hemispheric conferences, of which $6,000 for each fiscal year is authorized to be appropriated only for the investigation and dissemination of information on violations of freedom of expression by the Government of Cuba, $6,000 for each fiscal year is authorized to be appropriated only for the investigation and dissemination of information on violations of freedom of expression by the Government of Peru, and $6,000 for each fiscal year is authorized to be appropriated only for the investigation and dissemination of information on violations of freedom of expression by the Government of Colombia.

(4) UNICEF.—Of the amounts authorized to be appropriated under subsection (a), $110,000,000 for the fiscal year 2000 is authorized to be appropriated only for a United States contribution to UNICEF.

(c) RESTRICTIONS ON UNITED STATES VOLUNTARY CONTRIBUTIONS TO UNITED NATIONS DEVELOPMENT PROGRAM.—

(1) LIMITATION.—Of the amounts made available under subsection (a) for each of the fiscal years 2000 and 2001 for United States voluntary contributions to the United Nations Development Program an amount equal to the amount the United Nations Development Program will spend in Burma during each fiscal year shall be withheld unless during such fiscal year the Secretary of State submits to the appropriate congressional committees the certification described in paragraph (2).

(2) CERTIFICATION.—The certification referred to in paragraph (1) is a certification by the Secretary of State that all programs and activities of the United Nations Development Program (including United Nations Development Program—Administered Funds) in Burma—

(A) are focused on eliminating human suffering and addressing the needs of the poor;

(B) are undertaken only through international or private voluntary organizations that have been deemed independent of the State Peace and Development Council (SPDC) (formerly known as the State Law and Order Restoration Council (SLORC)), after consultation with the leadership of the National League for Democracy and the leadership of the National Coalition Government of the Union of Burma;

(C) provide no financial, political, or military benefit to the SPDC; and

(D) are carried out only after consultation with the leadership of the National League for Democracy and the leadership of the National Coalition Government of the Union of Burma.

(d) CONTRIBUTIONS TO THE UNITED NATIONS FUND FOR POPULATION ACTIVITIES.—

(1) LIMITATIONS ON AMOUNT OF CONTRIBUTION.—Of the amounts made available under subsection (a), not more than $25,000,000 for fiscal year 2000 and $25,000,000 for fiscal year 2001 shall be available for the United Nations Fund for Population Activities (hereinafter in this subsection referred to as the ''UNFPA'').

(2) PROHIBITION ON USE OF FUNDS IN CHINA.—None of the funds made available under subsection (a) may be made available for the UNFPA for a country program in the People's Republic of China.

(3) CONDITIONS ON AVAILABILITY OF FUNDS.—Amounts made available under subsection (a) for each of the fiscal years 2000 and 2001 for the UNFPA may not be made available to the UNFPA unless—

(A) the UNFPA maintains amounts made available to the UNFPA under this section in an account separate from other accounts of the UNFPA;

(B) the UNFPA does not commingle amounts made available to the UNFPA under this section with other sums; and

(C) the UNFPA does not fund abortions.

(4) REPORT TO CONGRESS AND WITHHOLDING OF FUNDS.—

(A) Not later than February 15, of each of the years 2000 and 2001, the Secretary of State shall submit a report to the appropriate congressional committees indicating the amount of funds that the United Nations Fund for Population Activities is budgeting for the year in which the report is submitted for a country program in the People's Republic of China.

(B) If a report under subparagraph (A) indicates that the United Nations Population Fund plans to spend funds for a country program in the People's Republic of China in the year covered by the report, then the amount of such funds that the UNFPA plans to spend in the People's Republic of China shall be deducted from the funds made available to the UNFPA after March 1 for obligation for the remainder of the fiscal year in which the report is submitted.

(e) AVAILABILITY OF FUNDS.—Amounts authorized to be appropriated under subsection (a) are authorized to remain available until expended.

Subtitle B—United States International Broadcasting Activities

SEC. 121. AUTHORIZATIONS OF APPROPRIATIONS.

(a) IN GENERAL.—The following amounts are authorized to be appropriated to carry out the United States International Broadcasting Act of 1994, the Radio Broadcasting to Cuba Act, and the Television Broadcasting to Cuba Act, and to carry out other authorities in law consistent with such purposes:

(1) INTERNATIONAL BROADCASTING ACTIVITIES.—For ''International Broadcasting Activities'', $385,900,000 for the fiscal year 2000, and $393,618,000 for the fiscal year 2001.

(2) BROADCASTING CAPITAL IMPROVEMENTS.—For ''Broadcasting Capital Improvements'', $20,868,000 for the fiscal year 2000, and $20,868,000 for the fiscal year 2001.

(3) BROADCASTING TO CUBA.—For ''Broadcasting to Cuba'', $22,743,000 for the fiscal year 2000 and $22,743,000 for the fiscal year 2001.

(4) RADIO FREE ASIA.—For ''Radio Free Asia'', $24,000,000 for the fiscal year 2000, and $30,000,000 for the fiscal year 2001.

TITLE II—DEPARTMENT OF STATE AUTHORITIES AND ACTIVITIES

Subtitle A—Basic Authorities and Activities

SEC. 201. OFFICE OF CHILDREN'S ISSUES.

(a) DIRECTOR REQUIREMENTS.—The Secretary of State shall fill the position of Director of the Office of Children's Issues of the Department of State (in this section referred to as the ''Office'') with an individual of senior rank who can ensure long-term continuity in the management and policy matters of the Office and has a strong background in consular affairs.

(b) CASE OFFICER STAFFING.—Effective April 1, 2000, there shall be assigned to the Office of Children's Issues of the Department of State a sufficient number of case officers to ensure that the average caseload for each officer does not exceed 75.

(c) EMBASSY CONTACT.—The Secretary of State shall designate in each United States diplomatic mission an employee who shall serve as the point of contact for matters relating to international abductions of children by parents. The Director of the Office shall regularly inform the designated employee of children of United States citizens abducted by parents to that country.

(d) REPORTS TO PARENTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), beginning 6 months after the date of enactment of this Act, and at least once every 6 months thereafter, the Secretary of State shall report to each parent who has requested assistance regarding an abducted child overseas. Each such report shall include information on the current status of the abducted child's case and the efforts by the Department of State to resolve the case.

(2) EXCEPTION.—The requirement in paragraph (1) shall not apply in a case of an abducted child if—

(A) the case has been closed and the Secretary of State has reported the reason the case was closed to the parent who requested assistance; or

(B) the parent seeking assistance requests that such reports not be provided.

SEC. 202. STRENGTHENING IMPLEMENTATION OF THE HAGUE CONVENTION ON THE CIVIL ASPECTS OF INTERNATIONAL CHILD ABDUCTION.

Section 2803(a) of the Foreign Affairs Reform and Restructuring Act of 1998 (as contained in division G of Public Law 105–277) is amended—

(1) in the first sentence, by striking ''1999,'' and inserting ''2001,'';

(2) in paragraph (1), by striking ''United States citizens'' and inserting ''applicants in the United States'';

(3) in paragraph (2), by striking ''abducted.'' and inserting ''abducted, are being wrongfully retained in violation of United States court orders, or which have failed to comply with any of their obligations under such convention with respect to applications for the return of children, access to children, or both, submitted by applicants in the United States.'';

(4) in paragraph (3)—

(A) by striking ''children'' and inserting ''children, access to children, or both,''; and

(B) by striking ''United States citizens'' and inserting ''applicants in the United States'';

(5) in paragraph (4), by inserting before the period at the end the following: '', including the specific actions taken by the United States chief of mission in the country to which the child is alleged to have been abducted''; and

(6) by inserting after paragraph (5) the following new paragraphs:

''(6) A list of the countries that are parties to the Convention in which, during the reporting period, parents who have been left-behind in the United States have not been able to secure prompt enforcement of a final return or access order under a Hague proceeding, of a United States custody, access, or visitation order, or of an access or visitation order by authorities in the country concerned, due to the absence of a prompt and effective method for enforcement of civil court orders, the absence of a doctrine of comity, or other factors.

''(7) A description of the efforts of the Secretary of State to encourage the parties to the Convention to facilitate the work of nongovernmental organizations within their countries that assist parents seeking the return of children under the Convention.''.

SEC. 203. REPORT CONCERNING ATTACK IN CAMBODIA.

Not later than 30 days after the date of the enactment of this Act, and one year thereafter unless the investigation referred to in this section is completed, the Secretary of State, in consultation with the Attorney General, shall submit a report to the appropriate congressional committees, in classified and unclassified form, containing the most current information on the investigation into the March 30, 1997, grenade attack in Cambodia.

SEC. 204. INTERNATIONAL EXPOSITIONS.

(a) LIMITATION.—Except as provided in subsection (b) and notwithstanding any other provision of law, the Department of State may not obligate or expend any funds appropriated to the Department of State for a United States pavilion or other major exhibit at any international exposition or world's fair registered by the Bureau of International Expositions in excess of amounts expressly authorized and appropriated for such purpose.

(b) EXCEPTIONS.—

(1) IN GENERAL.—The Department of State is authorized to utilize its personnel and resources to carry out the responsibilities of the Department for the following:

(A) Administrative services, including legal and other advice and contract administration, under section 102(a)(3) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2452(a)(3)) related to United States participation in international fairs and expositions abroad. Such administrative services may not include capital expenses, operating expenses, or travel or related expenses (other than such expenses as are associated with the provision of administrative services by employees of the Department of State).

(B) Activities under section 105(f) of such Act with respect to encouraging foreign governments, international organizations, and private individuals, firms, associations, agencies and other groups to participate in international fairs and expositions and to make contributions to be utilized for United States participation in international fairs and expositions.

(C) Encouraging private support of United States pavilions and exhibits at international fairs and expositions.

(2) STATUTORY CONSTRUCTION.—Nothing in this subsection authorizes the use of funds appropriated to the Department of State to make payments for—

(A) contracts, grants, or other agreements with any other party to carry out the activities described in this subsection; or

(B) the satisfaction of any legal claim or judgment or the costs of litigation brought against the Department of State arising from activities described in this subsection.

(c) NOTIFICATION.—No funds made available to the Department of State by any Federal agency to be used for a United States pavilion or other major exhibit at any international exposition or world's fair registered by the Bureau of International Expositions may be obligated or expended unless the appropriate congressional committees are notified not less than 15 days prior to such obligation or expenditure.

(d) REPORTS.—The Commissioner General of a United States pavilion or other major exhibit at any international exposition or world's fair registered by the Bureau of International Expositions shall submit to the Secretary of State and the appropriate congressional committees a report concerning activities relating to such pavilion or exhibit every 180 days while serving as Commissioner General and shall submit a final report summarizing all such activities not later than 1 year after the closure of the pavilion or exhibit.

(e) REPEAL.—Section 230 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (22 U.S.C. 2452 note) is repealed.

SEC. 205. RESPONSIBILITY OF THE AID INSPECTOR GENERAL FOR THE INTER-AMERICAN FOUNDATION AND THE AFRICAN DEVELOPMENT FOUNDATION.

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

(1) by striking ''and'' at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting ''; and''; and

(3) by adding at the end the following:

''(3) shall supervise, direct, and control audit and investigative activities relating to programs and operations within the Inter-American Foundation and the African Development Foundation.''.

(b) CONFORMING AMENDMENT.—Section 8A(f) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by inserting before the period at the end the following: '', an employee of the Inter-American Foundation, and an employee of the African Development Foundation''.

SEC. 206. REPORT ON CUBAN DRUG TRAFFICKING.

(a) IN GENERAL.—Not later than 120 days after the date of enactment of this Act, the Secretary of State shall submit to the appropriate congressional committees an unclassified report (with a classified annex) on the extent of international drug trafficking through Cuba since 1990. The report shall include the following:

(1) Information concerning the extent to which the Cuban Government or any official, employee, or entity of the Government of Cuba has engaged in, facilitated, or condoned such trafficking.

(2) The extent to which agencies of the United States Government have investigated or prosecuted such activities.

(b) LIMITATION.—The report need not include information about isolated instances of conduct by low-level employees, except to the extent that such information may suggest improper conduct by more senior officials.

SEC. 207. REVISION OF REPORTING REQUIREMENT.

Section 3 of Public Law 102–1 is amended by striking ''60 days'' and inserting ''90 days''.

SEC. 208. FOREIGN LANGUAGE PROFICIENCY.

(a) REPORT ON LANGUAGE PROFICIENCY.—Section 702 of the Foreign Service Act of 1980 (22 U.S.C. 4022) is amended by adding at the end the following new subsection:

''(c) Not later than March 31 of each year, the Director General of the Foreign Service shall submit a report to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives summarizing the number of positions in each overseas mission requiring foreign language competence that—

''(1) became vacant during the previous calendar year; and

''(2) were filled by individuals having the required foreign language competence.''.

(b) REPEAL.—Section 304(c) of the Foreign Service Act of 1980 (22 U.S.C. 3944(c)) is repealed.

SEC. 209. CONTINUATION OF REPORTING REQUIREMENTS.

(a) REPORTS ON CLAIMS BY UNITED STATES FIRMS AGAINST THE GOVERNMENT OF SAUDI ARABIA.—Section 2801(b)(1) of the Foreign Affairs Reform and Restructuring Act of 1998 (as enacted by division G of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999; Public Law 105–277) is amended by striking ''third'' and inserting ''seventh''.

(b) REPORTS ON DETERMINATIONS UNDER TITLE IV OF THE LIBERTAD ACT.—Section 2802(a) of the Foreign Affairs Reform and Restructuring Act of 1998 (as enacted by division G of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999; Public Law 105–277) is amended by striking ''September 30, 1999,'' and inserting ''September 30, 2001,''.

(c) RELATIONS WITH VIETNAM.—Section 2805 of the Foreign Affairs Reform and Restructuring Act of 1998 (as enacted by division G of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999; Public Law 105–277) is amended by striking ''September 30, 1999,'' and inserting ''September 30, 2001,''.

(d) REPORTS ON BALLISTIC MISSILE COOPERATION WITH RUSSIA.—Section 2705(d) of the Foreign Affairs Reform and Restructuring Act of 1998 (as enacted by division G of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999; Public Law 105–277) is amended by striking ''and January 1, 2000,'' and inserting ''January 1, 2000, and January 1, 2001,''.

(e) CONTINUATION OF REPORTS TERMINATED BY THE FEDERAL REPORTS ELIMINATION AND SUNSET ACT OF 1995.—Section 3003(a)(1) of the Federal Reports Elimination and Sunset Act of 1995 (Public Law 104–66; 31 U.S.C. 1113 note) does not apply to any report required to be submitted under any of the following provisions of law:

(1) Section 1205 of the International Security and Development Cooperation Act of 1985 (Public Law 99–83; 22 U.S.C. 2346 note) (relating to annual reports on economic conditions in Egypt, Israel, Turkey, and Portugal).

(2) Section 1307(f)(1)(A) of the International Financial Institutions Act (Public Law 95–118) (relating to an assessment of the environmental impact of proposed multilateral development bank actions).

(3) Section 118(f) of the Foreign Assistance Act of 1961 (Public Law 87–195; 22 U.S.C. 2151p–1) (relating to the protection of tropical forests).

(4) Section 586J(c)(4) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101–513) (relating to sanctions taken by other nations against Iraq).

(5) Section 3 of the Authorization for Use of Military Force Against Iraq Resolution (Public Law 102–1; 105 Stat. 3) (relating to the status of efforts to obtain Iraqi compliance with United Nations Security Council resolutions).

(6) Section 124 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (Public Law 100–204; 22 U.S.C. 2680 note) (relating to expenditures for emergencies in the diplomatic and consular service).

(7) Section 620C(c) of the Foreign Assistance Act of 1961 (Public Law 87–195; 22 U.S.C. 2373(c)) (relating to progress made toward the conclusion of a negotiated solution to the Cyprus problem).

(8) Section 533(b) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 19991 (Public Law 101–513) (relating to international natural resource management initiatives).

(9) Section 3602 of the Omnibus Trade and Competitiveness Act of 1988 (Public Law 100–418; 22 U.S.C. 5352) (relating to foreign treatment of United States financial institutions).

(10) Section 1702 of the International Financial Institutions Act (Public Law 95–118; 22 U.S.C. 262r-1) (relating to operating summaries of the multilateral development banks).

(11) Section 1303(c) of the International Financial Institutions Act (Public Law 95–118; 22 U.S.C. 262m-2(c)) (relating to international environmental assistance programs).

(12) Section 1701(a) of the International Financial Institutions Act (Public Law 95–118; 22 U.S.C. 262r) (relating to United States participation in international financial institutions).

(13) Section 163(a) of the Trade Act of 1974 (Public Law 93–618; 19 U.S.C. 2213) (relating to the trade agreements program and national trade policy agenda).

(14) Section 8 of the Export-Import Bank Act (Public Law 79–173; 12 U.S.C. 635g) (relating to Export-Import Bank activities).

(15) Section 407(f) of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 83–480; 7 U.S.C. 1736a) (relating to Public Law 480 programs and activities).

(16) Section 239(c) of the Foreign Assistance Act of 1961 (Public Law 87–195; 22 U.S.C. 2199(c)) (relating to OPIC audit report).

(17) Section 504(i) of the National Endowment for Democracy Act (Public Law 98–164; 22 U.S.C. 4413(i)) (relating to the activities of the National Endowment for Democracy).

(18) Section 5(b) of the Japan-United States Friendship Act (Public Law 94–118; 22 U.S.C. 2904(b)) (relating to Japan-United States Friendship Commission activities).

SEC. 210. JOINT FUNDS UNDER AGREEMENTS FOR COOPERATION IN ENVIRONMENTAL, SCIENTIFIC, CULTURAL AND RELATED AREAS.

Amounts made available to the Department of State for participation in joint funds under agreements for cooperation in environmental, scientific, cultural and related areas prior to fiscal year 1996 which, pursuant to express terms of such international agreements, were deposited in interest-bearing accounts prior to disbursement may earn interest, and interest accrued to such accounts may be used and retained without return to the Treasury of the United States and without further appropriation by Congress. The Department of State shall take action to ensure the complete and timely disbursement of appropriations and associated interest within joint funds covered by this section and final disposition of such agreements.

SEC. 211. REPORT ON INTERNATIONAL EXTRADITION.

(a) REPORT TO CONGRESS.—Not later than 180 days after the date of enactment of this Act, the Secretary of State shall review extradition treaties and other agreements containing extradition obligations to which the United States is a party (only with regard to those treaties where the United States has diplomatic relations with the treaty partner) and submit a report to the appropriate congressional committees regarding United States extradition policy and practice.

(b) CONTENTS OF REPORT.—The report under subsection (a) shall—

(1) discuss the factors that contribute to failure of foreign nations to comply fully with their obligations under bilateral extradition treaties with the United States;

(2) discuss the factors that contribute to nations becoming ''safe havens'' for individuals fleeing the United States justice system;

(3) identify those bilateral extradition treaties to which the United States is a party which do not require the extradition of nationals, and the reason such treaties contain such a provision;

(4) discuss appropriate legislative and diplomatic solutions to existing gaps in United States extradition treaties and practice; and

(5) discuss current priorities of the United States for negotiation of new extradition treaties and renegotiation of existing treaties, including resource factors relevant to such negotiations.

Subtitle B—Consular Authorities

SEC. 231. MACHINE READABLE VISAS.

Section 140(a) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (8 U.S.C. 1351 note) is amended—

(1) in paragraph (3) by amending the first sentence to read as follows: ''For each of the fiscal years 2000, 2001, and 2002, any amount collected under paragraph (1) that exceeds $316,715,000 for fiscal year 2000, $316,715,000 for fiscal year 2001, and $316,715,000 for fiscal year 2002 may be made available only if a notification is submitted to Congress in accordance with the procedures applicable to reprogramming notifications under section 34 of the State Department Basic Authorities Act of 1956.''; and

(2) by striking paragraphs (4) and (5).

SEC. 232. FEES RELATING TO AFFIDAVITS OF SUPPORT.

(a) AUTHORITY TO CHARGE FEE.—The Secretary of State may charge and retain a fee or surcharge for services provided by the Department of State to any sponsor who provides an affidavit of support under section 213A of the Immigration and Nationality Act (8 U.S.C. 1183a) to ensure that such affidavit is properly completed before it is forwarded to a consular post for adjudication by a consular officer in connection with the adjudication of an immigrant visa. Such fee or surcharge shall be in addition to and separate from any fee imposed for immigrant visa application processing and issuance, and shall recover only the costs of such services not recovered by such fee.

(b) LIMITATION.—Any fee established under subsection (a) shall be charged only once to a sponsor or joint sponsors who file essentially duplicative affidavits of support in connection with separate immigrant visa applications from the spouse and children of any petitioner required by the Immigration and Nationality Act to petition separately for such persons.

(c) TREATMENT OF FEES.—Fees collected under the authority of subsection (a) shall be deposited as an offsetting collection to any Department of State appropriation to recover the cost of providing consular services.

(d) COMPLIANCE WITH BUDGET ACT.—Fees collected under the authority of subsection (a) shall be available only to such extent or in such amounts as are provided in advance in an appropriation Act.

SEC. 233. PASSPORT FEES.

(a) APPLICATIONS.—Section 1 of the Passport Act of June 4, 1920 (22 U.S.C. 214), is amended—

(1) in the first sentence—

(A) by striking ''each passport issued'' and inserting ''the filing of each application for a passport (including the cost of passport issuance and use)''; and

(B) by striking ''each application for a passport;'' and inserting ''each such application''; and

(2) by adding after the first sentence the following new sentence: ''Such fees shall not be refundable, except as the Secretary may by regulation prescribe.''.

(b) REPEAL OF OUTDATED PROVISION ON PASSPORT FEES.—Section 4 of the Passport Act of June 4, 1920 (22 U.S.C. 216) is repealed.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of issuance of final regulations under section 1 of the Passport Act of June 4, 1920, as amended by subsection (a).

SEC. 234. DEATHS AND ESTATES OF UNITED STATES CITIZENS ABROAD.

(a) REPEAL.—Section 1709 of the Revised Statutes (22 U.S.C. 4195) is repealed.

(b) AMENDMENT TO STATE DEPARTMENT BASIC AUTHORITIES ACT.—The State Department Basic Authorities Act of 1956 is amended by inserting after section 43 (22 U.S.C. 2715) the following new sections:

''SEC. 43A. NOTIFICATION OF NEXT OF KIN; REPORTS OF DEATH.

''(a) IN GENERAL.—Whenever a United States citizen or national dies abroad, a consular officer shall endeavor to notify, or assist the Secretary of State in notifying, the next of kin or legal guardian as soon as possible, except that, in the case of death of any Peace Corps volunteer (within the meaning of section 5(a) of the Peace Corps Act (22 U.S.C. 2504(a)), any member of the Armed Forces, any dependent of such a volunteer or member, or any Department of Defense employee, the consular officer shall assist the Peace Corps or the appropriate military authorities, as the case may be, in making such notifications.

''(b) REPORTS OF DEATH OR PRESUMPTIVE DEATH.—The consular officer may, for any United States citizen who dies abroad—

''(1) in the case of a finding of death by the appropriate local authorities, issue a report of death or of presumptive death; or

''(2) in the absence of a finding of death by the appropriate local authorities, issue a report of presumptive death.

''(c) IMPLEMENTING REGULATIONS.—The Secretary of State shall prescribe such regulations as may be necessary to carry out this section.

''SEC. 43B. CONSERVATION AND DISPOSITION OF ESTATES.

''(a) CONSERVATION OF ESTATES ABROAD.—

''(1) AUTHORITY TO ACT AS CONSERVATOR.—Whenever a United States citizen or national dies abroad, a consular officer shall act as the provisional conservator of the portion of the decedent's estate located abroad and, subject to paragraphs (3), (4), and (5), shall—

''(A) take possession of the personal effects of the decedent within his jurisdiction;

''(B) inventory and appraise the personal effects of the decedent, sign the inventory, and annex thereto a certificate as to the accuracy of the inventory and appraised value of each article;

''(C) when appropriate in the exercise of prudent administration, collect the debts due to the decedent in the officer's jurisdiction and pay

from the estate the obligations owed by the decedent;

''(D) sell or dispose of, as appropriate, in the exercise of prudent administration, all perishable items of property;

''(E) sell, after reasonable public notice and notice to such next of kin as can be ascertained with reasonable diligence, such additional items of property as necessary to provide funds sufficient to pay the decedent's debts and property taxes in the country of death, funeral expenses, and other expenses incident to the disposition of the estate;

''(F) upon the expiration of the one-year period beginning on the date of death (or after such additional period as may be required for final settlement of the estate), if no claimant shall have appeared, after reasonable public notice and notice to such next of kin as can be ascertained with reasonable diligence, sell or dispose of the residue of the personal estate, except as provided in subparagraph (G), in the same manner as United States Government-owned foreign excess property;

''(G) transmit to the custody of the Secretary of State in Washington, D.C. the proceeds of any sales, together with all financial instruments (including bonds, shares of stock, and notes of indebtedness), jewelry, heirlooms, and other articles of obvious sentimental value, to be held in trust for the legal claimant; and

''(H) in the event that the decedent's estate includes an interest in real property located within the jurisdiction of the officer and such interest does not devolve by the applicable laws of intestate succession or otherwise, provide for title to the property to be conveyed to the Government of the United States unless the Secretary declines to accept such conveyance.

''(2) AUTHORITY TO ACT AS ADMINISTRATOR.—Subject to paragraphs (3) and (4), a consular officer may act as administrator of an estate in exceptional circumstances if expressly authorized to do so by the Secretary of State.

''(3) EXCEPTIONS.—The responsibilities described in paragraphs (1) and (2) may not be performed to the extent that the decedent has left or there is otherwise appointed, in the country where the death occurred or where the decedent was domiciled, a legal representative, partner in trade, or trustee appointed to take care of his personal estate. If the decedent's legal representative shall appear at any time prior to transmission of the estate to the Secretary and demand the proceeds and effects being held by the consular officer, the officer shall deliver them to the representative after having collected any prescribed fee for the services performed under this section.

''(4) ADDITIONAL REQUIREMENT.—In addition to being subject to the limitations in paragraph (3), the responsibilities described in paragraphs (1) and (2) may not be performed unless—

''(A) authorized by treaty provisions or permitted by the laws or authorities of the country wherein the death occurs, or the decedent is domiciled; or

''(B) permitted by established usage in that country.

''(5) STATUTORY CONSTRUCTION.—Nothing in this section supersedes or otherwise affects the authority of any military commander under title 10 of the United States Code with respect to the person or property of any decedent who died while under a military command or jurisdiction or the authority of the Peace Corps with respect to a Peace Corps volunteer or the volunteer's property.

''(b) DISPOSITION OF ESTATES BY THE SECRETARY OF STATE.—

''(1) PERSONAL ESTATES.—

''(A) IN GENERAL.—After receipt of a personal estate pursuant to subsection (a), the Secretary may seek payment of all outstanding debts to the estate as they become due, may receive any balances due on such estate, may endorse all checks, bills of exchange, promissory notes, and other instruments of indebtedness payable to the estate for the benefit thereof, and may take such other action as is reasonably necessary for the conservation of the estate.

''(B) DISPOSITION AS SURPLUS UNITED STATES PROPERTY.—If, upon the expiration of a period of 5 fiscal years beginning on October 1 after a consular officer takes possession of a personal estate under subsection (a), no legal claimant for such estate has appeared, title to the estate shall be conveyed to the United States, the property in the estate shall be under the custody of the Department of State, and the Secretary shall dispose of the estate in the same manner as surplus United States Government-owned property is disposed or by such means as may be appropriate in light of the nature and value of the property involved. The expenses of sales shall be paid from the estate, and any lawful claim received thereafter shall be payable to the extent of the value of the net proceeds of the estate as a refund from the appropriate Treasury appropriations account.

''(C) TRANSFER OF PROCEEDS.—The net cash estate after disposition as provided in subparagraph (B) shall be transferred to the miscellaneous receipts account of the Treasury of the United States.

''(2) REAL PROPERTY.—

''(A) DESIGNATION AS EXCESS PROPERTY.—In the event that title to real property is conveyed to the Government of the United States pursuant to subsection (a)(1)(H) and is not required by the Department of State, such property shall be considered foreign excess property under title IV of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 511 et seq.).

''(B) TREATMENT AS GIFT.—In the event that the Department requires such property, the Secretary of State shall treat such property as if it were an unconditional gift accepted on behalf of the Department of State under section 25 of this Act and section 9(a)(3) of the Foreign Service Buildings Act of 1926.

''(c) LOSSES IN CONNECTION WITH THE CONSERVATION OF ESTATES.—

''(1) AUTHORITY TO COMPENSATE.—The Secretary is authorized to compensate the estate of any United States citizen who has died overseas for property—

''(A) the conservation of which has been undertaken under section 43 or subsection (a) of this section; and

''(B) that has been lost, stolen, or destroyed while in the custody of officers or employees of the Department of State.

''(2) LIABILITY.—

''(A) EXCLUSION OF PERSONAL LIABILITY AFTER PROVISION OF COMPENSATION.—Any such compensation shall be in lieu of personal liability of officers or employees of the Department of State.

''(B) LIABILITY TO THE DEPARTMENT.—An officer or employee of the Department of State may be liable to the Department of State to the extent of any compensation provided under paragraph (1).

''(C) DETERMINATIONS OF LIABILITY.—The liability of any officer or employee of the Department of State to the Department for any payment made under subsection (a) shall be determined pursuant to the Department's procedures for determining accountability for United States Government property.

''(d) REGULATIONS.—The Secretary of State may prescribe such regulations as may be necessary to carry out this section.''.

(c) EFFECTIVE DATE.—The repeal and amendment made by this section shall take effect six months after the date of enactment of this Act.

SEC. 235. DUTIES OF CONSULAR OFFICERS REGARDING MAJOR DISASTERS AND INCIDENTS ABROAD AFFECTING UNITED STATES CITIZENS.

Section 43 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2715) is amended—

(1) by inserting ''(a) AUTHORITY.—'' before ''In'';

(2) by striking ''disposition of personal effects.'' in the last sentence and inserting ''disposition of personal estates pursuant to section 43B of this Act.''; and

(3) by adding at the end the following new subsection:

''(b) DEFINITIONS.—For purposes of this section and sections 43A and 43B, the term 'consular officer' includes any United States citizen employee of the Department of State who is designated by the Secretary of State to perform consular services pursuant to such regulations as the Secretary may prescribe.''.

SEC. 236. ISSUANCE OF PASSPORTS FOR CHILDREN UNDER AGE 14.

(a) IN GENERAL.—

(1) REGULATIONS.—Not later than 1 year after the date of the enactment of this Act, the Secretary of State shall issue regulations providing that before a child under the age of 14 years is issued a passport the requirements under paragraph (2) shall apply under penalty of perjury.

(2) REQUIREMENTS.—

(A) Both parents, or the child's legal guardian, must execute the application and provide documentary evidence demonstrating that they are the parents or guardian; or

(B) the person executing the application must provide documentary evidence that such person—

(i) has sole custody of the child;

(ii) has the consent of the other parent to the issuance of the passport; or

(iii) is in loco parentis and has the consent of both parents, of a parent with sole custody over the child, or of the child's legal guardian, to the issuance of the passport.

(b) EXCEPTIONS.—The regulations required by subsection (a) may provide for exceptions in exigent circumstances, such as those involving the health or welfare of the child, or when the Secretary determines that issuance of a passport is warranted by special family circumstances.

SEC. 237. PROCESSING OF VISA APPLICATIONS.

(a) POLICY.—It shall be the policy of the Department of State to process immigrant visa applications of immediate relatives of United States citizens and nonimmigrant K–1 visa applications of fiances of United States citizens within 30 days of the receipt of all necessary documents from the applicant and the Immigration and Naturalization Service. In the case of an immigrant visa application where the sponsor of such applicant is a relative other than an immediate relative, it should be the policy of the Department of State to process such an application within 60 days of the receipt of all necessary documents from the applicant and the Immigration and Naturalization Service.

(b) REPORTS.—Not later than 180 days after the date of enactment of this Act, and not later than 1 year thereafter, the Secretary of State shall submit to the appropriate congressional committees a report on the extent to which the Department of State is meeting the policy standards under subsection (a). Each report shall be based on a survey of the 22 consular posts which account for approximately 72 percent of immigrant visas issued and, in addition, the consular posts in Guatemala City, Nicosia, Caracas, Naples, and Jakarta. Each report should include data on the average time for processing each category of visa application under subsection (a), a list of the embassies and consular posts which do not meet the policy standards

under subsection (a), the amount of funds collected worldwide for processing of visa applications during the most recent fiscal year, the estimated costs of processing such visa applications (based on the Department of State's most recent fee study), the steps being taken by the Department of State to achieve such policy standards, and results achieved by the interagency working group charged with the goal of reducing the overall processing time for visa applications.

SEC. 238. FEASIBILITY STUDY ON FURTHER PASSPORT RESTRICTIONS ON INDIVIDUALS IN ARREARS ON CHILD SUPPORT.

(a) REPORT TO CONGRESS.—Not later than 120 days after the date of the enactment of this Act, the Secretary of State, in consultation with the Secretary of Health and Human Services, shall submit a report to the appropriate congressional committees, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate on the feasibility of decreasing the amount of an individual's arrearages of child support that would require the Secretary of State to refuse to issue a passport to such individual, or otherwise act with respect to such an individual, as provided under section 452(k) of the Social Security Act (42 U.S.C. 652(k)).

(b) CONTENTS OF REPORT.—The report under subsection (a) shall include the following:

(1) The estimated cost to the Department of State of reducing the arrearage amount which would result in a refusal to issue a passport to $2,500 and, in addition, an amount between $5,000 and $2,500.

(2) A projection of the estimated benefits of reducing the amount to $2,500 (or an amount between $5,000 and $2,500), which shall include an estimate of the additional numbers of individuals who would be subject to denial, an estimate of the additional child support arrearages that would be received through such a reduction, and an estimate of the amount of child support that would be paid earlier than under current law (together with an estimate of how much earlier such amounts would be paid).

(3) Information regarding the number of individuals with child support arrearages over $2,500 and the average length of time it takes for individuals to reach $2,500 in arrearages.

(4) The methodology for the cost estimates and benefit projections described in paragraphs (1) and (2).

Subtitle C—Refugees

SEC. 251. UNITED STATES POLICY REGARDING THE INVOLUNTARY RETURN OF REFUGEES.

(a) IN GENERAL.—None of the funds made available by this Act or by section 2(c) of the Migration and Refugee Assistance Act of 1962 (22 U.S.C. 2601(c)) shall be available to effect the involuntary return by the United States of any person to a country in which the person has a well-founded fear of persecution on account of race, religion, nationality, membership in a particular social group, or political opinion, except on grounds recognized as precluding protection as a refugee under the United Nations Convention Relating to the Status of Refugees of July 28, 1951, and the Protocol Relating to the Status of Refugees of January 31, 1967, subject to the reservations contained in the United States Senate Resolution of Ratification.

(b) MIGRATION AND REFUGEE ASSISTANCE.—None of the funds made available by this Act or by section 2(c) of the Migration and Refugee Assistance Act of 1962 (22 U.S.C. 2601(c)) shall be available to effect the involuntary return of any person to any country unless the Secretary of State first notifies the appropriate congressional committees, except that in the case of an emergency involving a threat to human life the Secretary of State shall notify the appropriate congressional committees as soon as practicable.

(c) INVOLUNTARY RETURN DEFINED.—As used in this section, the term ''to effect the involuntary return'' means to require, by means of physical force or circumstances amounting to a threat thereof, a person to return to a country against the person's will, regardless of whether the person is physically present in the United States and regardless of whether the United States acts directly or through an agent.

SEC. 252. HUMAN RIGHTS REPORTS.

Section 502B(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(b)) is amended by inserting after the fourth sentence the following: ''Each report under this section shall describe the extent to which each country has extended protection to refugees, including the provision of first asylum and resettlement.''.

SEC. 253. GUIDELINES FOR REFUGEE PROCESSING POSTS.

(a) GUIDELINES FOR ADDRESSING HOSTILE BIASES.—Section 602(c)(1) of the International Religious Freedom Act of 1998 (Public Law 105–292; 112 Stat. 2812) is amended by inserting ''and of the Department of State'' after ''Service''.

(b) GUIDELINES FOR OVERSEAS REFUGEE PROCESSING.—Section 602(c) of such Act is further amended by adding at the end the following new paragraph:

''(3) Not later than 120 days after the date of the enactment of the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001, the Secretary of State (after consultation with the Attorney General) shall issue guidelines to ensure that persons with potential biases against any refugee applicant, including persons employed by, or otherwise subject to influence by, governments known to be involved in persecution on account of religion, race, nationality, membership in a particular social group, or political opinion, shall not in any way be used in processing determinations of refugee status, including interpretation of conversations or examination of documents presented by such applicants.''.

SEC. 254. GENDER-RELATED PERSECUTION TASK FORCE.

(a) ESTABLISHMENT OF TASK FORCE.—The Secretary of State, in consultation with the Attorney General and other appropriate Federal agencies, shall establish a task force with the goal of determining eligibility guidelines for women seeking refugee status overseas due to gender-related persecution.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary of State shall prepare and submit to the Congress a report outlining the guidelines determined by the task force under subsection (a).

SEC. 255. ELIGIBILITY FOR REFUGEE STATUS.

(a) ELIGIBILITY FOR IN-COUNTRY REFUGEE PROCESSING IN VIETNAM.—For purposes of eligibility for in-country refugee processing for nationals of Vietnam during fiscal years 2000 and 2001, an alien described in subsection (b) or (d) shall be considered to be a refugee of special humanitarian concern to the United States (within the meaning of section 207 of the Immigration and Nationality Act (8 USC 1157)) and shall be admitted to the United States for resettlement if the alien would be admissible as an immigrant under the Immigration and Nationality Act (except as provided in section 207(c)(3) of that Act).

(b) ALIENS COVERED.—An alien described in this subsection is an alien who—

(1) is the son or daughter of a qualified national;

(2) is 21 years of age or older; and

(3) was unmarried as of the date of acceptance of the alien's parent for resettlement under the Orderly Departure Program or through the United States Consulate General in Ho Chi Minh City.

(c) QUALIFIED NATIONAL.—The term ''qualified national'' in subsection (b)(1) means a national of Vietnam who—

(1)(A) was formerly interned in a re-education camp in Vietnam by the Government of the Socialist Republic of Vietnam; or

(B) is the widow or widower of an individual described in subparagraph (A);

(2)(A) qualified for refugee processing under the Orderly Departure Program re-education subprogram; and

(B) except as provided in subsection (d), on or after April 1, 1995, is or has been accepted under the Orderly Departure Program or through the United States Consulate General in Ho Chi Minh City—

(i) for resettlement as a refugee; or

(ii) for admission to the United States as an immediate relative immigrant; and

(3)(A) is presently maintaining a residence in the United States; or

(B) was approved for refugee resettlement or immigrant visa processing and is awaiting departure formalities from Vietnam.

(d) PREVIOUS DENIALS BASED ON LACK OF CO-RESIDENCY.—An alien who is otherwise qualified under subsection (b) is eligible for admission for resettlement regardless of the date of acceptance of the alien's parent if the alien previously was denied refugee resettlement based solely on the fact that the alien was not listed continuously on the parent's residence permit.

TITLE III—ORGANIZATION AND PERSONNEL OF THE DEPARTMENT OF STATE

Subtitle A—Organization Matters

SEC. 301. LEGISLATIVE LIAISON OFFICES OF THE DEPARTMENT OF STATE.

(a) DEVELOPMENT OF ASSESSMENT.—The Secretary of State shall assess the administrative and personnel requirements for the establishment of legislative liaison offices for the Department of State within the office buildings of the House of Representatives and the Senate. In undertaking the assessment, the Secretary should examine existing liaison offices of other executive departments that are located in the congressional office buildings, including the liaison offices of the military services.

(b) ASSESSMENT CONSIDERATIONS.—The assessment required by subsection (a) shall consider—

(1) space requirements;

(2) cost implications;

(3) personnel structure; and

(4) the feasibility of modifying the Pearson Fellowship program in order to have members of the Foreign Service who serve in such fellowships serve a second year in a legislative liaison office.

(c) TRANSMITTAL OF ASSESSMENT.—Not later than 6 months after the date of the enactment of this Act, the Secretary of State shall submit to the Committee on International Relations and the Committee on House Administration of the House of Representatives and the Committee on Foreign Relations and the Committee on Rules and Administration of the Senate the assessment developed under subsection (a).

SEC. 302. STATE DEPARTMENT OFFICIAL FOR NORTHEASTERN EUROPE.

The Secretary of State shall designate a senior-level official of the Department of State with responsibility for promoting regional cooperation in and coordinating United States policy toward Northeastern Europe.

SEC. 303. SCIENCE AND TECHNOLOGY ADVISER TO SECRETARY OF STATE.

(a) DESIGNATION.—The Secretary of State shall designate a senior-level official of the Department of State as the Science and Technology Adviser to the Secretary of State (in this section referred to as the ''Adviser''). The Adviser shall have substantial experience in the

area of science and technology. The Adviser shall report to the Secretary of State through the appropriate Under Secretary of State.

(b) DUTIES.—The Adviser shall—

(1) advise the Secretary of State, through the appropriate Under Secretary of State, on international science and technology matters affecting the foreign policy of the United States; and

(2) perform such duties, exercise such powers, and have such rank and status as the Secretary of State shall prescribe.

SEC. 304. APPLICATION OF CERTAIN LAWS TO PUBLIC DIPLOMACY FUNDS.

Section 1333(c) of the Foreign Affairs Reform and Restructuring Act of 1998 (as enacted in division G of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999; Public Law 105–277) is amended—

(1) after ''diplomacy programs'' by inserting '', identified as public diplomacy funds in any Congressional Presentation Document described in subsection (e), or reprogrammed for public diplomacy purposes,'';

(2) by striking ''Except'' and inserting ''(1) Except''; and

(3) by adding at the end the following new paragraph:

''(2) CONSTRUCTION.—Nothing in paragraph (1) may be construed (A) to interfere with the integration of administrative resources between public diplomacy and other functions of the Department of State or to prevent the occasional performance of functions other than public diplomacy by officials or employees of the Department of State who are primarily assigned to public diplomacy, provided there is no substantial resulting diminution in the amount of resources devoted to public diplomacy below the amounts described in paragraph (1), or (B) to supersede reprogramming procedures.''.

SEC. 305. REFORM OF THE DIPLOMATIC TELECOMMUNICATIONS SERVICE PROGRAM OFFICE.

(a) ADDITIONAL RESOURCES.—In addition to other amounts authorized to be appropriated for the purposes of the Diplomatic Telecommunications Service Program Office (DTS–PO), of the amounts made available to the Department of State under section 101(2), $18,000,000 shall be made available only to the DTS–PO for enhancement of Diplomatic Telecommunications Service capabilities.

(b) IMPROVEMENT OF DTS–PO.—In order for the DTS–PO to better manage a fully integrated telecommunications network to service all agencies at diplomatic missions and consular posts, the DTS–PO shall—

(1) ensure that those enhancements of, and the provision of service for, telecommunication capabilities that involve the national security interests of the United States receive the highest prioritization;

(2) not later than December 31, 1999, terminate all leases for satellite systems located at posts in criteria countries, unless all maintenance and servicing of the satellite system is undertaken by United States citizens who have received appropriate security clearances;

(3) institute a system of charges for utilization of bandwidth by each agency beginning October 1, 2000, and institute a comprehensive chargeback system to recover all, or substantially all, of the other costs of telecommunications services provided through the Diplomatic Telecommunications Service to each agency beginning October 1, 2001;

(4) ensure that all DTS–PO policies and procedures comply with applicable policies established by the Overseas Security Policy Board; and

(5) maintain the allocation of the positions of Director and Deputy Director of DTS–PO as those positions were assigned as of June 1, 1999, which assignments shall pertain through fiscal year 2001, at which time such assignments shall be adjusted in the customary manner.

(c) REPORT ON IMPROVING MANAGEMENT.—Not later than March 31, 2000, the Director and Deputy Director of DTS–PO shall jointly submit to the Committee on International Relations and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate the Director's plan for improving network architecture, engineering, operations monitoring and control, service metrics reporting, and service provisioning, so as to achieve highly secure, reliable, and robust communications capabilities that meet the needs of both national security agencies and other United States agencies with overseas personnel.

(d) FUNDING OF DTS–PO.—Funds appropriated for allocation to DTS–PO shall be made available only for DTS–PO until a comprehensive chargeback system is in place.

(e) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term ''appropriate committees of Congress'' means the Committee on International Relations and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate.

Subtitle B—Personnel of the Department of State

SEC. 321. AWARD OF FOREIGN SERVICE STAR.

The State Department Basic Authorities Act of 1956 is amended by inserting after section 36 (22 U.S.C. 2708) the following new section:

''SEC. 36A. AWARD OF FOREIGN SERVICE STAR.

''(a) AUTHORITY TO AWARD.—The President, upon the recommendation of the Secretary, may award a Foreign Service star to any member of the Foreign Service or any other civilian employee of the Government of the United States who, while employed at, or assigned permanently or temporarily to, an official mission overseas or while traveling abroad on official business, incurred a wound or other injury or an illness (whether or not the wound, other injury, or illness resulted in death)—

''(1) as the person was performing official duties;

''(2) as the person was on the premises of a United States mission abroad; or

''(3) by reason of the person's status as a United States Government employee.

''(b) SELECTION CRITERIA.—The Secretary shall prescribe the procedures for identifying and considering persons eligible for award of a Foreign Service star and for selecting the persons to be recommended for the award.

''(c) AWARD IN THE EVENT OF DEATH.—If a person selected for award of a Foreign Service star dies before being presented the award, the award may be made and the star presented to the person's family or to the person's representative, as designated by the President.

''(d) FORM OF AWARD.—The Secretary shall prescribe the design of the Foreign Service star. The award may not include a stipend or any other cash payment.

''(e) FUNDING.—Any expenses incurred in awarding a person a Foreign Service star may be paid out of appropriations available at the time of the award for personnel of the department or agency of the United States Government in which the person was employed when the person incurred the wound, injury, or illness upon which the award is based.''.

SEC. 322. UNITED STATES CITIZENS HIRED ABROAD.

Section 408(a)(1) of the Foreign Service Act of 1980 (22 U.S.C. 3968(a)(1)) is amended in the last sentence—

(1) by striking ''(A)'' and all that follows through ''(B)''; and

(2) by striking ''this total compensation package'' and inserting ''the total compensation package''.

SEC. 323. LIMITATION ON PERCENTAGE OF SENIOR FOREIGN SERVICE ELIGIBLE FOR PERFORMANCE PAY.

Section 405(b)(1) of the Foreign Service Act of 1980 (22 U.S.C. 3965(b)(1)) is amended by striking ''50'' and inserting ''33''.

SEC. 324. PLACEMENT OF SENIOR FOREIGN SERVICE PERSONNEL.

The Director General of the Foreign Service shall submit a report on the first day of each fiscal quarter to the appropriate congressional committees containing the following:

(1) The number of members of the Senior Foreign Service.

(2) The number of vacant positions designated for members of the Senior Foreign Service.

(3) The number of members of the Senior Foreign Service who are not assigned to positions.

SEC. 325. REPORT ON MANAGEMENT TRAINING.

Not later than April 1, 2000, the Department of State shall report to the appropriate congressional committees on the feasibility of modifying current training programs and curricula so that the Department can provide significant and comprehensive management training at all career grades for Foreign Service personnel.

SEC. 326. WORKFORCE PLANNING FOR FOREIGN SERVICE PERSONNEL BY FEDERAL AGENCIES.

Section 601(c) of the Foreign Service Act of 1980 (22 U.S.C. 4001(c)) is amended by striking paragraph (4) and inserting the following:

''(4) Not later than March 1, 2001, and every four years thereafter, the Secretary of State shall submit a report to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate which shall include the following:

''(A) A description of the steps taken and planned in furtherance of—

''(i) maximum compatibility among agencies utilizing the Foreign Service personnel system, as provided for in section 203, and

''(ii) the development of uniform policies and procedures and consolidated personnel functions, as provided for in section 204.

''(B) A workforce plan for the subsequent five years, including projected personnel needs, by grade and by skill. Each such plan shall include for each category the needs for foreign language proficiency, geographic and functional expertise, and specialist technical skills. Each workforce plan shall specifically account for the training needs of Foreign Service personnel and shall delineate an intake program of generalist and specialist Foreign Service personnel to meet projected future requirements.

''(5) If there are substantial modifications to any workforce plan under paragraph (4)(B) during any year in which a report under paragraph (4) is not required, a supplemental annual notification shall be submitted in the same manner as reports are required to be submitted under paragraph (4).''.

SEC. 327. RECORDS OF DISCIPLINARY ACTIONS.

(a) IN GENERAL.—Section 604 of the Foreign Service Act of 1980 (22 U.S.C. 4004) is amended—

(1) by striking ''CONFIDENTIALITY OF RECORDS.—'' and inserting ''RECORDS.—(a)''; and

(2) by adding at the end the following new subsection:

''(b) Notwithstanding subsection (a), any record of disciplinary action that includes a suspension of more than five days taken against a member of the Service, including any correction of that record under section 1107(b)(1), shall remain a part of the personnel records until the member is tenured as a career member of the Service or next promoted.''.

(b) EFFECTIVE DATE.—The amendments made by this section apply to all disciplinary actions

initiated on or after the date of enactment of this Act.

SEC. 328. LIMITATION ON SALARY AND BENEFITS FOR MEMBERS OF THE FOREIGN SERVICE RECOMMENDED FOR SEPARATION FOR CAUSE.

Section 610(a) of the Foreign Service Act (22 U.S.C. 4010(a)) is amended by adding at the end the following new paragraph:

''(6) Notwithstanding the hearing required by paragraph (2), at the time the Secretary recommends that a member of the Service be separated for cause, that member shall be placed on leave without pay pending final resolution of the underlying matter, subject to reinstatement with back pay if cause for separation is not established in a hearing before the Board.''.

SEC. 329. TREATMENT OF GRIEVANCE RECORDS.

Section 1103(d)(1) of the Foreign Service Act of 1980 (22 U.S.C. 4133(d)(1)) is amended by adding the following new sentence at the end: ''Nothing in this subsection shall prevent a grievant from placing a rebuttal to accompany a record of disciplinary action in such grievant's personnel records nor prevent the Department from including a response to such rebuttal, including documenting those cases in which the Board has reviewed and upheld the discipline.''.

SEC. 330. DEADLINES FOR FILING GRIEVANCES.

(a) IN GENERAL.—Section 1104(a) of the Foreign Service Act of 1980 (22 U.S.C. 4134(a)) is amended in the first sentence by striking ''within a period of 3 years'' and all that follows through the period and inserting ''not later than two years after the occurrence giving rise to the grievance or, in the case of a grievance with respect to the grievant's rater or reviewer, one year after the date on which the grievant ceased to be subject to rating or review by that person, but in no case less than two years after the occurrence giving rise to the grievance.''.

(b) GRIEVANCES ALLEGING DISCRIMINATION.—Section 1104 of that Act (22 U.S.C. 4134) is amended in subsection (c) by striking ''3 years'' and inserting ''2 years''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 180 days after the date of enactment of this Act and shall apply to grievances which arise on or after such effective date.

SEC. 331. REPORTS BY THE FOREIGN SERVICE GRIEVANCE BOARD.

Section 1105 of the Foreign Service Act of 1980 (22 U.S.C. 4135) is amended by adding at the end the following new subsection:

''(f)(1) Not later than March 1 of each year, the Chairman of the Foreign Service Grievance Board shall prepare a report summarizing the activities of the Board during the previous calendar year. The report shall include—

''(A) the number of cases filed;

''(B) the types of cases filed;

''(C) the number of cases on which a final decision was reached, as well as data on the outcome of cases, whether affirmed, reversed, settled, withdrawn, or dismissed;

''(D) the number of oral hearings conducted and the length of each such hearing;

''(E) the number of instances in which interim relief was granted by the Board; and

''(F) data on the average time for consideration of a grievance, from the time of filing to a decision of the Board.

''(2) The report required under paragraph (1) shall be submitted to the Director General of the Foreign Service and the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.''.

SEC. 332. EXTENSION OF USE OF FOREIGN SERVICE PERSONNEL SYSTEM.

Section 202(a) of the Foreign Service Act of 1980 (22 U.S.C. 3922(a)) is amended by adding at the end the following new paragraph:

''(4)(A) Whenever (and to the extent) the Secretary of State considers it in the best interests of the United States Government, the Secretary of State may authorize the head of any agency or other Government establishment (including any establishment in the legislative or judicial branch) to appoint under section 303 individuals described in subparagraph (B) as members of the Service and to utilize the Foreign Service personnel system with respect to such individuals under such regulations as the Secretary of State may prescribe.

''(B) The individuals referred to in subparagraph (A) are individuals eligible for employment abroad under section 311(a).''.

SEC. 333. BORDER EQUALIZATION PAY ADJUSTMENT.

(a) IN GENERAL.—Chapter 4 of title I of the Foreign Service Act of 1980 (22 U.S.C. 3961 et seq.) is amended by adding at the end the following new section:

''SEC. 414. BORDER EQUALIZATION PAY ADJUSTMENT.

''(a) IN GENERAL.—An employee who regularly commutes from the employee's place of residence in the continental United States to an official duty station in Canada or Mexico shall receive a border equalization pay adjustment equal to the amount of comparability payments under section 5304 of title 5, United States Code, that the employee would receive if the employee were assigned to an official duty station within the United States locality pay area closest to the employee's official duty station.

''(b) EMPLOYEE DEFINED.—For purposes of this section, the term 'employee' means a person who—

''(1) is an 'employee' as defined under section 2105 of title 5, United States Code; and

''(2) is employed by the Department of State, the United States Agency for International Development, or the International Joint Commission of the United States and Canada (established under Article VII of the treaty signed January 11, 1909) (36 Stat. 2448), except that the term shall not include members of the Service (as specified in section 103).

''(c) TREATMENT AS BASIC PAY.—An equalization pay adjustment paid under this section shall be considered to be part of basic pay for the same purposes for which comparability payments are considered to be part of basic pay under section 5304 of title 5, United States Code.

''(d) REGULATIONS.—The heads of the agencies referred to in subsection (b)(2) may prescribe regulations to carry out this section.''.

(b) CONFORMING AMENDMENT.—The table of contents for the Foreign Service Act of 1980 is amended by inserting after the item relating to section 413 the following new item:

''Sec. 414. Border equalization pay adjustment.''.

SEC. 334. TREATMENT OF CERTAIN PERSONS REEMPLOYED AFTER SERVICE WITH INTERNATIONAL ORGANIZATIONS.

(a) IN GENERAL.—Title 5 of the United States Code is amended by inserting after section 8432b the following new section:

''§ 8432c. Contributions of certain persons reemployed after service with international organizations

''(a) In this section, the term 'covered person' means any person who—

''(1) transfers from a position of employment covered by chapter 83 or 84 or subchapter I or II of chapter 8 of the Foreign Service Act of 1980 to a position of employment with an international organization pursuant to section 3582;

''(2) pursuant to section 3582 elects to retain coverage, rights, and benefits under any system established by law for the retirement of persons during the period of employment with the international organization and currently deposits the necessary deductions in payment for such coverage, rights, and benefits in the system's fund; and

''(3) is reemployed pursuant to section 3582(b) to a position covered by chapter 83 or 84 or subchapter I or II of chapter 8 of the Foreign Service Act of 1980 after separation from the international organization.

''(b)(1) Each covered person may contribute to the Thrift Savings Fund, in accordance with this subsection, an amount not to exceed the amount described in paragraph (2).

''(2) The maximum amount which a covered person may contribute under paragraph (1) is equal to—

''(A) the total amount of all contributions under section 8351(b)(2) or 8432(a), as applicable, which the person would have made over the period beginning on the date of transfer of the person (as described in subsection (a)(1)) and ending on the day before the date of reemployment of the person (as described in subsection (a)(3)), minus

''(B) the total amount of all contributions, if any, under section 8351(b)(2) or 8432(a), as applicable, actually made by the person over the period described in subparagraph (A).

''(3) Contributions under paragraph (1)—

''(A) shall be made at the same time and in the same manner as would any contributions under section 8351(b)(2) or 8432(a), as applicable;

''(B) shall be made over the period of time specified by the person under paragraph (4)(B); and

''(C) shall be in addition to any contributions actually being made by the person during that period under section 8351(b)(2) or 8432(a), as applicable.

''(4) The Executive Director shall prescribe the time, form, and manner in which a covered person may specify—

''(A) the total amount the person wishes to contribute with respect to any period described in paragraph (2)(A); and

''(B) the period of time over which the covered person wishes to make contributions under this subsection.

''(c) If a covered person who makes contributions under section 8432(a) makes contributions under subsection (b), the agency employing the person shall make those contributions to the Thrift Savings Fund on the person's behalf in the same manner as contributions are made for an employee described in section 8432b(a) under sections 8432b(c), 8432b(d), and 8432b(f). Amounts paid under this subsection shall be paid in the same manner as amounts are paid under section 8432b(g).

''(d) For purposes of any computation under this section, a covered person shall, with respect to the period described in subsection (b)(2)(A), be considered to have been paid at the rate which would have been payable over such period had the person remained continuously employed in the position that the person last held before transferring to the international organization.

''(e) For purposes of section 8432(g), a covered person shall be credited with a period of civilian service equal to the period beginning on the date of transfer of the person (as described in subsection (a)(1)) and ending on the day before the date of reemployment of the person (as described in subsection (a)(3)).

''(f) The Executive Director shall prescribe regulations to carry out this section.''.

(b) CONFORMING AMENDMENT.—The table of sections for chapter 84 of title 5, United States Code, is amended by inserting after the item relating to section 8432b the following:

''8432c. Contributions of certain persons reemployed after service with international organizations.''.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to persons reemployed on or after the date of enactment of this Act.

SEC. 335. TRANSFER ALLOWANCE FOR FAMILIES OF DECEASED FOREIGN SERVICE PERSONNEL.

Section 5922 of title 5, United States Code, is amended by adding at the end the following:

''(f)(1) If an employee dies at post in a foreign area, a transfer allowance under section 5924(2)(B) may be granted to the spouse or dependents of such employee (or both) for the purpose of providing for their return to the United States.

''(2) A transfer allowance under this subsection may not be granted with respect to the spouse or a dependent of the employee unless, at the time of death, such spouse or dependent was residing—

''(A) at the employee's post of assignment; or

''(B) at a place, outside the United States, for which a separate maintenance allowance was being furnished under section 5924(3).

''(3) The President may prescribe any regulations necessary to carry out this subsection.''.

SEC. 336. PARENTAL CHOICE IN EDUCATION.

Section 5924(4) of title 5, United States Code, is amended—

(1) in subparagraph (A), by striking ''between that post and the nearest locality where adequate schools are available,'' and inserting ''between that post and the school chosen by the employee, not to exceed the total cost to the Government of the dependent attending an adequate school in the nearest locality where an adequate school is available,''; and

(2) by adding at the end the following new subparagraph:

''(C) In those cases in which an adequate school is available at the post of the employee, if the employee chooses to educate the dependent at a school away from post, the education allowance which includes board and room, and periodic travel between the post and the school chosen, shall not exceed the total cost to the Government of the dependent attending an adequate school at the post of the employee.''.

SEC. 337. MEDICAL EMERGENCY ASSISTANCE.

Section 5927 of title 5, United States Code, is amended to read as follows:

''§ 5927. Advances of pay

''(a) Up to three months' pay may be paid in advance—

''(1) to an employee upon the assignment of the employee to a post in a foreign area;

''(2) to an employee, other than an employee appointed under section 303 of the Foreign Service Act of 1980 (and employed under section 311 of such Act), who—

''(A) is a citizen of the United States;

''(B) is officially stationed or located outside the United States pursuant to Government authorization; and

''(C) requires (or has a family member who requires) medical treatment outside the United States, in circumstances specified by the President in regulations; and

''(3) to a foreign national employee appointed under section 303 of the Foreign Service Act of 1980, or a nonfamily member United States citizen appointed under such section 303 (and employed under section 311 of such Act) for service at such nonfamily member's post of residence, who—

''(A) is located outside the country of employment of such foreign national employee or nonfamily member (as the case may be) pursuant to Government authorization; and

''(B) requires medical treatment outside the country of employment of such foreign national employee or nonfamily member (as the case may be), in circumstances specified by the President in regulations.

''(b) For the purpose of this section, the term 'country of employment', as used with respect to an individual under subsection (a)(3), means the country (or other area) outside the United States where such individual is appointed (as described in subsection (a)(3)) by the Government.''.

SEC. 338. REPORT CONCERNING FINANCIAL DISADVANTAGES FOR ADMINISTRATIVE AND TECHNICAL PERSONNEL.

(a) FINDINGS.—Congress finds that administrative and technical personnel posted to United States missions abroad who do not have diplomatic status suffer financial disadvantages from their lack of such status.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary of State should submit a report to the appropriate congressional committees concerning the extent to which administrative and technical personnel posted to United States missions abroad who do not have diplomatic status suffer financial disadvantages from their lack of such status, including proposals to alleviate such disadvantages.

SEC. 339. STATE DEPARTMENT INSPECTOR GENERAL AND PERSONNEL INVESTIGATIONS.

(a) AMENDMENT OF THE FOREIGN SERVICE ACT of 1980.—Section 209(c) of the Foreign Service Act of 1980 (22 U.S.C. 3929(c)) is amended by adding at the end the following:

''(5) INVESTIGATIONS.—

''(A) CONDUCT OF INVESTIGATIONS.—In conducting investigations of potential violations of Federal criminal law or Federal regulations, the Inspector General shall—

''(i) abide by professional standards applicable to Federal law enforcement agencies; and

''(ii) make every reasonable effort to permit each subject of an investigation an opportunity to provide exculpatory information.

''(B) FINAL REPORTS OF INVESTIGATIONS.—In order to ensure that final reports of investigations are thorough and accurate, the Inspector General shall—

''(i) make every reasonable effort to ensure that any person named in a final report of investigation has been afforded an opportunity to refute any allegation of wrongdoing or assertion with respect to a material fact made regarding that person's actions;

''(ii) include in every final report of investigation any exculpatory information, as well as any inculpatory information, that has been discovered in the course of the investigation.''.

(b) ANNUAL REPORT.—Section 209(d)(2) of the Foreign Service Act of 1980 (22 U.S.C. 3929(d)(2)) is amended—

(1) by striking ''and'' at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting ''; and''; and

(3) by inserting after subparagraph (E) the following new subparagraph:

''(F) a notification, which may be included, if necessary, in the classified portion of the report, of any instance in a case that was closed during the period covered by the report when the Inspector General decided not to afford an individual the opportunity described in subsection (c)(5)(B)(i) to refute any allegation and the rationale for denying such individual that opportunity.''.

(c) STATUTORY CONSTRUCTION.—Nothing in the amendments made by this section may be construed to modify—

(1) section 209(d)(4) of the Foreign Service Act of 1980 (22 U.S.C. 3929(d)(4));

(2) section 7(b) of the Inspector General Act of 1978 (5 U.S.C. app.);

(3) the Privacy Act of 1974 (5 U.S.C. 552a);

(4) the provisions of section 2302(b)(8) of title 5 (relating to whistleblower protection);

(5) rule 6(e) of the Federal Rules of Criminal Procedure (relating to the protection of grand jury information); or

(6) any statute or executive order pertaining to the protection of classified information.

(d) NO GRIEVANCE OR RIGHT OF ACTION.—A failure to comply with the amendments made by this section shall not give rise to any private right of action in any court or to an administrative complaint or grievance under any law.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to cases opened on or after the date of the enactment of this Act.

SEC. 340. STUDY OF COMPENSATION FOR SURVIVORS OF TERRORIST ATTACKS OVERSEAS.

Not later than 180 days after the date of enactment of this Act, the President shall submit a report to the appropriate congressional committees on the benefits and compensation paid to the survivors and personal representatives of the United States Government employees (including those in the uniformed services and Foreign Service National employees) killed in the performance of duty abroad as result of terrorist acts. All appropriate United States Government agencies shall contribute to the preparation of the report. The report shall include a comparison of benefits available to military and civilian employees and should include any recommendations for additional or other types of benefits or compensation.

SEC. 341. PRESERVATION OF DIVERSITY IN REORGANIZATION.

Section 1613(c) of the Foreign Affairs Reform and Restructuring Act of 1998 (as enacted by division G of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999; Public Law 105–277) is amended by inserting after the first sentence the following: ''In carrying out the reorganization under this Act, the Secretary shall ensure that the advances made in increasing the number and status of women and minorities within the foreign affairs agencies of the Federal Government, in terms of representation within the agencies as well as relative rank, are not undermined by discrimination within the newly reorganized Department of State.''.

TITLE IV—UNITED STATES INFORMATIONAL, EDUCATIONAL, AND CULTURAL PROGRAMS

Subtitle A—Authorities and Activities

SEC. 401. EDUCATIONAL AND CULTURAL EXCHANGES AND SCHOLARSHIPS FOR TIBETANS AND BURMESE.

(a) DESIGNATION OF NGAWANG CHOEPHEL EXCHANGE PROGRAMS.—Section 103(a) of the Human Rights, Refugee, and Other Foreign Relations Provisions Act of 1996 (Public Law 104–319) is amended by inserting after the first sentence the following: ''Exchange programs under this subsection shall be known as the 'Ngawang Choephel Exchange Programs'.''.

(b) SCHOLARSHIPS FOR TIBETANS AND BURMESE.—Section 103(b)(1) of the Human Rights, Refugee, and Other Foreign Relations Provisions Act of 1996 (Public Law 104–319; 22 U.S.C. 2151 note) is amended by striking ''for the fiscal year 1999'' and inserting ''for the fiscal year 2000''.

(c) SCHOLARSHIPS FOR PRESERVATION OF TIBET'S CULTURE, LANGUAGE, AND RELIGION.—Section 103(b)(1) of the Human Rights, Refugee, and Other Foreign Relations Provisions Act of 1996 (Public Law 104–319; 22 U.S.C. 2151 note) is further amended by striking ''Tibet,'' and inserting ''Tibet (whenever practical giving consideration to individuals who are active in the preservation of Tibet's culture, language, and religion),''.

SEC. 402. CONDUCT OF CERTAIN EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS.

Section 102 of the Human Rights, Refugee, and Other Foreign Relations Provisions Act of 1996 (Public Law 104–319; 22 U.S.C. 2452 note) is amended to read as follows:

"SEC. 102. CONDUCT OF CERTAIN EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS.

''(a) IN GENERAL.—In carrying out programs of educational and cultural exchange in countries whose people do not fully enjoy freedom and democracy, the Secretary of State, with the assistance of the Under Secretary of State for Public Diplomacy, shall provide, where appropriate, opportunities for significant participation in such programs to nationals of such countries who are—

''(1) human rights or democracy leaders of such countries; or

''(2) committed to advancing human rights and democratic values in such countries.

''(b) GRANTEE ORGANIZATIONS.—To the extent practicable, grantee organizations selected to operate programs described in subsection (a) shall be selected through an open competitive process. Among the factors that should be considered in the selection of such a grantee are the willingness and ability of the organization to—

''(1) recruit a broad range of participants, including those described in paragraphs (1) and (2) of subsection (a); and

''(2) ensure that the governments of the countries described in subsection (a) do not have inappropriate influence in the selection process.''.

SEC. 403. NATIONAL SECURITY MEASURES.

The United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1431 et seq.) is amended by adding after section 1011 the following new section:

"SEC. 1012. NATIONAL SECURITY MEASURES.

''(a) RESTRICTION.—In coordination with other appropriate executive branch officials, the Secretary of State shall take all appropriate steps to—

''(1) prevent any agent of a foreign power from participating in educational and cultural exchange programs under this Act;

''(2) ensure that no person who is involved in the research, development, design, testing, evaluation, or production of missiles or weapons of mass destruction is a participant in any program of educational or cultural exchange under this Act if such person is employed by, or attached to, an entity within a country that has been identified by any element of the United States intelligence community (as defined by section 3(4) of the National Security Act of 1947) within the previous 5 years as having been involved in the proliferation of missiles or weapons of mass destruction; and

''(3) ensure that no person who is involved in the research, development, design, testing, evaluation, or production of chemical or biological weapons for offensive purposes is a participant in any program of educational or cultural exchange under this Act.

''(b) DEFINITIONS.—

''(1) The term 'appropriate executive branch officials' means officials from the elements of the United States Government listed pursuant to section 101 of the Intelligence Authorization Act for Fiscal Year 1999 (Public Law 105–272).

''(2) The term 'agent of a foreign power' has the same meaning as set forth in section 101(b)(1)(B) and (b)(2) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801), and does not include any person who acts in the capacity defined under section 101(b)(1)(A) of such Act.

SEC. 404. SUNSET OF UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY.

(a) RESTORATION OF ADVISORY COMMISSION.—Section 1334 of the Foreign Affairs Reform and Restructuring Act of 1998 (as enacted in division G of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999; Public Law 105–277) is amended to read as follows:

"SEC. 1334. SUNSET OF UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY.

''The United States Advisory Commission on Public Diplomacy, established under section 604 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1469) and section 8 of Reorganization Plan Numbered 2 of 1977, shall continue to exist and operate under such provisions of law until October 1, 2001.''.

(b) RETROACTIVITY OF EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Foreign Affairs Reform and Restructuring Act of 1998.

(c) REENACTMENT AND REPEAL OF CERTAIN PROVISIONS OF LAW.—

(1) REENACTMENT.—The provisions of law repealed by section 1334 of the Foreign Affairs Reform and Restructuring Act of 1998, as in effect before the date of the enactment of this Act, are hereby reenacted into law.

(2) REPEAL.—Effective September 30, 2001, section 604 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1469) and section 8 of the Reorganization Plan Numbered 2 of 1977 are repealed.

(d) CONTINUITY OF ADVISORY COMMISSION.—Notwithstanding any other provision of law, any period of discontinuity of the United States Advisory Commission on Public Diplomacy shall not affect the appointment or terms of service of members of the commission.

(e) REDUCTION IN STAFF AND BUDGET.—Notwithstanding section 604(b) of the United States Information and Educational Exchange Act of 1948, effective on the date of the enactment of this Act, the United States Advisory Commission on Public Diplomacy shall have not more than 2 individuals who are compensated staff, and not more than 50 percent of the resources allocated in fiscal year 1999.

SEC. 405. ROYAL ULSTER CONSTABULARY TRAINING.

(a) TRAINING FOR THE ROYAL ULSTER CONSTABULARY.—No funds authorized to be appropriated by this or any other Act may be used to support any training or exchange program conducted by the Federal Bureau of Investigation or any other Federal law enforcement agency for the Royal Ulster Constabulary (in this section referred to as the ''RUC'') or RUC members until the President submits to the appropriate congressional committees the report required by subsection (b) and the certification described in subsection (c)(1).

(b) REPORT ON PAST TRAINING PROGRAMS.—The President shall report on training or exchange programs conducted by the Federal Bureau of Investigation or other Federal law enforcement agencies for the RUC or RUC members during fiscal years 1994 through 1999. Such report shall include—

(1) the number of training or exchange programs conducted during the period of the report;

(2) the number and rank of the RUC members who participated in such training or exchange programs in each fiscal year;

(3) the duration and location of such training or exchange programs; and

(4) a detailed description of the curriculum of the training or exchange programs.

(c) CERTIFICATION REGARDING FUTURE TRAINING ACTIVITIES.—

(1) IN GENERAL.—The certification described in this subsection is a certification by the President that—

(A) training or exchange programs conducted by the Federal Bureau of Investigation or other Federal law enforcement agencies for the RUC or RUC members are necessary to—

(i) improve the professionalism of policing in Northern Ireland; and

(ii) advance the peace process in Northern Ireland;

(B) such programs will include in the curriculum a significant human rights component;

(C) vetting procedures have been established in the Departments of State and Justice, and any other appropriate Federal agency, to ensure that training or exchange programs do not include RUC members who there are substantial grounds for believing have committed or condoned violations of internationally recognized human rights, including any role in the murder of Patrick Finucane or Rosemary Nelson or other violence or serious threat of violence against defense attorneys in Northern Ireland; and

(D) the governments of the United Kingdom and the Republic of Ireland are committed to assisting in the full implementation of the recommendations contained in the Patten Commission report issued September 9, 1999.

(2) FISCAL YEAR 2001 APPLICATION.—The President shall make an additional certification under paragraph (1) before any Federal law enforcement agency conducts training for the RUC or RUC members in fiscal year 2001.

(3) APPLICATION TO SUCCESSOR ORGANIZATIONS.—The provisions of this subsection shall apply to any successor organization of the RUC.

Subtitle B—Russian and Ukrainian Business Management Education

SEC. 421. PURPOSE.

The purpose of this subtitle is to establish a training program in Russia and Ukraine for nationals of those countries to obtain skills in business administration, accounting, and marketing, with special emphasis on instruction in business ethics and in the basic terminology, techniques, and practices of those disciplines, to achieve international standards of quality, transparency, and competitiveness.

SEC. 422. DEFINITIONS.

In this subtitle:

(1) DISTANCE LEARNING.—The term ''distance learning'' means training through computers, interactive videos, teleconferencing, and videoconferencing between and among students and teachers.

(2) ELIGIBLE ENTERPRISE.—The term ''eligible enterprise'' means—

(A) in the case of Russia—

(i) a business concern operating in Russia that employs Russian nationals in Russia; or

(ii) a private enterprise that is being formed or operated by former officers of the Russian armed forces in Russia; and

(B) in the case of Ukraine—

(i) a business concern operating in Ukraine that employs Ukrainian nationals in Ukraine; or

(ii) a private enterprise that is being formed or operated by former officers of the Ukrainian armed forces in Ukraine.

(3) ELIGIBLE NATIONAL.—The term ''eligible national'' means the employee of an eligible enterprise who is employed in the program country.

(4) PROGRAM.—The term ''program'' means the program of technical assistance established under section 423.

(5) PROGRAM COUNTRY.—The term ''program country'' means—

(A) Russia in the case of any eligible enterprise operating in Russia that receives technical assistance under the program; or

(B) Ukraine in the case of any eligible enterprise operating in Ukraine that receives technical assistance under the program.

SEC. 423. AUTHORIZATION FOR TRAINING PROGRAM AND INTERNSHIPS.

(a) TRAINING PROGRAM.—

(1) IN GENERAL.—The President is authorized to establish a program of technical assistance to provide the training described in section 421 to eligible enterprises.

(2) IMPLEMENTATION.—Training shall be carried out by United States nationals having expertise in business administration, accounting, and marketing or by eligible nationals who have been trained under the program. Such training may be carried out—

(A) in the offices of eligible enterprises, at business schools or institutes, or at other locations in the program country, including facilities of the armed forces of the program country, educational institutions, or in the offices of trade or industry associations, with special consideration given to locations where similar training opportunities are limited or nonexistent; or

(B) by ''distance learning'' programs originating in the United States or in European branches of United States institutions.

(b) INTERNSHIPS WITH UNITED STATES DOMESTIC BUSINESS CONCERNS.—Authorized program costs may include the travel expenses and appropriate in-country business English language training, if needed, of eligible nationals who have completed training under the program to undertake short-term internships with business concerns in the United States.

SEC. 424. APPLICATIONS FOR TECHNICAL ASSISTANCE.

(a) PROCEDURES.—

(1) IN GENERAL.—Each eligible enterprise that desires to receive training for its employees and managers under this subtitle shall submit an application to the clearinghouse under subsection (c), at such time, in such manner, and accompanied by such additional information as may reasonably be required.

(2) JOINT APPLICATIONS.—A consortium of eligible enterprises may file a joint application under the provisions of paragraph (1).

(b) CONTENTS.—An application under subsection (a) may be approved only if the application—

(1) is for an individual or individuals employed in an eligible enterprise or enterprises applying under the program;

(2) describes the level of training for which assistance under this subtitle is sought;

(3) provides evidence that the eligible enterprise meets the general policies adopted for the administration of this subtitle;

(4) provides assurances that the eligible enterprise will pay a share of the costs of the training, which share may include in-kind contributions; and

(5) provides such additional assurances as are determined to be essential to ensure compliance with the requirements of this subtitle.

(c) CLEARINGHOUSE.—A clearinghouse shall be established or designated in each program country to manage and execute the program in that country. The clearinghouse shall screen applications, provide information regarding training and teachers, monitor performance of the program, and coordinate appropriate post-program follow-on activities.

SEC. 425. RESTRICTIONS NOT APPLICABLE.

Prohibitions on the use of foreign assistance funds for assistance for the Russian Federation or for Ukraine shall not apply with respect to the funds made available to carry out this subtitle.

SEC. 426. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated $10,000,000 for the fiscal year 2000 and $10,000,000 for the fiscal year 2001 to carry out this subtitle.

(b) AVAILABILITY OF FUNDS.—Amounts appropriated under subsection (a) are authorized to remain available until expended.

TITLE V—UNITED STATES INTERNATIONAL BROADCASTING ACTIVITIES

SEC. 501. REAUTHORIZATION OF RADIO FREE ASIA.

Section 309 of the United States International Broadcasting Act of 1994 (22 U.S.C. 6208) is amended—

(1) by striking subsection (c);

(2) by redesignating subsections (d), (e), (f), (g), (h), and (i) as subsections (c), (d), (e), (f), (g), and (h), respectively;

(3) in subsection (c) (as redesignated by paragraph (2))—

(A) in paragraph (1)—

(i) by striking ''(A)''; and

(ii) by striking subparagraph (B);

(B) in paragraph (2), by striking ''September 30, 1999'' and inserting ''September 30, 2009'';

(C) in paragraph (4), by striking ''$22,000,000 in any fiscal year'' and inserting ''$30,000,000 in each of the fiscal years 2000 and 2001'';

(D) by striking paragraph (5); and

(E) by redesignating paragraph (6) as paragraph (5); and

(4) by amending subsection (f) (as redesignated by paragraph (2)) to read as follows:

''(f) SUNSET PROVISION.—The Board may not make any grant for the purpose of operating Radio Free Asia after September 30, 2009.''.

SEC. 502. NOMINATION REQUIREMENTS FOR THE CHAIRMAN OF THE BROADCASTING BOARD OF GOVERNORS.

Section 304(b)(2) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (22 U.S.C. 6203 (b)(2)), is amended—

(1) by striking ''designate'' and inserting ''appoint''; and

(2) by adding at the end the following: '', subject to the advice and consent of the Senate''.

SEC. 503. PRESERVATION OF RFE/RL (RADIO FREE EUROPE/RADIO LIBERTY).

Section 312 of the United States International Broadcasting Act of 1994 (22 U.S.C. 6211) is amended to read as follows:

''SEC. 312. THE CONTINUING MISSION OF RADIO FREE EUROPE AND RADIO LIBERTY BROADCASTS.

''It is the sense of Congress that Radio Free Europe and Radio Liberty should continue to broadcast to the peoples of Central Europe, Eurasia, and the Persian Gulf until such time as—

''(1) a particular nation has clearly demonstrated the successful establishment and consolidation of democratic rule; and

''(2) its domestic media which provide balanced, accurate, and comprehensive news and information, is firmly established and widely accessible to the national audience, thus making redundant broadcasts by Radio Free Europe or Radio Liberty.

''At such time as a particular nation meets both of these conditions, RFE/RL should phase out broadcasting to that nation.''.

SEC. 504. IMMUNITY FROM CIVIL LIABILITY FOR BROADCASTING BOARD OF GOVERNORS.

Section 304 of the United States International Broadcasting Act of 1994 (22 U.S.C. 6203) is amended by adding at the end the following subsection:

''(g) IMMUNITY FROM CIVIL LIABILITY.—Notwithstanding any other provision of law, any and all limitations on liability that apply to the members of the Broadcasting Board of Governors also shall apply to such members when acting in their capacities as members of the boards of directors of RFE/RL, Incorporated and Radio Free Asia.''.

TITLE VI—EMBASSY SECURITY AND COUNTERTERRORISM MEASURES

SEC. 601. SHORT TITLE.

This title may be cited as the ''Secure Embassy Construction and Counterterrorism Act of 1999''.

SEC. 602. FINDINGS.

Congress makes the following findings:

(1) On August 7, 1998, the United States embassies in Nairobi, Kenya, and in Dar es Salaam, Tanzania, were destroyed by simultaneously exploding bombs. The resulting explosions killed 220 persons and injured more than 4,000 others. Twelve Americans and 40 Kenyan and Tanzanian employees of the United States Foreign Service were killed in the attack.

(2) The United States personnel in both Dar es Salaam and Nairobi showed leadership and personal courage in their response to the attacks. Despite the havoc wreaked upon the embassies, staff in both embassies provided rapid response in locating and rescuing victims, providing emergency assistance, and quickly restoring embassy operations during a crisis.

(3) The bombs are believed to have been set by individuals associated with Osama bin Laden, leader of a known transnational terrorist organization. In February 1998, bin Laden issued a directive to his followers that called for attacks against United States interests anywhere in the world.

(4) Threats continue to be made against United States diplomatic facilities.

(5) Accountability Review Boards were convened following the bombings, as required by Public Law 99–399, chaired by Admiral William J. Crowe, United States Navy (Ret.) (in this section referred to as the ''Crowe panels'').

(6) The conclusions of the Crowe panels were strikingly similar to those stated by the Commission chaired by Admiral Bobby Ray Inman, which issued an extensive embassy security report in 1985.

(7) The Crowe panels issued a report setting out many problems with security at United States diplomatic facilities, in particular the following:

(A) The United States Government has devoted inadequate resources to security against terrorist attacks.

(B) The United States Government places too low a priority on security concerns.

(8) The result has been a failure to take adequate steps to prevent tragedies such as the bombings in Kenya and Tanzania.

(9) The Crowe panels found that there was an institutional failure on the part of the Department of State to recognize threats posed by transnational terrorism and vehicular bombs.

(10) Responsibility for ensuring adequate resources for security programs is widely shared throughout the United States Government, including Congress. Unless the vulnerabilities identified by the Crowe panels are addressed in a sustained and financially realistic manner, the lives and safety of United States employees in diplomatic facilities will continue to be at risk from further terrorist attacks.

(11) Although service in the Foreign Service or other United States Government positions abroad can never be completely without risk, the United States Government must take all reasonable steps to minimize security risks.

SEC. 603. UNITED STATES DIPLOMATIC FACILITY DEFINED.

In this title, the terms 'United States diplomatic facility' and 'diplomatic facility' mean any chancery, consulate, or other office notified to the host government as diplomatic or consular premises in accordance with the Vienna Conventions on Diplomatic and Consular Relations, or otherwise subject to a publicly available bilateral agreement with the host government (contained in the records of the United States Department of State) that recognizes the official status of the United States Government personnel present at the facility.

SEC. 604. AUTHORIZATIONS OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts otherwise authorized to be

appropriated by this or any other Act, there are authorized to be appropriated for ''Embassy Security, Construction and Maintenance''—

(1) for fiscal year 2000, $900,000,000;

(2) for fiscal year 2001, $900,000,000;

(3) for fiscal year 2002, $900,000,000;

(4) for fiscal year 2003, $900,000,000; and

(5) for fiscal year 2004, $900,000,000.

(b) PURPOSES.—Funds made available under the ''Embassy Security, Construction, and Maintenance'' account may be used only for the purposes of—

(1) the acquisition of United States diplomatic facilities and, if necessary, any residences or other structures located in close physical proximity to such facilities, or

(2) the provision of major security enhancements to United States diplomatic facilities,

to the extent necessary to bring the United States Government into compliance with all requirements applicable to the security of United States diplomatic facilities, including the relevant requirements set forth in section 606.

(c) AVAILABILITY OF AUTHORIZATIONS.—Authorizations of appropriations under subsection (a) shall remain available until the appropriations are made.

(d) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to subsection (a) are authorized to remain available until expended.

SEC. 605. OBLIGATIONS AND EXPENDITURES.

(a) REPORT AND PRIORITY OF OBLIGATIONS.—

(1) REPORT.—Not later than February 1 of the year 2000 and each of the four subsequent years, the Secretary of State shall submit a classified report to the appropriate congressional committees identifying each diplomatic facility or each diplomatic or consular post composed of such facilities that is a priority for replacement or for any major security enhancement because of its vulnerability to terrorist attack (by reason of the terrorist threat and the current condition of the facility). The report shall list such facilities in groups of 20. The groups shall be ranked in order from most vulnerable to least vulnerable to such an attack.

(2) PRIORITY ON USE OF FUNDS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), funds authorized to be appropriated by section 604 for a particular project may be used only for those facilities which are listed in the first four groups described in paragraph (1).

(B) EXCEPTION.—Funds authorized to be made available by section 604 may only be used for facilities which are not in the first 4 groups described in paragraph (1), if the Congress authorizes or appropriates funds for such a diplomatic facility or the Secretary of State notifies the appropriate congressional committees that such funds will be used for a facility in accordance with the procedures applicable to a reprogramming of funds under section 34(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2706(a)).

(b) PROHIBITION ON TRANSFER OF FUNDS.—None of the funds authorized to be appropriated by section 604 may be transferred to any other account.

(c) SEMIANNUAL REPORTS ON ACQUISITION AND MAJOR SECURITY UPGRADES.—On June 1 and December 1 of each year, the Secretary of State shall submit a report to the appropriate congressional committees on the embassy construction and security program authorized under this title. The report shall include—

(1) obligations and expenditures—

(A) during the previous two fiscal quarters; and

(B) since the enactment of this Act;

(2) projected obligations and expenditures for the fiscal year in which the report is submitted and how these obligations and expenditures will improve security conditions of specific diplomatic facilities; and

(3) the status of ongoing acquisition and major security enhancement projects, including any significant changes in—

(A) the budgetary requirements for such projects;

(B) the schedule of such projects; and

(C) the scope of the projects.

SEC. 606. SECURITY REQUIREMENTS FOR UNITED STATES DIPLOMATIC FACILITIES.

(a) IN GENERAL.—The following security requirements shall apply with respect to United States diplomatic facilities and specified personnel:

(1) THREAT ASSESSMENT.—

(A) EMERGENCY ACTION PLAN.—The Emergency Action Plan (EAP) of each United States mission shall address the threat of large explosive attacks from vehicles and the safety of employees during such an explosive attack. Such plan shall be reviewed and updated annually.

(B) SECURITY ENVIRONMENT THREAT LIST.—The Security Environment Threat List shall contain a section that addresses potential acts of international terrorism against United States diplomatic facilities based on threat identification criteria that emphasize the threat of transnational terrorism and include the local security environment, host government support, and other relevant factors such as cultural realities. Such plan shall be reviewed and updated every six months.

(2) SITE SELECTION.—

(A) IN GENERAL.—In selecting a site for any new United States diplomatic facility abroad, the Secretary shall ensure that all United States Government personnel at the post (except those under the command of an area military commander) will be located on the site.

(B) WAIVER AUTHORITY.—

(i) IN GENERAL.—Subject to clause (ii), the Secretary of State may waive subparagraph (A) if the Secretary, together with the head of each agency employing personnel that would not be located at the site, determine that security considerations permit and it is in the national interest of the United States.

(ii) CHANCERY OR CONSULATE BUILDING.—

(I) AUTHORITY NOT DELEGABLE.—The Secretary may not delegate the waiver authority under clause (i) with respect to a chancery or consulate building.

(II) CONGRESSIONAL NOTIFICATION.—Not less than 15 days prior to implementing the waiver authority under clause (i) with respect to a chancery or consulate building, the Secretary shall notify the appropriate congressional committees in writing of the waiver and the reasons for the determination.

(iii) REPORT TO CONGRESS.—The Secretary shall submit to the appropriate congressional committees an annual report of all waivers under this subparagraph.

(3) PERIMETER DISTANCE.—

(A) REQUIREMENT.—Each newly acquired United States diplomatic facility shall be sited not less than 100 feet from the perimeter of the property on which the facility is to be situated.

(B) WAIVER AUTHORITY.—

(i) IN GENERAL.—Subject to clause (ii), the Secretary of State may waive subparagraph (A) if the Secretary determines that security considerations permit and it is in the national interest of the United States.

(ii) CHANCERY OR CONSULATE BUILDING.—

(I) AUTHORITY NOT DELEGABLE.—The Secretary may not delegate the waiver authority under clause (i) with respect to a chancery or consulate building.

(II) CONGRESSIONAL NOTIFICATION.—Not less than 15 days prior to implementing the waiver authority under subparagraph (A) with respect to a chancery or consulate building, the Secretary shall notify the appropriate congressional committees in writing of the waiver and the reasons for the determination.

(iii) REPORT TO CONGRESS.—The Secretary shall submit to the appropriate congressional committees an annual report of all waivers under this subparagraph.

(4) CRISIS MANAGEMENT TRAINING.—

(A) TRAINING OF HEADQUARTERS STAFF.—The appropriate personnel of the Department of State headquarters staff shall undertake crisis management training for mass casualty and mass destruction incidents relating to diplomatic facilities for the purpose of bringing about a rapid response to such incidents from Department of State headquarters in Washington, D.C.

(B) TRAINING OF PERSONNEL ABROAD.—A program of appropriate instruction in crisis management shall be provided to personnel at United States diplomatic facilities abroad at least on an annual basis.

(5) DIPLOMATIC SECURITY TRAINING.—Not later than six months after the date of the enactment of this Act, the Secretary of State shall—

(A) develop annual physical fitness standards for all diplomatic security agents to ensure that the agents are prepared to carry out all of their official responsibilities; and

(B) provide for an independent evaluation by an outside entity of the overall adequacy of current new agent, in-service, and management training programs to prepare agents to carry out the full scope of diplomatic security responsibilities, including preventing attacks on United States personnel and facilities.

(6) STATE DEPARTMENT SUPPORT.—

(A) FOREIGN EMERGENCY SUPPORT TEAM.—The Foreign Emergency Support Team (FEST) of the Department of State shall receive sufficient support from the Department, including—

(i) conducting routine training exercises of the FEST;

(ii) providing personnel identified to serve on the FEST as a collateral duty;

(iii) providing personnel to assist in activities such as security, medical relief, public affairs, engineering, and building safety; and

(iv) providing such additional support as may be necessary to enable the FEST to provide support in a post-crisis environment involving mass casualties and physical damage.

(B) FEST AIRCRAFT.—

(i) REPLACEMENT AIRCRAFT.—The President shall develop a plan to replace on a priority basis the current FEST aircraft funded by the Department of Defense with a dedicated, capable, and reliable replacement aircraft and backup aircraft to be operated and maintained by the Department of Defense.

(ii) REPORT.—Not later than 60 days after the date of enactment of this Act, the President shall submit a report to the appropriate congressional committees describing the aircraft selected pursuant to clause (i) and the arrangements for the funding, operation, and maintenance of such aircraft.

(iii) AUTHORITY TO LEASE AIRCRAFT TO RESPOND TO A TERRORIST ATTACK ABROAD.—Subject to the availability of appropriations, when the Attorney General of the Department of Justice exercises the Attorney General's authority to lease commercial aircraft to transport equipment and personnel in response to a terrorist attack abroad if there have been reasonable efforts to obtain appropriate Department of Defense aircraft and such aircraft are unavailable, the Attorney General shall have the authority to obtain indemnification insurance or guarantees if necessary and appropriate.

(7) RAPID RESPONSE PROCEDURES.—The Secretary of State shall enter into a memorandum of understanding with the Secretary of Defense setting out rapid response procedures for mobilization of personnel and equipment of their respective departments to provide more effective assistance in times of emergency with respect to United States diplomatic facilities.

(8) STORAGE OF EMERGENCY EQUIPMENT AND RECORDS.—All United States diplomatic facilities shall have emergency equipment and records required in case of an emergency situation stored at an off-site facility.

(b) STATUTORY CONSTRUCTION.—Nothing in this section alters or amends existing security requirements not addressed by this section.

SEC. 607. REPORT ON OVERSEAS PRESENCE.

(a) REVIEW.—The Secretary of State shall review the findings of the Overseas Presence Advisory Panel of the Department of State.

(b) REPORT.—

(1) IN GENERAL.—Not later than 120 days after submission of the Overseas Presence Advisory Panel Report, the Secretary of State shall submit a report to the appropriate congressional committees setting forth the results of the review conducted under subsection (a).

(2) ELEMENTS OF THE REPORT.—To the extent not addressed by the review described in subsection (a), the report shall also—

(A) specify whether any United States diplomatic facility should be closed because—

(i) the facility is highly vulnerable and subject to threat of terrorist attack; and

(ii) adequate security enhancements cannot be provided to the facility;

(B) in the event that closure of a diplomatic facility is required, identify plans to provide secure premises for permanent use by the United States diplomatic mission, whether in country or in a regional United States diplomatic facility, or for temporary occupancy by the mission in a facility pending acquisition of new buildings;

(C) outline the potential for reduction or transfer of personnel or closure of missions if technology is adequately exploited for maximum efficiencies;

(D) examine the possibility of creating regional missions in certain parts of the world;

(E) in the case of diplomatic facilities that are part of the Special Embassy Program, report on the foreign policy objectives served by retaining such missions, balancing the importance of these objectives against the well-being of United States personnel; and

(F) examine the feasibility of opening new regional outreach centers, modeled on the system used by the United States Embassy in Paris, France, with each center designed to operate—

(i) at no additional cost to the United States Government;

(ii) with staff consisting of one or two Foreign Service officers currently assigned to the United States diplomatic mission in the country in which the center is located; and

(iii) in a region of the country with high gross domestic product (GDP), a high density population, and a media market that not only includes but extends beyond the region.

SEC. 608. ACCOUNTABILITY REVIEW BOARDS.

Section 301 of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (22 U.S.C. 4831) is amended to read as follows:

"SEC. 301. ACCOUNTABILITY REVIEW BOARDS.

''(a) IN GENERAL.—

''(1) CONVENING A BOARD.—Except as provided in paragraph (2), in any case of serious injury, loss of life, or significant destruction of property at, or related to, a United States Government mission abroad, and in any case of a serious breach of security involving intelligence activities of a foreign government directed at a United States Government mission abroad, which is covered by the provisions of titles I through IV (other than a facility or installation subject to the control of a United States area military commander), the Secretary of State shall convene an Accountability Review Board (in this title referred to as the 'Board'). The Secretary shall not convene a Board where the Secretary determines that a case clearly involves only causes unrelated to security.

''(2) DEPARTMENT OF DEFENSE FACILITIES AND PERSONNEL.—The Secretary of State is not required to convene a Board in the case of an incident described in paragraph (1) that involves any facility, installation, or personnel of the Department of Defense with respect to which the Secretary has delegated operational control of overseas security functions to the Secretary of Defense pursuant to section 106 of this Act. In any such case, the Secretary of Defense shall conduct an appropriate inquiry. The Secretary of Defense shall report the findings and recommendations of such inquiry, and the action taken with respect to such recommendations, to the Secretary of State and Congress.

''(b) DEADLINES FOR CONVENING BOARDS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary of State shall convene a Board not later than 60 days after the occurrence of an incident described in subsection (a)(1), except that such 60-day period may be extended for one additional 60-day period if the Secretary determines that the additional period is necessary for the convening of the Board.

''(2) DELAY IN CASES INVOLVING INTELLIGENCE ACTIVITIES.— With respect to breaches of security involving intelligence activities, the Secretary of State may delay the establishment of a Board if, after consultation with the chairman of the Select Committee on Intelligence of the Senate and the chairman of the Permanent Select Committee on Intelligence of the House of Representatives, the Secretary determines that the establishment of a Board would compromise intelligence sources or methods. The Secretary shall promptly advise the chairmen of such committees of each determination pursuant to this paragraph to delay the establishment of a Board.

''(c) NOTIFICATION TO CONGRESS.—Whenever the Secretary of State convenes a Board, the Secretary shall promptly inform the chairman of the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives—

''(1) that a Board has been convened;

''(2) of the membership of the Board; and

''(3) of other appropriate information about the Board.''.

SEC. 609. INCREASED ANTI-TERRORISM TRAINING IN AFRICA.

Not later than six months after the date of the enactment of this Act, the Secretary of State, in consultation with the Secretary of the Treasury and the Attorney General, shall submit a report to the appropriate congressional committees on a proposed operational plan and site selection to expeditiously establish an International Law Enforcement Academy (ILEA) on the continent of Africa in order to increase training and cooperation on the continent in anti-terrorism and transnational crime fighting.

TITLE VII—INTERNATIONAL ORGANIZATIONS AND COMMISSIONS

Subtitle A—International Organizations Other than the United Nations

SEC. 701. CONFORMING AMENDMENTS TO REFLECT REDESIGNATION OF CERTAIN INTERPARLIAMENTARY GROUPS.

(a) TRANSATLANTIC LEGISLATORS' DIALOGUE.—Section 109(c) of the Department of State Authorization Act, Fiscal Years 1984 and 1985 (22 U.S.C. 276 note) is amended by striking ''United States-European Community Interparliamentary Group'' and inserting ''Transatlantic Legislators' Dialogue (United States-European Union Interparliamentary Group)''.

(b) NATO PARLIAMENTARY ASSEMBLY—

(1) IN GENERAL.—The joint resolution entitled ''Joint Resolution to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization'', approved July 11, 1956 (22 U.S.C. 1928a et seq.), is amended in sections 2, 3, and 4 (22 U.S.C. 1928b, 1928c, and 1928d, respectively) by striking ''North Atlantic Assembly'' each place it appears and inserting ''NATO Parliamentary Assembly''.

(2) CONFORMING AMENDMENT.—Section 105(b) of the Legislative Branch Appropriation Act, 1961 (22 U.S.C. 276c–1) is amended by striking ''North Atlantic Assembly'' and inserting ''NATO Parliamentary Assembly''.

(3) REFERENCES.—In the case of any provision of law having application on or after May 31, 1999 (other than a provision of law specified in subparagraphs (A) or (B)), any reference contained in that provision to the North Atlantic Assembly shall, on and after that date, be considered to be a reference to the NATO Parliamentary Assembly.

SEC. 702. AUTHORITY OF THE INTERNATIONAL BOUNDARY AND WATER COMMISSION TO ASSIST STATE AND LOCAL GOVERNMENTS.

(a) AUTHORITY.—The Commissioner of the United States section of the International Boundary and Water Commission may provide technical tests, evaluations, information, surveys, or others similar services to State or local governments upon the request of such State or local government on a reimbursable basis.

(b) REIMBURSEMENTS.—Reimbursements shall be paid in advance of the goods or services ordered and shall be for the estimated or actual cost as determined by the United States section of the International Boundary and Water Commission. Proper adjustment of amounts paid in advance shall be made as determined by the United States section of the International Boundary and Water Commission on the basis of the actual cost of goods or services provided. Reimbursements received by the United States section of the International Boundary and Water Commission for providing services under this section shall be credited to the appropriation from which the cost of providing the services is charged.

SEC. 703. INTERNATIONAL BOUNDARY AND WATER COMMISSION.

Section 2(b) of the American-Mexican Chamizal Convention Act of 1964 (Public Law 88–300; 22 U.S.C. 277d–18(b)) is amended by inserting ''operations, maintenance, and'' after ''cost of''.

SEC. 704. SEMIANNUAL REPORTS ON UNITED STATES SUPPORT FOR MEMBERSHIP OR PARTICIPATION OF TAIWAN IN INTERNATIONAL ORGANIZATIONS.

(a) REPORTS REQUIRED.—Not later than 60 days after the date of enactment of this Act, and every 6 months thereafter for fiscal years 2000 and 2001, the Secretary of State shall submit to Congress a report in a classified and unclassified manner on the status of efforts by the United States Government to support—

(1) the membership of Taiwan in international organizations that do not require statehood as a prerequisite to such membership; and

(2) the appropriate level of participation by Taiwan in international organizations that may require statehood as a prerequisite to full membership.

(b) REPORT ELEMENTS.—Each report under subsection (a) shall—

(1) set forth a comprehensive list of the international organizations in which the United States Government supports the membership or participation of Taiwan;

(2) describe in detail the efforts of the United States Government to achieve the membership or participation of Taiwan in each organization listed; and

(3) identify the obstacles to the membership or participation of Taiwan in each organization listed, including a list of any governments that do not support the membership or participation of Taiwan in each such organization.

SEC. 705. RESTRICTION RELATING TO UNITED STATES ACCESSION TO THE INTERNATIONAL CRIMINAL COURT.

(a) PROHIBITION.—The United States shall not become a party to the International Criminal Court except pursuant to a treaty made under Article II, section 2, clause 2 of the Constitution of the United States on or after the date of enactment of this Act.

(b) PROHIBITION.—None of the funds authorized to be appropriated by this or any other Act may be obligated for use by, or for support of, the International Criminal Court unless the United States has become a party to the Court pursuant to a treaty made under Article II, section 2, clause 2 of the Constitution of the United States on or after the date of enactment of this Act.

(c) INTERNATIONAL CRIMINAL COURT DEFINED.—In this section, the term ''International Criminal Court'' means the court established by the Rome Statute of the International Criminal Court, adopted by the United Nations Diplomatic Conference of Plenipotentiaries on the Establishment of an International Criminal Court on July 17, 1998.

SEC. 706. PROHIBITION ON EXTRADITION OR TRANSFER OF UNITED STATES CITIZENS TO THE INTERNATIONAL CRIMINAL COURT.

(a) PROHIBITION ON EXTRADITION.—None of the funds authorized to be appropriated or otherwise made available by this or any other Act may be used to extradite a United States citizen to a foreign country that is under an obligation to surrender persons to the International Criminal Court unless that foreign country confirms to the United States that applicable prohibitions on reextradition apply to such surrender or gives other satisfactory assurances to the United States that the country will not extradite or otherwise transfer that citizen to the International Criminal Court.

(b) PROHIBITION ON CONSENT TO EXTRADITION BY THIRD COUNTRIES.—None of the funds authorized to be appropriated or otherwise made available by this or any other Act may be used to provide consent to the extradition or transfer of a United States citizen by a foreign country to a third country that is under an obligation to surrender persons to the International Criminal Court, unless the third country confirms to the United States that applicable prohibitions on reextradition apply to such surrender or gives other satisfactory assurances to the United States that the third country will not extradite or otherwise transfer that citizen to the International Criminal Court.

(c) DEFINITION.—In this section, the term ''International Criminal Court'' has the meaning given the term in section 705(c) of this Act.

SEC. 707. REQUIREMENT FOR REPORTS REGARDING FOREIGN TRAVEL.

Section 2505 of the Foreign Affairs Reform and Restructuring Act of 1998 (as contained in division G of Public Law 105–277) is amended—

(1) in subsection (a), by striking ''by this division for fiscal year 1999'' and inserting ''for the Department of State for fiscal year 2000 or 2001''; and

(2) in subsection (d), by striking ''not later than April 1, 1999,'' and inserting ''on January 31 of the years 2000 and 2001 and July 31 of the years 2000 and 2001,''.

SEC. 708. UNITED STATES REPRESENTATION AT THE INTERNATIONAL ATOMIC ENERGY AGENCY.

(a) AMENDMENT TO THE UNITED NATIONS PARTICIPATION ACT OF 1945.—Section 2(h) of the United Nations Participation Act of 1945 (22 U.S.C. 287(h)) is amended by adding at the end the following new sentence: ''The representative of the United States to the Vienna office of the United Nations shall also serve as representative of the United States to the International Atomic Energy Agency.''.

(b) AMENDMENT TO THE IAEA PARTICIPATION ACT OF 1957.—Section 2(a) of the International Atomic Energy Agency Participation Act of 1957 (22 U.S.C. 2021(a)) is amended by adding at the end the following new sentence: ''The Representative of the United States to the Vienna office of the United Nations shall also serve as representative of the United States to the Agency.''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to individuals appointed on or after the date of enactment of this Act.

Subtitle B—United Nations Activities

SEC. 721. UNITED NATIONS POLICY ON ISRAEL AND THE PALESTINIANS.

(a) CONGRESSIONAL STATEMENT.—It shall be the policy of the United States to promote an end to the persistent inequity experienced by Israel in the United Nations whereby Israel is the only longstanding member of the organization to be denied acceptance into any of the United Nations regional blocs.

(b) POLICY ON ABOLITION OF CERTAIN UNITED NATIONS GROUPS.—It shall be the policy of the United States to seek the abolition of certain United Nations groups the existence of which is inimical to the ongoing Middle East peace process, those groups being the Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Palestinian People and other Arabs of the Occupied Territories; the Committee on the Exercise of the Inalienable Rights of the Palestinian People; the Division for the Palestinian Rights; and the Division on Public Information on the Question of Palestine.

(c) ANNUAL REPORTS.—On January 15 of each year, the Secretary of State shall submit a report to the appropriate congressional committees (in classified or unclassified form as appropriate) on—

(1) actions taken by representatives of the United States to encourage the nations of the Western Europe and Others Group (WEOG) to accept Israel into their regional bloc;

(2) other measures being undertaken, and which will be undertaken, to ensure and promote Israel's full and equal participation in the United Nations; and

(3) steps taken by the United States under subsection (b) to secure abolition by the United Nations of groups described in that subsection.

(d) ANNUAL CONSULTATION.—At the time of the submission of each annual report under subsection (c), the Secretary of State shall consult with the appropriate congressional committees on specific responses received by the Secretary of State from each of the nations of the Western Europe and Others Group (WEOG) on their position concerning Israel's acceptance into their organization.

SEC. 722. DATA ON COSTS INCURRED IN SUPPORT OF UNITED NATIONS PEACEKEEPING OPERATIONS.

Chapter 6 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2348 et seq.) is amended by adding at the end the following:

"SEC. 554. DATA ON COSTS INCURRED IN SUPPORT OF UNITED NATIONS PEACEKEEPING OPERATIONS.

''(a) UNITED STATES COSTS.—The President shall annually provide to the Secretary General of the United Nations data regarding all costs incurred by the United States Department of Defense during the preceding year in support of all United Nations Security Council resolutions as reported to the Congress pursuant to section 8079 of the Department of Defense Appropriations Act, 1998.

''(b) UNITED NATIONS MEMBER COSTS.—The President shall request that the United Nations compile and publish information concerning costs incurred by United Nations members in support of such resolutions.''.

SEC. 723. REIMBURSEMENT FOR GOODS AND SERVICES PROVIDED BY THE UNITED STATES TO THE UNITED NATIONS.

The United Nations Participation Act of 1945 (22 U.S.C. 287 et seq.) is amended by adding at the end the following new section:

"SEC. 10. REIMBURSEMENT FOR GOODS AND SERVICES PROVIDED BY THE UNITED STATES TO THE UNITED NATIONS.

''(a) REQUIREMENT TO OBTAIN REIMBURSEMENT.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the President shall seek and obtain in a timely fashion a commitment from the United Nations to provide reimbursement to the United States from the United Nations whenever the United States Government furnishes assistance pursuant to the provisions of law described in subsection (c)—

''(A) to the United Nations when the assistance is designed to facilitate or assist in carrying out an assessed peacekeeping operation;

''(B) for any United Nations peacekeeping operation that is authorized by the United Nations Security Council under Chapter VI or Chapter VII of the United Nations Charter and paid for by peacekeeping or regular budget assessment of the United Nations members; or

''(C) to any country participating in any operation authorized by the United Nations Security Council under Chapter VI or Chapter VII of the United Nations Charter and paid for by peacekeeping assessments of United Nations members when the assistance is designed to facilitate or assist the participation of that country in the operation.

''(2) EXCEPTIONS.—

''(A) IN GENERAL.—The requirement in paragraph (1) shall not apply to—

''(i) goods and services provided to the United States Armed Forces;

''(ii) assistance having a value of less than $3,000,000 per fiscal year per operation;

''(iii) assistance furnished before the date of enactment of this section;

''(iv) salaries and expenses of civilian police and other civilian and military monitors where United Nations policy is to require payment by contributing members for similar assistance to United Nations peacekeeping operations; or

''(v) any assistance commitment made before the date of enactment of this section.

''(B) DEPLOYMENTS OF UNITED STATES MILITARY FORCES.— The requirements of subsection (d)(1)(B) shall not apply to the deployment of United States military forces when the President determines that such deployment is important to the security interests of the United States. The cost of such deployment shall be included in the data provided under section 554 of the Foreign Assistance Act of 1961.

''(3) FORM AND AMOUNT.—

''(A) AMOUNT.—The amount of any reimbursement under this subsection shall be determined at the usual rate established by the United Nations.

''(B) FORM.—Reimbursement under this subsection may include credits against the United States assessed contributions for United Nations peacekeeping operations, if the expenses incurred by any United States department or agency providing the assistance have first been reimbursed.

''(b) TREATMENT OF REIMBURSEMENTS.—

''(1) CREDIT.—The amount of any reimbursement paid the United States under subsection (a) shall be credited to the current applicable appropriation, fund, or account of the United States department or agency providing the assistance for which the reimbursement is paid.

''(2) AVAILABILITY.—Amounts credited under paragraph (1) shall be merged with the appropriations, or with appropriations in the fund or

account, to which credited and shall be available for the same purposes, and subject to the same conditions and limitations, as the appropriations with which merged.

''(c) COVERED ASSISTANCE.—Subsection (a) applies to assistance provided under the following provisions of law:

''(1) Sections 6 and 7 of this Act.

''(2) Sections 451, 506(a)(1), 516, 552(c), and 607 of the Foreign Assistance Act of 1961.

''(3) Any other provisions of law pursuant to which assistance is provided by the United States to carry out the mandate of an assessed United Nations peacekeeping operation.

''(d) WAIVER.—

''(1) AUTHORITY.—

''(A) IN GENERAL.—The President may authorize the furnishing of assistance covered by this section without regard to subsection (a) if the President determines, and so notifies in writing the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives, that to do so is important to the security interests of the United States.

''(B) CONGRESSIONAL NOTIFICATION.—When exercising the authorities of subparagraph (A), the President shall notify the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961.

''(2) CONGRESSIONAL REVIEW.—Notwithstanding a notice under paragraph (1) with respect to assistance covered by this section, subsection (a) shall apply to the furnishing of the assistance if, not later than 15 calendar days after receipt of a notification under that paragraph, the Congress enacts a joint resolution disapproving the determination of the President contained in the notification.

''(3) SENATE PROCEDURES.—Any joint resolution described in paragraph (2) shall be considered in the Senate in accordance with the provisions of section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

''(e) RELATIONSHIP TO OTHER REIMBURSEMENT AUTHORITY.—Nothing in this section shall preclude the President from seeking reimbursement for assistance covered by this section that is in addition to the reimbursement sought for the assistance under subsection (a).

''(f) DEFINITION.—In this section, the term 'assistance' includes personnel, services, supplies, equipment, facilities, and other assistance if such assistance is provided by the Department of Defense or any other United States Government agency.''.

SEC. 724. CODIFICATION OF REQUIRED NOTICE OF PROPOSED UNITED NATIONS PEACEKEEPING OPERATIONS.

(a) CODIFICATION.—Section 4 of the United Nations Participation Act of 1945 (22 U.S.C. 287b) is amended—

(1) in subsection (a), by striking the second sentence; and

(2) by striking subsection (e) and inserting the following:

''(e) CONSULTATIONS AND REPORTS ON UNITED NATIONS PEACEKEEPING OPERATIONS.—

''(1) CONSULTATIONS.—Each month the President shall consult with Congress on the status of United Nations peacekeeping operations.

''(2) INFORMATION TO BE PROVIDED.—In connection with such consultations, the following information shall be provided each month to the designated congressional committees:

''(A) With respect to ongoing United Nations peacekeeping operations, the following:

''(i) A list of all resolutions of the United Nations Security Council anticipated to be voted on during such month that would extend or change the mandate of any United Nations peacekeeping operation.

''(ii) For each such operation, any changes in the duration, mandate, and command and control arrangements that are anticipated as a result of the adoption of the resolution.

''(iii) An estimate of the total cost to the United Nations of each such operation for the period covered by the resolution, and an estimate of the amount of that cost that will be assessed to the United States.

''(iv) Any anticipated significant changes in United States participation in or support for each such operation during the period covered by the resolution (including the provision of facilities, training, transportation, communication, and logistical support, but not including intelligence activities reportable under title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.)), and the estimated costs to the United States of such changes.

''(B) With respect to each new United Nations peacekeeping operation that is anticipated to be authorized by a Security Council resolution during such month, the following information for the period covered by the resolution:

''(i) The anticipated duration, mandate, and command and control arrangements of such operation, the planned exit strategy, and the vital national interest to be served.

''(ii) An estimate of the total cost to the United Nations of the operation, and an estimate of the amount of that cost that will be assessed to the United States.

''(iii) A description of the functions that would be performed by any United States Armed Forces participating in or otherwise operating in support of the operation, an estimate of the number of members of the Armed Forces that will participate in or otherwise operate in support of the operation, and an estimate of the cost to the United States of such participation or support.

''(iv) A description of any other United States assistance to or support for the operation (including the provision of facilities, training, transportation, communication, and logistical support, but not including intelligence activities reportable under title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.)), and an estimate of the cost to the United States of such participation or support.

''(v) A reprogramming of funds pursuant to section 34 of the State Department Basic Authorities Act of 1956, submitted in accordance with the procedures set forth in such section, describing the source of funds that will be used to pay for the cost of the new United Nations peacekeeping operation, provided that such notification shall also be submitted to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate.

''(3) FORM AND TIMING OF INFORMATION.—

''(A) FORM.—The President shall submit information under clauses (i) and (iii) of paragraph (2)(A) in writing.

''(B) TIMING.—

''(i) ONGOING OPERATIONS.—The information required under paragraph (2)(A) for a month shall be submitted not later than the 10th day of the month.

''(ii) NEW OPERATIONS.—The information required under paragraph (2)(B) shall be submitted in writing with respect to each new United Nations peacekeeping operation not less than 15 days before the anticipated date of the vote on the resolution concerned unless the President determines that exceptional circumstances prevent compliance with the requirement to report 15 days in advance. If the President makes such a determination, the information required under paragraph (2)(B) shall be submitted as far in advance of the vote as is practicable.

''(4) NEW UNITED NATIONS PEACEKEEPING OPERATION DEFINED.—As used in paragraph (2), the term 'new United Nations peacekeeping operation' includes any existing or otherwise ongoing United Nations peacekeeping operation—

''(A) where the authorized force strength is to be expanded;

''(B) that is to be authorized to operate in a country in which it was not previously authorized to operate; or

''(C) the mandate of which is to be changed so that the operation would be engaged in significant additional or significantly different functions.

''(5) NOTIFICATION AND QUARTERLY REPORTS REGARDING UNITED STATES ASSISTANCE.—

''(A) NOTIFICATION OF CERTAIN ASSISTANCE.—

''(i) IN GENERAL.—The President shall notify the designated congressional committees at least 15 days before the United States provides any assistance to the United Nations to support peacekeeping operations.

''(ii) EXCEPTION.—This subparagraph does not apply to—

''(I) assistance having a value of less than $3,000,000 in the case of nonreimbursable assistance or less than $14,000,000 in the case of reimbursable assistance; or

''(II) assistance provided under the emergency drawdown authority of sections 506(a)(1) and 552(c)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2318(a)(1) and 2348a(c)(2)).

''(B) QUARTERLY REPORTS.—

''(i) IN GENERAL.—The President shall submit quarterly reports to the designated congressional committees on all assistance provided by the United States during the preceding calendar quarter to the United Nations to support peacekeeping operations.

''(ii) MATTERS INCLUDED.—Each report under this subparagraph shall describe the assistance provided for each such operation, listed by category of assistance.

''(iii) FOURTH QUARTER REPORT.—The report under this subparagraph for the fourth calendar quarter of each year shall be submitted as part of the annual report required by subsection (d) and shall include cumulative information for the preceding calendar year.

''(f) DESIGNATED CONGRESSIONAL COMMITTEES.—In this section, the term 'designated congressional committees' means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.''.

(2) CONFORMING REPEAL.—Subsection (a) of section 407 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236; 22 U.S.C. 287b note; 108 Stat. 448) is repealed.

(b) RELATIONSHIP TO OTHER NOTICE REQUIREMENTS.—Section 4 of the United Nations Participation Act of 1945, as amended by subsection (a), is further amended by adding at the end the following:

''(g) RELATIONSHIP TO OTHER NOTIFICATION REQUIREMENTS.—Nothing in this section is intended to alter or supersede any notification requirement with respect to peacekeeping operations that is established under any other provision of law.''.

TITLE VIII—MISCELLANEOUS PROVISIONS

Subtitle A—General Provisions

SEC. 801. DENIAL OF ENTRY INTO UNITED STATES OF FOREIGN NATIONALS ENGAGED IN ESTABLISHMENT OR ENFORCEMENT OF FORCED ABORTION OR STERILIZATION POLICY.

(a) DENIAL OF ENTRY.—Notwithstanding any other provision of law, the Secretary of State may not issue any visa to, and the Attorney General may not admit to the United States,

any foreign national whom the Secretary finds, based on credible and specific information, to have been directly involved in the establishment or enforcement of population control policies forcing a woman to undergo an abortion against her free choice or forcing a man or woman to undergo sterilization against his or her free choice, unless the Secretary has substantial grounds for believing that the foreign national has discontinued his or her involvement with, and support for, such policies.

(b) EXCEPTIONS.—The prohibitions in subsection (a) shall not apply in the case of a foreign national who is a head of state, head of government, or cabinet level minister.

(c) WAIVER.—The Secretary of State may waive the prohibitions in subsection (a) with respect to a foreign national if the Secretary—

(1) determines that it is important to the national interest of the United States to do so; and

(2) provides written notification to the appropriate congressional committees containing a justification for the waiver.

SEC. 802. TECHNICAL CORRECTIONS.

(a) Section 1422(b)(3)(B) of the Foreign Affairs Reform and Restructuring Act (as contained in division G of Public Law 105–277; 112 Stat. 2681–792) is amended by striking ''divisionAct'' and inserting ''division''.

(b) Section 1002(a) of the Foreign Affairs Reform and Restructuring Act (as contained in division G of Public Law 105–277; 112 Stat. 2681–762) is amended by striking paragraph (3).

(c) The table of contents of division G of Public Law 105–277 (112 Stat. 2681–762) is amended by striking ''DIVISION__'' and inserting ''DIVISION G''.

(d) Section 305 of Public Law 97–446 (19 U.S.C 2604) is amended in the first sentence by striking ''Secretary'' the first place it appears and inserting ''Secretary, in consultation with the Secretary of State,''.

SEC. 803. REPORTS WITH RESPECT TO A REFERENDUM ON WESTERN SAHARA.

(a) REPORTS REQUIRED.—

(1) IN GENERAL.—Not later than each of the dates specified in paragraph (2), the Secretary of State shall submit a report to the appropriate congressional committees describing specific steps being taken by the Government of Morocco and by the Popular Front for the Liberation of Saguia el-Hamra and Rio de Oro (POLISARIO) to ensure that a free, fair, and transparent referendum in which the people of the Western Sahara will choose between independence and integration with Morocco will be held by July 2000.

(2) DEADLINES FOR SUBMISSION OF REPORTS.—The dates referred to in paragraph (1) are January 1, 2000, and June 1, 2000.

(b) REPORT ELEMENTS.—The report shall include—

(1) a description of preparations for the referendum, including the extent to which free access to the territory for independent international organizations, including election observers and international media, will be guaranteed;

(2) a description of current efforts by the Department of State to ensure that a referendum will be held by July 2000;

(3) an assessment of the likelihood that the July 2000 date will be met;

(4) a description of obstacles, if any, to the voter registration process and other preparations for the referendum, and efforts being made by the parties and the United States Government to overcome those obstacles; and

(5) an assessment of progress being made in the repatriation process.

SEC. 804. REPORTING REQUIREMENTS UNDER PLO COMMITMENTS COMPLIANCE ACT OF 1989.

The PLO Commitments Compliance Act of 1989 is amended—

(1) in section 804(b), by striking ''In conjunction with each written policy justification required under section 604(b)(1) of the Middle East Peace Facilitation Act of 1995 or every'' and inserting ''Every'';

(2) in section 804(b)—

(A) by striking ''and'' at the end of paragraph (9);

(B) by striking the period at the end of paragraph (10); and

(C) by adding at the end the following new paragraphs:

''(11) a statement on the effectiveness of end-use monitoring of international or United States aid being provided to the Palestinian Authority, Palestinian Liberation Organization, or the Palestinian Legislative Council, or to any other agent or instrumentality of the Palestinian Authority, on Palestinian efforts to comply with international accounting standards and on enforcement of anti-corruption measures; and

''(12) a statement on compliance by the Palestinian Authority with the democratic reforms, with specific details regarding the separation of powers called for between the executive and Legislative Council, the status of legislation passed by the Legislative Council and sent to the executive, the support of the executive for local and municipal elections, the status of freedom of the press, and of the ability of the press to broadcast debate from within the Legislative Council and about the activities of the Legislative Council.''.

SEC. 805. REPORT ON TERRORIST ACTIVITY IN WHICH UNITED STATES CITIZENS WERE KILLED AND RELATED MATTERS.

(a) IN GENERAL.—Not later than 6 months after the date of enactment of this Act and every 6 months thereafter until October 1, 2001, the Secretary of State shall prepare and submit a report, with a classified annex as necessary, to the appropriate congressional committees regarding terrorist attacks in Israel, in territory administered by Israel, and in territory administered by the Palestinian Authority. The report shall contain the following information:

(1) A list of formal commitments the Palestinian Authority has made to combat terrorism.

(2) A list of terrorist attacks, occurring between September 13, 1993 and the date of the report, against United States citizens in Israel, in territory administered by Israel, or in territory administered by the Palestinian Authority, including—

(A) a list of all citizens of the United States killed or injured in such attacks;

(B) the date of each attack and the total number of people killed or injured in each attack;

(C) the person or group claiming responsibility for the attack and where such person or group has found refuge or support;

(D) a list of suspects implicated in each attack and the nationality of each suspect, including information on—

(i) which suspects are in the custody of the Palestinian Authority and which suspects are in the custody of Israel;

(ii) which suspects are still at large in areas controlled by the Palestinian Authority or Israel; and

(iii) the whereabouts (or suspected whereabouts) of suspects implicated in each attack.

(3) Of the suspects implicated in the attacks described in paragraph (2) and detained by Palestinian or Israeli authorities, information on—

(A) the date each suspect was incarcerated;

(B) whether any suspects have been released, the date of such release, and whether any released suspect was implicated in subsequent acts of terrorism; and

(C) the status of each case pending against a suspect, including information on whether the suspect has been indicted, prosecuted, or convicted by the Palestinian Authority or Israel.

(4) The policy of the Department of State with respect to offering rewards for information on terrorist suspects, including any information on whether a reward has been posted for suspects involved in terrorist attacks listed in the report.

(5) A list of each request by the United States for assistance in investigating terrorist attacks listed in the report, a list of each request by the United States for the transfer of terrorist suspects from the Palestinian Authority and Israel since September 13, 1993, and the response to each request from the Palestinian Authority and Israel.

(6) A description of efforts made by United States officials since September 13, 1993 to bring to justice perpetrators of terrorist acts against United States citizens as listed in the report.

(7) A list of any terrorist suspects in these cases who are members of Palestinian police or security forces, the Palestine Liberation Organization, or any Palestinian governing body.

(8) A list of all United States citizens killed or injured in terrorist attacks in Israel or in territory administered by Israel between 1950 and September 13, 1993, to include in each case, where such information is reasonably available, any stated claim of responsibility and the resolution or disposition of each case, except that this list shall be submitted only once with the initial report required under this section unless additional relevant information on these cases becomes available.

(b) CONSULTATION WITH OTHER DEPARTMENTS.—The Secretary of State shall, in preparing the report required by this section, consult and coordinate with all other Government officials who have information necessary to complete the report. Nothing contained in this section shall require the disclosure, on a classified or unclassified basis, of information that would jeopardize sensitive sources and methods or other vital national security interests or jeopardize ongoing criminal investigations or proceedings.

(c) INITIAL REPORT.—Except as provided in subsection (a)(8), the initial report filed under this section shall cover the period between September 13, 1993 and the date of the report.

SEC. 806. ANNUAL REPORTING ON WAR CRIMES, CRIMES AGAINST HUMANITY, AND GENOCIDE.

(a) SECTION 116 OF FOREIGN ASSISTANCE ACT OF 1961.—Section 116(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d)) is amended—

(1) in paragraph (6), by striking ''and'' at the end;

(2) in paragraph (7), by striking the period at the end and inserting ''and''; and

(3) by adding at the end the following:

''(8) wherever applicable, consolidated information regarding the commission of war crimes, crimes against humanity, and evidence of acts that may constitute genocide (as defined in article 2 of the Convention on the Prevention and Punishment of the Crime of Genocide and modified by the United States instrument of ratification to that convention and section 2(a) of the Genocide Convention Implementation Act of 1987).''.

(b) SECTION 502B OF THE FOREIGN ASSISTANCE ACT OF 1961.—Section 502B(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2304(b)) is amended by inserting after the first sentence the following: ''Wherever applicable, such report shall include consolidated information regarding the commission of war crimes, crimes against humanity, and evidence of acts that may constitute genocide (as defined in article 2 of the Convention on the Prevention and Punishment of the Crime of Genocide and modified by the United States instrument of ratification to that convention and section 2(a) of the Genocide Convention Implementation Act of 1987).''.

Subtitle B—North Korea Threat Reduction

SEC. 821. SHORT TITLE.

This subtitle may be cited as the ''North Korea Threat Reduction Act of 1999''.

SEC. 822. RESTRICTIONS ON NUCLEAR COOPERATION WITH NORTH KOREA.

(a) IN GENERAL.—Notwithstanding any other provision of law or any international agreement, no agreement for cooperation (as defined in sec. 11 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2014 b.)) between the United States and North Korea may become effective, no license may be issued for export directly or indirectly to North Korea of any nuclear material, facilities, components, or other goods, services, or technology that would be subject to such agreement, and no approval may be given for the transfer or retransfer directly or indirectly to North Korea of any nuclear material, facilities, components, or other goods, services, or technology that would be subject to such agreement, until the President determines and reports to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate that—

(1) North Korea has come into full compliance with its safeguards agreement with the IAEA (INFCIRC/403), and has taken all steps that have been deemed necessary by the IAEA in this regard;

(2) North Korea has permitted the IAEA full access to all additional sites and all information (including historical records) deemed necessary by the IAEA to verify the accuracy and completeness of North Korea's initial report of May 4, 1992, to the IAEA on all nuclear sites and material in North Korea;

(3) North Korea is in full compliance with its obligations under the Agreed Framework;

(4) North Korea has consistently taken steps to implement the Joint Declaration on Denuclearization, and is in full compliance with its obligations under numbered paragraphs 1, 2, and 3 of the Joint Declaration on Denuclearization (excluding in the case of numbered paragraph 3 facilities frozen pursuant to the Agreed Framework);

(5) North Korea does not have uranium enrichment or nuclear reprocessing facilities (excluding facilities frozen pursuant to the Agreed Framework), and is making no significant progress toward acquiring or developing such facilities;

(6) North Korea does not have nuclear weapons and is making no significant effort to acquire, develop, test, produce, or deploy such weapons; and

(7) the transfer to North Korea of key nuclear components, under the proposed agreement for cooperation with North Korea and in accordance with the Agreed Framework, is in the national interest of the United States.

(b) CONSTRUCTION.—The restrictions contained in subsection (a) shall apply in addition to all other applicable procedures, requirements, and restrictions contained in the Atomic Energy Act of 1954 and other laws.

SEC. 823. DEFINITIONS.

In this subtitle:

(1) AGREED FRAMEWORK.—The term ''Agreed Framework'' means the ''Agreed Framework Between the United States of America and the Democratic People's Republic of Korea'', signed in Geneva on October 21, 1994, and the Confidential Minute to that Agreement.

(2) IAEA.—The term ''IAEA'' means the International Atomic Energy Agency.

(3) NORTH KOREA.—The term ''North Korea'' means the Democratic People's Republic of Korea.

(4) JOINT DECLARATION ON DENUCLEARIZATION.—The term ''Joint Declaration on Denuclearization'' means the Joint Declaration on the Denuclearization of the Korean Peninsula, issued by the Republic of Korea and the Democratic People's Republic of Korea on January 1, 1992.

Subtitle C—People's Republic of China

SEC. 871. FINDINGS.

Congress makes the following findings:

(1) Congress concurs in the conclusions of the Department of State, as set forth in the Country Reports on Human Rights Practices for 1998, on human rights in the People's Republic of China in 1998 as follows:

(A) ''The People's Republic of China (PRC) is an authoritarian state in which the Chinese Communist Party (CCP) is the paramount source of power. . . . Citizens lack both the freedom peacefully to express opposition to the party-led political system and the right to change their national leaders or form of government.''.

(B) ''The Government continued to commit widespread and well-documented human rights abuses, in violation of internationally accepted norms. These abuses stemmed from the authorities' very limited tolerance of public dissent aimed at the Government, fear of unrest, and the limited scope or inadequate implementation of laws protecting basic freedoms.''.

(C) ''Abuses included instances of extrajudicial killings, torture and mistreatment of prisoners, forced confessions, arbitrary arrest and detention, lengthy incommunicado detention, and denial of due process.''.

(D) ''Prison conditions at most facilities remained harsh. . . . The Government infringed on citizens' privacy rights. The Government continued restrictions on freedom of speech and of the press, and tightened these toward the end of the year. The Government severely restricted freedom of assembly, and continued to restrict freedom of association, religion, and movement.''.

(E) ''Discrimination against women, minorities, and the disabled; violence against women, including coercive family planning practices—which sometimes include forced abortion and forced sterilization; prostitution, trafficking in women and children, and the abuse of children all are problems.''.

(F) ''The Government continued to restrict tightly worker rights, and forced labor remains a problem.''.

(G) ''Serious human rights abuses persisted in minority areas, including Tibet and Xinjiang, where restrictions on religion and other fundamental freedoms intensified.''.

(H) ''Unapproved religious groups, including Protestant and Catholic groups, continued to experience varying degrees of official interference and repression.''.

(I) ''Although the Government denies that it holds political or religious prisoners, and argues that all those in prison are legitimately serving sentences for crimes under the law, an unknown number of persons, estimated at several thousand, are detained in violation of international human rights instruments for peacefully expressing their political, religious, or social views.''.

(2) In addition to the State Department, credible press reports and human rights organizations have documented an intense crackdown on political activists by the Government of the People's Republic of China, involving the harassment, detainment, arrest, and imprisonment of dozens of activists.

(3) The People's Republic of China, as a member of the United Nations, is expected to abide by the provisions of the Universal Declaration of Human Rights.

(4) The People's Republic of China is a party to numerous international human rights conventions, including the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, and is a signatory to the International Covenant on Civil and Political Rights and the Covenant on Economic, Social, and Cultural Rights.

SEC. 872. FUNDING FOR ADDITIONAL PERSONNEL AT DIPLOMATIC POSTS TO REPORT ON POLITICAL, ECONOMIC, AND HUMAN RIGHTS MATTERS IN THE PEOPLE'S REPUBLIC OF CHINA.

Of the amounts authorized to be appropriated for the Department of State by this Act, $2,200,000 for fiscal year 2000 and $2,200,000 for fiscal year 2001 shall be made available only to support additional personnel in the United States Embassies in Beijing and Kathmandu, as well as the American consulates in Guangzhou, Shanghai, Shenyang, Chengdu, and Hong Kong, in order to monitor political and social conditions, with particular emphasis on respect for, and violations of, internationally recognized human rights, in the People's Republic of China.

SEC. 873. PRISONER INFORMATION REGISTRY FOR THE PEOPLE'S REPUBLIC OF CHINA.

(a) REQUIREMENT.—The Secretary of State shall establish and maintain a registry which shall, to the extent practicable, provide information on all political prisoners, prisoners of conscience, and prisoners of faith in the People's Republic of China. The registry shall be known as the ''Prisoner Information Registry for the People's Republic of China''.

(b) INFORMATION IN REGISTRY.—The registry required by subsection (a) shall include information on the charges, judicial processes, administrative actions, uses of forced labor, incidents of torture, lengths of imprisonment, physical and health conditions, and other matters associated with the incarceration of prisoners in the People's Republic of China referred to in that subsection.

(c) AVAILABILITY OF FUNDS.—The Secretary may make a grant to nongovernmental organizations currently engaged in monitoring activities regarding political prisoners in the People's Republic of China in order to assist in the establishment and maintenance of the registry required by subsection (a).

TITLE IX—ARREARS PAYMENTS AND REFORM

Subtitle A—General Provisions

SEC. 901. SHORT TITLE.

This title may be cited as the ''United Nations Reform Act of 1999''.

SEC. 902. DEFINITIONS.

In this title:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

(2) DESIGNATED SPECIALIZED AGENCY DEFINED.—The term ''designated specialized agency'' means the International Labor Organization, the World Health Organization, and the Food and Agriculture Organization.

(3) GENERAL ASSEMBLY.—The term ''General Assembly'' means the General Assembly of the United Nations.

(4) SECRETARY GENERAL.—The term ''Secretary General'' means the Secretary General of the United Nations.

(5) SECURITY COUNCIL.—The term ''Security Council'' means the Security Council of the United Nations.

(6) UNITED NATIONS MEMBER.—The term ''United Nations member'' means any country that is a member of the United Nations.

(7) UNITED NATIONS PEACEKEEPING OPERATION.—The term ''United Nations peacekeeping operation'' means any United Nations-led operation to maintain or restore international peace or security that—

(A) is authorized by the Security Council; and

(B) is paid for from assessed contributions of United Nations members that are made available for peacekeeping activities.

Subtitle B—Arrearages to the United Nations

CHAPTER 1—AUTHORIZATION OF APPROPRIATIONS; OBLIGATION AND EXPENDITURE OF FUNDS

SEC. 911. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—

(1) FISCAL YEAR 1998.—

(A) REGULAR ASSESSMENTS.—Amounts appropriated by title IV of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1998 (Public Law 105–119), under the heading ''Contributions to International Organizations'', are hereby authorized to be appropriated and shall be available for obligation and expenditure subject to the provisions of this title.

(B) PEACEKEEPING ASSESSMENTS.—Amounts appropriated by title IV of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1998 (Public Law 105–119), under the heading ''Contributions for International Peacekeeping Activities'', are hereby authorized to be appropriated and shall be available for obligation and expenditure subject to the provisions of this title.

(2) FISCAL YEAR 1999.—Amounts appropriated under the heading ''Arrearage Payments'' in title IV of the Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999 (as contained in section 101(b) of division A of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999; Public Law 105–277), are hereby authorized to be appropriated and shall be available for obligation and expenditure subject to the provisions of this title.

(3) FISCAL YEAR 2000.—There are authorized to be appropriated to the Department of State for payment of arrearages owed by the United States described in subsection (b) as of September 30, 1997, $244,000,000 for fiscal year 2000. Amounts appropriated pursuant to this paragraph shall be available for obligation and expenditure subject to the provisions of this title.

(b) LIMITATION.—Amounts made available under subsection (a) are authorized to be available only—

(1) to pay the United States share of assessments for the regular budget of the United Nations;

(2) to pay the United States share of United Nations peacekeeping operations;

(3) to pay the United States share of United Nations specialized agencies; and

(4) to pay the United States share of other international organizations.

(c) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to subsection (a) are authorized to remain available until expended.

(d) STATUTORY CONSTRUCTION.—For purposes of payments made using funds made available under subsection (a), section 404(b)(2) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236) shall not apply to United Nations peacekeeping operation assessments received by the United States prior to October 1, 1995.

SEC. 912. OBLIGATION AND EXPENDITURE OF FUNDS.

(a) IN GENERAL.—Funds made available pursuant to section 911 may be obligated and expended only if the requirements of subsections (b) and (c) of this section are satisfied.

(b) OBLIGATION AND EXPENDITURE UPON SATISFACTION OF CERTIFICATION REQUIREMENTS.—Subject to subsections (e) and (f), funds made available pursuant to section 911 may be obligated and expended only in the following allotments and upon the following certifications:

(1) Amounts made available for fiscal year 1998, upon the certification described in section 921.

(2) Amounts made available for fiscal year 1999, upon the certification described in section 931.

(3) Amounts authorized to be appropriated for fiscal year 2000, upon the certification described in section 941.

(c) ADVANCE CONGRESSIONAL NOTIFICATION.—Funds made available pursuant to section 911 may be obligated and expended only if the appropriate certification has been submitted to the appropriate congressional committees 30 days prior to the payment of the funds.

(d) TRANSMITTAL OF CERTIFICATIONS.—Certifications made under this chapter shall be transmitted by the Secretary of State to the appropriate congressional committees.

(e) WAIVER AUTHORITY WITH RESPECT TO FISCAL YEAR 1999 FUNDS.—

(1) IN GENERAL.—Subject to paragraph (3) and notwithstanding subsection (b), funds made available under section 911 for fiscal year 1999 may be obligated or expended pursuant to subsection (b)(2) even if the Secretary of State cannot certify that the condition described in section 931(b)(1) has been satisfied.

(2) REQUIREMENTS.—

(A) IN GENERAL.—The authority to waive the condition described in paragraph (1) of this subsection may be exercised only if the Secretary of State—

(i) determines that substantial progress towards satisfying the condition has been made and that the expenditure of funds pursuant to that paragraph is important to the interests of the United States; and

(ii) has notified, and consulted with, the appropriate congressional committees prior to exercising the authority.

(B) EFFECT ON SUBSEQUENT CERTIFICATION.—If the Secretary of State exercises the authority of paragraph (1), the condition described in that paragraph shall be deemed to have been satisfied for purposes of making any certification under section 941.

(3) ADDITIONAL REQUIREMENT.—If the authority to waive a condition under paragraph (1)(A) is exercised, the Secretary of State shall notify the United Nations that the Congress does not consider the United States obligated to pay, and does not intend to pay, arrearages that have not been included in the contested arrearages account or other mechanism described in section 931(b)(1).

(f) WAIVER AUTHORITY WITH RESPECT TO FISCAL YEAR 2000 FUNDS.—

(1) IN GENERAL.—Subject to paragraph (2) and notwithstanding subsection (b), funds made available under section 911 for fiscal year 2000 may be obligated or expended pursuant to subsection (b)(3) even if the Secretary of State cannot certify that the condition described in paragraph (1) of section 941(b) has been satisfied.

(2) REQUIREMENTS.—

(A) IN GENERAL.—The authority to waive a condition under paragraph (1) may be exercised only if the Secretary of State has notified, and consulted with, the appropriate congressional committees prior to exercising the authority.

(B) EFFECT ON SUBSEQUENT CERTIFICATION.—If the Secretary of State exercises the authority of paragraph (1) with respect to a condition, such condition shall be deemed to have been satisfied for purposes of making any certification under section 941.

SEC. 913. FORGIVENESS OF AMOUNTS OWED BY THE UNITED NATIONS TO THE UNITED STATES.

(a) FORGIVENESS OF INDEBTEDNESS.—Subject to subsection (b), the President is authorized to forgive or reduce any amount owed by the United Nations to the United States as a reimbursement, including any reimbursement payable under the Foreign Assistance Act of 1961 or the United Nations Participation Act of 1945.

(b) LIMITATIONS.—

(1) TOTAL AMOUNT.—The total of amounts forgiven or reduced under subsection (a) may not exceed $107,000,000.

(2) RELATION TO UNITED STATES ARREARAGES.—Amounts shall be forgiven or reduced under this section only to the same extent as the United Nations forgives or reduces amounts owed by the United States to the United Nations as of September 30, 1997.

(c) REQUIREMENTS.—The authority in subsection (a) shall be available only to the extent and in the amounts provided in advance in appropriations Acts.

(d) CONGRESSIONAL NOTIFICATION.—Before exercising any authority in subsection (a), the President shall notify the appropriate congressional committees in accordance with the same procedures as are applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961 (22 U.S.C. 2394–1).

(e) EFFECTIVE DATE.—This section shall take effect on the date a certification is transmitted to the appropriate congressional committees under section 931.

CHAPTER 2—UNITED STATES SOVEREIGNTY

SEC. 921. CERTIFICATION REQUIREMENTS.

(a) CONTENTS OF CERTIFICATION.—A certification described in this section is a certification by the Secretary of State that the following conditions are satisfied:

(1) SUPREMACY OF THE UNITED STATES CONSTITUTION.—No action has been taken by the United Nations or any of its specialized or affiliated agencies that requires the United States to violate the United States Constitution or any law of the United States.

(2) NO UNITED NATIONS SOVEREIGNTY.—Neither the United Nations nor any of its specialized or affiliated agencies—

(A) has exercised sovereignty over the United States; or

(B) has taken any steps that require the United States to cede sovereignty.

(3) NO UNITED NATIONS TAXATION.—

(A) NO LEGAL AUTHORITY.—Except as provided in subparagraph (D), neither the United Nations nor any of its specialized or affiliated agencies has the authority under United States law to impose taxes or fees on United States nationals.

(B) NO TAXES OR FEES.—Except as provided in subparagraph (D), a tax or fee has not been imposed on any United States national by the United Nations or any of its specialized or affiliated agencies.

(C) NO TAXATION PROPOSALS.—Except as provided in subparagraph (D), neither the United Nations nor any of its specialized or affiliated agencies has, on or after October 1, 1996, officially approved any formal effort to develop, advocate, or promote any proposal concerning the imposition of a tax or fee on any United States national in order to raise revenue for the United Nations or any such agency.

(D) EXCEPTION.—This paragraph does not apply to—

(i) fees for publications or other kinds of fees that are not tantamount to a tax on United States citizens;

(ii) the World Intellectual Property Organization; or

(iii) the staff assessment costs of the United Nations and its specialized or affiliated agencies.

(4) NO STANDING ARMY.—The United Nations has not, on or after October 1, 1996, budgeted any funds for, nor taken any official steps to develop, create, or establish any special agreement under Article 43 of the United Nations

Charter to make available to the United Nations, on its call, the armed forces of any member of the United Nations.

(5) NO INTEREST FEES.—The United Nations has not, on or after October 1, 1996, levied interest penalties against the United States or any interest on arrearages on the annual assessment of the United States, and neither the United Nations nor its specialized agencies have, on or after October 1, 1996, amended their financial regulations or taken any other action that would permit interest penalties to be levied against the United States or otherwise charge the United States any interest on arrearages on its annual assessment.

(6) UNITED STATES REAL PROPERTY RIGHTS.—Neither the United Nations nor any of its specialized or affiliated agencies has exercised authority or control over any United States national park, wildlife preserve, monument, or real property, nor has the United Nations nor any of its specialized or affiliated agencies implemented plans, regulations, programs, or agreements that exercise control or authority over the private real property of United States citizens located in the United States without the approval of the property owner.

(7) TERMINATION OF BORROWING AUTHORITY.—

(A) PROHIBITION ON AUTHORIZATION OF EXTERNAL BORROWING.—On or after the date of enactment of this Act, neither the United Nations nor any specialized agency of the United Nations has amended its financial regulations to permit external borrowing.

(B) PROHIBITION OF UNITED STATES PAYMENT OF INTEREST COSTS.—The United States has not, on or after October 1, 1984, paid its share of any interest costs made known to or identified by the United States Government for loans incurred, on or after October 1, 1984, by the United Nations or any specialized agency of the United Nations through external borrowing.

(b) TRANSMITTAL.—The Secretary of State may transmit a certification under subsection (a) at any time during fiscal year 1998 or thereafter if the requirements of the certification are satisfied.

CHAPTER 3—REFORM OF ASSESSMENTS AND UNITED NATIONS PEACEKEEPING OPERATIONS

SEC. 931. CERTIFICATION REQUIREMENTS.

(a) IN GENERAL.—A certification described in this section is a certification by the Secretary of State that the conditions in subsection (b) are satisfied. Such certification shall not be made by the Secretary if the Secretary determines that any of the conditions set forth in section 921 are no longer satisfied.

(b) CONDITIONS.—The conditions under this subsection are the following:

(1) CONTESTED ARREARAGES.—The United Nations has established an account or other appropriate mechanism with respect to all United States arrearages incurred before the date of enactment of this Act with respect to which payments are not authorized by this Act, and the failure to pay amounts specified in the account does not affect the application of Article 19 of the Charter of the United Nations. The account established under this paragraph may be referred to as the ''contested arrearages account''.

(2) LIMITATION ON ASSESSED SHARE OF BUDGET FOR UNITED NATIONS PEACEKEEPING OPERATIONS.—The assessed share of the budget for each assessed United Nations peacekeeping operation does not exceed 25 percent for any single United Nations member.

(3) LIMITATION ON ASSESSED SHARE OF REGULAR BUDGET.—The share of the total of all assessed contributions for the regular budget of the United Nations does not exceed 22 percent for any single United Nations member.

CHAPTER 4—BUDGET AND PERSONNEL REFORM

SEC. 941. CERTIFICATION REQUIREMENTS.

(a) IN GENERAL.—

(1) IN GENERAL.—Except as provided in paragraph (2), a certification described in this section is a certification by the Secretary of State that the conditions in subsection (b) are satisfied.

(2) SPECIFIED CERTIFICATION.—A certification described in this section is also a certification that, with respect to the United Nations or a particular designated specialized agency, the conditions in subsection (b)(4) applicable to that organization are satisfied, regardless of whether the conditions in subsection (b)(4) applicable to any other organization are satisfied, if the other conditions in subsection (b) are satisfied.

(3) EFFECT OF SPECIFIED CERTIFICATION.—Funds made available under section 912(b)(3) upon a certification made under this section with respect to the United Nations or a particular designated specialized agency shall be limited to that portion of the funds available under that section that is allocated for the organization with respect to which the certification is made and for any other organization to which none of the conditions in subsection (b) apply.

(4) LIMITATION.—A certification described in this section shall not be made by the Secretary if the Secretary determines that any of the conditions set forth in sections 921 and 931 are no longer satisfied.

(b) CONDITIONS.—The conditions under this subsection are the following:

(1) LIMITATION ON ASSESSED SHARE OF REGULAR BUDGET.—The share of the total of all assessed contributions for the regular budget of the United Nations, or any designated specialized agency of the United Nations, does not exceed 20 percent for any single United Nations member.

(2) INSPECTORS GENERAL FOR CERTAIN ORGANIZATIONS.—

(A) ESTABLISHMENT OF OFFICES.—Each designated specialized agency has established an independent office of inspector general to conduct and supervise objective audits, inspections, and investigations relating to the programs and operations of the organization.

(B) APPOINTMENT OF INSPECTORS GENERAL.—The Director General of each designated specialized agency has appointed an inspector general, with the approval of the member states, and that appointment was made principally on the basis of the appointee's integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations.

(C) ASSIGNED FUNCTIONS.—Each inspector general appointed under subparagraph (A) is authorized to—

(i) make investigations and reports relating to the administration of the programs and operations of the agency concerned;

(ii) have access to all records, documents, and other available materials relating to those programs and operations of the agency concerned; and

(iii) have direct and prompt access to any official of the agency concerned.

(D) COMPLAINTS.—Each designated specialized agency has procedures in place designed to protect the identity of, and to prevent reprisals against, any staff member making a complaint or disclosing information to, or cooperating in any investigation or inspection by, the inspector general of the agency.

(E) COMPLIANCE WITH RECOMMENDATIONS.—Each designated specialized agency has in place procedures designed to ensure compliance with the recommendations of the inspector general of the agency.

(F) AVAILABILITY OF REPORTS.—Each designated specialized agency has in place procedures to ensure that all annual and other relevant reports submitted by the inspector general to the agency are made available to the member states without modification except to the extent necessary to protect the privacy rights of individuals.

(3) NEW BUDGET PROCEDURES FOR THE UNITED NATIONS.—The United Nations has established and is implementing budget procedures that—

(A) require the maintenance of a budget not in excess of the level agreed to by the General Assembly at the beginning of each United Nations budgetary biennium, unless increases are agreed to by consensus; and

(B) require the system-wide identification of expenditures by functional categories such as personnel, travel, and equipment.

(4) SUNSET POLICY FOR CERTAIN UNITED NATIONS PROGRAMS.—

(A) EXISTING AUTHORITY.—The Secretary General and the Director General of each designated specialized agency have used their existing authorities to require program managers within the United Nations Secretariat and the Secretariats of the designated specialized agencies to conduct evaluations of United Nations programs approved by the General Assembly, and of programs of the designated specialized agencies, in accordance with the standardized methodology referred to in subparagraph (B).

(B) DEVELOPMENT OF EVALUATION CRITERIA.—

(i) UNITED NATIONS.—The Office of Internal Oversight Services has developed a standardized methodology for the evaluation of United Nations programs approved by the General Assembly, including specific criteria for determining the continuing relevance and effectiveness of the programs.

(ii) DESIGNATED SPECIALIZED AGENCIES.—Patterned on the work of the Office of Internal Oversight Services of the United Nations, each designated specialized agency has developed a standardized methodology for the evaluation of the programs of the agency, including specific criteria for determining the continuing relevance and effectiveness of the programs.

(C) PROCEDURES.—Consistent with the July 16, 1997, recommendations of the Secretary General regarding a sunset policy and results-based budgeting for United Nations programs, the United Nations and each designated specialized agency has established and is implementing procedures—

(i) requiring the Secretary General or the Director General of the agency, as the case may be, to report on the results of evaluations referred to in this paragraph, including the identification of programs that have met criteria for continuing relevance and effectiveness and proposals to terminate or modify programs that have not met such criteria; and

(ii) authorizing an appropriate body within the United Nations or the agency, as the case may be, to review each evaluation referred to in this paragraph and report to the General Assembly on means of improving the program concerned or on terminating the program.

(D) UNITED STATES POLICY.—It shall be the policy of the United States to seek adoption by the United Nations of a resolution requiring that each United Nations program approved by the General Assembly, and to seek adoption by each designated specialized agency of a resolution requiring that each program of the agency, be subject to an evaluation referred to in this paragraph and have a specific termination date so that the program will not be renewed unless the evaluation demonstrates the continuing relevance and effectiveness of the program.

(E) DEFINITION.—For purposes of this paragraph, the term ''United Nations program approved by the General Assembly'' means a program approved by the General Assembly of the United Nations which is administered or funded by the United Nations.

(5) UNITED NATIONS ADVISORY COMMITTEE ON ADMINISTRATIVE AND BUDGETARY QUESTIONS.—

(A) IN GENERAL.—The United States has a seat on the United Nations Advisory Committee on Administrative and Budgetary Questions or the five largest member contributors each have a seat on the Advisory Committee.

(B) DEFINITION.—As used in this paragraph, the term ''5 largest member contributors'' means the 5 United Nations member states that, during a United Nations budgetary biennium, have more total assessed contributions than any other United Nations member state to the aggregate of the United Nations regular budget and the budget (or budgets) for United Nations peacekeeping operations.

(6) ACCESS BY THE GENERAL ACCOUNTING OFFICE.—The United Nations has in effect procedures providing access by the United States General Accounting Office to United Nations financial data to assist the Office in performing nationally mandated reviews of United Nations operations.

(7) PERSONNEL.—

(A) APPOINTMENT AND SERVICE OF PERSONNEL.—The Secretary General—

(i) has established and is implementing procedures that ensure that staff employed by the United Nations is appointed on the basis of merit consistent with Article 101 of the United Nations Charter; and

(ii) is enforcing those contractual obligations requiring worldwide availability of all professional staff of the United Nations to serve and be relocated based on the needs of the United Nations.

(B) CODE OF CONDUCT.—The General Assembly has adopted, and the Secretary General has the authority to enforce and is effectively enforcing, a code of conduct binding on all United Nations personnel, including the requirement of financial disclosure statements binding on senior United Nations personnel and the establishment of rules against nepotism that are binding on all United Nations personnel.

(C) PERSONNEL EVALUATION SYSTEM.—The United Nations has adopted and is enforcing a personnel evaluation system.

(D) PERIODIC ASSESSMENTS.—The United Nations has established and is implementing a mechanism to conduct periodic assessments of the United Nations payroll to determine total staffing, and the results of such assessments are reported in an unabridged form to the General Assembly.

(E) REVIEW OF UNITED NATIONS ALLOWANCE SYSTEM.—The United States has completed a thorough review of the United Nations personnel allowance system. The review shall include a comparison of that system with the United States civil service system, and shall make recommendations to reduce entitlements to allowances and allowance funding levels from the levels in effect on January 1, 1998.

(8) REDUCTION IN BUDGET AUTHORITIES.—The designated specialized agencies have achieved zero nominal growth in their biennium budgets for 2000–01 from the 1998–99 biennium budget levels of the respective agencies.

(9) NEW BUDGET PROCEDURES AND FINANCIAL REGULATIONS.—Each designated specialized agency has established procedures to—

(A) require the maintenance of a budget that does not exceed the level agreed to by the member states of the organization at the beginning of each budgetary biennium, unless increases are agreed to by consensus;

(B) require the identification of expenditures by functional categories such as personnel, travel, and equipment; and

(C) require approval by the member states of the agency's supplemental budget requests to the Secretariat in advance of expenditures under those requests.

(10) LIMITATION ON ASSESSED SHARE OF REGULAR BUDGET FOR THE DESIGNATED SPECIALIZED AGENCIES.—The share of the total of all assessed contributions for any designated specialized agency does not exceed 22 percent for any single member of the agency.

Subtitle C—Miscellaneous Provisions

SEC. 951. STATUTORY CONSTRUCTION ON RELATION TO EXISTING LAWS.

Except as otherwise specifically provided, nothing in this title may be construed to make available funds in violation of any provision of law containing a specific prohibition or restriction on the use of the funds, including section 114 of the Department of State Authorization Act, Fiscal Years 1984 and 1985 (Public Law 98–164; 22 U.S.C. 287e note), section 151 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (Public Law 99–93; 22 U.S.C. 287e note), and section 404 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103–236; 22 U.S.C. 287e note).

SEC. 952. PROHIBITION ON PAYMENTS RELATING TO UNIDO AND OTHER INTERNATIONAL ORGANIZATIONS FROM WHICH THE UNITED STATES HAS WITHDRAWN OR RESCINDED FUNDING.

None of the funds authorized to be appropriated by this title shall be used to pay any arrearage for—

(1) the United Nations Industrial Development Organization;

(2) any costs to merge that organization into the United Nations;

(3) the costs associated with any other organization of the United Nations from which the United States has withdrawn including the costs of the merger of such organization into the United Nations; or

(4) the World Tourism Organization, or any other international organization with respect to which Congress has rescinded funding.

DIVISION B—ARMS CONTROL, NONPROLIFERATION, AND SECURITY ASSISTANCE PROVISIONS

SEC. 1001. SHORT TITLE.

This division may be cited as the ''Arms Control, Nonproliferation, and Security Assistance Act of 1999''.

TITLE XI—ARMS CONTROL AND NONPROLIFERATION

SEC. 1101. SHORT TITLE.

This title may be cited as the ''Arms Control and Nonproliferation Act of 1999''.

SEC. 1102. DEFINITIONS.

In this title:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term ''appropriate committees of Congress'' means the Committee on International Relations and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate.

(2) ASSISTANT SECRETARY.—The term ''Assistant Secretary'' means the position of Assistant Secretary of State for Verification and Compliance designated under section 1112.

(3) EXECUTIVE AGENCY.—The term ''Executive agency'' has the meaning given the term in section 105 of title 5, United States Code.

(4) INTELLIGENCE COMMUNITY.—The term ''intelligence community'' has the meaning given the term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

(5) START TREATY OR TREATY.—The term ''START Treaty'' or ''Treaty'' means the Treaty With the Union of Soviet Socialist Republics on the Reduction and Limitation of Strategic Offensive Arms, including all agreed statements, annexes, protocols, and memoranda, signed at Moscow on July 31, 1991.

(6) START II TREATY.—The term ''START II Treaty'' means the Treaty Between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms, and related protocols and memorandum of understanding, signed at Moscow on January 3, 1993.

Subtitle A—Arms Control

CHAPTER 1—EFFECTIVE VERIFICATION OF COMPLIANCE WITH ARMS CONTROL AGREEMENTS

SEC. 1111. KEY VERIFICATION ASSETS FUND.

(a) IN GENERAL.—The Secretary of State is authorized to transfer funds available to the Department of State under this section to the Department of Defense, the Department of Energy, or any agency, entity, or component of the intelligence community, as needed, for retaining, researching, developing, or acquiring technologies or programs relating to the verification of arms control, nonproliferation, and disarmament agreements or commitments.

(b) PROHIBITION ON REPROGRAMMING.—Notwithstanding any other provision of law, funds made available to carry out this section may not be used for any purpose other than the purposes specified in subsection (a).

(c) FUNDING.—Of the total amount of funds authorized to be appropriated to the Department of State by this Act for the fiscal years 2000 and 2001, $5,000,000 is authorized to be available for each such fiscal year to carry out subsection (a).

(d) DESIGNATION OF FUND.—Amounts made available under subsection (c) may be referred to as the ''Key Verification Assets Fund''.

SEC. 1112. ASSISTANT SECRETARY OF STATE FOR VERIFICATION AND COMPLIANCE.

(a) DESIGNATION OF POSITION.—The Secretary of State shall designate one of the Assistant Secretaries of State authorized by section 1(c)(1) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2651a(c)(1)) as the Assistant Secretary of State for Verification and Compliance. The Assistant Secretary shall report to the Under Secretary of State for Arms Control and International Security.

(b) DIRECTIVE GOVERNING THE ASSISTANT SECRETARY OF STATE.—

(1) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of State shall issue a directive governing the position of the Assistant Secretary.

(2) ELEMENTS OF THE DIRECTIVE.—The directive issued under paragraph (1) shall set forth, consistent with this section—

(A) the duties of the Assistant Secretary;

(B) the relationships between the Assistant Secretary and other officials of the Department of State;

(C) any delegation of authority from the Secretary of State to the Assistant Secretary; and

(D) such matters as the Secretary considers appropriate.

(c) DUTIES.—

(1) IN GENERAL.—The Assistant Secretary shall have as his principal responsibility the overall supervision (including oversight of policy and resources) within the Department of State of all matters relating to verification and compliance with international arms control, nonproliferation, and disarmament agreements or commitments.

(2) PARTICIPATION OF THE ASSISTANT SECRETARY.—

(A) PRIMARY ROLE.—Except as provided in subparagraphs (B) and (C), the Assistant Secretary, or his designee, shall participate in all interagency groups or organizations within the executive branch of Government that assess, analyze, or review United States planned or ongoing policies, programs, or actions that have a direct bearing on verification or compliance matters, including interagency intelligence committees concerned with the development or exploitation of measurement or signals intelligence

or other national technical means of verification.

(B) REQUIREMENT FOR DESIGNATION.—Subparagraph (A) shall not apply to groups or organizations on which the Secretary of State or the Undersecretary of State for Arms Control and International Security sits, unless such official designates the Assistant Secretary to attend in his stead.

(C) NATIONAL SECURITY LIMITATION.—

(i) WAIVER BY PRESIDENT.—The President may waive the provisions of subparagraph (A) if inclusion of the Assistant Secretary would not be in the national security interests of the United States.

(ii) WAIVER BY OTHERS.—With respect to an interagency group or organization, or meeting thereof, working with exceptionally sensitive information contained in compartments under the control of the Director of Central Intelligence, the Secretary of Defense, or the Secretary of Energy, such Director or Secretary, as the case may be, may waive the provision of subparagraph (A) if inclusion of the Assistant Secretary would not be in the national security interests of the United States.

(iii) TRANSMISSION OF WAIVER TO CONGRESS.—Any waiver of participation under clause (i) or (ii) shall be transmitted in writing to the appropriate committees of Congress.

(3) RELATIONSHIP TO THE INTELLIGENCE COMMUNITY.—The Assistant Secretary shall be the principal policy community representative to the intelligence community on verification and compliance matters.

(4) REPORTING RESPONSIBILITIES.—The Assistant Secretary shall have responsibility within the Department of State for—

(A) all reports required pursuant to section 306 of the Arms Control and Disarmament Act (22 U.S.C. 2577);

(B) so much of the report required under paragraphs (4) through (6) of section 403(a) of the Arms Control and Disarmament Act (22 U.S.C. 2593a(a)(4) through (6)) as relates to verification or compliance matters; and

(C) other reports being prepared by the Department of State as of the date of enactment of this Act relating to arms control, nonproliferation, or disarmament verification or compliance matters.

SEC. 1113. ENHANCED ANNUAL ("PELL") REPORT.

(a) ANNUAL REPORT.—Section 403(a) of the Arms Control and Disarmament Act (22 U.S.C. 2593a(a)) is amended—

(1) in paragraph (4)—

(A) by inserting ''or commitments, including the Missile Technology Control Regime,'' after ''agreements'' the first time it appears;

(B) by inserting ''or commitments'' after ''agreements'' the second time it appears;

(C) by inserting ''or commitment'' after ''agreement''; and

(D) by striking ''and'' at the end;

(2) by striking the period at the end of paragraph (5) and inserting ''; and''; and

(3) by adding at the end the following:

''(6) a specific identification, to the maximum extent practicable in unclassified form, of each and every question that exists with respect to compliance by other countries with arms control, nonproliferation, and disarmament agreements with the United States.''.

(b) ADDITIONAL REQUIREMENT.—Section 403 of the Arms Control and Disarmament Act (22 U.S.C. 2593a) is amended by adding at the end the following:

''(d) Each report required by this section shall include a discussion of each significant issue described in subsection (a)(6) that was contained in a previous report issued under this section during 1995, or after December 31, 1995, until the question or concern has been resolved and such resolution has been reported in detail to the appropriate committees of Congress (as defined in section 1102(1) of the Arms Control, Non-Proliferation, and Security Assistance Act of 1999).''.

SEC. 1114. REPORT ON START AND START II TREATIES MONITORING ISSUES.

(a) REPORT.—Not later than 180 days after the date of enactment of this Act, the Director of Central Intelligence shall submit to the appropriate committees of Congress a detailed report in classified form. Such report shall include the following:

(1) A comprehensive identification of all monitoring activities associated with the START Treaty and the START II Treaty.

(2) The specific intelligence community assets and capabilities, including analytical capabilities, that the Senate was informed, prior to the Senate giving its advice and consent to ratification of the treaties, would be necessary to accomplish those activities.

(3) An identification of the extent to which those assets and capabilities have, or have not, been attained or retained, and the corresponding effect this has had upon United States monitoring confidence levels.

(4) An assessment of any Russian activities relating to the START Treaty which have had an impact upon the ability of the United States to monitor Russian adherence to the Treaty.

(b) COMPARTMENTED ANNEX.—Exceptionally sensitive, compartmented information in the report required by this section may be provided in a compartmented annex submitted to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 1115. STANDARDS FOR VERIFICATION.

(a) VERIFICATION OF COMPLIANCE.—Section 306(a) of the Arms Control and Disarmament Act (22 U.S.C. 2577(a)) is amended in the matter preceding paragraph (1) by striking ''adequately''.

(b) ASSESSMENTS UPON REQUEST.—Section 306 of the Arms Control and Disarmament Act (22 U.S.C. 2577) is amended—

(1) by redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively; and

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

''(b) ASSESSMENTS UPON REQUEST.—Upon the request of the chairman or ranking minority member of the Committee on Foreign Relations of the Senate or the Committee on International Relations of the House of Representatives, in case of an arms control, nonproliferation, or disarmament proposal presented to a foreign country by the United States or presented to the United States by a foreign country, the Secretary of State shall submit a report to the Committee on the degree to which elements of the proposal are capable of being verified.''.

SEC. 1116. CONTRIBUTION TO THE ADVANCEMENT OF SEISMOLOGY.

The United States Government shall, to the maximum extent practicable, make available to the public in real time, or as quickly as possible, all raw seismological data provided to the United States Government by any international organization that is directly responsible for seismological monitoring.

SEC. 1117. PROTECTION OF UNITED STATES COMPANIES.

(a) REIMBURSEMENT.—During the 2-year period beginning on the date of the enactment of this Act, the United States National Authority (as designated pursuant to section 101 of the Chemical Weapons Convention Implementation Act of 1998 (as contained in division I of Public Law 105–277)) shall, upon request of the Director of the Federal Bureau of Investigation, reimburse the Federal Bureau of Investigation for all costs incurred by the Bureau for such period in connection with implementation of section 303(b)(2)(A) of that Act, except that such reimbursement may not exceed $2,000,000 for such 2-year period.

(b) REPORT.—Not later than 180 days prior to the expiration of the 2-year period described in subsection (a), the Director of the Federal Bureau of Investigation shall prepare and submit to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate a report on how activities under section 303(b)(2)(A) of the Chemical Weapons Convention Implementation Act of 1998 will be fully funded and implemented by the Federal Bureau of Investigation notwithstanding the expiration of the 2-year period described in subsection (a).

SEC. 1118. REQUIREMENT FOR TRANSMITTAL OF SUMMARIES.

Whenever a United States delegation engaging in negotiations on arms control, nonproliferation, or disarmament submits to the Secretary of State a summary of the activities of the delegation or the status of those negotiations, a copy of each such summary shall be further transmitted by the Secretary of State to the Committee on Foreign Relations of the Senate and to the Committee on International Relations of the House of Representatives promptly.

CHAPTER 2—MATTERS RELATING TO THE CONTROL OF BIOLOGICAL WEAPONS

SEC. 1121. SHORT TITLE.

This chapter may be cited as the ''National Security and Corporate Fairness under the Biological Weapons Convention Act''.

SEC. 1122. DEFINITIONS.

In this chapter:

(1) BIOLOGICAL WEAPONS CONVENTION.—The term ''Biological Weapons Convention'' means the 1972 Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction.

(2) COMPLIANCE PROTOCOL.—The term ''compliance protocol'' means that segment of a bilateral or multilateral agreement that enables investigation of questions of compliance entailing written data or visits to facilities to monitor compliance.

(3) INDUSTRY.—The term ''industry'' means any corporate or private sector entity engaged in the research, development, production, import, and export of peaceful pharmaceuticals and bio-technological and related products.

SEC. 1123. FINDINGS.

Congress makes the following findings:

(1) The threat of biological weapons and their proliferation is one of the greatest national security threats facing the United States.

(2) The threat of biological weapons and materials represents a serious and increasing danger to people around the world.

(3) Biological weapons are relatively inexpensive to produce, can be made with readily available expertise and equipment, do not require much space to make and can therefore be readily concealed, do not require unusual raw materials or materials not readily available for legitimate purposes, do not require the maintenance of stockpiles, or can be delivered with low-technology mechanisms, and can effect widespread casualties even in small quantities.

(4) Unlike other weapons of mass destruction, biological materials capable of use as weapons can occur naturally in the environment and are also used for medicinal or other beneficial purposes.

(5) Biological weapons are morally reprehensible, prompting the United States Government to halt its offensive biological weapons program in 1969, subsequently destroy its entire biological weapons arsenal, and maintain henceforth only a robust defensive capacity.

(6) The Senate gave its advice and consent to ratification of the Biological Weapons Convention in 1974.

(7) The Director of the Arms Control and Disarmament Agency explained, at the time of the Senate's consideration of the Biological Weapons Convention, that the treaty contained no verification provisions because verification would be ''difficult''.

(8) A compliance protocol has now been proposed to strengthen the 1972 Biological Weapons Convention.

(9) The resources needed to produce, stockpile, and store biological weapons are the same as those used in peaceful industry facilities to discover, develop, and produce medicines.

(10) The raw materials of biological agents are difficult to use as an indicator of an offensive military program because the same materials occur in nature or can be used to produce a wide variety of products.

(11) Some biological products are genetically manipulated to develop new commercial products, optimizing production and ensuring the integrity of the product, making it difficult to distinguish between legitimate commercial activities and offensive military activities.

(12) Only a small culture of a biological agent and some growth medium are needed to produce a large amount of biological agents with the potential for offensive purposes.

(13) The United States pharmaceutical and biotechnology industries are a national asset and resource that contribute to the health and well-being of the American public as well as citizens around the world.

(14) One bacterium strain can represent a large proportion of a company's investment in a pharmaceutical product and thus its potential loss during an arms control monitoring activity could conceivably be worth billions of dollars.

(15) Biological products contain proprietary genetic information.

(16) The proposed compliance regime for the Biological Weapons Convention entails new data reporting and investigation requirements for industry.

(17) A compliance regime which contributes to the control of biological weapons and materials must have a reasonable chance of success in reducing the risk of production, stockpiling, or use of biological weapons while protecting the reputations, intellectual property, and confidential business information of legitimate companies.

SEC. 1124. TRIAL INVESTIGATIONS AND TRIAL VISITS.

(a) NATIONAL SECURITY TRIAL INVESTIGATIONS AND TRIAL VISITS.—The President shall conduct a series of national security trial investigations and trial visits, both during and following negotiations to develop a compliance protocol to the Biological Weapons Convention, with the objective of ensuring that the compliance procedures of the protocol are effective and adequately protect the national security of the United States. These trial investigations and trial visits shall be conducted at such sites as United States Government facilities, installations, and national laboratories.

(b) UNITED STATES INDUSTRY TRIAL INVESTIGATIONS AND TRIAL VISITS.—The President shall take all appropriate steps to conduct or sponsor a series of United States industry trial investigations and trial visits, both during and following negotiations to develop a compliance protocol to the Biological Weapons Convention, with the objective of ensuring that the compliance procedures of the protocol are effective and adequately protect the national security and the concerns of affected United States industries and research institutions. These trial investigations and trial visits shall be conducted at such sites as academic institutions, vaccine production facilities, and pharmaceutical and biotechnology firms in the United States.

(c) PARTICIPATION BY DEFENSE DEPARTMENT AND OTHER APPROPRIATE PERSONNEL.—The Secretary of Defense and, as appropriate, the Director of the Federal Bureau of Investigation shall make available specialized personnel to participate—

(1) in each trial investigation or trial visit conducted pursuant to subsection (a); and

(2) in each trial investigation or trial visit conducted pursuant to subsection (b), except for any investigation or visit in which the host facility requests that such personnel not participate,

for the purpose of assessing the information security implications of such investigation or visit. The Secretary of Defense, in coordination with the Director of the Federal Bureau of Investigation, shall add to the report required by subsection (d)(2) a classified annex containing an assessment of the risk to proprietary and classified information posed by any investigation or visit procedures in the compliance protocol.

(d) STUDY.—

(1) IN GENERAL.—The President shall conduct a study on the need for investigations and visits under the compliance protocol to the Biological Weapons Convention, including—

(A) an assessment of risks to national security and United States industry and research institutions of such on-site activities; and

(B) an assessment of the monitoring results that can be expected from such investigations and visits.

(2) REPORT.—Not later than the date on which a compliance protocol to the Biological Weapons Convention is submitted to the Senate for its advice and consent to ratification, the President shall submit to the Committee on Foreign Relations of the Senate a report, in both unclassified and classified form, setting forth—

(A) the findings of the study conducted pursuant to paragraph (1); and

(B) the results of trial investigations and trial visits conducted pursuant to subsections (a) and (b).

Subtitle B—Nuclear Nonproliferation, Safety, and Related Matters

SEC. 1131. CONGRESSIONAL NOTIFICATION OF NONPROLIFERATION ACTIVITIES.

Section 602(c) of the Nuclear Non-Proliferation Act of 1978 (22 U.S.C. 3282(c)) is amended to read as follows:

''(c)(1) The Department of State, the Department of Defense, the Department of Commerce, the Department of Energy, the Commission, and, with regard to subparagraph (B), the Director of Central Intelligence, shall keep the Committees on Foreign Relations and Governmental Affairs of the Senate and the Committee on International Relations of the House of Representatives fully and currently informed with respect to—

''(A) their activities to carry out the purposes and policies of this Act and to otherwise prevent proliferation, including the proliferation of nuclear, chemical, or biological weapons, or their means of delivery; and

''(B) the current activities of foreign nations which are of significance from the proliferation standpoint.

''(2) For the purposes of this subsection with respect to paragraph (1)(B), the phrase 'fully and currently informed' means the transmittal of credible information not later than 60 days after becoming aware of the activity concerned.''.

SEC. 1132. EFFECTIVE USE OF RESOURCES FOR NONPROLIFERATION PROGRAMS.

(a) PROHIBITION.—Except as provided in subsection (b), no assistance may be provided by the United States Government to any person who is involved in the research, development, design, testing, or evaluation of chemical or biological weapons for offensive purposes.

(b) EXCEPTION.—The prohibition contained in subsection (a) shall not apply to any activity conducted pursuant to title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.).

SEC. 1133. DISPOSITION OF WEAPONS-GRADE MATERIAL.

(a) REPORT ON REDUCTION OF THE STOCKPILE.—Not later than 120 days after signing an agreement between the United States and Russia for the disposition of excess weapons plutonium, the Secretary of Energy, with the concurrence of the Secretary of Defense, shall submit to the Committee on Foreign Relations and the Committee on Armed Services of the Senate and to the Committee on International Relations and the Committee on Armed Services of the House of Representatives a report—

(1) detailing plans for United States implementation of such agreement;

(2) identifying, in classified form, the number of United States warhead ''pits'' of each type deemed ''excess'' for the purpose of dismantlement or disposition; and

(3) describing any implications this may have for the Stockpile Stewardship and Management Program.

(b) SUBMISSION OF THE FABRICATION FACILITY AGREEMENT PURSUANT TO LAW.—Whenever the President submits to Congress the agreement to establish a mixed oxide fuel fabrication or production facility in Russia pursuant to section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153), it is the sense of the Congress that the Secretary of State should be prepared to certify to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House Representatives that—

(1) arrangements for the establishment of that facility will further United States nuclear nonproliferation objectives and will outweigh the proliferation risks inherent in the use of mixed oxide fuel elements;

(2) a guaranty has been given by Russia that no fuel elements produced, fabricated, reprocessed, or assembled at such facility, and no sensitive nuclear technology related to such facility, will be exported or supplied by Russia to any country in the event that the United States objects to such export or supply; and

(3) a guaranty has been given by Russia that the facility and all nuclear materials and equipment therein, and any fuel elements or special nuclear material produced, fabricated, reprocessed, or assembled at that facility, including fuel elements exported or supplied by Russia to a third party, will be subject to international monitoring and transparency sufficient to ensure that special nuclear material is not diverted.

(c) DEFINITIONS.—

(1) PRODUCED.—The terms ''produce'' and ''produced'' have the same meaning that such terms are given under section 11 u. of the Atomic Energy Act of 1954.

(2) PRODUCTION FACILITY.—The term ''production facility'' has the same meaning that such term is given under section 11 v. of the Atomic Energy Act of 1954.

(3) SPECIAL NUCLEAR MATERIAL.—The term ''special nuclear material'' has the meaning that such term is given under section 11 aa. of the Atomic Energy Act of 1954.

SEC. 1134. PROVISION OF CERTAIN INFORMATION TO CONGRESS.

(a) REQUIREMENT TO PROVIDE INFORMATION.—The head of each department and agency described in section 602(c) of the Nuclear Non-Proliferation Act of 1978 (22 U.S.C. 3282(c)) shall promptly provide information to the chairman and ranking minority member of the Committee on Foreign Relations of the Senate and the Committee on International Relations of the

House of Representatives in meeting the requirements of subsection (c) or (d) of section 602 of such Act.

(b) ISSUANCE OF DIRECTIVES.—Not later than February 1, 2000, the Secretary of State, the Secretary of Defense, the Secretary of Commerce, the Secretary of Energy, the Director of Central Intelligence, and the Chairman of the Nuclear Regulatory Commission shall issue directives, which shall provide access to information, including information contained in special access programs, to implement their responsibilities under subsections (c) and (d) of section 602 of the Nuclear Non-Proliferation Act of 1978 (22 U.S.C. 3282(c) and (d)). Copies of such directives shall be forwarded promptly to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives upon the issuance of the directives.

SEC. 1135. AMENDED NUCLEAR EXPORT REPORTING REQUIREMENT.

Section 1523 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2180; 42 U.S.C. 2155 note) is amended—

(1) by striking ''Congress'' and inserting ''the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives''; and

(2) by adding at the end the following:

''(c) CONTENT OF NOTIFICATION.—The notification required pursuant to this section shall include—

''(1) a detailed description of the articles or services to be exported or reexported, including a brief description of the capabilities of any article to be exported or reexported;

''(2) an estimate of the number of officers and employees of the United States Government and of United States Government civilian contract personnel expected to be required in such country to carry out the proposed export or reexport;

''(3) the name of each licensee expected to provide the article or service proposed to be sold and a description from the licensee of any offset agreements proposed to be entered into in connection with such sale (if known on the date of transmittal of such statement);

''(4) the projected delivery dates of the articles or services to be exported or reexported; and

''(5) the extent to which the recipient country in the previous two years has engaged in any of the actions specified in subparagraph (A), (B), or (C) of section 129(2) of the Atomic Energy Act of 1954.

SEC. 1136. ADHERENCE TO THE MISSILE TECHNOLOGY CONTROL REGIME.

(a) CLARIFICATION OF REQUIREMENT FOR CONTROL.—Section 74 of the Arms Export Control Act (22 U.S.C. 2797c) is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''For purposes of''; and

(2) by adding at the end the following:

''(b) INTERNATIONAL UNDERSTANDING DEFINED.—For purposes of subsection (a)(3), as it relates to any international understanding concluded with the United States after January 1, 2000, the term 'international understanding' means—

''(1) any specific agreement by a country not to export, transfer, or otherwise engage in the trade of any MTCR equipment or technology that contributes to the acquisition, design, development, or production of missiles in a country that is not an MTCR adherent and would be, if it were United States-origin equipment or technology, subject to the jurisdiction of the United States under this Act; or

''(2) any specific understanding by a country that, notwithstanding section 73(b) of this Act, the United States retains the right to take the actions under section 73(a)(2) of this Act in the case of any export or transfer of any MTCR equipment or technology that contributes to the acquisition, design, development, or production of missiles in a country that is not an MTCR adherent and would be, if it were United States-origin equipment or technology, subject to the jurisdiction of the United States under this Act.''.

(b) CLARIFICATION OF APPLICABILITY.—Section 73(b) of the Arms Export Control Act (22 U.S.C. 2797b(b)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and moving such subparagraphs 2 ems to the right;

(2) by striking ''Subsection (a)'' and inserting the following:

''(1) IN GENERAL.—Except as provided in paragraph (2), subsection (a)''; and

(3) by adding at the end the following:

''(2) LIMITATION.—Notwithstanding paragraph (1), subsection (a) shall apply to an entity subordinate to a government that engages in exports or transfers described in section 498A(b)(3)(A) of the Foreign Assistance Act of 1961 (22 U.S.C. 2295a(b)(3)(A)).''.

(c) ENFORCEMENT ACTIONS.—Section 73(c) of the Arms Export Control Act (22 U.S.C. 2797b(c)) is amended by inserting before the period at the end the following: '', and if the President certifies to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives that—

''(1) for any judicial or other enforcement action taken by the MTCR adherent, such action has—

''(A) been comprehensive; and

''(B) been performed to the satisfaction of the United States; and

''(2) with respect to any finding of innocence of wrongdoing, the United States is satisfied with the basis for such finding''.

(d) POLICY REPORT.—Section 73A of the Arms Export Control Act (22 U.S.C. 2797b–1) is amended—

(1) by striking ''Following any action'' and inserting the following:

''(a) POLICY REPORT.—Following any action''; and

(2) by adding at the end the following:

''(b) INTELLIGENCE ASSESSMENT REPORT.—At such times that a report is transmitted pursuant to subsection (a), the Director of Central Intelligence shall promptly prepare and submit to the Congress a separate report containing any credible information indicating that the country described in subsection (a) has engaged in any activity identified under subparagraph (A), (B), or (C) of section 73(a)(1) within the previous two years.''.

(e) MTCR DEFINED.—The term ''MTCR'' means the Missile Technology Control Regime, as defined in section 74(a)(2) of the Arms Export Control Act (22 U.S.C. 2797c(a)(2)).

SEC. 1137. AUTHORITY RELATING TO MTCR ADHERENTS.

Chapter 7 of the Arms Export Control Act (22 U.S.C. 2797 et seq.) is amended by inserting after section 73A the following new section:

''SEC. 73B. AUTHORITY RELATING TO MTCR ADHERENTS.

''Notwithstanding section 73(b), the President may take the actions under section 73(a)(2) under the circumstances described in section 74(b)(2).''.

SEC. 1138. TRANSFER OF FUNDING FOR SCIENCE AND TECHNOLOGY CENTERS IN THE FORMER SOVIET UNION.

(a) AUTHORIZATION.—For fiscal year 2001 and subsequent fiscal years, funds made available under ''Nonproliferation, Antiterrorism, Demining, and Related Programs'' accounts in annual foreign operations appropriations Acts are authorized to be available for science and technology centers in the independent states of the former Soviet Union assisted under section 503(a)(5) of the FREEDOM Support Act (22 U.S.C. 5853(a)(5)) or section 1412(b)(5) of the Former Soviet Union Demilitarization Act of 1992 (title XIV of Public Law 102–484; 22 U.S.C. 5901 et seq.), including the use of those and other funds by any Federal agency having expertise and programs related to the activities carried out by those centers, including the Departments of Agriculture, Commerce, and Health and Human Services and the Environmental Protection Agency.

(b) AVAILABILITY OF FUNDS.—Amounts made available under any provision of law for the activities described in subsection (a) shall be available until expended and may be used notwithstanding any other provision of law.

SEC. 1139. RESEARCH AND EXCHANGE ACTIVITIES BY SCIENCE AND TECHNOLOGY CENTERS.

(a) IN GENERAL.—Support for science and technology centers in the independent states of the former Soviet Union, as authorized by section 503(a)(5) of the FREEDOM Support Act (22 U.S.C. 5853(a)(5)) and section 1412(b) of the Former Soviet Union Demilitarization Act of 1992 (title XIV of Public Law 102–484, 22 U.S.C. 5901 et seq.), is authorized for activities described in subsection (b) to support the redirection of former Soviet weapons scientists, especially those with expertise in weapons of mass destruction (nuclear, radiological, chemical, biological), missile and other delivery systems, and other advanced technologies with military applications.

(b) ACTIVITIES SUPPORTED.—Activities supported under subsection (a) include—

(1) any research activity involving the participation of former Soviet weapons scientists and civilian scientists and engineers, if the participation of the weapons scientists predominates; and

(2) any program of international exchanges that would provide former Soviet weapons scientists exposure to, and the opportunity to develop relations with, research and industry partners.

TITLE XII—SECURITY ASSISTANCE

SEC. 1201. SHORT TITLE.

This title may be cited as the ''Security Assistance Act of 1999''.

Subtitle A—Transfers of Excess Defense Articles

SEC. 1211. EXCESS DEFENSE ARTICLES FOR CENTRAL AND SOUTHERN EUROPEAN COUNTRIES.

(a) TRANSPORTATION AND RELATED COSTS.—Section 105 of Public Law 104–164 (110 Stat. 1427) is amended by striking ''1999 and 2000'' and inserting ''2000 and 2001''.

(b) EXCESS DEFENSE ARTICLES FOR GREECE AND TURKEY.—Section 516(b)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(b)(2)) is amended by inserting after ''four-year period beginning on October 1, 1996,'' the following: ''and thereafter for the four-period beginning on October 1, 2000,''.

SEC. 1212. EXCESS DEFENSE ARTICLES FOR CERTAIN OTHER COUNTRIES.

(a) USES FOR WHICH FUNDS ARE AVAILABLE.—Notwithstanding section 516(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)), during each of the fiscal years 2000 and 2001, funds available to the Department of Defense may be expended for crating, packing, handling, and transportation of excess defense articles transferred under the authority of section 516 of that Act to Estonia, Georgia, Hungary, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Poland, Slovakia, Ukraine, and Uzbekistan.

(b) CONTENT OF CONGRESSIONAL NOTIFICATION.—Each notification required to be submitted under section 516(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(f)) with respect

to a proposed transfer of a defense article described in subsection (a) shall include an estimate of the amount of funds to be expended under subsection (a) with respect to that transfer.

SEC. 1213. INCREASE IN ANNUAL LIMITATION ON TRANSFER OF EXCESS DEFENSE ARTICLES.

Section 516(g)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(g)(1)) is amended by striking ''$350,000,000'' and inserting ''$425,000,000''.

Subtitle B—Foreign Military Sales Authorities

SEC. 1221. TERMINATION OF FOREIGN MILITARY TRAINING.

Section 617 of the Foreign Assistance Act of 1961 (22 U.S.C. 2367) is amended by adding at the end the following new sentence: ''Such expenses for orderly termination of programs under the Arms Export Control Act may include the obligation and expenditure of funds to complete the training or studies outside the countries of origin of students whose course of study or training program began before assistance was terminated, as long as the origin country's termination was not a result of activities beyond default of financial responsibilities.''.

SEC. 1222. SALES OF EXCESS COAST GUARD PROPERTY.

Section 21(a)(1) of the Arms Export Control Act (22 U.S.C. 2761(a)(1)) is amended in the matter preceding subparagraph (A) by inserting ''and the Coast Guard'' after ''Department of Defense''.

SEC. 1223. COMPETITIVE PRICING FOR SALES OF DEFENSE ARTICLES.

Section 22(d) of the Arms Export Control Act (22 U.S.C. 2762(d)) is amended—

(1) by striking ''Procurement contracts'' and inserting ''(1) Procurement contracts''; and

(2) by adding at the end the following:

''(2) Direct costs associated with meeting additional or unique requirements of the purchaser shall be allowable under contracts described in paragraph (1). Loadings applicable to such direct costs shall be permitted at the same rates applicable to procurement of like items purchased by the Department of Defense for its own use.''.

SEC. 1224. NOTIFICATION OF UPGRADES TO DIRECT COMMERCIAL SALES.

Section 36(c) of the Arms Export Control Act (22 U.S.C. 2776(c)) is amended by adding at the end the following new paragraph:

''(4) The provisions of subsection (b)(5) shall apply to any equipment, article, or service for which a numbered certification has been transmitted to Congress pursuant to paragraph (1) in the same manner and to the same extent as that subsection applies to any equipment, article, or service for which a numbered certification has been transmitted to Congress pursuant to subsection (b)(1). For purposes of such application, any reference in subsection (b)(5) to 'a letter of offer' or 'an offer' shall be deemed to be a reference to 'a contract'.''.

SEC. 1225. UNAUTHORIZED USE OF DEFENSE ARTICLES.

Section 3 of the Arms Export Control Act (22 U.S.C. 2753) is amended by adding at the end the following new subsection:

''(g) Any agreement for the sale or lease of any article on the United States Munitions List entered into by the United States Government after the date of enactment of this subsection shall state that the United States Government retains the right to verify credible reports that such article has been used for a purpose not authorized under section 4 or, if such agreement provides that such article may only be used for purposes more limited than those authorized under section 4, for a purpose not authorized under such agreement.''.

Subtitle C—Stockpiling of Defense Articles for Foreign Countries

SEC. 1231. ADDITIONS TO UNITED STATES WAR RESERVE STOCKPILES FOR ALLIES.

Paragraph (2) of section 514(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h(b)(2)) is amended to read as follows:

''(2)(A) The value of such additions to stockpiles of defense articles in foreign countries shall not exceed $60,000,000 for fiscal year 2000.

''(B) Of the amount specified in subparagraph (A), not more than $40,000,000 may be made available for stockpiles in the Republic of Korea and not more than $20,000,000 may be made available for stockpiles in Thailand.''.

SEC. 1232. TRANSFER OF CERTAIN OBSOLETE OR SURPLUS DEFENSE ARTICLES IN THE WAR RESERVES STOCKPILE FOR ALLIES.

(a) ITEMS IN THE KOREAN STOCKPILE.—

(1) IN GENERAL.—Notwithstanding section 514 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h), the President is authorized to transfer to the Republic of Korea, in return for concessions to be negotiated by the Secretary of Defense, with the concurrence of the Secretary of State, any or all of the items described in paragraph (2).

(2) COVERED ITEMS.—The items referred to in paragraph (1) are munitions, equipment, and material such as tanks, trucks, artillery, mortars, general purpose bombs, repair parts, ammunition, barrier material, and ancillary equipment, if such items are—

(A) obsolete or surplus items;

(B) in the inventory of the Department of Defense;

(C) intended for use as reserve stocks for the Republic of Korea; and

(D) as of the date of the enactment of this Act, located in a stockpile in the Republic of Korea.

(b) ITEMS IN THE THAILAND STOCKPILE.—

(1) IN GENERAL.—Notwithstanding section 514 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321h), the President is authorized to transfer to Thailand, in return for concessions to be negotiated by the Secretary of Defense, with the concurrence of the Secretary of State, any or all of the items described in paragraph (2).

(2) COVERED ITEMS.—The items referred to in paragraph (1) are munitions, equipment, and material such as tanks, trucks, artillery, mortars, general purpose bombs, repair parts, ammunition, barrier material, and ancillary equipment, if such items are—

(A) obsolete or surplus items;

(B) in the inventory of the Department of Defense;

(C) intended for use as reserve stocks for Thailand; and

(D) as of the date of the enactment of this Act, located in a stockpile in Thailand.

(c) VALUATION OF CONCESSIONS.—The value of concessions negotiated pursuant to subsections (a) and (b) shall be at least equal to the fair market value of the items transferred. The concessions may include cash compensation, services, waiver of charges otherwise payable by the United States, and other items of value.

(d) PRIOR NOTIFICATIONS OF PROPOSED TRANSFERS.—Not less than 30 days before making a transfer under the authority of this section, the President shall transmit to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives a detailed notification of the proposed transfer, which shall include an identification of the items to be transferred and the concessions to be received.

(e) TERMINATION OF AUTHORITY.—No transfer may be made under the authority of this section more than 3 years after the date of the enactment of this Act.

Subtitle D—Defense Offsets Disclosure

SEC. 1241. SHORT TITLE.

This subtitle may be cited as the ''Defense Offsets Disclosure Act of 1999''.

SEC. 1242. FINDINGS AND DECLARATION OF POLICY.

(a) FINDINGS.—Congress makes the following findings:

(1) A fair business environment is necessary to advance international trade, economic stability, and development worldwide, is beneficial for American workers and businesses, and is in the United States national interest.

(2) In some cases, mandated offset requirements can cause economic distortions in international defense trade and undermine fairness and competitiveness, and may cause particular harm to small- and medium-sized businesses.

(3) The use of offsets may lead to increasing dependence on foreign suppliers for the production of United States weapons systems.

(4) The offset demands required by some purchasing countries, including some close allies of the United States, equal or exceed the value of the base contract they are intended to offset, mitigating much of the potential economic benefit of the exports.

(5) Offset demands often unduly distort the prices of defense contracts.

(6) In some cases, United States contractors are required to provide indirect offsets which can negatively impact nondefense industrial sectors.

(7) Unilateral efforts by the United States to prohibit offsets may be impractical in the current era of globalization and would severely hinder the competitiveness of the United States defense industry in the global market.

(8) The development of global standards to manage and restrict demands for offsets would enhance United States efforts to mitigate the negative impact of offsets.

(b) DECLARATION OF POLICY.—It is the policy of the United States to monitor the use of offsets in international defense trade, to promote fairness in such trade, and to ensure that foreign participation in the production of United States weapons systems does not harm the economy of the United States.

SEC. 1243. DEFINITIONS.

In this subtitle:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means—

(A) the Committee on Foreign Relations of the Senate; and

(B) the Committee on International Relations of the House of Representatives.

(2) G–8.—The term ''G–8'' means the group consisting of France, Germany, Japan, the United Kingdom, the United States, Canada, Italy, and Russia established to facilitate economic cooperation among the eight major economic powers.

(3) OFFSET.—The term ''offset'' means the entire range of industrial and commercial benefits provided to foreign governments as an inducement or condition to purchase military goods or services, including benefits such as coproduction, licensed production, subcontracting, technology transfer, in-country procurement, marketing and financial assistance, and joint ventures.

(4) TRANSATLANTIC ECONOMIC PARTNERSHIP.—The term ''Transatlantic Economic Partnership'' means the joint commitment made by the United States and the European Union to reinforce their close relationship through an initiative involving the intensification and extension of multilateral and bilateral cooperation and common actions in the areas of trade and investment.

(5) WASSENAAR ARRANGEMENT.—The term ''Wassenaar Arrangement'' means the multilateral export control regime in which the United

States participates that seeks to promote transparency and responsibility with regard to transfers of conventional armaments and sensitive dual-use items.

(6) WORLD TRADE ORGANIZATION.—The term ''World Trade Organization'' means the organization established pursuant to the WTO Agreement.

(7) WTO AGREEMENT.—The term ''WTO Agreement'' means the Agreement Establishing the World Trade Organization entered into on April 15, 1994.

SEC. 1244. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) the executive branch should pursue efforts to address trade fairness by establishing reasonable, business-friendly standards for the use of offsets in international business transactions between the United States and its trading partners and competitors;

(2) the Secretary of Defense, the Secretary of State, the Secretary of Commerce, and the United States Trade Representative, or their designees, should raise with other industrialized nations at every suitable venue the need for transparency and reasonable standards to govern the role of offsets in international defense trade;

(3) the United States Government should enter into discussions regarding the establishment of multilateral standards for the use of offsets in international defense trade through the appropriate multilateral fora, including such organizations as the Transatlantic Economic Partnership, the Wassenaar Arrangement, the G–8, and the World Trade Organization; and

(4) the United States Government, in entering into the discussions described in paragraph (3), should take into account the distortions produced by the provision of other benefits and subsidies, such as export financing, by various countries to support defense trade.

SEC. 1245. REPORTING OF OFFSET AGREEMENTS.

(a) INITIAL REPORTING OF OFFSET AGREEMENTS.—

(1) GOVERNMENT-TO-GOVERNMENT SALES.—Section 36(b)(1) of the Arms Export Control Act (22 U.S.C. 2776(b)(1)) is amended in subparagraph (C) of the fifth sentence, by striking ''and a description'' and all that follows and inserting ''and a description of any offset agreement with respect to such sale;''.

(2) COMMERCIAL SALES.—Section 36(c)(1) of the Arms Export Control Act (22 U.S.C. 2776(c)(1)) is amended in the second sentence, by striking ''(if known on the date of transmittal of such certification)'' and inserting ''and a description of any such offset agreement''.

(b) CONFIDENTIALITY OF INFORMATION RELATING TO OFFSET AGREEMENTS.—Section 36 of the Arms Export Control Act (22 U.S.C. 2776) is amended—

(1) by redesignating the second subsection (e) (as added by section 155 of Public Law 104–164) as subsection (f); and

(2) by adding at the end the following new subsection:

''(g) Information relating to offset agreements provided pursuant to subparagraph (C) of the fifth sentence of subsection (b)(1) and the second sentence of subsection (c)(1) shall be treated as confidential information in accordance with section 12(c) of the Export Administration Act of 1979 (50 U.S.C. App. 2411(c)).''.

SEC. 1246. EXPANDED PROHIBITION ON INCENTIVE PAYMENTS.

(a) IN GENERAL.—Section 39A(a) of the Arms Export Control Act (22 U.S.C. 2779a(a)) is amended—

(1) by inserting ''or licensed'' after ''sold''; and

(2) by inserting ''or export'' after ''sale''.

(b) DEFINITION OF UNITED STATES PERSON.—Section 39A(d)(3)(B)(ii) of the Arms Export Control Act (22 U.S.C. 2779a(d)(3)(B)(ii)) is amended by inserting ''or by an entity described in clause (i)'' after ''subparagraph (A)''.

SEC. 1247. ESTABLISHMENT OF REVIEW COMMISSION.

(a) IN GENERAL.—There is established a National Commission on the Use of Offsets in Defense Trade (in this section referred to as the ''Commission'') to address all aspects of the use of offsets in international defense trade.

(b) COMMISSION MEMBERSHIP.—Not later than 120 days after the date of enactment of this Act, the President, with the concurrence of the Majority and Minority Leaders of the Senate and the Speaker and Minority Leader of the House of Representatives, shall appoint 11 individuals to serve as members of the Commission. Commission membership shall include—

(1) representatives from the private sector, including—

(A) one each from—

(i) a labor organization,

(ii) a United States defense manufacturing company dependent on foreign sales,

(iii) a United States company dependent on foreign sales that is not a defense manufacturer, and

(iv) a United States company that specializes in international investment, and

(B) two members from academia with widely recognized expertise in international economics; and

(2) five members from the executive branch, including a member from—

(A) the Office of Management and Budget,

(B) the Department of Commerce,

(C) the Department of Defense,

(D) the Department of State, and

(E) the Department of Labor.

The member designated from the Office of Management and Budget shall serve as Chairperson of the Commission. The President shall ensure that the Commission is nonpartisan and that the full range of perspectives on the subject of offsets in the defense industry is adequately represented.

(c) DUTIES.—The Commission shall be responsible for reviewing and reporting on—

(1) the full range of current practices by foreign governments in requiring offsets in purchasing agreements and the extent and nature of offsets offered by United States and foreign defense industry contractors;

(2) the impact of the use of offsets on defense subcontractors and nondefense industrial sectors affected by indirect offsets; and

(3) the role of offsets, both direct and indirect, on domestic industry stability, United States trade competitiveness and national security.

(d) COMMISSION REPORT.—Not later than 12 months after the Commission is established, the Commission shall submit a report to the appropriate congressional committees. In addition to the items described under subsection (c), the report shall include—

(1) an analysis of—

(A) the collateral impact of offsets on industry sectors that may be different than those of the contractor providing the offsets, including estimates of contracts and jobs lost as well as an assessment of damage to industrial sectors;

(B) the role of offsets with respect to competitiveness of the United States defense industry in international trade and the potential damage to the ability of United States contractors to compete if offsets were prohibited or limited; and

(C) the impact on United States national security, and upon United States nonproliferation objectives, of the use of coproduction, subcontracting, and technology transfer with foreign governments or companies that results from fulfilling offset requirements, with particular emphasis on the question of dependency upon foreign nations for the supply of critical components or technology;

(2) proposals for unilateral, bilateral, or multilateral measures aimed at reducing any detrimental effects of offsets; and

(3) an identification of the appropriate executive branch agencies to be responsible for monitoring the use of offsets in international defense trade.

(e) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(f) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(g) MEETINGS.—The Commission shall meet at the call of the Chairman.

(h) COMMISSION PERSONNEL MATTERS.—

(1) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(3) STAFF.—

(A) IN GENERAL.—The Chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(B) COMPENSATION.—The Chairman of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(4) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(5) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(i) TERMINATION.—The Commission shall terminate 30 days after the transmission of the report from the President as mandated in section 1248(b).

SEC. 1248. MULTILATERAL STRATEGY TO ADDRESS OFFSETS.

(a) IN GENERAL.—The President shall initiate a review to determine the feasibility of establishing, and the most effective means of negotiating, a multilateral treaty on standards for the

use of offsets in international defense trade, with a goal of limiting all offset transactions that are considered injurious to the economy of the United States.

(b) REPORT REQUIRED.—Not later than 90 days after the date on which the Commission submits the report required under section 1247(d), the President shall submit to the appropriate congressional committees a report containing the President's determination pursuant to subsection (a), and, if the President determines a multilateral treaty is feasible or desirable, a strategy for United States negotiation of such a treaty. One year after the date the report is submitted under the preceding sentence, and annually thereafter for 5 years, the President shall submit to the appropriate congressional committees a report detailing the progress toward reaching such a treaty.

(c) REQUIRED INFORMATION.—The report required by subsection (b) shall include—

(1) a description of the United States efforts to pursue multilateral negotiations on standards for the use of offsets in international defense trade;

(2) an evaluation of existing multilateral fora as appropriate venues for establishing such negotiations;

(3) a description on a country-by-country basis of any United States efforts to engage in negotiations to establish bilateral treaties or agreements with respect to the use of offsets in international defense trade; and

(4) an evaluation on a country-by-country basis of any foreign government efforts to address the use of offsets in international defense trade.

(d) COMPTROLLER GENERAL REVIEW.—The Comptroller General of the United States shall monitor and periodically report to Congress on the progress in reaching a multilateral treaty.

Subtitle E—Automated Export System Relating to Export Information

SEC. 1251. SHORT TITLE.

This subtitle may be cited as the ''Proliferation Prevention Enhancement Act of 1999''.

SEC. 1252. MANDATORY USE OF THE AUTOMATED EXPORT SYSTEM FOR FILING CERTAIN SHIPPERS' EXPORT DECLARATIONS.

(a) AUTHORITY.—Section 301 of title 13, United States Code, is amended by adding at the end the following new subsection:

''(h) The Secretary is authorized to require by regulation the filing of Shippers' Export Declarations under this chapter through an automated and electronic system for the filing of export information established by the Department of the Treasury.''.

(b) IMPLEMENTING REGULATIONS.—

(1) IN GENERAL.—The Secretary of Commerce, with the concurrence of the Secretary of State, shall publish regulations in the Federal Register to require that, upon the effective date of those regulations, exporters (or their agents) who are required to file Shippers' Export Declarations under chapter 9 of title 13, United States Code, file such Declarations through the Automated Export System with respect to exports of items on the United States Munitions List or the Commerce Control List.

(2) ELEMENTS OF THE REGULATIONS.—The regulations referred to in paragraph (1) shall include at a minimum—

(A) provision by the Department of Commerce for the establishment of on-line assistance services to be available for those individuals who must use the Automated Export System;

(B) provision by the Department of Commerce for ensuring that an individual who is required to use the Automated Export System is able to print out from the System a validated record of the individual's submission, including the date of the submission and a serial number or other unique identifier, where appropriate, for the export transaction; and

(C) a requirement that the Department of Commerce print out and maintain on file a paper copy or other acceptable back-up record of the individual's submission at a location selected by the Secretary of Commerce.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect 270 days after the Secretary of Commerce, the Secretary of the Treasury, and the Director of the National Institute of Standards and Technology jointly provide a certification to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives that a secure Automated Export System available through the Internet that is capable of handling the expected volume of information required to be filed under subsection (b), plus the anticipated volume from voluntary use of the Automated Export System, has been successfully implemented and tested and is fully functional with respect to reporting all items on the United States Munitions List, including their quantities and destinations.

SEC. 1253. VOLUNTARY USE OF THE AUTOMATED EXPORT SYSTEM.

It is the sense of Congress that exporters (or their agents) who are required to file Shippers' Export Declarations under chapter 9 of title 13, United States Code, but who are not required under section 1252(b) to file such Declarations using the Automated Export System, should do so.

SEC. 1254. REPORT TO APPROPRIATE COMMITTEES OF CONGRESS.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Commerce, in consultation with the Secretary of State, the Secretary of Defense, the Secretary of the Treasury, the Secretary of Energy, and the Director of Central Intelligence, shall submit a report to the appropriate committees of Congress setting forth—

(1) the advisability and feasibility of mandating electronic filing through the Automated Export System for all Shippers' Export Declarations;

(2) the manner in which data gathered through the Automated Export System can most effectively be used, consistent with the need to ensure the confidentiality of business information, by other automated licensing systems administered by Federal agencies, including—

(A) the Defense Trade Application System of the Department of State;

(B) the Export Control Automated Support System of the Department of Commerce;

(C) the Foreign Disclosure and Technology Information System of the Department of Defense;

(D) the Proliferation Information Network System of the Department of Energy;

(E) the Enforcement Communication System of the Department of the Treasury; and

(F) the Export Control System of the Central Intelligence Agency; and

(3) a proposed timetable for any expansion of information required to be filed through the Automated Export System.

(b) DEFINITION.—In this section, the term ''appropriate committees of Congress'' means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

SEC. 1255. ACCELERATION OF DEPARTMENT OF STATE LICENSING PROCEDURES.

Notwithstanding any other provision of law, the Secretary of State may use funds appropriated or otherwise made available to the Department of State to employ—

(1) up to 40 percent of the individuals who are performing services within the Office of Defense Trade Controls of the Department of State in positions classified at GS–14 and GS–15 on the General Schedule under section 5332 of title 5, United States Code; and

(2) other individuals within the Office at a rate of basic pay that may exceed the maximum rate payable for positions classified at GS–15 on the General Schedule under section 5332 of that title.

SEC. 1256. DEFINITIONS.

In this subtitle:

(1) AUTOMATED EXPORT SYSTEM.—The term ''Automated Export System'' means the automated and electronic system for filing export information established under chapter 9 of title 13, United States Code, on June 19, 1995 (60 Federal Register 32040).

(2) COMMERCE CONTROL LIST.—The term ''Commerce Control List'' has the meaning given the term in section 774.1 of title 15, Code of Federal Regulations.

(3) SHIPPERS' EXPORT DECLARATION.—The term ''Shippers' Export Declaration'' means the export information filed under chapter 9 of title 13, United States Code, as described in part 30 of title 15, Code of Federal Regulations.

(4) UNITED STATES MUNITIONS LIST.—The term ''United States Munitions List'' means the list of items controlled under section 38 of the Arms Export Control Act (22 U.S.C. 2778).

Subtitle F—International Arms Sales Code of Conduct Act of 1999

SEC. 1261. SHORT TITLE.

This subtitle may be cited as the ''International Arms Sales Code of Conduct Act of 1999''.

SEC. 1262. INTERNATIONAL ARMS SALES CODE OF CONDUCT.

(a) NEGOTIATIONS.—The President shall attempt to achieve the foreign policy goal of an international arms sales code of conduct. The President shall take the necessary steps to begin negotiations within appropriate international fora not later than 120 days after the date of the enactment of this Act. The purpose of these negotiations shall be to establish an international regime to promote global transparency with respect to arms transfers, including participation by countries in the United Nations Register of Conventional Arms, and to limit, restrict, or prohibit arms transfers to countries that do not observe certain fundamental values of human liberty, peace, and international stability.

(b) CRITERIA.—The President shall consider the following criteria in the negotiations referred to in subsection (a):

(1) PROMOTES DEMOCRACY.—The government of the country—

(A) was chosen by and permits free and fair elections;

(B) promotes civilian control of the military and security forces and has civilian institutions controlling the policy, operation, and spending of all law enforcement and security institutions, as well as the armed forces;

(C) promotes the rule of law and provides its nationals the same rights that they would be afforded under the United States Constitution if they were United States citizens; and

(D) promotes the strengthening of political, legislative, and civil institutions of democracy, as well as autonomous institutions to monitor the conduct of public officials and to combat corruption.

(2) RESPECTS HUMAN RIGHTS.—The government of the country—

(A) does not persistently engage in gross violations of internationally recognized human rights, including—

(i) extrajudicial or arbitrary executions;

(ii) disappearances;

(iii) torture or severe mistreatment;

(iv) prolonged arbitrary imprisonment;

(v) systematic official discrimination on the basis of race, ethnicity, religion, gender, national origin, or political affiliation; and

(vi) grave breaches of international laws of war or equivalent violations of the laws of war in internal armed conflicts;

(B) vigorously investigates, disciplines, and prosecutes those responsible for gross violations of internationally recognized human rights;

(C) permits access on a regular basis to political prisoners by international humanitarian organizations;

(D) promotes the independence of the judiciary and other official bodies that oversee the protection of human rights;

(E) does not impede the free functioning of domestic and international human rights organizations; and

(F) provides access on a regular basis to humanitarian organizations in situations of conflict or famine.

(3) NOT ENGAGED IN CERTAIN ACTS OF ARMED AGGRESSION.—The government of the country is not engaged in acts of armed aggression in violation of international law.

(4) NOT SUPPORTING TERRORISM.—The government of the country does not provide support for international terrorism.

(5) NOT CONTRIBUTING TO PROLIFERATION OF WEAPONS OF MASS DESTRUCTION.—The government of the country does not contribute to the proliferation of weapons of mass destruction.

(6) REGIONAL LOCATION OF COUNTRY.—The country is not located in a region in which arms transfers would exacerbate regional arms races or international tensions that present a danger to international peace and stability.

(c) REPORTS TO CONGRESS.—

(1) REPORT RELATING TO NEGOTIATIONS.—Not later than 6 months after the commencement of the negotiations under subsection (a), and not later than the end of every 6-month period thereafter until an agreement described in subsection (a) is concluded, the President shall report to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate on the progress made during these negotiations.

(2) HUMAN RIGHTS REPORTS.—In the report required in sections 116(d) and 502B(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(b) and 2304(b)), the Secretary of State shall describe the extent to which the practices of each country evaluated meet the criteria in paragraphs (1)(A) and (2) of subsection (a).

Subtitle G—Transfer of Naval Vessels to Certain Foreign Countries

SEC. 1271. AUTHORITY TO TRANSFER NAVAL VESSELS.

(a) INAPPLICABILITY OF AGGREGATE ANNUAL LIMITATION ON VALUE OF TRANSFERRED EXCESS DEFENSE ARTICLES.—The value of a vessel transferred to another country on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) pursuant to authority provided by section 1018(a) of the National Defense Authorization Act for Fiscal Year 2000 shall not be counted for the purposes of section 516(g) of the Foreign Assistance Act of 1961 in the aggregate value of excess defense articles transferred to countries under that section in any fiscal year.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Section 1018 of the National Defense Authorization Act for Fiscal Year 2000 is amended—

(1) in subsections (a) and (d), by striking ''Secretary of the Navy'' each place it appears and inserting ''President'';

(2) by striking subsection (b); and

(3) by redesignating subsections (c) through (e) as subsections (b) through (d), respectively.

TITLE XIII—MISCELLANEOUS PROVISIONS

SEC. 1301. PUBLICATION OF ARMS SALES CERTIFICATIONS.

(a) IN GENERAL.—Section 36 of the Arms Export Control Act (22 U.S.C. 2776) is amended in the second subsection (e) (as added by section 155 of Public Law 104–164)—

(1) by inserting ''in a timely manner'' after ''to be published''; and

(2) by striking ''the full unclassified text of'' and all that follows and inserting the following: ''the full unclassified text of—

''(1) each numbered certification submitted pursuant to subsection (b);

''(2) each notification of a proposed commercial sale submitted under subsection (c); and

''(3) each notification of a proposed commercial technical assistance or manufacturing licensing agreement submitted under subsection (d).''.

(b) NOTICE OF CLASSIFIED ARMS SALES.—

(1) GOVERNMENT-TO-GOVERNMENT SALES.—Section 36(b)(1) of the Arms Export Control Act (22 U.S.C. 2776(b)(1)) is amended in the sixth sentence by inserting before the period at the end the following: '', in which case the information shall be accompanied by a description of the damage to the national security that could be expected to result from public disclosure of the information''.

(2) COMMERCIAL SALES.—Section 36(c)(1) of the Arms Export Control Act (22 U.S.C. 2776(c)(1)) is amended in the fifth sentence by inserting before the period at the end the following: '', in which case the information shall be accompanied by a description of the damage to the national security that could be expected to result from public disclosure of the information''.

SEC. 1302. NOTIFICATION REQUIREMENTS FOR COMMERCIAL EXPORT OF ITEMS ON UNITED STATES MUNITIONS LIST.

(a) NOTIFICATION REQUIREMENT.—Section 38 of the Arms Export Control Act (22 U.S.C. 2778) is amended by adding at the end the following:

''(i) As prescribed in regulations issued under this section, a United States person to whom a license has been granted to export an item on the United States Munitions List shall, not later than 15 days after the item is exported, submit to the Department of State a report containing all shipment information, including a description of the item and the quantity, value, port of exit, and end-user and country of destination of the item.''.

(b) QUARTERLY REPORTS TO CONGRESS.—Section 36(a) of the Arms Export Control Act (22 U.S.C. 2776(a)) is amended—

(A) in paragraph (11), by striking ''and'' at the end;

(B) in paragraph (12), by striking ''third-party transfers.'' and inserting ''third-party transfers; and''; and

(C) by adding after paragraph (12) (but before the last sentence of the subsection), the following:

''(13) a report on all exports of significant military equipment for which information has been provided pursuant to section 38(i).''.

SEC. 1303. ENFORCEMENT OF ARMS EXPORT CONTROL ACT.

The Arms Export Control Act (22 U.S.C. 2751 et seq.) is amended in sections 38(e), 39A(c), and 40(k) by inserting after ''except that'' each place it appears the following: ''section 11(c)(2)(B) of such Act shall not apply, and instead, as prescribed in regulations issued under this section, the Secretary of State may assess civil penalties for violations of this Act and regulations prescribed thereunder and further may commence a civil action to recover such civil penalties, and except further that''.

SEC. 1304. VIOLATIONS RELATING TO MATERIAL SUPPORT TO TERRORISTS.

Section 38(g)(1)(A)(iii) of the Arms Export Control Act (22 U.S.C. 2778(g)(1)(A)(iii)) is amended by adding at the end before the comma the following: ''or section 2339A of such title (relating to providing material support to terrorists)''.

SEC. 1305. AUTHORITY TO CONSENT TO THIRD PARTY TRANSFER OF EX-U.S.S. BOWMAN COUNTY TO USS LST SHIP MEMORIAL, INC.

(a) FINDINGS.—Congress makes the following findings:

(1) It is the long-standing policy of the United States Government to deny requests for the retransfer of significant military equipment that originated in the United States to private entities.

(2) In very exceptional circumstances, when the United States public interest would be served by the proposed retransfer and end-use, such requests may be favorably considered.

(3) Such retransfers to private entities have been authorized in very exceptional circumstances following appropriate demilitarization and receipt of assurances from the private entity that the item to be transferred would be used solely in furtherance of Federal Government contracts or for static museum display.

(4) Nothing in this section should be construed as a revision of long-standing policy referred to in paragraph (1).

(5) The Government of Greece has requested the consent of the United States Government to the retransfer of HS Rodos (ex-U.S.S. Bowman County (LST 391)) to the USS LST Ship Memorial, Inc.

(b) AUTHORITY TO CONSENT TO RETRANSFER.—

(1) IN GENERAL.—Subject to paragraph (2), the President may consent to the retransfer by the Government of Greece of HS Rodos (ex-U.S.S. Bowman County (LST 391)) to the USS LST Ship Memorial, Inc.

(2) CONDITIONS FOR CONSENT.—The President should not exercise the authority under paragraph (1) unless USS LST Memorial, Inc.—

(A) utilizes the vessel for public, nonprofit, museum-related purposes; and

(B) complies with applicable law with respect to the vessel, including law related to demilitarization of guns prior to transfer and to facilitation of Federal Government monitoring and mitigation of potential environmental hazards associated with aging vessels, and has a demonstrated financial capability to so comply.

SEC. 1306. ANNUAL MILITARY ASSISTANCE REPORT.

(a) INFORMATION RELATING TO MILITARY ASSISTANCE AND MILITARY EXPORTS.—Section 655(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2415(b)) is amended to read as follows:

''(b) INFORMATION RELATING TO MILITARY ASSISTANCE AND MILITARY EXPORTS.—Each such report shall show the aggregate dollar value and quantity of defense articles (including excess defense articles), defense services, and international military education and training activities authorized by the United States and of such articles, services, and activities provided by the United States, excluding any activity that is reportable under title V of the National Security Act of 1947, to each foreign country and international organization. The report shall specify, by category, whether such defense articles—

''(1) were furnished by grant under chapter 2 or chapter 5 of part II of this Act or under any other authority of law or by sale under chapter 2 of the Arms Export Control Act;

''(2) were furnished with the financial assistance of the United States Government, including through loans and guarantees; or

''(3) were licensed for export under section 38 of the Arms Export Control Act.''.

(b) AVAILABILITY ON INTERNET.—Section 655 of the Foreign Assistance Act of 1961 (22 U.S.C. 2415) is amended by adding at the end the following:

''(d) AVAILABILITY ON INTERNET.—All unclassified portions of such report shall be made available to the public on the Internet through the Department of State.''.

SEC. 1307. ANNUAL FOREIGN MILITARY TRAINING REPORT.

Chapter 3 of part III of the Foreign Assistance Act of 1961 (22 U.S.C. 2401 et seq.) is amended by inserting after section 655 the following:

"SEC. 656. ANNUAL FOREIGN MILITARY TRAINING REPORT.

''(a) ANNUAL REPORT.—Not later than January 31 of each year, the Secretary of Defense and the Secretary of State shall jointly prepare and submit to the appropriate congressional committees a report on all military training provided to foreign military personnel by the Department of Defense and the Department of State during the previous fiscal year and all such training proposed for the current fiscal year.

''(b) CONTENTS.—The report described in subsection (a) shall include the following:

''(1) For each military training activity, the foreign policy justification and purpose for the activity, the number of foreign military personnel provided training and their units of operation, and the location of the training.

''(2) For each country, the aggregate number of students trained and the aggregate cost of the military training activities.

''(3) With respect to United States personnel, the operational benefits to United States forces derived from each military training activity and the United States military units involved in each activity.

''(c) FORM.—The report described in subsection (a) shall be in unclassified form but may include a classified annex.

''(d) AVAILABILITY ON INTERNET.—All unclassified portions of the report described in subsection (a) shall be made available to the public on the Internet through the Department of State.

''(e) DEFINITION.—In this section, the term 'appropriate congressional committees' means—

''(1) the Committee on Appropriations and the Committee on International Relations of the House of Representatives; and

''(2) the Committee on Appropriations and the Committee on Foreign Relations of the Senate.''.

SEC. 1308. SECURITY ASSISTANCE FOR THE PHILIPPINES.

(a) STATEMENT OF POLICY.—The Congress declares the following:

(1) The President should transfer to the Government of the Philippines, on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j), the excess defense articles described in subsection (b).

(2) The United States should not oppose the transfer of F–5 aircraft by a third country to the Government of the Philippines.

(b) EXCESS DEFENSE ARTICLES.—The excess defense articles described in this subsection are the following:

(1) UH–1 helicopters and A–4 aircraft.

(2) Amphibious landing craft, naval patrol vessels (including patrol vessels of the Coast Guard), and other naval vessels (such as frigates), if such vessels are available.

(c) FUNDING.—Of the amounts made available to carry out section 23 of the Arms Export Control Act (22 U.S.C. 2763) for fiscal years 2000 and 2001, $5,000,000 for each such fiscal year should be made available for assistance on a grant basis for the Philippines.

SEC. 1309. EFFECTIVE REGULATION OF SATELLITE EXPORT ACTIVITIES.

(a) LICENSING REGIME.—

(1) ESTABLISHMENT.—The Secretary of State shall establish a regulatory regime for the licensing for export of commercial satellites, satellite technologies, their components, and systems which shall include expedited approval, as appropriate, of the licensing for export by United States companies of commercial satellites, satellite technologies, their components, and systems, to NATO allies and major non-NATO allies (as used within the meaning of section 644(q) of the Foreign Assistance Act of 1961).

(2) REQUIREMENTS.—For proposed exports to those nations which meet the requirements of paragraph (1), the regime should include expedited processing of requests for export authorizations that—

(A) are time-critical, including a transfer or exchange of information relating to a satellite failure or anomaly in-flight or on-orbit;

(B) are required to submit bids to procurements offered by foreign persons;

(C) relate to the re-export of unimproved materials, products, or data; or

(D) are required to obtain launch and on-orbit insurance.

(3) ADDITIONAL REQUIREMENTS.—In establishing the regulatory regime under paragraph (1), the Secretary of State shall ensure that—

(A) United States national security considerations and United States obligations under the Missile Technology Control Regime are given priority in the evaluation of any license; and

(B) such time is afforded as is necessary for the Department of Defense, the Department of State, and the United States intelligence community to conduct a review of any license.

(b) FINANCIAL AND PERSONNEL RESOURCES.—Of the funds authorized to be appropriated in section 101(1)(A), $9,000,000 is authorized to be appropriated for the Office of Defense Trade Controls of the Department of State for each of the fiscal years 2000 and 2001, to enable that office to carry out its responsibilities.

(c) IMPROVEMENT AND ASSESSMENT.—The Secretary of State should, not later than 6 months after the date of the enactment of this Act, submit to the Congress a plan for—

(1) continuously gathering industry and public suggestions for potential improvements in the Department of State's export control regime for commercial satellites; and

(2) arranging for the conduct and submission to Congress, not later than 15 months after the date of the enactment of this Act, of an independent review of the export control regime for commercial satellites as to its effectiveness at promoting national security and economic competitiveness.

SEC. 1310. STUDY ON LICENSING PROCESS UNDER THE ARMS EXPORT CONTROL ACT.

(a) STUDY.—Not later than 180 days after the date of enactment of this Act, the Secretary of State should submit to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives a study on the performance of the licensing process pursuant to the Arms Export Control Act (22 U.S.C. 2751 et seq.), with recommendations on how to improve that performance.

(b) CONTENTS.—The study should include the following:

(1) An analysis of the typology of licenses on which action was completed in 1999. The analysis should provide information on major categories of license requests, including—

(A) the number for nonautomatic small arms, automatic small arms, technical data, parts and components, and other weapons;

(B) the percentage of each category staffed to other agencies;

(C) the average and median time taken for the processing cycle for each category when staffed and not staffed;

(D) the average time taken by Presidential or National Security Council review or scrutiny, if significant; and

(E) the average time spent at the Department of State after a decision had been taken on a license but before a contractor was notified of the decision.

For each major category of license requests under this paragraph, the study should include a breakdown of licenses by country and the identity of each country that has been identified in the past three years pursuant to section 3(e) of the Arms Export Control Act (22 U.S.C. 2753(e)).

(2) A review of the current computer capabilities of the Department of State relevant to the processing of licenses and its capability to communicate electronically with other agencies and contractors, and what improvements could be made that would speed the process, including the cost for such improvements.

(3) An analysis of the work load and salary structure for export licensing officers of the Office of Defense Trade Controls of the Department of State as compared to comparable jobs at the Department of Commerce and the Department of Defense.

(4) Any suggestions of the Department of State relating to resources and regulations, and any relevant statutory changes that might expedite the licensing process while furthering the objectives of the Arms Export Control Act (22 U.S.C. 2751 et seq.).

SEC. 1311. REPORT CONCERNING PROLIFERATION OF SMALL ARMS.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall submit to the appropriate committees of Congress a report containing—

(1) an assessment of whether the global trade in small arms poses any proliferation problems, including—

(A) estimates of the numbers and sources of licit and illicit small arms and light arms in circulation and their origins;

(B) the challenges associated with monitoring small arms; and

(C) the political, economic, and security dimensions of this issue, and the threats posed, if any, by these weapons to United States interests, including national security interests;

(2) an assessment of whether the export of small arms of the type sold commercially in the United States should be considered a foreign policy or proliferation issue;

(3) a description and analysis of the adequacy of current Department of State activities to monitor and, to the extent possible, ensure adequate control of, both the licit and illicit manufacture, transfer, and proliferation of small arms and light weapons, including efforts to survey and assess this matter with respect to Africa and to survey and assess the scope and scale of the issue, including stockpile security and destruction of excess inventory, in NATO and Partnership for Peace countries;

(4) a description of the impact of the reorganization of the Department of State made by the Foreign Affairs Reform and Restructuring Act of 1998 on the transfer of functions relating to monitoring, licensing, analysis, and policy on small arms and light weapons, including—

(A) the integration of and the functions relating to small arms and light weapons of the United States Arms Control and Disarmament Agency with those of the Department of State;

(B) the functions of the Bureau of Arms Control, the Bureau of Nonproliferation, the Bureau of Political-Military Affairs, the Bureau of International Narcotics and Law Enforcement, regional bureaus, and any other relevant bureau or office of the Department of State, including the allocation of personnel and funds, as they pertain to small arms and light weapons;

(C) the functions of the regional bureaus of the Department of State in providing information and policy coordination in bilateral and multilateral settings on small arms and light weapons;

(D) the functions of the Under Secretary of State for Arms Control and International Security pertaining to small arms and light weapons; and

(E) the functions of the scientific and policy advisory board on arms control, nonproliferation, and disarmament pertaining to small arms and light weapons; and

(5) an assessment of whether foreign governments are enforcing their own laws concerning small arms and light weapons import and sale, including commitments under the Inter-American Convention Against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and Other Related Materials or other relevant international agreements.

(b) DEFINITION.—In this section, the term ''appropriate committees of Congress'' means the Committee on Foreign Relations and the Select Committee on Intelligence of the Senate and the Committee on International Relations and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 1312. CONFORMING AMENDMENT.

Subsection (d) of section 248 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1958) is amended by inserting '', and to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives,'' after ''congressional defense committees''.

Following is explanatory language on H.R. 3427, as introduced on November 17, 1999.

EXPLANATORY STATEMENT RELATED TO H.R. 3427

THE ADMIRAL JAMES W. NANCE AND MEG DONOVAN FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2000–2001

AUTHORIZATIONS OF APPROPRIATIONS FOR DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

Diplomatic and Consular Programs

Section 101 authorizes $2,837,772,000 in appropriations under the heading ''Diplomatic and Consular Programs'' for fiscal year 2000 and $3,263,438,000 for fiscal year 2001, and includes earmarks for the Bureau of Democracy and Human Rights, recruitment of minority groups, and the recurring costs of worldwide security upgrades for each fiscal year.

Capital Investment Fund

Section 101 authorizes $90,000,000 in appropriations under the heading ''Capital Investment Fund'' for fiscal year 2000 and $150,000,000 for fiscal year 2001.

Embassy Security, Construction and Maintenance

Section 101 authorizes $434,066,000 in appropriations under the heading ''Security and Maintenance of U.S. Missions'' for fiscal year 2000 and $445,000,000 in fiscal year 2001. In addition, the Security and Maintenance account is renamed the ''Embassy Security, Construction and Maintenance'' account. (Funding for security related construction is in section 604.)

Representation Allowances

Section 101 authorizes $5,850,000 in appropriations under the heading ''Representation Allowances'' for fiscal years 2000 and 2001.

Emergencies in the Diplomatic and Consular Service

Section 101 authorizes $17,000,000 in appropriations under the heading ''Emergencies in the Diplomatic and Consular Service'' for fiscal years 2000 and 2001.

Office of the Inspector General

Section 101 authorizes $30,054,000 in appropriations under the heading ''Office of Inspector General'' for fiscal years 2000 and 2001.

American Institute in Taiwan

Section 101 authorizes $15,760,000 in appropriations under the heading ''American Institute in Taiwan'' for fiscal year 2000 and $15,918,000 in fiscal year 2001.

Protection of Foreign Missions and Officials

Section 101 authorizes $9,490,000 in appropriations under the heading ''Protection of Foreign Missions and Officials'' for fiscal years 2000 and 2001.

Repatriation Loans

Section 101 authorizes $1,200,000 in appropriations under the heading ''Repatriation Loans Program Account'' for fiscal years 2000 and 2001.

INTERNATIONAL COMMISSIONS

Section 102 authorizes $52,043,000 in appropriations under the heading ''International Commissions'' for fiscal years 2000 and 2001.

MIGRATION AND REFUGEE ASSISTANCE

Section 103 authorizes $750,000,000 for each of fiscal years 2000–2001. Where local expertise is unavailable, the rape counseling provided for in this provision should be provided through international organizations, U.S.-based non-governmental organizations, nonprofit organizations, or health organizations and should be culturally appropriate and could be part of a comprehensive program of assistance aimed at reintegrating these women into their communities or resettling them elsewhere as appropriate.

UNITED STATES INFORMATIONAL, EDUCATIONAL, AND CULTURAL PROGRAMS

Section 104 authorizes $112,000,000 in fiscal year 2000 and $120,000,000 in fiscal year 2001 for Fulbright Exchanges, and $98,329,000 in fiscal year 2000 and $105,000,000 in fiscal year 2001 for other educational and cultural programs. In addition, the bill includes certain earmarks.

Arab-Israeli Peace Partners Program

This section includes an earmark for the Arab Israeli Peace Partners program. The program is intended to reach out to new groups of people who can influence and improve mutual understanding in the Middle East. The program is to include participants from Israel, the Palestinian Authority, Arab countries and the United States. The focus of the program is the promotion of mutual understanding and conflict resolution. The Arab-Israeli Peace Partners program should include college and graduate students, as well as leaders and public policy advocates in various professions. Professionals in the fields of primary and high school education, administration of justice, journalism, communications, government, health, environment, technology, law or other community leaders are of particular importance. These people have the ability to reach out to other networks of people who can benefit from their experience.

Grouping these exchanges by profession can stimulate like-minded individuals who have common ground for interaction to pursue other significant issues relevant to a more lasting peace process. The managers draw particular attention to the Seeds of Peace, an innovative and widely respected organization that helps Arab and Israeli teenagers overcome prejudice and build positive relationships. This has been a successful undertaking that focuses on future leaders. The Arab-Israeli program will provide those currently in the workforce or soon to enter with tools to establish the common ground for peaceful coexistence in the region.

Vietnam Fulbright Program

This section also authorizes $4,000,000 for each of fiscal years 2000–2001 for the Vietnam Fulbright Program. The current lack of political and religious freedom in Vietnam raises concerns. However, exchange programs of this nature, which provide educational opportunities and exposure to American institutions and values, can be important tools in hastening the transition of countries like Vietnam into free and open societies. However, the Vietnamese Government does not select the participants in this program and any Vietnamese citizen can apply for admission to this program.

The State Department is expected to continue to ensure that opportunities to participate in the program are made available to all qualified applicants and to administer this program under the guidelines set out in section 102 of the Human Rights, Refugee, and Other Foreign Provisions Act of 1996 (Public Law 104–319), as modified in this Act. The success of the Vietnam Fulbright Program and similar programs in like countries will be marked by the extent of progress toward freedom and democracy. The appropriate Congressional committees will continue to monitor this program to evaluate its impact on such progress.

GRANTS TO THE ASIA FOUNDATION

Section 105 authorizes $15,000,000 in appropriations under the heading ''The Asia Foundation'' for fiscal years 2000 and 2001.

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Section 106 authorizes $940,000,000 in appropriations for fiscal year 2000 and such sums as may be necessary for fiscal year 2001 under the heading ''Contributions to International Organizations (CIO)'', and includes the following conditions:

No Growth Budget

Of the funds authorized, subsection (b) makes available $80,000,000 on an annual basis only when the Secretary of State certifies to the Congress that no action has been taken by the United Nations to increase the United Nations 1998–99 budget of $2,533,000,000 during that period without finding an offset elsewhere in the United Nations budget during that period.

Inspector General

Of the funds authorized, subsection (c) withholds 20 percent of the funds made available for the United Nations until the Secretary of State certifies that the Office of Internal Oversight Services (OIOS) continues to function as an independent inspector general. This section requires the Director of the OIOS to report directly to the Secretary General on the adequacy of his resources and a certification by the Secretary of State that the OIOS has the authority to audit, inspect, or investigate each program, project or activity funded by the United Nations, and each Executive Board created under the United Nations has been notified of that authority. With regard to the distribution of reports required by this provision, what is essential is that the United States (and other Member States) have access to all annual and other relevant reports without modification, except to the extent it is necessary to protect the privacy rights of individuals. When privacy rights are impacted, the reports may be redacted to protect individuals. However, it is not anticipated that wrongdoers cited in such reports would be entitled to privacy protections.

Prohibition on Certain U.N. Global Conferences

Of the funds authorized, subsection (d) prohibits U.S. funding of U.N. global conferences, except that it exempts conferences

that were approved by the United Nations prior to October 1, 1998. The U.N. Global Conferences referred to in this section are those organized on a one-time basis with universal participation to address a single subject, such as the environment or population, outside of the normal course of regularly scheduled deliberations by existing U.N. bodies. For example, this section would have applied to the Rio Earth Summit, the Beijing Women's Conference, or the Habitat Conference. Should the U.N. schedule a conference of this kind during the two fiscal years under this Act, the United States will not fund such a conference nor any arrears related to such a conference. This section does not include conferences directed to the achievement of a binding international agreement, or other legal instrument, on a particular matter (such as the negotiation on the control and elimination of anti-personnel land mines in the U.N. Conference on anti-personnel land mines in the U.N. Conference on Conventional Weapons and the U.N. Conference on Disarmament).

Prohibition on Funding Organizations Other Than the United Nations From the United Nations Regular Budget

Of the funds authorized, subsection (e) prohibits the U.S. contribution to the United Nations regular budget from being used to fund the operating cost of organizations that have been established through a framework treaty. Such organizations are those established under separate treaties of a framework nature, composed only of parties to the treaties, having their own secretariats. This term does not include U.N. human rights treaty bodies. Should any framework treaty organization be funded out of the regular budget, the provision will require that the U.S. withhold from it U.S. assessment to the U.N. budget the United States share of the amount budgeted for such organizations.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

Section 107 authorizes appropriation of $500,000,000 in fiscal year 2000 and such sums as may be necessary for fiscal year 2001 for assessed contributions to international peacekeeping activities under United Nations auspices.

VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Section 108 authorizes $293,000,000 in fiscal year 2000 and such sums as may be necessary for fiscal year 2001 with certain limitations. Although the section does not include an earmark for a grant to UNICEF for fiscal year 2001, it is expected that such a grant should be made in the amount of at least $110,000,000.

UNITED STATES INTERNATIONAL BROADCASTING ACTIVITIES

Section 121 authorizes $385,900,000 in fiscal year 2000 and $393,618,000 in fiscal year 2001 for international broadcasting activities; $20,868,000 in fiscal year 2000 and $20,868,000 for fiscal year 2001 broadcasting capital improvements; $22,743,000 in fiscal year 2000 and $22,743,000 in fiscal year 2001 for Broadcasting to Cuba, and $24,000,000 in fiscal year 2000, and $30,000,000 in fiscal year 2001 for Radio Free Asia. Although it does not contain a further limitation for Radio and TV Marti, some note that there is increasing evidence that the Cuban dictatorship has intensified its efforts at disrupting the broadcasts of Radio Marti and TV Marti and now is receiving additional assistance toward this end from Chinese military and technical experts. It is expected that all possible efforts will be taken by the Broadcasting Board of Governors and the Office of Cuba Broadcasting to overcome these attempts, including the development and implementation of new technology and enhancement of current methods to strengthen and improve the transmission capabilities of Radio Marti and TV Marti.

In addition, the Broadcasting Board of Governors should provide an update of the status of all lawsuits brought against the Voice of America (VOA) regarding minorities and women, and VOA's efforts in the area of minority recruitment. A written description of these issues should be provided to the appropriate committees by February 1, 2000.

DEPARTMENT OF STATE AUTHORITIES AND ACTIVITIES

OFFICE OF CHILDREN'S ISSUES

Section 201 requires the State Department to make several changes with regard to its handling of international parental abduction and other children's issues. The section requires that: (1) the Director of the office is an individual of senior rank who can ensure long-term continuity to the office; (2) the staffing levels of the office include sufficient caseworkers so that the average caseload is 75; (3) each embassy designate a point of contact on parental abduction issues and the director of the office must regularly inform the contact of cases in that country and (4) parents are regularly informed of the status of pending cases. This office has been understaffed in the past, and more effort should be devoted to assisting parents to obtain the return of, or access to, their wrongfully abducted children. The issues of this office are not receiving adequate priority in diplomatic efforts by the United States—particularly in countries which have ratified the Hague Convention on the Civil Aspects of International Child Abduction (like Austria, Germany and Sweden) but are not implementing fully their commitments under the treaty. Those countries should be encouraged to establish organizations like the National Center for Missing and Exploited Children to assist with treaty implementation.

STRENGTHENING IMPLEMENTATION OF THE HAGUE CONVENTION ON THE CIVIL ASPECTS OF INTERNATIONAL CHILD ABDUCTION

Section 202 extends and supplements existing reporting requirement for fiscal years 2000–2001. The report by the Secretary of State submitted in April 1999 pursuant to Section 2803(a) of the Foreign Affairs Reform and Restructuring Act of 1998 (as enacted by division G of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999; Public Law 105–277) on compliance with the Hague Convention on the Civil Aspects of International Child Abduction failed to provide information consistent with the intent of the Congress to have a full accounting of cases of violations of, and a listing of countries that are non-compliant with, the Convention. Specifically, the report's finding that there are only 58 cases unresolved after 18 months, which fails to mention the country involved, renders the report almost useless. While stipulating that this listing of unresolved cases does not include those cases considered closed by the U.S. government, the report fails to include the criteria by which the decision to close a case is made.

This provision extends the reporting requirement to fiscal years 2000 and 2001, and expands the scope of the report in order to elicit information that will adequately inform parents and judges involved in custody cases where there is a significant possibility that a child could be removed by a non-custodial parent to a country which contains a record of non-compliance with the Hague Convention. The new information that the Congress is requesting is intended to highlight the probability that an abducted, or wrongfully retained, child can be reasonably expected to be returned from a country that is a party to the Hague Convention based on its past record of compliance, and whether access to a child, either through the orders of that country's courts, or through U.S. court orders, has been enforced by the government concerned in the past.

REPORT CONCERNING ATTACK IN CAMBODIA

Section 203 requires reports by the Secretary in consultation with the Attorney General, regarding the investigation of the March 30, 1997 grenade attack in Cambodia.

INTERNATIONAL EXPOSITIONS

Section 204 does the following: (a) requires periodic reports to the Congress from the commissioners general of major United States pavilions or exhibits; (b) requires advance notification to the relevant committees before the Department of State obligates funds which may be made available by another agency of the United States to the Department of State for a major United States pavilion or exhibit; (c) clarifies that, absent express authorization and appropriation, the support that the Department of State may provide for major pavilions or exhibits under section 102(a)(3) of the Mutual Education and Cultural Exchange Act shall be for administrative purposes only (such as contract administration, legal and other advice, and similar support) and not for operating or capital expenses; (d) amends the general prohibition against the obligation of "any funds" by the State Department for non-expressly-authorized major United States pavilions or exhibits to apply only to funds appropriated to the State Department; and (e) makes certain other technical changes. The reprogramming procedures will apply to notifications under subsection (c) of this section.

The United States Exhibition in Hannover, Germany

Recent reports suggest that sufficient private funds have not been raised to construct or operate the United States pavilion at the forthcoming Hannover, Germany international exposition. A clear policy has been in effect for years that taxpayer funds should not be used for the construction and operation of such pavilions. Despite that policy, commitments have been made to construct an elaborate pavilion at Hannover, even though privately raised funds are insufficient and there has been no formal request for an authorization of appropriations. There is reason to be concerned that public funds may be informally requested to construct and operate a pavilion outside normal budgetary processes, as apparently occurred in the case of the Lisbon pavilion in 1998. The Administration should address these concerns in the immediate future in communications to the relevant committees.

RESPONSIBILITY OF THE AID INSPECTOR GENERAL FOR THE INTER-AMERICAN FOUNDATION AND THE AFRICAN DEVELOPMENT FOUNDATION

Section 205 gives to the Inspector General of the United States Agency for International Development (USAID) the responsibility for the supervision, direction, and control of all audits and investigative activities relating to the programs and operations of the Inter-American Foundation (IAF) and the African Development Foundation (ADF). In the interest of ensuring the independent

operations of the Inspector General, and that audits and investigations not be dependent upon the availability of funds to the IAF and the ADF, it was decided not to include a provision mandating that the IAF and ADF reimburse the Inspector General for all costs incurred with regard to audits and investigations of programs and activities of those agencies. Nonetheless, any such costs shall be reimbursed to the IG at the IG's request.

REPORT ON CUBAN DRUG TRAFFICKING

Section 206 requires the Secretary of State to report on the extent of international narcotics traffic through Cuba, the extent of involvement by the Cuban government, its agents and entities, and United States actions to investigate or prosecute such acts. The report may include an assessment of the credibility of the information, in which case it shall also include a statement of the reasons for such assessment. The section provides for a classified annex in order to ensure that the inclusion of information in the report will not compromise ongoing investigations. The exclusion from the unclassified report of ''matters occurring before the grand jury'' within the meaning of Federal Rule of Criminal Procedure 6(e) will be governed by the Rule to the same extent as the Rule would govern disclosure of such material to the public, and inclusion of such material in the classified annex shall be subject to the Rule to the same extent as the Rule would govern the sharing of such material among attorneys for the government. Information in the possession of the government which is subsequently given to a grand jury does not thereby automatically become grand jury material within the meaning of the Rule, although other considerations, such as protecting from disclosure the identities or testimony of witnesses, or information which would reveal the strategy or direction of an active investigation, is also protected by the Rule.

REVISION OF REPORTING REQUIREMENT

Section 207 reduces the frequency of a current reporting requirement regarding Iraq.

FOREIGN LANGUAGE PROFICIENCY

Section 208 requires an annual report to Congress containing data showing how many overseas positions are filled by language-qualified personnel. This reporting requirement replaces an analogous reporting provision in Section 304(c) of the Foreign Service Act of 1980.

CONTINUATION OF REPORTING REQUIREMENTS

Section 209 extends certain reports for fiscal years 2000–2001. In addition, the provision preserves certain reports that would otherwise be sunsetted by legislation enacted in 1995 repealing a number of reports government-wide.

JOINT FUNDS UNDER AGREEMENTS FOR COOPERATION IN ENVIRONMENTAL, SCIENTIFIC, CULTURAL AND RELATED AREAS

Section 210 allows the State Department to use the interest earned on funds held under bilateral agreements for scientific, cultural, and technical cooperation to pay the programmatic and administrative expenses of these programs.

REPORT ON INTERNATIONAL EXTRADITION

Section 211 requires a report by the Secretary of State 120 days after enactment regarding a review of all extradition treaties and agreements to which the U.S. is a party.

CONSULAR AUTHORITIES

MACHINE READABLE VISAS

Section 231 authorizes the collection and use of fees for up to $316,715,000 for each of fiscal years 2000–2002; fees collected above that amount are subject to reprogramming procedures.

FEES RELATING TO AFFIDAVITS OF SUPPORT

Section 232 allows the Secretary of State to charge a fee for services provided by the State Department for assistance in the preparation and filing of an affidavit of support as required by section 213A of the Immigration and Nationality Act.

PASSPORT FEES

Section 233 repeals an anachronistic provision of the Passport Act of 1920 that provided for the discretionary refund of passport fees in the event that a traveler was not able to obtain a visa to the country of intended travel. That authority, which reflects long-outmoded passport practices, is no longer used. According to statistics provided by the Department of State, approximately twenty-eight percent of the passport fee refunds during fiscal year 1998 were to applicants determined to be non-citizens or otherwise ineligible to receive passports. Approximately ten percent were to persons who withdrew their applications, and about fifty percent of the refunds were to persons who may have been citizens but who were unable to provide acceptable documentation of their citizenship. Applicants in the latter category typically provided documents unacceptable to the Department, such as birth certificates provided by a hospital, and were deemed to have abandoned their cases after failing to respond to requests for supplementary documentation. The regulations described in this subsection will provide for the reinstatement or revival of applications without payment of an additional fee, where the application has been denied on the sole ground of inadequate documentation and such documentation is subsequently provided.

DEATHS AND ESTATES OF UNITED STATES CITIZENS ABROAD

Section 234 repeals section 1709 of the Revised Statutes (22 U.S.C. 4195) and replaces it with new provisions in the State Department Basic Authorities Act to provide a modified statutory basis for the traditional consular function of protection and conservation, and ultimately disposition, of the estates of Americans who die outside the United States in those cases where a legal representative is not appointed by the heirs or other beneficiaries within a reasonable time.

DUTIES OF CONSULAR OFFICERS REGARDING MAJOR DISASTERS AND INCIDENTS ABROAD AFFECTING UNITED STATES CITIZENS

Section 235 expands the definition of U.S. employees who may perform consular functions in connection with deaths and estates of U.S. citizens abroad.

ISSUANCE OF PASSPORTS FOR CHILDREN UNDER AGE 14

Section 236 requires the Secretary to issue regulations so that children under the age of 14 may be issued a passport only if both parents or the child's legal guardian execute the necessary documents, or a parent or guardian demonstrates sole custody or consent of the other parent or guardian. The Secretary may by regulation provide for exceptions to this requirement in the event of exigent or special family circumstances. These exceptions are not designed to become, in practice, gaping loopholes that would swallow the new rule created by this section. Rather, they are designed to provide flexibility to the Secretary in appropriate cases.

PROCESSING OF VISA APPLICATIONS

Section 237 states that it shall be the policy of the State Department: (a) to process visa applications of immediate relatives and fiances of U.S. citizens within 30 days of receiving all necessary documents; and (b) to process applications sponsored by someone other than an immediate relative within 60 days. It also directs the Department to report every six months on the extent to which it is meeting these standards, and to establish a joint task force with other Federal agencies to reduce the overall processing time for visa applications.

FEASIBILITY STUDY ON FURTHER PASSPORT RESTRICTIONS ON INDIVIDUALS IN ARREARS ON CHILD SUPPORT

Section 238 requires the Secretary report on the costs and benefits of a reduction to $2,500 from $5,000 the amount of arrears for child support that would trigger a denial of a passport under existing law (sec. 452(k) of the Social Security Act).

REFUGEES

UNITED STATES POLICY REGARDING THE INVOLUNTARY RETURN OF REFUGEES

Section 251 carries over and slightly expands a provision of the Fiscal Year 1998–99 Foreign Relations Authorization Act prohibiting the use of funds for the involuntary return of any person to a country in which that person contains a well-founded fear of persecution, and requiring notification to Congress when such funds are used for involuntary repatriation of persons deemed to be non-refugees.

HUMAN RIGHTS REPORTS

Section 252 is a technical amendment. Information in the annual Country Reports on Human Rights Practices on the extent to which countries extend protection to refugees is already required by the Human Rights, Refugee, and Other Foreign Relations Provisions Act of 1996 (P.L. 104–319). However, that statute only modified one of the two provisions in the Foreign Assistance Act dealing with the Country Reports. This section corrects that oversight by modifying the other section.

GUIDELINES FOR REFUGEE PROCESSING POSTS

Section 253 corrects two technical oversights in the refugee protection provisions of the International Religious Freedom Act of 1998 (P.L. 105–292). Although section 602(c) of the Act charged both the Attorney General and the Secretary of State to develop guidelines to address hostile biases in refugee processing, it referred only to biases of INS personnel. This section adds a reference to State Department personnel in the appropriate place. In addition, the Act prohibited the use of agents of persecuting governments to interpret conversations of persons seeking asylum in the United States. This section extends that prohibition to the overseas refugee adjudication process, and to agents of persecuting governments performing any function that could endanger the safety of the applicant or otherwise compromise the integrity of the process.

GENDER RELATED PERSECUTION TASK FORCE

Section 254 requires the Secretary to establish the task force in consultation with the Attorney General with the goal of determining eligibility guidelines for women seeking refugee status overseas due to gender-related persecution.

VIETNAMESE REFUGEES

An earlier House-passed provision regarding refugees was not included in this bill on the basis of assurances that U.S. refugee programs in Viet Nam will be conducted in accordance with most of the conditions set forth in section 274 of the House bill. Section

255, however, contains a provision designed to address one of the issues addressed by section 274. It extends through fiscal 2001 the McCain Amendment, which restores eligibility for U.S. refugee resettlement to certain sons and daughters of Vietnamese re-education camp survivors, and also provides such eligibility for sons and daughters who were denied the right to resettle in the United States because their government-issued residency documents did not prove ''continuous coresidency'' with their parents.

The Administration's decision that refugee programs in Viet Nam (as well as other closely related programs) will be directed by a Refugee Coordinator who will report directly to the Deputy Principal Officer at the Consulate General in Saigon and receive policy guidance from the Assistant Secretary for Population, Refugees, and Migration is appreciated. It is also important that these programs will use expatriate interpreters and case workers, so that refugee applicants will no longer be required to describe their persecution at the hands of the Vietnamese government in the presence of persons employed by or through that same government. The Administration's plan to send a special team of INS officers, similar in composition and training to the teams that adjudicated the ROVR cases, to interview former United States Government employees who have not yet been interviewed, and to use the results of these interviews in deciding whether to reopen the cases of former USG employees who may have been improperly denied is strongly supported.

It is encouraging that the Department of State intends to contract with a non-governmental organization with expertise in refugee resettlement for the retention of an ''NGO Advisor'' to assist the Refugee Coordinator and to help ensure transparency in our Vietnamese refugee programs. It remains a matter of deep concern that the Department decided to terminate its Joint Voluntary Agency (JVA) contract with the International Catholic Migration Commission, which was the most refugee-friendly component in the old ODP program. Members of Congress will continue to monitor carefully whether the new ''Refugee Resettlement Unit'' is an adequate substitute. If not, Members of Congress will urge the Department to reinstitute a JVA arrangement for our Vietnamese refugee programs. The Administration's position that U.S. refugee programs should focus primarily on identifying and rescuing persons who have recently been persecuted and/or who are at risk of future persecution rather than those who suffered persecution in the distant past is supported. The guidelines prepared by the Department and the INS for the new in-country refugee program in Viet Nam will be a solid basis for such a program provided they are generously interpreted and applied. Assurances were made that this program will not be limited to a few ''high profile'' cases, but will be implemented so as to identify and offer resettlement to any Vietnamese national who can show that he or she has experienced recent persecution or has a well-founded fear of future persecution on account of race, religion, nationality, political opinion, or membership in a particular social group.

There is strong support for the view that the focus on the new program cannot justify peremptory treatment of applicants who may have been wrongly denied under existing programs, or who may never have had genuine access to such programs. The new program is strongly supported on its merits, but it is also important for the United States to keep its promises, both express and implied. The Administration's assurance that Montagnard combat veterans who fulfill the requirements for the ''HO'' subprogram of the Orderly Departure Program (ODP)—which include at least three years of detention in ''re-education camps''—will no longer be denied resettlement on the sole ground that in addition to their pre-1975 military service, they continued to fight the Communists after 1975 is encouraging. These applicants have been rejected on the ground that their subsequent punishment by the Communists must have been solely on account of their post-1975 activities rather than for their wartime service alongside U.S. forces. The Administration's commitment to review the cases of Montagnards who were previously registered for consideration for refugee resettlement but found not qualified for interview because part or all of their re-education time was judged not to be associated with pre-1975 U.S. government policies or practices is a positive development. The Administration has agreed to implement this review not only for Montagnards who applied on or before the ODP deadline and have not yet been interviewed, but also for any previously registered Montagnards who contact the State Department and request review of their cases during a specified period of time. It is understood and expected that the specified period of time will be approximately one year beginning on or about January 1, 2000.

Note has been taken of the Administration's agreement with respect to allied combat veterans whose detention began a few days prior to April 30, 1975 (the date of the fall of Saigon) because they were located in places such as Hue or Da Nang, which fell to the Communists before Saigon. These veterans have been wrongfully rejected on the ground that they were ''prisoners of war'' rather than re-education camp inmates. The Administration has agreed not to apply this rule against any applicants who applied on or before the ODP deadline and not yet interviewed. The Administration is urged to reconsider its decision not to review and reverse previous denials based on this hypertechnical rule.

The undertaking by the U.S. Immigration and Naturalization Service (INS) to promulgate written guidance with respect to requests for reconsideration and/or reopening of denied refugee applications is appreciated. It is understood that the INS will issue guidelines which will assure that each applicant understands why his or her case was denied, both in the initial adjudication and in the event of a denial of a request for reconsideration or reopening, and that will ensure transparent and fair adjudication of such requests. It is expected that these guidelines will resolve various cases in which reconsideration has been denied although the original denial was clearly contrary to the interest of justice. Examples of such cases include those in which the adjudicator found that a family relationship was not proved, but in which the relationship can now be established by DNA tests; in which the denial was based on doubts about the validity of a document and in which the applicant can subsequently provide extrinsic evidence of the validity of the document; and in which an applicant recounts instances of persecution which would establish a prima facie case for refugee status, but which he or she was unwilling or unable to recount in the presence of an interpreter whom the applicant reasonably believed to be an agent of the persecuting government.

Finally, many members of Congress strongly disagree with the Administration's refusal to reopen cases of applicants who missed the deadline for the ODP and ROVR programs due to circumstances beyond their control. According to refugee advocates, many of the people who missed the 1994 ODP deadline, including Montagnards in remote areas of the Central Highlands as well as re-education camp survivors who had been sentenced to internal exile in equally remote New Economic Zones, had no way of knowing about the deadline. Others were denied access to the program by brutal and/or corrupt local officials. Many of these people suffered terribly for their wartime associations with the United States. They then heeded our admonitions not to leave Viet Nam illegally by land or sea, choosing instead to wait patiently for their turn to resettle in the United States. The recent normalization of the U.S.-Viet Nam diplomatic relationship should have been used as an opportunity to get access to these people. Similarly, some Vietnamese asylum seekers appear to have been effectively prevented from signing up for ROVR because they were detained away from the registration sites. Others appear to have been misinformed about the ROVR criteria, or even denied the right to register, by host country officials who were themselves misinformed about the program. Some refugees in Thailand were even threatened with punishment upon return to Vietnam by an official Vietnamese delegation visiting their camp for the ostensible purpose of encouraging return under the ROVR program. Many members of Congress continue to believe that the Administration should consider on the merits all cases of eligible applicants who missed program deadlines for these and other compelling reasons.

ORGANIZATION AND PERSONNEL OF THE DEPARTMENT OF STATE

ORGANIZATION MATTERS

LEGISLATIVE LIAISON OFFICES OF THE DEPARTMENT OF STATE

Section 301 requires the Department of State to develop a plan for establishing legislative liaison offices for the Department that would be based on Capitol Hill.

STATE DEPARTMENT OFFICIAL FOR NORTHEASTERN EUROPE

Section 302 requires the designation of a senior official from within the State Department to coordinate U.S. policy with regard to Northeastern Europe.

SCIENCE AND TECHNOLOGY ADVISER TO SECRETARY OF STATE

Section 303 requires the Secretary to designate a science and technology adviser with relevant experience within the Department of State.

APPLICATION OF CERTAIN LAWS TO PUBLIC DIPLOMACY FUNDS

Section 304 rewrites section 1333(c) of the Foreign Affairs Reform and Restructuring Act of 1998, to ensure that statutory restrictions on the use of public diplomacy funds will continue to apply either if funds are specifically authorized, or if funds are notified in a Congressional Presentation Document or reprogrammed for public diplomacy purposes. As a this division does not include a separate authorization for public diplomacy funds. The substitute also reiterates that these restrictions will not impede the integration of USIA into the Department of State.

Specifically, this section amends section 1333 so that the Smith-Mundt and Zorinsky provisions will apply to all funds identified

as public diplomacy funds in the Department's Congressional Presentation Document (CPD) or in any reprogramming of funds for public diplomacy purposes. The amendment also adds a new paragraph on construction of the provision. In particular, it provides that the provisions of section 1333(c) do not supersede existing reprogramming procedures. This provision is intended only to make clear that if, subsequent to the submission of the CPD, the Administration submits a reprogramming notification in accordance with the procedures that apply to a reprogramming of funds under section 34 of the State Department Basic Authorities Act, funds reprogrammed pursuant to such a notification for purposes other than public diplomacy will not be subject to the Smith-Mundt and Zorinsky restrictions on account of their previous identification as public diplomacy funds in a CPD.

DIPLOMATIC TELECOMMUNICATIONS SERVICE PROGRAM OFFICE

Section 305 authorizes $18 million for enhancement of Diplomatic Telecommunications Service capabilities to be available until a comprehensive chargeback system is in place. In addition the provision requires the Diplomatic Telecommunications Service Program Office (DTS–PO) to: 1) ensure that enhancements of telecommunications capabilities be done with a priority on national security interests; 2) terminate leases for satellite systems located at posts in criteria countries be done not later than December 31, 1999, unless certain conditions are met; 3) institute a system of charges for utilization of bandwidth, and a chargeback system to recover the costs of telecommunications services provided to other federal agencies; 4) ensure that DTS–PO policies and procedures comply with those established by the Overseas Security Policy Board; and 5) maintain the allocation of the positions of Director and Deputy Director of DTS–PO as assigned as of June 1, 1999. Finally, it requires a report by the Director and Deputy Director of DTS–PO regarding the plan for improving specific communications capabilities.

PERSONNEL OF THE DEPARTMENT OF STATE

AWARDS OF FOREIGN SERVICE STARS

Section 321 modifies the State Department Basic Authorities Act of 1956 to create the Foreign Service Star award. The Foreign Service Star may be awarded by the President to any member of the Foreign Service or other federal employee who is wounded, injured, or contracts an illness while employed in an official capacity overseas. The Secretary of State will determine the procedures for awarding the Foreign Service Star, as well as selecting those to be recommended for the award. Flexibility is provided to the Secretary as to the date of the incident for which the award is being given.

UNITED STATES CITIZENS HIRED ABROAD

Section 322 deletes a statutory requirement that U.S. citizens hired locally by overseas posts be provided a total compensation package that has ''the equivalent cost to that received by foreign national employees occupying the similar position at post.''

LIMITATION ON PERCENTAGE OF SENIOR FOREIGN SERVICE ELIGIBLE FOR PERFORMANCE PAY

Section 323 reduces the percentage of members of the senior Foreign Service who can receive performance pay in a fiscal year from 50 percent to 33 percent.

PLACEMENT OF SENIOR FOREIGN SERVICE PERSONNEL

Section 324 requires a regular report on the placement of Senior Foreign Service Officers.

REPORT ON MANAGEMENT TRAINING

Section 325 requires the Secretary of State to produce a report to Congress regarding modifications to existing training programs so as to provide Department employees with ''significant and comprehensive management training at all career grades for Foreign Service personnel.''

WORKFORCE PLANNING FOR FOREIGN SERVICE PERSONNEL BY FEDERAL AGENCIES

Section 326 requires the Secretary of State to submit a report to the Congress every four years that describes the workforce plan for the following 5-year period, and that outlines the steps taken to promote uniform policies among agencies utilizing the Foreign Service personnel system.

RECORDS OF DISCIPLINARY ACTIONS

Section 327 requires that any disciplinary action of a Foreign Service member requiring more than five-days suspension from the Foreign Service be included in the member's personnel file until tenured or next promoted.

LIMITATION ON SALARY AND BENEFITS FOR MEMBERS OF THE FOREIGN SERVICE RECOMMENDED FOR SEPARATION FOR CAUSE

Section 328 requires the Secretary to place a Foreign Service Member on leave without pay if that individual is recommended for separation from the Service for cause.

TREATMENT OF GRIEVANCE RECORDS

Section 329 amends the Foreign Service Act of 1980 to ensure that proper documentation of disciplinary action is available to tenure and selection boards, by permitting the placement in the performance file of an employee who has been disciplined a notice that the discipline has been reviewed and sustained by the Foreign Service Grievance Board.

DEADLINES FOR FILING GRIEVANCES

Section 330 reduces from three years to two years the time for filing a grievance. It does provide flexibility of an additional year for members who are filing a grievance regarding an evaluation if the Foreign Service member is still supervised by the reviewer or rater of the evaluation.

REPORTS BY THE FOREIGN SERVICE GRIEVANCE BOARD

Section 331 requires the Foreign Service Grievance Board to compile information regarding its cases, and provide an annual report regarding the Board's activities during the previous year.

EXTENSION OF USE OF FOREIGN SERVICE PERSONNEL SYSTEM

Section 332 permits the State Department to allow non-State Department agencies to use the Foreign Service Act to appoint individuals abroad and to use the Foreign Service personnel system for those employees.

BORDER EQUALIZATION PAY ADJUSTMENT

Section 333 amends the Foreign Service Act of 1980 to provide for payment of a border equalization adjustment to an employee who regularly commutes from his or her home in the U.S. to an official duty station in Canada or Mexico. The adjustment is equal to the amount that the employee would receive as locality pay (under section 5304 of title 5, United States Code) if assigned to an official duty station within the United States locality pay area closest to the employee's official duty station. This provision was contained in the Fiscal Year 1999 Commerce, Justice, State Department Appropriations Act; this section would make the authority permanent.

TREATMENT OF CERTAIN PERSONS REEMPLOYED AFTER SERVICE WITH INTERNATIONAL ORGANIZATIONS

Section 334 provides the full scope of retirement benefits to Federal employees who transfer to international organizations under 5 U.S.C. 3582 by allowing such employees to participate in the Thrift Savings Plan (''TSP'') for the period of their transfer to the international organization. This section amends the Thrift Savings provisions of Title 5 to allow persons who transfer to international organizations the ability to make up missed TSP contributions after they are re-employed in Federal service. The employee's make-up contributions are limited by the maximum annual employee contribution for the year in which the contributions would have been made. This section also provides that, with respect to persons covered under the 'new' retirement systems, the employing agency provides associated agency automatic contributions and retroactive matching contributions, as well as lost earnings on the agency contributions.

TRANSFER ALLOWANCE FOR FAMILIES OF DECEASED FOREIGN SERVICE PERSONNEL

Section 335 allows the Department to pay a ''transfer allowance'' (which covers certain costs associated with returning home to the United States) to surviving family members of overseas employees who are killed in the line of duty.

PARENTAL CHOICE IN EDUCATION

Section 336 allows certain overseas employees to elect to send their dependents to schools away from post at government expense, so long as the cost does not exceed the cost to the government of sending those dependents to adequate schools at the post of the employee.

MEDICAL EMERGENCY ASSISTANCE

Section 337 permits an advance of up to 3 months' pay to an employee who must undergo certain types of medical treatment abroad.

REPORT CONCERNING FINANCIAL DISADVANTAGES FOR ADMINISTRATIVE AND TECHNICAL PERSONNEL

Section 338 requests that the Department prepare a report for the Congress on the financial disadvantages suffered by administrative and technical personnel posted to U.S. missions abroad as a result of their not having diplomatic status.

STATE DEPARTMENT INSPECTOR GENERAL AND PERSONNEL INVESTIGATIONS

Section 339 requires the State Department Inspector General when conducting criminal investigations to abide by professional standards applicable to all law enforcement agencies and to provide subjects of investigations an opportunity to provide exculpatory information. In addition the provision mandates that the Inspector General report to Congress the instances when persons named in a report were not provided an opportunity to refute allegations or assertions made about the person in a final report of investigations. This section clarifies that the Inspector General must provide an opportunity to comment on allegations of wrongdoing or assertions regarding a material fact when they are set out in a final report of investigation. In addition, this section makes clear that failure to comply with this section does not give rise to any private right of action. This section makes several additional changes.

The term ''Final Report of Investigation'' as used in the provision means the written

document produced by the Office of the Inspector General at the conclusion of the investigative phase of a case which is thereafter transmitted to the Department of Justice or Bureau of Personnel for possible prosecutorial or administrative action. Initial referrals or summaries provided to the Department of Justice by the Inspector General do not constitute a ''Final Report of Investigation'' as used in this amendment. This section is not intended to impede the development of a criminal prosecution by the Department of Justice.

In addition the notification required by new subparagraph (F) of section 209(d)(2) of the Foreign Service Act may summarize briefly the cases where the Inspector General did not afford an opportunity to refute the allegation of wrong doing or assertion of material fact.

STUDY OF COMPENSATION FOR SURVIVORS OF TERRORIST ATTACKS OVERSEAS

Section 340 requires the President to examine and report on the current benefit structure of survivors of U.S. government employees who are killed while serving abroad. The purpose is to evaluate whether the benefits are adequate, fair, and equitably distributed.

PRESERVATION OF DIVERSITY IN REORGANIZATION

Section 341 amends the Foreign Affairs Reform and Restructuring Act of 1998 to ensure women and minorities are not adversely affected by the reorganization while maintaining the flexibility to transfer all employees throughout the Department of State.

UNITED STATES INFORMATIONAL, EDUCATIONAL, AND CULTURAL PROGRAMS

EDUCATIONAL AND CULTURAL EXCHANGES AND SCHOLARSHIPS FOR TIBETANS AND BURMESE

Section 401 extends the authorization for the exchange and scholarship programs for Tibetan and Burmese exiles (contained in Public Law 104–319, the Human Rights, Refugee, and Other Foreign Relations Provisions Act of 1996) through fiscal years 2000 and 2001. It also renames the Tibetan exchange program after Ngawang Choephel, the Fulbright Scholar and ethno-musicologist who is now serving a fifteen-year prison sentence on false charges brought by the Chinese government.

CONDUCT OF CERTAIN EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

Section 402 revises the Human Rights, Refugee, and Other Foreign Relations Provisions Act of 1996. Subsection (a) is intended to ensure that programs of exchange with countries whose people do not fully enjoy freedom and democracy shall afford opportunities for significant participation for human rights and democracy leaders in such countries as well as to other persons who are committed to advancing human rights and democratic values. The term ''where appropriate'' in this section is intended solely to make clear that the section does not mandate significant participation by such persons in exchanges whose subject matter does not lend itself to such participation. The section does not require significant participation by human rights and democracy advocates in every single exchange with a country described in the section, but only that the programs in each such country, viewed in the aggregate, afford the opportunity for significant participation for such persons.

It is particularly important to note that the term ''where appropriate'' is not intended to allow the denial of participation in U.S. exchanges to human rights and democracy advocates possessing the requisite academic or professional qualifications on the grounds that such participation would cause political or diplomatic difficulties for the Department or for an exchange grantee organization.

The inclusion of human rights and democracy leaders or persons committed to the advancement of human rights and democratic values in U.S. exchange programs may in some cases involve an element of risk for the participant. The Department should take all appropriate steps to ensure that the personal safety of the participant is not compromised by inclusion in such a program.

Subsection (b)(2) calls on the Department to consider, in selecting grantee organizations for such programs, the willingness and ability of the organization to ensure that the governments of the countries described in the section do not have ''inappropriate influence'' in the process of selecting participants. This provision requires, among other requirements, that grantee organizations not select individual participants who are so thoroughly committed to the suppression of human rights and democracy that their selection could create an impression that the United States condones such suppression.

Finally, this section amends section 102 of the Human Rights, Refugee, and Other Foreign Relations Provisions Act of 1996 to eliminate the illustrative list of countries whose people do not fully enjoy freedom and democracy. This list is unnecessary in light of the clear application to these and other countries of the generic description contained in the section. The elimination of the list is not intended to imply that the people of any of the listed countries now fully enjoy freedom and democracy.

NATIONAL SECURITY MEASURES

Section 403 requires the State Department to take appropriate steps to ensure that foreign espionage agents do not participate in U.S.-funded exchange programs.

SUNSET OF UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY

Section 404 provides the U.S. Advisory Commission on Public Diplomacy with an additional two years of operation prior to sunsetting the authority. The Commission will operate at half the current staff and operating costs. The Commission will become a standard State Department advisory committee when its statutory authority sunsets at the end of fiscal year 2001.

ROYAL ULSTER CONSTABULARY

Section 405 addresses certain training programs. For the past several years, the Federal Bureau of Investigation has conducted training programs for members of the Royal Ulster Constabulary (RUC) at the National Academy training program in Quantico, Virginia. This section requires that before further FBI or other federal law enforcement training for RUC members takes place, the President must submit a report on the FBI training for RUC members over the past five fiscal years. The President also must certify that the training is necessary and includes a significant human rights component, and that vetting procedures have been established to ensure that RUC members who had substantial knowledge of human rights violations or harassment of defense attorneys but failed to act on this knowledge are not included in the training program.

Such training should be conducted in a manner that supports the implementation of the September 1999 report issued by the Independent Commission on Policing for Northern Ireland. The report set forth 175 recommendations for the establishment of a new police service in Northern Ireland in the context of a peaceful resolution of the ''Troubles'' in Northern Ireland. One of the recommendations was a suggestion that ''[i]nternational training exchanges should be further developed, focusing in particular on matters where the police in Northern Ireland need overseas police cooperation and on best practice developments in policing worldwide.'' (Recommendation 169).

RUSSIAN AND UKRANIAN BUSINESS MANAGEMENT EDUCATION

Sections 421–426 authorize $10,000,000 to provide training programs in Russia and Ukraine for their nationals to obtain skills in business administration, accounting, and marketing, with special emphasis on instruction in business ethics and in the basic terminology, techniques, and practices of those disciplines in order to achieve international standards of quality, transparency, and competitiveness.

UNITED STATES INTERNATIONAL BROADCASTING ACTIVITIES

REAUTHORIZATION OF RADIO FREE ASIA

Section 501 extends the sunset of Radio Free Asia for 10 years and provides for a cap of $30 million for fiscal years 2000 and 2001 to operate Radio Free Asia.

NOMINATION REQUIREMENTS FOR THE CHAIRMAN OF THE BROADCASTING BOARD OF GOVERNORS

Section 502 modifies the provision of law creating the Broadcasting Board of Governors, which oversees all U.S. government-sponsored international broadcasting. The section subjects the designation of the position of Chairman of the Broadcasting Board of Governors to Senate advice and consent. Current law provides that all members are subject to Senate confirmation, but the President may designate any of these members as chairman at any time. Given that the Board became an independent entity in October, pursuant to the Foreign Affairs Reform and Restructuring Act of 1998, the Committee believes the appointment of the Chairman of the Board should be subject to Senate confirmation.

PRESERVATION OF RFE/RL (RADIO FREE EUROPE/RADIO LIBERTY)

Section 503 repeals a 1994 ''sense of Congress'' provision that RFE/RL should receive no U.S. government support after fiscal year 1999 and replaces it with a provision that would support RFE/RL broadcasting so long as certain specified conditions do not occur.

IMMUNITY FROM CIVIL LIABILITY FOR BROADCASTING BOARD OF GOVERNORS

Section 504 provides the same immunity to the Broadcasting Board of Governors when acting with regard to RFE/RL and Radio Free Asia (RFA) matters as they would have when acting as the Broadcasting Board of Governors.

EMBASSY SECURITY AND COUNTERTERRORISM MEASURES

SHORT TITLE

Section 601 states that this title may be cited as the ''Secure Embassy Construction and Counterterrorism Act of 1999''.

FINDINGS

Section 602 sets forth findings regarding the bombing of the U.S. Embassies in Dar es Salaam, Tanzania, and Nairobi, Kenya in August 1998, and the subsequent investigation by the State Department Accountability Review Boards, which were chaired by Admiral William Crowe, USN (ret.).

UNITED STATES DIPLOMATIC FACILITY DEFINED

Section 603 defines the term ''United States diplomatic facility'' to track with

those used to notify foreign governments of U.S. diplomatic presence. This definition extends to other agencies that have a bilateral agreement with the host government so long as the records are contained in the State Department records. It is expected that the State Department will ensure it retains a record of all such agreements in its files so that this provision will have the broad application to U.S. agencies that is intended.

AUTHORIZATIONS OF APPROPRIATIONS

Section 604 authorizes $900 million in each of fiscal years 2000, 2001, 2002, 2003, and 2004 for Embassy Security, Construction and Maintenance. It also provides that any amounts which are authorized in a particular fiscal year, but for which the full amount is not appropriated in that fiscal year, carry forward and remain available in subsequent fiscal years until such amounts are appropriated.

OBLIGATIONS AND EXPENDITURES

Section 605 contains several provisions designed to ensure that funds appropriated to the Embassy Security, Construction and Maintenance Account are used only for (1) the intended purpose and (2) high priority projects.

Subsection (a) provides that funds be made available only for new construction or major security enhancements needed to bring U.S. diplomatic facilities into compliance with security standards. The Secretary of State is required to submit an annual report on the facilities that are a priority for replacement because of their vulnerability to terrorist attack. The report must list such facilities in groups of 20. The groups of 20 must then be ranked in order of most to least vulnerable. Funds made available in the account may only be used for those facilities in the first four groups—that is, the 80 most vulnerable facilities.

However, there are some exceptions: (1) The substitute provides an exception to the requirement that funds be used only for the first 80 facilities or posts on the list of facilities that are a priority for replacement. The amendment provides that the list required by subsection (a) may contain either diplomatic facilities or diplomatic and consular posts. This change is intended to allow the Department to identify either a single facility, or a city where a number of facilities are located, as occupying a single place on the list. (2) In addition, funds may be used for facilities beyond that list in two circumstances. First, if Congress authorizes or appropriates for a specific diplomatic facility, the Department may proceed with acquisition of such a facility even if it is not on the list. This exception recognizes that the President and the Secretary of State may request funds for acquisition of a new facility in the budget request. If Congress approves funds for that aspect of the budget request in a future authorization or appropriations bill, either specifically or in a lump sum authorization or appropriation, the Department may move forward with acquisition of the facility. Second, the exception applies if the Secretary notifies the appropriate congressional committees that the Department intends to use funds for such a facility in accordance with the procedures applicable to a reprogramming of funds under section 34 of the State Department Basic Authorities Act.

Subsection (b) prohibits the transfer of funds from this account.

Subsection (c) requires semiannual reports on obligations and expenditures from the account, projected obligations and expenditures, and the status of ongoing projects.

SECURITY REQUIREMENTS FOR UNITED STATES DIPLOMATIC FACILITIES

Section 606 identifies new security requirements with respect to United States diplomatic facilities. These new requirements, which are based on recommendations of the Accountability Review Board, are specifically focused on the threat of large vehicular bombs.

The section requires: (1) the Emergency Action Plan of each United States mission to address the threat of large explosive attacks vehicles and the safety of employees during such an attack; (2) that the State Department Security Environment Threat List contain a section that addresses potential acts of international terrorism against United States diplomatic facilities based on threat identification criteria that emphasize the threat of transnational terrorism, host government support and other relevant factors; (3) the State Department, in selecting sites for diplomatic facilities, to adhere to its existing security standard (set forth in 12 Foreign Affairs Handbook-5) requiring that all U.S. government offices and activities subject to the authority of the Chief of Mission be located in the same chancery buildings or on the same compound. Exceptions can be granted if the Secretary of State certifies to Congress that it is in the national interest of the United States to do so. This authority cannot be delegated by the Secretary of State; (4) each newly acquired or constructed U.S. diplomatic facility to be situated not less than 100 feet from the perimeter of the property on which the facility is situated. An exception can be granted if the Secretary of State certifies to Congress that it is in the national interest of the United States to do so. In addition to this primary threat, more attention should be given to providing integrated, real-time chemical and biological agent detection and identification, which is critical to protecting diplomatic facilities. The State Department should also evaluate the possibility of integrating a detection capability for chemical and biological weapons, and immediate action response to such a detection, in the physical security procedures of diplomatic facilities overseas; (5) the State Department to conduct crisis management training for State Department Headquarters personnel, as well as personnel serving in facilities overseas; (6) the State Department to provide sufficient support to the Foreign Emergency Support Team (FEST) to identify personnel to serve on the FEST as a collateral duty, conduct routine training exercises, and provide any additional support that may be necessary to make the FEST more effective in a post-crisis environment; (7) the President to develop a plan to replace on a priority basis the current FEST aircraft funded by the Department of Defense with a reliable replacement and backup aircraft. Not later than 60 days after the enactment of this act, the President shall submit to Congress a report describing the aircraft selected pursuant to this provision; (8) the Secretary of State to enter into a memorandum of understanding with the Secretary of Defense to better coordinate the requirements for a more effective rapid response procedure in times of emergency with respect to US diplomatic facilities; (9) all United States diplomatic facilities to maintain emergency equipment and records required stored at an offsite facility in case of an emergency situation; and (10) fitness standards be implemented for diplomatic security agents.

This section clarifies that waivers required for collocation and setback may not be delegated in the case of chancery and consulate buildings. All other cases may be delegated, but those decisions will still be made by senior State Department officials. This flexibility was added with the expectation that waivers used by the Secretary would be infrequent and therefore considered more seriously in the instances such a waiver is exercised. The grant of authority to delegate has been provided to the State Department only and has not been provided to other federal agencies for decisions regarding collocation. In this context, ''chancery and consulate buildings'' means a building solely or substantially occupied by the U.S. Government that is newly constructed or otherwise acquired where the main business of the U.S. Government is performed in that city. For example, the American Presence Posts are regarded as ''consulates'' but do not perform the same tasks and are intended to operate with one or two American employees.

AUTHORITY TO LEASE AIRCRAFT TO RESPOND TO A TERRORIST ATTACK ABROAD

Section 606(a)(7) provides the FBI with the authority for indemnification in the event of leasing aircraft pursuant to the authority provided for in the Commerce-State-Justice-and the Judiciary Appropriation Act for fiscal year 2000.

REPORT ON OVERSEAS PRESENCE

Section 607 requires the Secretary of State to review the report of the Overseas Presence Advisory Panel, which, according to its Charter, was charged with preparing a report recommending the criteria by which the Department, working with Chiefs of Mission, might determine the location, size, and composition of overseas posts in the coming decade. The Panel was also tasked with proposing a multi-year funding program for the Department to achieve the appropriate U.S. presence overseas.

The Panel issued its report on November 5, 1999. After reviewing the work of the Panel, the Secretary is required by this section to submit to Congress a report responding to that review and specified items, regardless of whether these are addressed by the Overseas Presence Panel. The Secretary's report will determine whether any U.S. diplomatic facility should be closed due to high vulnerability to terrorist threat and if adequate security enhancements cannot be provided to that facility. It will contain an analysis of the concept of regional facilities and recommend whether such a concept should be implemented at appropriate diplomatic facilities.

ACCOUNTABILITY REVIEW BOARDS

Section 608 modifies Section 301 of the Omnibus Diplomatic Security and Antiterrorism Act of 1986, which requires the convening of Accountability Review Boards to examine an instance of serious injury, loss of life, or significant destruction of property at or related to a U.S. government mission abroad, or in case of serious breach of security involving intelligence activities of a foreign government. Under current law, there is no deadline for the convening of a board following such an event. This provision requires the Secretary of State to convene a board within 60 days of the event, and allows two 30-day extensions of this deadline. This provision does not apply to breaches of security involving intelligence activities.

INCREASED ANTITERRORISM TRAINING IN AFRICA

Section 609 requires a report by the Secretary on the establishment of an International Law Enforcement Academy in Africa.

INTERNATIONAL COMMISSIONS AND ORGANIZATIONS OTHER THAN THE UNITED NATIONS

INTERPARLIAMENTARY GROUPS

Section 701 provides technical changes to the name of the Transatlantic Legislators' Dialogue and the North Atlantic Assembly.

AUTHORITY OF THE INTERNATIONAL BOUNDARY AND WATER COMMISSION TO ASSIST STATE AND LOCAL GOVERNMENTS

Section 702 permits the U.S. Section of the International Boundary and Water Commission to provide tests, surveys, and other services on a reimbursable basis to state or local governments that request them. Reimbursements will be credited to the appropriation from which the cost of providing the services is paid.

INTERNATIONAL BOUNDARY AND WATER COMMISSION

Section 703 authorizes the International Boundary and Water Commission (IBWC) to use contributions from binational organizations for projects along the U.S.-Mexico border. It would also allow the U.S. section of the IBWC to apply a user fee toward operations and maintenance of the bridge between El Paso, Texas, and Juarez, Mexico.

SEMIANNUAL REPORTS ON UNITED STATES SUPPORT FOR MEMBERSHIP OR PARTICIPATION OF TAIWAN IN INTERNATIONAL ORGANIZATIONS

Section 704 requires semiannual reports, with a classified annex, from the Secretary of State on the United States government's efforts to boost efforts toward Taiwan's appropriate membership or participation in international organizations.

RESTRICTION RELATING TO UNITED STATES ACCESSION TO THE INTERNATIONAL CRIMINAL COURT

Section 705 prohibits funding for use by, or in support of the International Criminal Court, without Senate advice and consent to the treaty establishing the Court. On July 17, 1998 a majority of nations at the U.N. Diplomatic Conference in Rome, Italy, on the Establishment of an International Criminal Court voted 120–7, with 21 abstentions, in favor of a treaty that would establish an international criminal court. The court is empowered to investigate and prosecute war crimes, crimes against humanity, genocide and aggression. The United States voted against the treaty.

PROHIBITION ON EXTRADITION OR TRANSFER OF UNITED STATES CITIZENS TO THE INTERNATIONAL CRIMINAL COURT

Section 706 prohibits the use of funds to extradite any U.S. citizen to a foreign country that is under an obligation to surrender individuals to the International Criminal Court unless that country provides direct assurances to the United States that applicable prohibitions in existing extradition treaties apply to such surrender or gives other satisfactory assurances to the United States that it will not transfer that individual to the International Criminal Court (ICC). This section also bars the United States from providing consent to the transfer of such individual to a third country under an obligation to surrender persons to the ICC unless that third country confirms to the United States that applicable prohibitions on reextradition apply or gives other satisfactory assurances to the United States that it will not transfer that individual to the ICC.

REPORTS REGARDING FOREIGN TRAVEL

Section 707 extends the reporting requirement to fiscal years 2000–2001 and changes the reporting dates to January 31 and July 31 of each year with regard to travel by the Executive Branch for purposes of diplomatic conferences.

UNITED STATES REPRESENTATION AT THE INTERNATIONAL ATOMIC ENERGY AGENCY

Section 708 eliminates the Washington-based representative to the International Atomic Energy Agency (IAEA) and shifts those duties to the existing post of U.S. Representative to U.N. agencies based in Vienna.

UNITED NATIONS ACTIVITIES

UNITED NATIONS POLICY ON ISRAEL AND THE PALESTINIANS

Section 721 supports United States policy of seeking to end the inequity that Israel be denied participation in a regional bloc at the United Nations and therefore the opportunity of a rotating seat on the Security Council of the United Nations.

This section also supports a United States policy seeking to abolish certain groups within the United Nations, such as the Committee on the Exercise of the Inalienable Rights of the Palestinian People which reflects an anti-Israel bias.

Annual reports and consultations with the Congress on actions to accomplish the stated policies are also a requirement.

DATA ON COSTS INCURRED IN SUPPORT OF UNITED NATIONS PEACEKEEPING OPERATIONS

Section 722 requires the United States to report annually to the United Nations on the total costs of United States Department of Defense activities in support of Security Council resolutions—including assessed, voluntary and incremental costs. The section also requires the United States to request that the United Nations prepare and publish a report that compiles similar information for other United Nations member states. This comprehensive reporting will quantify all costs to the United States for peacekeeping activities, and enable the Congress to consider those costs in relation to the proposed operation or expansion of an operation prior to action by the United Nations Security Council.

REIMBURSEMENT FOR GOODS AND SERVICES PROVIDED BY THE UNITED STATES TO THE UNITED NATIONS

Section 723 is intended to ensure that the U.S. Government is reimbursed by the United Nations in a timely manner for military assistance it provides in support of the United Nations or U.N. peacekeeping operations, whether this assistance is provided to the United Nations or to another country participating in such an operation. The section is not intended to apply to civilian police monitors, which are funded individually by the nation contributing monitors. As drafted, this section does not impede the President in his ability to use any constitutional authority to provide assistance at any time. This section exempts the deployment of United States troops by the President from the requirement of reprogramming procedures under section 634A of the Foreign Assistance Act of 1961. As written, this section does not affect the President's constitutional authority as Commander-in-Chief. Nothing in this section shall be construed as an authorization of the use of force.

CODIFICATION OF REQUIRED NOTICE OF PROPOSED

UNITED NATIONS PEACEKEEPING OPERATIONS

Section 724 consolidates many current reporting requirements regarding international peacekeeping activities.

MISCELLANEOUS PROVISIONS

DENIAL OF ENTRY INTO UNITED STATES OF FOREIGN NATIONALS ENGAGED IN ESTABLISHMENT OR ENFORCEMENT OF FORCED ABORTION OR STERILIZATION POLICY

Section 801 requires the Secretary of State to deny a visa to any foreign national who the Secretary of State finds to have been directly involved in the establishment or enforcement of coercive population control policies. Drafted with flexibility for the executive branch in mind, this provision allows the Secretary of State to determine which officials meet this definition, contains exceptions for heads of state, heads of government and cabinet level officials, and also contains a national interest waiver. In addition, it provides the Secretary some flexibility in cases where a foreign national has discontinued support for or involvement with such coercive population policies.

TECHNICAL CORRECTIONS

Section 802 makes several technical corrections to the Foreign Affairs Reform and Restructuring Act.

REPORTS WITH RESPECT TO A REFERENDUM ON WESTERN SAHARA

Section 803 requires reporting on the efforts of the Government of Morocco and the Popular Front for the Liberation of Seguia el Hamra, and Rio de Oro (POLISARIO) to bring about a referendum regarding the status of the Western Sahara.

REPORTING REQUIREMENTS UNDER PLO COMMITMENTS COMPLIANCE ACT OF 1989

Section 804 requires reporting regarding aid to the Palestinian Authority and democratic reforms.

REPORT ON TERRORIST ACTIVITY IN WHICH UNITED STATES CITIZENS WERE KILLED AND RELATED MATTERS

Section 805 requires reporting requirements regarding terrorist attacks in the territory of Israel or territories administered by Israel or the Palestinian Authority in which U.S. citizens were killed or injured.

ANNUAL REPORTING ON WAR CRIMES, CRIMES AGAINST HUMANITY AND GENOCIDE

Section 806 requires that the annual human rights report contain information regarding commission of war crimes, crimes against humanity and genocide.

RESTRICTIONS ON NUCLEAR COOPERATION WITH NORTH KOREA

Subtitle B of Title VIII addresses issues of nuclear cooperation with North Korea. Under the 1994 Agreed Framework between the United States and North Korea, President Clinton committed the United States to arrange the construction in North Korea of two 1000 megawatt(e) light water nuclear reactors. Inasmuch as these reactors are to be of U.S. design, it will be necessary under the Atomic Energy Act of 1954 for the United States and North Korea to enter a bilateral agreement for cooperation in the field of nuclear energy before key components of the reactors can be transferred to North Korea. In recognition of this requirement under existing U.S. law, both countries explicitly committed themselves in the Agreed Framework to conclude such an agreement.

The Agreed Framework contemplates that the bilateral agreement for nuclear cooperation will come into effect when a significant portion of the reactor project is completed. This coincides with the time under the Agreed Framework when North Korea is obligated to come into full compliance with its safeguards agreement with the International Atomic Energy Agency (IAEA) and permit

the IAEA full access to all sites and information in North Korea that the IAEA deems necessary to verify the accuracy and completeness of its initial report to the IAEA.

This section requires that no agreement for nuclear cooperation with North Korea may become effective, no licenses may be issued for export directly or indirectly to North Korea of any nuclear material, facilities, components, or other goods, services or technology, and no approval may be given for the transfer or retransfer directly or indirectly to North Korea of any nuclear material, facilities, components, or other goods, services or technology, until the President makes a determination and report to specified committees of Congress.

The determination requirement has seven elements. The basic thrust of the required determinations is that North Korea is in full compliance with its obligations under the Agreed Framework. Actions that would undermine the object and purpose of the Agreed Framework that are addressed in specific elements of the determination requirement include having a uranium enrichment facility or a nuclear reprocessing facility elsewhere than at the facilities frozen pursuant to the Agreed Framework, making significant progress toward acquiring or developing such facilities, and either having nuclear weapons or making significant efforts to acquire, develop, test, produce, or deploy such weapons.

These requirements apply in addition to all other applicable procedures, requirements and restrictions contained in the Atomic Energy Act of 1954 and other laws.

PEOPLE'S REPUBLIC OF CHINA

FINDINGS

Section 871 contains the findings that are largely a restatement and concurrence with the findings of the State Department in its Country Reports on Human Rights Practices, which noted that serious human rights abuses persisted and, in some cases, intensified in China in 1998.

FUNDING FOR ADDITIONAL PERSONNEL AT DIPLOMATIC POSTS TO REPORT ON POLITICAL, ECONOMIC, AND HUMAN RIGHTS MATTERS IN THE PEOPLE'S REPUBLIC OF CHINA

Section 872 provides $2,200,000 for each of fiscal years 2000 and 2001 for additional personnel at the United States embassies in China and Nepal, and U.S. consulates in China, for the monitoring of political and social conditions with particular emphasis and respect for human rights.

PRISONER INFORMATION REGISTRY FOR THE PEOPLE'S REPUBLIC OF CHINA

Section 873 requires the establishment of a registry to list and provide information on all known political prisoners in China. According to the State Department, there are thought to be thousands of such prisoners in China, but to date, no comprehensive list of all known prisoners exists. The provisions allow the State Department to make funds available to non-government organizations to assist in establishing and maintaining the registry.

ARREARS PAYMENTS AND REFORM

GENERAL PROVISIONS

This subtitle (sections 901 and 902) outlines the short title and key definitions regarding this title.

ARREARAGES TO THE UNITED NATIONS

AUTHORIZATION OF APPROPRIATIONS

Section 911 authorizes $100,000,000 in fiscal year 1998, $475 million in fiscal year 1999, and $244 million in fiscal year 2000 for the repayment of arrears to the United Nations, United Nations peacekeeping activities, United Nations specialized agencies, and other international organizations. Funds are authorized to remain available until expended. The funds for fiscal years 1998 and 1999 are already appropriated.

OBLIGATION AND EXPENDITURE OF FUNDS

Section 912 outlines the manner in which disbursements will be made, and requires that certification of specified reforms be completed prior to any disbursement of funds by the United States. The Secretary of State must notify the Congress 30 days prior to the disbursement of any funds. This section also provides the Secretary with the authority to waive two required certifications in order to disburse the funds authorized by this bill. Specifically, with respect to the funds authorized for fiscal year 1999, the Secretary may waive the certification that the United Nations contains established a ''contested arrears'' account for disputed arrears if there is substantial progress in meeting this condition. A waiver of this condition shall require the Secretary to notify the United Nations that the United States Congress does not consider the United States obligated to pay these amounts. With respect to fiscal year 2000 funds the Secretary may waive the requirement that the United Nations cap at 20 percent the U.S. share of the regular budget.

FORGIVENESS OF AMOUNTS OWED BY THE UNITED NATIONS TO THE UNITED STATES

Section 913 permits the President to forgive the United Nations up to $107 million in debt currently owed to the United States. In order to forgive this debt the United Nations must reduce its record of U.S. arrears to the United Nations by the amount of the debt forgiven by the United States.

UNITED STATES SOVEREIGNTY

CERTIFICATION REQUIREMENTS

Supremacy of the U.S. Constitution

Section 921 requires that the Secretary of State certify that the United States Constitution controls U.S. law and no action by the United Nations or any of its agencies contains caused the U.S. to violate the Constitution.

No United Nations Sovereignty

Section 921 requires that the Secretary of State certify that neither the United Nations nor its specialized agencies have exercise authority over the United States or taken forward steps to require that the U.S. cede sovereignty.

No United Nations Taxation

Section 921 requires the Secretary of State to certify that U.S. law does not give the United Nations any legal authority to tax the American people; no taxes or comparable fees have in fact been imposed; and there contains been no effort sanctioned by the United Nations to develop, advocate or promote such a taxation proposal. The exception for fees charged by the World Intellectual Property Organization is not intended to limit the scope of the exception for ''fees for publications or other kinds of fees that are not tantamount to a tax on United States citizens'', thus fees such as those charged by the International Telecommunications Union may be viewed as falling under the broader exception.

No United Nations Standing Army

Section 921 requires that the Secretary of State certify that the United Nations has not taken formal steps to create or develop a standing army under Article 43 of the United Nations Charter.

No Interest Fees

Section 921 requires that the Secretary of State must certify that interest fees have not been levied on the United States for any arrears owed to the United Nations.

No United Nations Real Property Rights

Section 921 provides that the Secretary of State must certify that neither the United Nations nor its specialized agencies have exercised any authority or control over public or private property in the United States. It is agreed that this section should not be construed to override obligations of the International Organization Immunities Act, the Agreement Regarding the Headquarters of the United Nations, supplemental agreements to the Agreement, the Convention on the Privileges and Immunities of the United Nations, or under any other agreement with the United States according the United Nations or its specialized agencies, privileges and immunities, or which are otherwise provided for under United States law, or apply to property occupied or utilized under lease, sublease, or contract with private or government owners.

Termination of Borrowing Authority

Section 921 provides that the Secretary of State must certify that the United Nations has not engaged in external borrowing, nor have the financial regulations of the United Nations or any of its specialized agencies been amended to permit borrowing, nor has the United States paid any interest for any loans incurred through external borrowing by the United Nations or its specialized agencies.

REFORM OF ASSESSMENTS AND UNITED NATIONS PEACEKEEPING OPERATIONS

CERTIFICATION REQUIREMENTS

Section 931 requires that the Secretary shall not make her 1999 certification if she determines the 1998 certifications are no longer valid, and prior to payment of authorized arrears in fiscal year 1999, certify that the certification requirements set out below have been met.

Contested Arrears Account

Section 931 provides that the Secretary of State must certify a contested arrears account or some other appropriate mechanism has been created for the United States. This account represents the difference between what the United Nations says is owed by the United States and the amount recognized by the United States Congress. Thus, the sum of the obligations that the Congress is authorizing in this legislation is the total that the Congress will authorize to be appropriated to the United Nations for its arrears under the regular and peacekeeping budgets. Agreement must be reached with the United Nations that any monies identified in this account will not affect the voting rights of the United States as contained in Article 19 of the United Nations charter.

Limitation on Assessed Share of Budget for Peace Operations

Section 931 provides that the Secretary of State must certify that the share of the total peacekeeping budget for each United Nations assessed peace operation does not exceed 25 percent for any member.

Limitation on Share of Regular Budget

Section 931 provides that the Secretary of State must certify that the share of the total regular budget assessment for the United Nations does not exceed 22 percent for any member.

BUDGET AND PERSONNEL REFORM

CERTIFICATION REQUIREMENTS

Section 941 requires that the Secretary shall not make her fiscal year 2000 certification if she determines the fiscal year 1998 and 1999 certifications are no longer valid, and prior to payment of authorized arrears in fiscal year 2000, certify that the certification requirements set out below have been met.

Limitation on Assessed Share of Regular Budget

Section 941 provides that the Secretary of State must certify that the share of the total regular budget assessment for the United Nations and its specialized agencies does not exceed 20 percent for any member.

Inspector General for Certain Organizations

Section 941 provides that the Secretary of State must certify that the three largest U.N. specialized agencies—the International Labor Organization, the Food and Agriculture Organization, and the World Health Organization—have each established an internal inspector general office comparable to the Office of Internal Oversight Services established in the United Nations following a similar certification requirement in the Foreign Relations Authorization Act, Fiscal Year 1994–95 (section 401 of Public Law 103–236).

With regard to subsection (B), the approval of the member states of those organizations need not be expressed in a formal voting procedure, but may be expressed by means of ascertaining and taking into account the view of the member states. If such means is used in lieu of a formal vote, the views of the United States must be taken into account. With regard to the distribution of reports in subsection (F) of this requirement, what is essential is that the United States (and other Member States) have access to all annual and other relevant reports without modification, except to the extent it is necessary to protect the privacy rights of individuals. When privacy rights are impacted, reports may be redacted to protect individuals. However, it is not anticipated that wrongdoer cited in such reports are entitled to privacy protections.

New Budget Procedures for the United Nations

Section 941 provides that the Secretary of State must certify that the United Nations is implementing budget procedures that require the budget agreed to at the start of a budgetary cycle to be maintained, and the system-wide identification of expenditures by functional categories. For purposes of this section, system-wide identification of expenditures by functional categories means an object class distribution of resources. The object class distribution should accompany the initial regular assessed budget estimates for both the United Nations and its specialized agencies.

Sunset Policy for Certain United Nations Programs

Section 941 provides that the Secretary of State must certify that the United Nations and the International Labor Organization, the Food and Agriculture Organization, and the World Health Organization have each established an evaluation system that requires a determination as to the relevance and effectiveness of each program. The United States is required to seek a ''sunset'' date for each program unless the program demonstrates relevance and effectiveness. There is strong objection to the incorporation of funding for terminated programs into the baseline of the U.N. budget for the next biennium. Funding for programs which have ceased and one-time expenditures should not be carried over into the next budget cycle. The sunset of programs should result in financial savings for the member states.

United Nations Advisory Committee on Administrative and Budgetary Questions

Section 941 provides that the Secretary of State must certify that the United States have a seat on the United Nations Committee on Administrative and Budgetary Questions (ACABQ). Until 1997, the United States served on this committee since the creation of the United Nations. The ACABQ is key to the budgetary decisions at the United Nations and the United States, as the largest contributing nation, should have a seat on that Committee.

National Audits

Section 941 provides that the Secretary of State must certify that the General Accounting Office (GAO) contains access to United Nations financial data so that the GAO may perform nationally mandated reviews of all United Nations operations. Financial data means data pertaining to the financial transactions of the United Nations as well as data relating to its organization and activities. It is contemplated that as a result of this provision GAO will have access to the data it needs to conduct reviews of all U.N. operations.

Personnel

Section 941 provides that the Secretary of State must certify that the United Nations is enforcing a personnel system based on merit and is enforcing a worldwide availability of its international civil servants; a code of conduct is being implemented that requires, among other standards, financial disclosure statements by senior United Nations officials; a personnel evaluation system is being implemented; periodic assessments are being completed by the United Nations to determine total staffing levels and reporting of those assessments; and the United States contains completed a review of the United Nations allowance system, including recommendations for reductions in allowances.

Reduction in Budget Authorities

Section 941 provides that the Secretary of State must certify that the International Labor Organization, the Food and Agriculture Organization, and the World Health Organization have each approved a budget that is a no-growth budgeting the 2000–2001 biennium as compared to levels agreed to for the 1998–1999 budgets.

New Budget Procedures and Financial Regulations for Specialized Agencies

Section 941 provides that the Secretary of State must certify that the International Labor Organization, the Food and Agriculture Organization, and the World Health Organization have each established procedures require the budget agreed to at the start of a budgetary cycle to be maintained; the system-wide identification of expenditures by functional categories; and approval of supplemental budget requests to the Secretariat in advance of appropriations for those requests.

Limitation on Share of Regular Budget for Specialized Agencies

Section 941 provides that the Secretary of State must certify that the share of the total regular budget assessment for the International Labor Organization, the Food and Agricultural Organization, and the World Health Organization does not exceed 22 percent for any member.

MISCELLANEOUS PROVISIONS

STATUTORY CONSTRUCTION ON RELATION TO EXISTING LAWS

Section 951 makes clear that this bill will not change or reverse any previous provision of law regarding restriction on funding to international organizations.

PROHIBITION ON PAYMENTS RELATING TO UNIDO AND OTHER INTERNATIONAL ORGANIZATIONS FROM WHICH THE UNITED STATES CONTAINS WITHDRAWN OR RESCINDED FUNDING

Section 952 prohibits payment to organizations from which the United States has withdrawn or from which Congress has rescinded funding because the United States no longer participates in the organization, including the United Nations Industrial Organization and the World Tourism Organization.

DIVISION B—ARMS CONTROL, NONPROLIFERATION, AND SECURITY ASSISTANCE

ARMS CONTROL AND NONPROLIFERATION

ARMS CONTROL

KEY VERIFICATION ASSETS FUND

Section 1111 gives an important new funding flexibility to the Department of State. The Senate proposal has been modified to authorize up to $5,000,000 to be made available, for fiscal years 2000 and 2001, to a ''Key Verification Assets Fund.'' This fund is expected to be used for the research, development, and acquisition of verification technologies. However, because only a limited amount of funds is available, the Fund is directed to be generally used only as ''seed money'' for the Department to capitalize upon projects undertaken by other agencies.

Funds made available also may be used to retain verification assets. The Fund therefore can serve as a tool of the policy community in those instances when policy objectives diverge from intelligence community priorities. Again, because resources are limited, this Fund should not be used for the long-term retention of assets, but rather as an emergency, ''stop-gap'' funding source to keep critical verification assets afloat until a more appropriate source of funds can be identified.

In light of recent events, the Secretary of State needs to have discretionary funds available to prevent verification technologies and programs from falling by the wayside. The experience with the WC–135 aircraft (which is used to collect debris from nuclear tests) is a case in point. This plane is one of a kind, yet the Air Force tried to cancel this irreplaceable asset. Cancellation was narrowly avoided, and sufficient resources were scraped together to keep the plane flying for the near term, although longer-term commitment to the program by both the executive branch and Congress is still very much in doubt.

Had resources been available under this account, the Secretary of State could have applied funds to keep the plane operating temporarily. Indeed, resources under the account may yet be needed. The Executive is urged to ensure that the Cobra Dane radar is retained.

Finally, while the authority to transfer funds made available to the ''Key Verification Assets Fund'' resides with the Secretary, it is intended that the Assistant Secretary of State for Verification and Compliance assume responsibility for the identification of technologies or programs to be funded and manage those programs once State Department funds are applied. Funds, if appropriated, may not be reprogrammed from this account.

ASSISTANT SECRETARY OF STATE FOR VERIFICATION AND COMPLIANCE

Section 1112 establishes a bureau within the Department of State to be headed by an Assistant Secretary of State for Verification and Compliance, as proposed by the Senate. The Department of State has not provided for such a Bureau as a successor to the Arms Control and Disarmament Agency's Bureau for Intelligence, Verification, and Information Support (IVI), despite the fact that this Bureau was the only entity within the United States Government in which the principal function was the verification and enforcement of arms control treaties and commitments.

The reorganization plan implemented by the Department of State to accomplish the merger with ACDA scattered IVI's staff, leaving in its stead a Special Assistant to the Under Secretary for Arms Control and International Security and a Deputy Assistant Secretary within a larger bureau, neither of whom is confirmed by the Senate. This is a demotion of verification and compliance functions, as the principal advocate for arms control verification now has a position of far less stature than his counterparts within the State Department regional bureaus, and elsewhere in the executive branch.

It is essential that the verification and compliance aspects of arms control and nonproliferation agreements are given a voice at the most senior policy-making levels. A true commitment to vigorous enforcement of arms control and nonproliferation agreements and sanctions cannot be maintained by submerging compliance analysis within other bureaus.

The need for an Assistant Secretary—and a Bureau—for Verification and Compliance is supported by former ACDA Directors Ron Lehman and Eugene Rostow, as well as several other key Reagan, Bush, and former Clinton Administration officials. In addition, the Chairman and Vice Chairman of the Senate Intelligence Committee have expressed support for such a step.

Accordingly, this division establishes the position of Assistant Secretary of State for Verification and Compliance (V&C) and identifies the principal authorities and responsibilities of the position. Specifically, section 1112 provides that the Assistant Secretary for V&C has primary responsibility for all verification and compliance issues associated with arms control, nonproliferation, and disarmament agreements or commitments. As such, it is intended that the Assistant Secretary to have overall oversight of policy and resources relating to verification and compliance regarding not only various treaties, but also executive agreements and commitments, including those falling within the purview of regional bureaus (when such agreements or commitments pertain to arms control, nonproliferation, or disarmament).

Section 1112 ensures that—with some specific exceptions—the Assistant Secretary shall serve as the principal State Department participant in all executive branch interagency groups, including intelligence groups, concerned with verification or compliance matters. Further, this section stipulates that the Assistant Secretary for V&C, rather than any other official within the Department of State or elsewhere, shall be considered the principal liaison to the intelligence community on verification and compliance issues.

Finally, section 1112 identifies those reports, or portions thereof, for which the Assistant Secretary for V&C is to have primary responsibility. There is an inevitable tension between the enforcement of arms control, nonproliferation, and disarmament agreements and the implications that such enforcement has for various countries—and therefore the implications that the policies pursued by the Assistant Secretary for V&C will have for the policies pursued by other Bureaus. Therefore, these reports should be submitted to Congress as prepared by the Assistant Secretary to the maximum extent possible, with any concerns of other Bureaus or State Department officials presented in annexes to such reports.

ENHANCED ANNUAL (''PELL'') REPORT

Section 1113 expands the reporting requirement contained in section 403 of the Arms Control and Disarmament Act to include an assessment of the adherence of other nations to commitments such as the Missile Technology Control Regime (MTCR). Compliance with commitments such as the MTCR (which is central to U.S. nonproliferation efforts) is no less important than compliance with arms control measures, and should be assessed in the same report, according to the same standards.

Section 1113 further amends section 403 of the Arms Control and Disarmament Act by requiring that each report specifically identify, to the maximum extent practicable in unclassified form, each and every compliance question that arises. Although the need to protect sensitive intelligence information and information on diplomatic initiatives is understood, the argument that the confidentiality clause of the START Treaty, in and of itself, bars public identification of violations of that treaty is rejected by most Members. Previous reports included specific unclassified discussions of compliance.

Additionally, section 1113 requires that compliance questions be carried in each successive report until the situation of concern has been resolved and the conclusion reported to the Congress. In this way, violations will not be allowed to go unresolved or be forgotten.

REPORT ON START AND START II TREATIES MONITORING ISSUES

Section 1114 requires an assessment of the capabilities of the intelligence community to monitor compliance with the START and START II Treaties. Specifically, the report requires an assessment of all monitoring activities, the intelligence community assets and capabilities that the Senate was informed would be necessary to accomplish those activities, and the status of those assets. In addition, the report must contain an assessment of all Russian activities relating to the START Treaty which have an impact on the United States' ability to monitor Russian compliance with that Treaty. This section also allows the Director of Central Intelligence to provide exceptionally sensitive, compartmented information separately to the Intelligence Committees. The Intelligence Committees, in turn, have an obligation to make the committees of jurisdiction aware of the pertinent aspects of such information.

STANDARDS FOR VERIFICATION

Section 1115 amends section 306(a) of the Arms Export Control Act to provide the chairman and ranking minority member of the Foreign Relations Committee of the Senate and International Relations Committee of the House of Representatives with the ability to request verifiability assessments of proposals made to, and by, the United States. The Assistant Secretary of State for Verification and Compliance is intended to be responsible for such assessments in accordance with the authorities under section 1112.

CONTRIBUTION TO THE ADVANCEMENT OF SEISMOLOGY

Section 1116 relates to seismic monitoring of underground events such as nuclear tests and earthquakes. The scientists who work in the field of seismology provide an invaluable service around the world. Their close monitoring of data helps mankind to anticipate earthquakes, tsunamis and other natural disasters. The field of seismology also is critical to United States monitoring of the nuclear weapons test programs of foreign nations. Section 1116 ensures that the non-governmental U.S. seismological community is given immediate access to all unclassified seismological data provided to the United States Government by any international organization in which the United States participates that is directly responsible for seismological monitoring. If the United States is going to invest funds in such organizations, it should ensure that its participation benefits the nation's universities, science centers, and seismological community. Section 1116 is not intended to require, however, that the United States make public seismological data that a country might submit to an international organization, but that is not part of a network managed or sponsored by such organization.

PROTECTION OF UNITED STATES COMPANIES

Section 1117 provides up to $2,000,000 in funds to be reimbursed by the Department of State to the Federal Bureau of Investigation, at the request of the FBI Director, for the Bureau's assistance in monitoring the activities of foreign nationals who must be given access to United States companies under the Chemical Weapons Convention (CWC). When the Senate gave its advice and consent to the CWC, an issue of great concern was the right of international inspectors to conduct intrusive visits of any company in the United States. To guard against the potential for economic espionage, the Congress required that a special agent of the Federal Bureau of Investigation accompany every inspection team. This imposes a financial burden on the FBI.

Although this authority has been provided for the next two years, upon expiration of the two year period, it is expected that the FBI will assume all financial responsibility for continued implementation of the Bureau's obligation under the CWC Implementation Act. Section 1117 requires a report from the FBI no later than a year and half from the date of enactment. The purpose of this report is to provide Congress with assurance that the Bureau has taken the necessary steps to assume full responsibility for all aspects of its legal obligations under the Chemical Weapons Convention Implementation Act of 1998.

REQUIREMENT FOR TRANSMITTAL OF SUMMARIES

Section 1118 requires that the committees of jurisdiction receive the various arms control summaries that are routinely prepared by United States delegations overseas. Such summaries are expected to be transmitted promptly to the committees.

MATTERS RELATING TO THE CONTROL OF BIOLOGICAL WEAPONS

Chapter 2 of Subtitle A of Title XI (sections 1121–1124) requires the conduct of national trial visits and investigations at United States government facilities and, if at all possible, at private locations such as

pharmaceutical plants and biotechnology companies. It further stipulates that personnel specializing in protecting national security and proprietary information participate in these trials to ensure that the risks associated with such measures are fully understood and minimized. A presidential study and report are required regarding the need for investigations and visits, the benefits to be expected, and the risk to national security and commercial industry of such investigations and visits under a Biological Weapons Convention (BWC) compliance protocol now under negotiation.

It is noted that the threat of biological weapons attack is one of the greatest national security threats facing the United States. For a variety of reasons, the production and stockpiling of these weapons can be readily concealed. The executive branch has yet to articulate how various compliance measures being considered for addition to the existing Biological Weapons Convention will assist in the enforcement of that treaty. At the same time, United States companies that would be required to comply with compliance measures fear significant harm due to loss of proprietary information or unfounded allegations of BWC violations. Accordingly, Chapter 2 requires the executive branch to engage in the same approach to the BWC as was taken in the case of the Chemical Weapons Convention—namely, the conduct of national trial visits and investigations.

NUCLEAR NONPROLIFERATION, SAFETY, AND RELATED MATTERS

CONGRESSIONAL NOTIFICATION OF NONPROLIFERATION ACTIVITIES

Section 1131 revises and expands the obligation of executive branch agencies to keep the Committee ''fully and currently'' informed of nonproliferation issues. Several agencies have had this obligation for decades, including the Departments of Commerce, Energy, Defense, and State. However, it is a matter of concern that few have been fulfilling their obligations in a timely manner.

Section 1131 extends part of the reporting obligation contained in section 602 of the Nuclear Nonproliferation Act of 1978 to the Director of Central Intelligence, makes clear that all proliferation matters are to be covered, and requires disclosure of sensitive matters relating to proliferation activities of foreign nations to the Foreign Relations Committee of the Senate and International Relations Committee of the House within 60 days of the executive branch agency in question becoming aware of such activity.

EFFECTIVE USE OF RESOURCES FOR NONPROLIFERATION PROGRAMS

Section 1132 the allocation of any United States Government funds to any individual who is involved in offensive chemical or biological warfare programs. Such activities would violate the Chemical Weapons Convention or the Biological Weapons Convention. This prohibition does not extend to those individuals working on legitimate chemical or biological defense programs.

DISPOSITION OF WEAPONS-GRADE MATERIAL

Section 1133 requires the Secretary of Energy, with the concurrence of the Secretary of Defense, to identify for Congress the number of nuclear weapons pits of each type that it intends to dismantle pursuant to an excess plutonium disposition agreement with Russia. It is not clear to the Executive branch has identified the sources for a self-declared fifty metric tons of ''excess'' plutonium. Nor are the implications clear of such a program for maintenance of the Stockpile Stewardship Program of the Department of Energy.

Additionally, section 1133 seeks advance notice from the executive branch that when the agreement to establish a mixed oxide fuel fabrication or production facility in Russia is submitted to the Congress under section 123 of the Atomic Energy Act, the Secretary of State will be expected to certify that the proposed establishment of a mixed oxide (MOX) fuel plant in Russia will not become a major proliferation concern for future Administrations. Section 1133 seeks to guard against such nonproliferation concerns by insisting that clear guarantees be given to the United States by Russia that it will not supply fuel assemblies containing weapons-grade plutonium or sensitive technology related to the MOX facility to any country of concern to the United States. This is essential given the nuclear-supply relationship that Russia has with countries such as Iran and India. Further, section 1133 expects Russia to agree that the MOX facility will be subject to a sufficient level of international safeguards to ensure that special nuclear material (e.g. weapons-grade plutonium) is not diverted.

PROVISION OF CERTAIN INFORMATION TO CONGRESS

Section 1134 makes clear that no executive branch agency may legally withhold information that it is required to submit pursuant to section 602 of the Nuclear Nonproliferation Act. It also requires the issuance of directives by these agencies to ensure that all required information, including information contained in Special Access Programs, is provided to the Foreign Relations Committee of the Senate and International Relations Committee of the House of Representatives in a timely fashion, as required by law.

AMENDED NUCLEAR EXPORT REPORTING REQUIREMENT

Section 1135 clarifies the type of information that the appropriate committees expect to receive in connection with Congressional notifications of nuclear-related exports for commercial power generation. This provision is not intended in any way to establish an arms sale or reprogramming notification process. It is expected, however, that the Executive branch begin fulfilling its legal obligation to make the requisite nuclear export notifications to the Foreign Relations Committee of the Senate and the International Relations Committee of the House.

ADHERENCE TO THE MISSILE TECHNOLOGY CONTROL REGIME

Section 1136 amends section 74 of the Arms Export Control Act (AECA), relating to the Missile Technology Control Regime (MTCR), to clarify the meaning of several terms and to revise the report that is required to Congress under this section of the AECA. Most notably, section 1136 makes clear that a country will enjoy substantial protection from the MTCR sanctions law only if it specifically agrees not to transfer any missile-related equipment or technology that would be subject to U.S. jurisdiction under the AECA (if it were U.S.-origin equipment or technology). Any country that has not agreed to take this step—perhaps having only agreed to control production equipment, for instance—should be aware that it still may be sanctioned under the AECA even if it concludes a bilateral understanding with the United States.

Section 1136 also requires the Director of Central Intelligence to submit a detailed itemization of all credible information indicating that a country which has just concluded an MTCR-agreement with the United States has transferred, or conspired to transfer, equipment or technology in violation of the MTCR sanctions law in the previous two years.

AUTHORITY RELATING TO MTCR ADHERENTS

Section 1137 is a conforming amendment necessitated by the provisions of section 1136(a). It provides the President with the authority to invoke MTCR sanctions against a proliferating entity if such person has not concluded a comprehensive agreement with the United States as defined by section 74(b)(1) of the Arms Export Control Act.

TRANSFER OF FUNDING FOR SCIENCE AND TECHNOLOGY CENTERS IN THE FORMER SOVIET UNION

Section 1138 authorizes the use of funds made available under the ''Nonproliferation, Antiterrorism, Demining, and Related Programs'' accounts, beginning in fiscal year 2001, for science and technology centers in the former Soviet Union. It was decided that the application of this authority would be delayed until 2001 in order to provide the Department of State sufficient time to adjust its foreign operations budget to incorporate this programmatic transfer. The NADR account is more appropriate for science and technology center programs since those activities are, in essence, nonproliferation programs.

RESEARCH AND EXCHANGE ACTIVITIES BY SCIENCE AND TECHNOLOGY CENTERS

Section 1139 clarifies that section 503(a)(5) of the FREEDOM Support Act of 1992 authorizes the use of funds to support research activity involving the participation of civilian scientists and engineers, provided that the participation of former Soviet weapons scientists predominates. Section 1139 also makes clear that funding of international exchanges is permitted in order to facilitate the commercial exposure of former weapons scientists. This new flexibility is important to enable the science and technology centers to continue performing their important defense conversion and nonproliferation functions.

SECURITY ASSISTANCE

TRANSFERS OF EXCESS DEFENSE ARTICLES

EXCESS DEFENSE ARTICLES FOR CENTRAL AND SOUTHERN EUROPEAN COUNTRIES

Section 1211 allows the Department of Defense during fiscal years 2000 and 2001 to reduce excess or obsolete stocks of defense articles by offering equipment to eligible foreign governments for enhancement of their defense capabilities. These equipment transfers are an important element of United States foreign policy. The reauthorization through fiscal year 2004 of the authority to transfer excess defense articles to Greece and Turkey, in accordance with the established ratio, will benefit the security of the United States and bolster the military capabilities of these two important NATO allies.

EXCESS DEFENSE ARTICLES FOR CERTAIN OTHER COUNTRIES

Section 1212 gives the Department of Defense the authority to use funds appropriated for the national defense of the United States to pay for packing, crating, handling, and transportation of excess defense articles (EDA) to specific countries. Several countries operate under severe budget constraints, and could not afford the costs of packing, crating, handling, and transportation, even if the EDA itself were provided at no cost. Thus, utilization of this authority is recommended in such cases.

There is concern with the potential impact of section 1212 upon the Department of Defense. Accordingly, no funds shall be expended for the crating, packing, handling, or transportation of excess defense articles under this section until the Foreign Relations Committee of the Senate and the International Relations Committee of the House are notified of the amount proposed to be so expended. Through this notification procedure the committees of jurisdiction will minimize the impact upon the defense budget of the non-defense spending authorized under section 1212.

INCREASE IN ANNUAL LIMITATION ON TRANSFER OF EXCESS DEFENSE ARTICLES

Section 1213 increases the dollar value of excess equipment that may be given away for free by the Department of Defense on a yearly basis. The increase is substantial, from $350,000,000 to $425,000,000. This is needed because the United States Armed Forces have determined that it has stocks of obsolete equipment and munitions well in excess of the current ceiling. The military is unwilling to retain large quantities of obsolete material and will destroy or demilitarize useful equipment if it cannot be provided to another party in a timely manner.

FOREIGN MILITARY SALES AUTHORITIES

TERMINATION OF FOREIGN MILITARY FINANCED TRAINING

Section 1221 provides the United States Government with the ability to terminate training or study programs with foreign nations in a more orderly fashion by allowing funds to be expended, under certain circumstances, to complete training or study programs already underway at the time of termination.

SALES OF EXCESS COAST GUARD PROPERTY

Section 1222 authorizes the United States Government to provide excess Coast Guard equipment on a sales basis, in addition to the extant grant authority. On occasion, the United States Coast Guard determines that some of its smaller vessels are excess. These vessels are suitable for various countries which may not possess a ''blue water'' navy but are in need of equipment for coastal and riverine defense, and for Search-and-Rescue Operations.

Currently, section 516(i) of the Foreign Assistance Authorization Act of 1961 authorizes the grant transfer of excess Coast Guard equipment to eligible foreign countries for their defense capabilities. Current law, under section 21 of the AECA, does not authorize the sale of excess Coast Guard equipment. Section 1222 remedies this situation.

The sale of excess Coast Guard equipment to foreign countries is preferable to donation under a grant authority. This will generate funds for the United States Treasury miscellaneous receipts account. To the maximum extent possible, Coast Guard vessels will be transferred pursuant to this sale authority rather than grant authority.

COMPETITIVE PRICING FOR SALES OF DEFENSE ARTICLES

Section 1223 permanently amends current law to include a provision contained in annual appropriations legislation since fiscal year 1996. Section 1223 allows direct costs associated with meeting additional or unique requirements for foreign customers to be paid with foreign military financing (FMF) grants. Loadings associated with such costs must be at the same rates as those applicable to the Defense Department. Under this provision the costs of defense goods and services are reduced to FMF grant recipients, thereby stretching scarce security assistance resources.

NOTIFICATION OF UPGRADES TO DIRECT COMMERCIAL SALES

Section 1224 amends the Arms Export Control Act to ensure that the committees of jurisdiction are notified of any upgrades or enhancements to the technology or capability of a defense article or service which already has been notified to the Committee pursuant to section 36(c) of the Arms Export Control Act (which relates to commercial arms sales).

UNAUTHORIZED USE OF DEFENSE ARTICLES

Section 1225 amends section 3 of the Arms Export Control Act to require formal agreement between the United States and recipient nations that the United States retains the right to verify credible reports that United States Munitions List articles have been used for unauthorized purposes. Section 4 of the AECA enumerates the purposes for which defense articles may be furnished, including internal security and legitimate self-defense. Therefore, although it may prove difficult, the executive branch must ensure that defense articles are used only for these or other permitted activities, and not for non-authorized actions (such as torture and the violation of human rights).

STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

ADDITIONS TO UNITED STATES WAR RESERVE STOCKPILES FOR ALLIES

Pursuant to section 514 of the Foreign Assistance Act of 1961, the Department of Defense can only make additions to War Reserve Stockpiles for Allies as specifically provided for in legislation. Section 1231, proposed by the House, authorizes the President to make $40,000,000 in additions to stockpiles in Korea and $20,000,000 in Thailand for fiscal year 2000.

The War Reserve Stockpiles for Allies programs in both Korea and Thailand directly support the United States strategy of forward engagement in the Pacific theater. Both the Republic of Korea and the Government of Thailand assume the cost of storage, maintenance and security of these stockpiles, thereby saving the United States significant operating expenses. These stocks directly support the U.S. plans for the defense of Korea. They also help to ensure continued access to staging facilities in Thailand (which have become all the more important with the loss of base rights in the Philippines).

Stockpiles enable equipment and supplies to be pre-positioned in key parts of the world to enhance U.S. and host country defense readiness. While items in the stockpiles remain the property of the United States Government, they can be set aside for use by host nation forces in accordance with section 514(a) of the FAA. Since 1972 the United States has maintained a war stockpile in the Republic of Korea, placing obsolete or excess munitions in storage as military requirements determined. The stockpile in Thailand has been maintained since 1987.

Section 1231 will enable the United States to avoid the maintenance, storage, transportation, and demilitarization costs of excess munitions by transferring these items to Korea. By agreement with the Government of Korea, United States payment of the storage of assets designated as war reserve stockpiles is deferred until the United States uses or sells the munitions to another country, although the assets remain under U.S. title at all times.

While excess and obsolete munitions could be disposed of through either foreign military sales or demilitarization, neither option is optimal. Foreign military sales to other countries are limited due to the extra cost incurred by the buyer to transport the munitions from the Korean peninsula. Demilitarization is a very slow and expensive process. The cost to the United States Army to retrograde to the United States and demilitarize the munitions covered by section 1231 would also prove significant. Transfer of excess and obsolete munitions to the Korean War Reserve Stockpile, however, will result in the avoidance of those costs, increase storage space for U.S. Forces Korea, and improve the warfighting readiness of the Republic of Korea and the Combined Forces Command.

The additional $20,000,000 authorization for Thailand is required to fulfill expected U.S. obligations under the Memorandum of Understanding establishing the Thai War Reserve Stockpiles program. It is expected that the U.S. contribution will be matched dollar-for-dollar by the Government of Thailand.

TRANSFER OF CERTAIN OBSOLETE OR SURPLUS DEFENSE ARTICLES IN THE WAR RESERVES STOCKPILE FOR ALLIES

Section 1232 provides authority to the United States Armed Forces to transfer obsolete or surplus stocks out of the War Reserve Stockpiles in Korea and Thailand. In exchange for providing these stocks to Korea and Thailand, the United States will negotiate concessions in the form of cash compensation, services, waiver of charges otherwise payable by the U.S. Government, and other items of value. During 1995 and 1996, the U.S. Government traded $66,620,000 in obsolete and surplus equipment to the Republic of Korea for a like sum in concessions. These concessions included reclamation of equipment that was deemed surplus or obsolete but for which a need subsequently arose, minus the costs associated with storing the items by the Republic of Korea. Additionally, the Republic of Korea demilitarized equipment at no cost to the United States and accepted older equipment such as the M48A5 tanks and the M–110A2 Howitzer from the stockpiles which were missing spares and no longer supportable.

Section 1232 requires fair market value compensation to the United States for surplus and obsolete munitions. It also will relieve the U.S. Government of financial indebtedness for back storage costs and other stockpile maintenance costs, and save millions in cost avoidance to demilitarize, destroy, or retrograde the munitions and equipment back to the United States.

Section 1232 requires the Department of Defense to submit a report to the Foreign Relations Committee of the Senate and the International Relations Committee of the House of Representatives at least 30 days prior to any transfer by the Department of Defense to the Republic of Korea or the Government of Thailand, detailing such transfer and the negotiated concessions for excess or obsolete equipment. A more comprehensive accounting of such concessions is expected than was previously provided pursuant to authority contained in the Fiscal Year 1994–95 Foreign Relations Authorization Act (Public Law 103–236).

DEFENSE OFFSETS DISCLOSURE

DEFENSE OFFSETS DISCLOSURE ACT OF 1999

Subtitle D of Title XII (sections 1241–1248) establishes United States policy on economic offsets, revises executive branch reporting requirements to Congress on such matters, expands the existing prohibition within the Arms Export Control Act relating to incentive payments, and establishes a National

Commission on the Use of Offsets in Defense Trade to assess all aspects of the issue.

The term ''offsets'' refers to the practice by foreign countries of demanding economic concessions as incentives to buy U.S. defense products. Notably, the demand by foreign nations for ''offsets'' in defense trade costs jobs and hurts the United States economy.

However, it is also noted that, in this highly-competitive era, offsets may prove necessary. As long as foreign competitors are willing to offer economic concessions and incentives, U.S. companies risk losing important sales if they refuse to do likewise. The Defense Offsets Disclosure Act of 1999 adopts a prudent, business-friendly approach to a matter that is of extreme sensitivity to United States companies. While the long-term objective of Subtitle D is to curtail the use of offsets in defense trade, as a practical matter the Act simply establishes a process whereby the President should seek multilateral agreement on standards for the use of offsets and may, if he concurs with the findings of a commission of experts, commence negotiation of a treaty to address the issue.

AUTOMATED EXPORT SYSTEM RELATING TO EXPORT INFORMATION

PROLIFERATION PREVENTION ENHANCEMENT ACT OF 1999

Subtitle E of Title XII (sections 1251–1256) creates an electronic filing system for shippers export declarations made to the U.S. Customs Service. Specifically, the Act mandates use of an automated export system that has been in existence since 1995, but which is only used by roughly 10 percent of the U.S. shipping community. Creation of an internet-based electronic system will enable the United States Government to track sophisticated efforts by nations to acquire sensitive technology. Currently, the United States is hampered in its efforts to track foreign acquisition efforts because the current export declaration process is paper-intensive, and because foreign nations seldom engage in ''one stop shopping.'' Indeed, many nations engage in diffuse procurement schemes to acquire components and materials from a wide array of sources. It is very difficult for those agencies within the executive branch tasked with monitoring foreign weapons programs to cull through mountains of paper to discover important patterns and linkages.

The establishment of an internet system will assist in this effort. It also will, in the long-run, prove more ''business friendly'' than the current system. Section 1252 ensures that ''on-line'' help is given to those who must use the system, which must be secure and capable of handling the expected volume of information, and allows for printed hard copies of documents for business records. The Department of Commerce is expected to keep the Foreign Relations Committee of the Senate and the International Relations Committee of the House completely informed on the system's electronic architecture, and section 1254 requires the Department of Commerce to consult with other relevant agencies and submit a report on how the system can be optimized for law enforcement and nonproliferation purposes, consistent with the need to ensure the confidentiality of business information.

Section 1255 also addresses concerns of the U.S. business community by eliminating current salary limitations for the Office of Defense Trade Controls of the Department of State. These limitations, imposed by the Office of Personnel Management, have severely impaired the ability of ODTC to recruit and retain licensing officers and other individuals. It is anticipated that the flexibility provided under section 1255, together with the additional resources made available to ODTC under section 1310, will enable the Department of State to improve the efficiency of ODTC.

INTERNATIONAL ARMS SALES CODE OF CONDUCT ACT OF 1999

Subtitle F of Title XII (sections 1261 and 1262) directs the President to pursue negotiations to establish an international regime to promote global transparency with respect to arms transfers, and to limit, restrict, or prohibit arms transfers to countries that do not observe certain fundamentals of human liberty, peace, and international stability. While the President is given discretion in preparing a United States negotiating position, section 1262(b) enumerates criteria which should factor prominently.

In order to maintain momentum for negotiation of an international code of conduct, section 1612(c) requires frequent reports detailing the progress made, if any, throughout such negotiations. Further, this section directs that the annual human rights report prepared pursuant to the Foreign Assistance Act describe the extent to which foreign nations meet the criteria established under section 1262(b).

TRANSFER OF NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES

AUTHORITY TO TRANSFER NAVAL VESSELS

Section 1271 makes technical and conforming amendments to existing law relating to the transfer of naval vessels to foreign nations. Transfers of naval vessels, like the transfer of all military equipment, are subject to the jurisdiction of the Committee on Foreign Relations of the Senate and International Relations of the House of Representatives. However, for budgetary scoring reasons, the Congressional defense committees authorized a series of ship transfers under section 1018 of the National Defense Authorization Act for Fiscal Year 2000. That section authorizes the Secretary of the Navy to transfer naval vessels when, in fact, the authority should be given to the President in order to remain consistent with the requirements of the Foreign Assistance Act and the Arms Export Control Act. Section 1271 makes this minor technical amendment; it also transfers the authority to exempt naval vessel transfers from excess defense article limitations from the defense bill to the foreign affairs bill, which is the appropriate legislative vehicle for such an authority.

MISCELLANEOUS PROVISIONS

PUBLICATION OF ARMS SALES CERTIFICATIONS

Section 1301 amends section 36 of the Arms Export Control Act to ensure that the full unclassified text of all certifications of arms sales, including foreign military sales, commercial sales, and the provision of defense services, is published in the Federal Register in a timely fashion. This section also requires that if portions of such certifications are classified, pursuant to section 36(b) and (c), the classified information be accompanied by a description of the damage to the national security that could be expected to result from public disclosure of the information.

NOTIFICATION REQUIREMENTS FOR COMMERCIAL EXPORT OF ITEMS ON UNITED STATES MUNITIONS LIST

Section 1302 requires U.S. commercial defense exporters to submit information to the Department of State which will help to improve arms export shipment data. This provision is necessary to address the long-standing problem of incomplete commercial arms delivery data.

ENFORCEMENT OF ARMS EXPORT CONTROL ACT

Section 1303 strengthens enforcement of civil violations of the Arms Export Control Act. The Department of State relies on the Department of Justice to prosecute criminal violations of the AECA, but lacks resources to pursue administrative proceedings relating to civil violations as vigorously as would be desired.

In order to streamline the procedures in a manner that would continue to ensure a fair opportunity for persons and firms to represent their views, while simultaneously encouraging the viable and vigorous enforcement that is critical to protecting U.S. national security, the Secretary of State is provided with authority similar to that used to enforce other statutes, including the International Emergency Economic Powers Act, to assess civil penalties directly in accordance with regulations. It is expected that the Department of State will still be required to commence a civil action in order to recover such any such disputed penalties, thereby continuing to afford parties an opportunity to contest the assessment in court. It is further expected that the Department will provide draft regulations proposed to implement this section to the Committees on International Relations and Foreign Relations for review, thereby affording defense exporters the ability to provide input. Such regulations should permit the parties to explain their actions and make known their views fully through written submissions and provide ample opportunity for settlement.

This provision is not intended to erode due process for defense exporters, and such exporters, under regulations promulgated to implement this section, will be provided a fair and transparent process to understand and address any charges being asserted against them.

VIOLATIONS RELATING TO MATERIAL SUPPORT TO TERRORISTS

Section 1304 modifies section 38 of the Arms Export Control Act to ensure that the Office of Defense Trade Controls within the Department of State, which issues commercial defense export licenses, is fully informed of any person that is subject to an indictment or has been convicted of a violation of law regarding providing material support to terrorists.

AUTHORITY TO CONSENT TO THIRD PARTY TRANSFER OF EX-U.S.S. BOWMAN COUNTY TO USS LST SHIP MEMORIAL, INC.

Section 1305 enables a nonprofit veterans association to bring back to the United States from Greece a World War II Tank Landing Ship—the ex-U.S.S. *Bowman County*. This vessel will have its guns demilitarized prior to re-transfer and will be transformed into a movable museum that will dock at predetermined locations to teach children, and adults, about the crucial role played by tank landing ships and their crews during the Second World War. There is no more fitting a war memorial than a museum that is owned and operated by a group of its own veterans who are willing to dedicate their time to educating the citizens of the United States.

ANNUAL MILITARY ASSISTANCE REPORT

Section 1306 expands and clarifies the information relating to military assistance and military exports that the President is required to transmit to Congress each February 1, pursuant to section 655 of the Foreign Assistance Act of 1961. Currently, this

report includes information about the International Military Education and Training (IMET) program, but not about other military education and training activities that the United States conducts with foreign countries. It is intended that future reports include information about activities under Title 10 of the U.S. Code, such as the Military-to-Military Contacts Program (MMCP) and the Joint Combined Exchange Training (JCET) program. This provision is not intended, however, to cover joint military exercises or NATO operations.

Section 1306 also requires separate identification of defense articles furnished with the financial assistance of the U.S. government, such as Foreign Military Financing loans and U.S. government-backed loan guarantees. These items are currently grouped together with commercial sales. Finally, the provision requires that the report be published in unclassified form on the internet through the State Department.

ANNUAL FOREIGN MILITARY TRAINING REPORT

Section 1307 creates a new report to be jointly prepared by the Departments of State and Defense. The report is to cover all military training provided to foreign military personnel by the Departments of Defense and State. The provision also requires that the report be published in unclassified form on the State Department's internet website.

SECURITY ASSISTANCE FOR THE PHILIPPINES

Section 1308 establishes United States policy for the transfer of excess defense articles to the Philippines and authorizes $5,000,000 in foreign military financing for each of fiscal years 2000 and 2001. The section encourages the President to transfer to the Philippines, on a grant basis, UH–1H helicopters, A–4 aircraft, amphibious landing craft, and other naval vessels that become available under the excess defense articles program. Section 1309 is viewed as a way of expressing Congressional support for reinvigorating our security relationship with the Philippines.

EFFECTIVE REGULATION OF SATELLITE EXPORT ACTIVITIES

Section 1309 establishes a requirement for the Department of State to expedite the export of commercial communications satellites (and related equipment) to NATO and major non-NATO allies when appropriate. It is intended that the determination of appropriateness reside with the Department of State. Section 1309 establishes four criteria that should denote a satellite or satellite-related license as eligible for expedited consideration. However, section 1309 makes clear that U.S. national security considerations and U.S. obligations under the Missile Technology Control Regime are given priority in the evaluation of any license, regardless of its end-user or time-sensitive nature. Further, the provision makes clear that the Department of State is, at all times, to provide such time as is necessary for U.S. national security agencies to fully review a license.

Section 1309 also seeks to expedite the licensing of United States Munitions List items across the board by applying additional resources to the Office of Defense Trade Controls within the Department of State. The provision authorizes $9,000,000 for ODTC for each of fiscal years 2000 and 2001. Additional resources are intended to be used to hire licensing officers and enforcement personnel, and to update ODTC's computer systems. Frequent, periodic briefings on ODTC plans and expenditures are expected and there is interest in progress toward implementing an internet-based filing and review system for Munitions List items.

STUDY ON LICENSING PROCESS UNDER THE ARMS EXPORT CONTROL ACT

Section 1310 requests that the Department of State undertake a highly-technical, highly-detailed analysis of the defense trade licensed by the Department of State. The broad scope of the information sought under section 1310 is intended to provide the Congress with information that will assist the committees of jurisdiction in working with the Department of State to improve the licensing process.

REPORT CONCERNING PROLIFERATION OF SMALL ARMS

Section 1311 requires the Department of State to complete an analysis of the global trade in small arms. The illicit transfer of small and light arms constitutes a source of global instability, but recognize that the monitoring of such trafficking is difficult. It is expected that Assistant Secretary for Verification and Compliance to be responsible for preparing portions of this report, including that relating to United States monitoring of the compliance of foreign governments with their commitments under international agreements.

CONFORMING AMENDMENT

Section 1312 is a conforming amendment to the Fiscal Year 1999 Defense Authorization Act. Specifically, section 1312 ensures that the Foreign Relations Committee of the Senate and the International Relations Committee of the House will be notified of developments in the pursuit of alternatives to anti-personnel land mines.

SENSE OF CONGRESS LANGUAGE

Sense of Senate or Sense of the Congress provisions approved in previous authorization bills were not included in the final bill. The House and Senate provisions, as passed, reflect the views of each of the respective houses of Congress.

The conference agreement would enact the provisions of H.R. 3428, as introduced on November 17, 1999. The text of that bill follows:

A BILL To provide for the modification and implementation of the final rule for the consolidation and reform of Federal milk marketing orders, and for other purposes

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

SECTION 1. USE OF OPTION 1A AS PRICE STRUCTURE FOR CLASS I MILK UNDER CONSOLIDATED FEDERAL MILK MARKETING ORDERS.

(a) FINAL RULE DEFINED.—In this section, the term ''final rule'' means the final rule for the consolidation and reform of Federal milk marketing orders that was published in the Federal Register on September 1, 1999 (64 Fed. Reg. 47897–48021), to comply with section 143 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7253).

(b) IMPLEMENTATION OF FINAL RULE FOR MILK ORDER REFORM.—Subject to subsection (c), the final rule shall take effect, and be implemented by the Secretary of Agriculture, on the first day of the first month beginning at least 30 days after the date of the enactment of this Act.

(c) USE OF OPTION 1A FOR PRICING CLASS I MILK.—In lieu of the Class I price differentials specified in the final rule, the Secretary of Agriculture shall price fluid or Class I milk under the Federal milk marketing orders using the Class I price differentials identified as Option 1A ''Location-Specific Differentials Analysis'' in the proposed rule published in the Federal Register on January 30, 1998 (63 Fed. Reg. 4802, 4809), except that the Secretary shall include the corrections and modifications to such Class I differentials made by the Secretary through April 2, 1999.

(d) EFFECT OF PRIOR ANNOUNCEMENT OF MINIMUM PRICES.—If the Secretary of Agriculture announces minimum prices for milk under Federal milk marketing orders pursuant to section 1000.50 of title 7, Code of Federal Regulations, before the effective date specified in subsection (b), the minimum prices so announced before that date shall be the only applicable minimum prices under Federal milk marketing orders for the month or months for which the prices have been announced.

(e) IMPLEMENTATION OF REQUIREMENT.—The implementation of the final rule, as modified by subsection (c), shall not be subject to any of the following:

(1) The notice and hearing requirements of section 8c(3) of the Agricultural Adjustment Act (7 U.S.C. 608c(3)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, or the notice and comment provisions of section 553 of title 5, United States Code.

(2) A referendum conducted by the Secretary of Agriculture pursuant to subsections (17) or (19) of section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937.

(3) 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.

(4) Chapter 35 of title 44, United States Code (commonly known as the Paperwork Reduction Act).

(5) Any decision, restraining order, or injunction issued by a United States court before the date of the enactment of this Act.

SEC. 2. FURTHER RULEMAKING TO DEVELOP PRICING METHODS FOR CLASS III AND CLASS IV MILK UNDER MARKETING ORDERS.

(a) CONGRESSIONAL FINDING.—The Class III and Class IV milk pricing formulas included in the final decision for the consolidation and reform of Federal milk marketing orders, as published in the Federal Register on April 2, 1999 (64 Fed. Reg. 16025), do not adequately reflect public comment on the original proposed rule published in the Federal Register on January 30, 1998 (63 Fed. Reg. 4802), and are sufficiently different from the proposed rule and any comments submitted with regard to the proposed rule that further emergency rulemaking is merited.

(b) RULEMAKING REQUIRED.—The Secretary of Agriculture shall conduct rulemaking, on the record after an opportunity for an agency hearing, to reconsider the Class III and Class IV milk pricing formulas included in the final rule for the consolidation and reform of Federal milk marketing orders that was published in the Federal Register on September 1, 1999 (64 Fed. Reg. 47897–48021).

(c) TIME PERIOD FOR RULEMAKING.—On December 1, 2000, the Secretary of Agriculture shall publish in the Federal Register a final decision on the Class III and Class IV milk pricing formulas. The resulting formulas shall take effect, and be implemented by the Secretary, on January 1, 2001.

(d) EFFECT OF COURT ORDER.—The actions authorized by subsections (b) and (c) are intended to ensure the timely publication and implementation of new pricing formulas for Class III and Class IV milk. In the event that the Secretary of Agriculture is enjoined or otherwise restrained by a court order from implementing a final decision within the time period specified in subsection (c), the length of time for which that injunction or other restraining order is effective shall be added to the time limitations specified in subsection (c) thereby extending those time limitations by a period of time equal to the period of time for which the injunction or other restraining order is effective.

(e) FAILURE TO TIMELY COMPLETE RULEMAKING.—If the Secretary of Agriculture fails to implement new Class III and Class IV milk pricing formulas within the time period required under subsection (c) (plus any additional period provided under subsection (d)), the Secretary may not assess or collect assessments from milk producers or handlers under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, for marketing order administration and services provided under such section after the end of that period until the pricing formulas are implemented. The Secretary may not reduce the level of services provided under that section on account of the prohibition against assessments, but shall rather cover the cost of marketing order administration and services through funds available for the Agricultural Marketing Service of the Department.

(f) IMPLEMENTATION OF REQUIREMENT.—The implementation of the final decision on new Class III and Class IV milk pricing formulas shall not be subject to congressional review under chapter 8 of title 5, United States Code.

SEC. 3. DAIRY FORWARD PRICING PROGRAM.

The Agricultural Adjustment Act (7 U.S.C. 601 et seq.), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by adding at the end the following new section:

"SEC. 23. DAIRY FORWARD PRICING PILOT PROGRAM.

''(a) PILOT PROGRAM REQUIRED.—Not later than 90 days after the date of the enactment of this section, the Secretary of Agriculture shall establish a temporary pilot program under which milk producers and cooperatives are authorized to voluntarily enter into forward price contracts with milk handlers.

''(b) MINIMUM MILK PRICE REQUIREMENTS.—Payments made by milk handlers to milk producers and cooperatives, and prices received by milk producers and cooperatives, under the forward contracts shall be deemed to satisfy—

''(1) all regulated minimum milk price requirements of paragraphs (B) and (F) of subsection (5) of section 8c; and

''(2) the requirement of paragraph (C) of such subsection regarding total payments by each handler.

''(c) MILK COVERED BY PILOT PROGRAM.—

''(1) COVERED MILK.—The pilot program shall apply only with respect to the marketing of federally regulated milk that—

''(A) is not classified as Class I milk or otherwise intended for fluid use; and

''(B) is in the current of interstate or foreign commerce or directly burdens, obstructs, or affects interstate or foreign commerce in federally regulated milk.

''(2) RELATION TO CLASS I MILK.—To assist milk handlers in complying with the limitation in paragraph (1)(A) without having to segregate or otherwise individually track the source and disposition of milk, a milk handler may allocate milk receipts from producers, cooperatives, and other sources that are not subject to a forward contract to satisfy the handler's obligations with regard to Class I milk usage.

''(d) DURATION.—The authority of the Secretary of Agriculture to carry out the pilot program shall terminate on December 31, 2004. No forward price contract entered into under the program may extend beyond that date.

''(e) STUDY AND REPORT ON EFFECT OF PILOT PROGRAM.—

''(1) STUDY.—The Secretary of Agriculture shall conduct a study on forward contracting between milk producers and cooperatives and milk handlers to determine the impact on milk prices paid to producers in the United States. To obtain information for the study, the Secretary may use the authorities available to the Secretary under section 8d, subject to the confidentiality requirements of subsection (2) of such section.

''(2) REPORT.—Not later than April 30, 2002, the Secretary shall submit to the Committee on Agriculture, Nutrition and Forestry of the Senate and the Committee on Agriculture of the House of Representatives a report containing the results of the study.''.

SEC. 4. CONTINUATION OF CONGRESSIONAL CONSENT FOR NORTHEAST INTERSTATE DAIRY COMPACT.

Section 147(3) of the Agricultural Market Transition Act (7 U.S.C. 7256(3)) is amended by striking ''concurrent with'' and all that follows through the period at the end and inserting ''on September 30, 2001.''.

Following is explanatory language on S. 1948 as introduced on November 17, 1999.

A BILL To amend the provisions of title 17, United States Code, and the Communications Act of 1934, relating to copyright licensing and carriage of broadcast signals by satellite

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 ''Intellectual Property and Communications Omnibus Reform Act of 1999''.

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

Sec. 1. Short title; table of contents.

TITLE I—SATELLITE HOME VIEWER IMPROVEMENT

Sec. 1001. Short title.
Sec. 1002. Limitations on exclusive rights; secondary transmissions by satellite carriers within local markets.
Sec. 1003. Extension of effect of amendments to section 119 of title 17, United States Code.
Sec. 1004. Computation of royalty fees for satellite carriers.
Sec. 1005. Distant signal eligibility for consumers.
Sec. 1006. Public broadcasting service satellite feed.
Sec. 1007. Application of Federal Communications Commission regulations.
Sec. 1008. Rules for satellite carriers retransmitting television broadcast signals.
Sec. 1009. Retransmission consent.
Sec. 1010. Severability.
Sec. 1011. Technical amendments.
Sec. 1012. Effective dates.

TITLE II—RURAL LOCAL TELEVISION SIGNALS

Sec. 2001. Short title.
Sec. 2002. Local television service in unserved and underserved markets.

TITLE III—TRADEMARK CYBERPIRACY PREVENTION

Sec. 3001. Short title; references.
Sec. 3002. Cyberpiracy prevention.
Sec. 3003. Damages and remedies.
Sec. 3004. Limitation on liability.
Sec. 3005. Definitions.
Sec. 3006. Study on abusive domain name registrations involving personal names.
Sec. 3007. Historic preservation.
Sec. 3008. Savings clause.
Sec. 3009. Technical and conforming amendments.
Sec. 3010. Effective date.

TITLE IV—INVENTOR PROTECTION

Sec. 4001. Short title.

Subtitle A—Inventors' Rights

Sec. 4101. Short title.
Sec. 4102. Integrity in invention promotion services.
Sec. 4103. Effective date.

Subtitle B—Patent and Trademark Fee Fairness

Sec. 4201. Short title.
Sec. 4202. Adjustment of patent fees.
Sec. 4203. Adjustment of trademark fees.
Sec. 4204. Study on alternative fee structures.
Sec. 4205. Patent and Trademark Office Funding.
Sec. 4206. Effective date.

Subtitle C—First Inventor Defense

Sec. 4301. Short title.
Sec. 4302. Defense to patent infringement based on earlier inventor.
Sec. 4303. Effective date and applicability.

Subtitle D—Patent Term Guarantee

Sec. 4401. Short title.
Sec. 4402. Patent term guarantee authority.
Sec. 4403. Continued examination of patent applications.
Sec. 4404. Technical clarification.
Sec. 4405. Effective date.

Subtitle E—Domestic Publication of Patent Applications Published Abroad

Sec. 4501. Short title.
Sec. 4502. Publication.
Sec. 4503. Time for claiming benefit of earlier filing date.
Sec. 4504. Provisional rights.
Sec. 4505. Prior art effect of published applications.
Sec. 4506. Cost recovery for publication.
Sec. 4507. Conforming amendments.
Sec. 4508. Effective date.

Subtitle F—Optional Inter Partes Reexamination Procedure

Sec. 4601. Short title.
Sec. 4602. Ex parte reexamination of patents.
Sec. 4603. Definitions.
Sec. 4604. Optional inter partes reexamination procedures.
Sec. 4605. Conforming amendments.
Sec. 4606. Report to Congress.
Sec. 4607. Estoppel effect of reexamination.
Sec. 4608. Effective date.

Subtitle G—Patent and Trademark Office

Sec. 4701. Short title.

CHAPTER 1—UNITED STATES PATENT AND TRADEMARK OFFICE

Sec. 4711. Establishment of Patent and Trademark Office.
Sec. 4712. Powers and duties.
Sec. 4713. Organization and management.
Sec. 4714. Public advisory committees.
Sec. 4715. Conforming amendments.
Sec. 4716. Trademark Trial and Appeal Board.
Sec. 4717. Board of Patent Appeals and Interferences.
Sec. 4718. Annual report of Director.
Sec. 4719. Suspension or exclusion from practice.
Sec. 4720. Pay of Director and Deputy Director.

CHAPTER 2—EFFECTIVE DATE; TECHNICAL AMENDMENTS

Sec. 4731. Effective date.
Sec. 4732. Technical and conforming amendments.

CHAPTER 3—MISCELLANEOUS PROVISIONS

Sec. 4741. References.
Sec. 4742. Exercise of authorities.
Sec. 4743. Savings provisions.
Sec. 4744. Transfer of assets.
Sec. 4745. Delegation and assignment.
Sec. 4746. Authority of Director of the Office of Management and Budget with respect to functions transferred.
Sec. 4747. Certain vesting of functions considered transfers.
Sec. 4748. Availability of existing funds.
Sec. 4749. Definitions.

Subtitle H—Miscellaneous Patent Provisions

Sec. 4801. Provisional applications.
Sec. 4802. International applications.
Sec. 4803. Certain limitations on damages for patent infringement not applicable.
Sec. 4804. Electronic filing and publications.
Sec. 4805. Study and report on biological deposits in support of biotechnology patents.
Sec. 4806. Prior invention.
Sec. 4807. Prior art exclusion for certain commonly assigned patents.
Sec. 4808. Exchange of copies of patents with foreign countries.

TITLE V—MISCELLANEOUS PROVISIONS

Sec. 5001. Commission on online child protection.
Sec. 5002. Privacy protection for donors to public broadcasting entities.
Sec. 5003. Completion of biennial regulatory review.
Sec. 5004. Public broadcasting entities.
Sec. 5005. Technical amendments relating to vessel hull design protection.
Sec. 5006. Informal rulemaking of copyright determination.
Sec. 5007. Service of process for surety corporations.
Sec. 5008. Low-power television.

TITLE VI—SUPERFUND RECYCLING EQUITY

Sec. 6001. Superfund recycling equity.

TITLE I—SATELLITE HOME VIEWER IMPROVEMENT

SEC. 1001. SHORT TITLE.

This title may be cited as the ''Satellite Home Viewer Improvement Act of 1999''.

SEC. 1002. LIMITATIONS ON EXCLUSIVE RIGHTS; SECONDARY TRANSMISSIONS BY SATELLITE CARRIERS WITHIN LOCAL MARKETS.

(a) IN GENERAL.—Chapter 1 of title 17, United States Code, is amended by adding after section 121 the following new section:

''§ 122. Limitations on exclusive rights; secondary transmissions by satellite carriers within local markets

''(a) SECONDARY TRANSMISSIONS OF TELEVISION BROADCAST STATIONS BY SATELLITE CARRIERS.—A secondary transmission of a performance or display of a work embodied in a primary transmission of a television broadcast station into the station's local market shall be subject to statutory licensing under this section if—

''(1) the secondary transmission is made by a satellite carrier to the public;

''(2) with regard to secondary transmissions, the satellite carrier is in compliance with the rules, regulations, or authorizations of the Federal Communications Commission governing the carriage of television broadcast station signals; and

''(3) the satellite carrier makes a direct or indirect charge for the secondary transmission to—

''(A) each subscriber receiving the secondary transmission; or

''(B) a distributor that has contracted with the satellite carrier for direct or indirect delivery of the secondary transmission to the public.

''(b) REPORTING REQUIREMENTS.—

''(1) INITIAL LISTS.—A satellite carrier that makes secondary transmissions of a primary transmission made by a network station under subsection (a) shall, within 90 days after commencing such secondary transmissions, submit to the network that owns or is affiliated with the network station a list identifying (by name in alphabetical order and street address, including county and zip code) all subscribers to which the satellite carrier makes secondary transmissions of that primary transmission under subsection (a).

''(2) SUBSEQUENT LISTS.—After the list is submitted under paragraph (1), the satellite carrier shall, on the 15th of each month, submit to the network a list identifying (by name in alphabetical order and street address, including county and zip code) any subscribers who have been added or dropped as subscribers since the last submission under this subsection.

''(3) USE OF SUBSCRIBER INFORMATION.—Subscriber information submitted by a satellite carrier under this subsection may be used only for the purposes of monitoring compliance by the satellite carrier with this section.

''(4) REQUIREMENTS OF NETWORKS.—The submission requirements of this subsection shall apply to a satellite carrier only if the network to which the submissions are to be made places on file with the Register of Copyrights a document identifying the name and address of the person to whom such submissions are to be made. The Register of Copyrights shall maintain for public inspection a file of all such documents.

''(c) NO ROYALTY FEE REQUIRED.—A satellite carrier whose secondary transmissions are subject to statutory licensing under subsection (a) shall have no royalty obligation for such secondary transmissions.

''(d) NONCOMPLIANCE WITH REPORTING AND REGULATORY REQUIREMENTS.—Notwithstanding subsection (a), the willful or repeated secondary transmission to the public by a satellite carrier into the local market of a television broadcast station of a primary transmission embodying a performance or display of a work made by that television broadcast station is actionable as an act of infringement under section 501, and is fully subject to the remedies provided under sections 502 through 506 and 509, if the satellite carrier has not complied with the reporting requirements of subsection (b) or with the rules, regulations, and authorizations of the Federal Communications Commission concerning the carriage of television broadcast signals.

''(e) WILLFUL ALTERATIONS.—Notwithstanding subsection (a), the secondary transmission to the public by a satellite carrier into the local market of a television broadcast station of a performance or display of a work embodied in a primary transmission made by that television broadcast station is actionable as an act of infringement under section 501, and is fully subject to the remedies provided by sections 502 through 506 and sections 509 and 510, if the content of the particular program in which the performance or display is embodied, or any commercial advertising or station announcement transmitted by the primary transmitter during, or immediately before or after, the transmission of such program, is in any way willfully altered by the satellite carrier through changes, deletions, or additions, or is combined with programming from any other broadcast signal.

''(f) VIOLATION OF TERRITORIAL RESTRICTIONS ON STATUTORY LICENSE FOR TELEVISION BROADCAST STATIONS.—

''(1) INDIVIDUAL VIOLATIONS.—The willful or repeated secondary transmission to the public by a satellite carrier of a primary transmission embodying a performance or display of a work made by a television broadcast station to a subscriber who does not reside in that station's local market, and is not subject to statutory licensing under section 119 or a private licensing agreement, is actionable as an act of infringement under section 501 and is fully subject to the remedies provided by sections 502 through 506 and 509, except that—

''(A) no damages shall be awarded for such act of infringement if the satellite carrier took corrective action by promptly withdrawing service from the ineligible subscriber; and

''(B) any statutory damages shall not exceed $5 for such subscriber for each month during which the violation occurred.

''(2) PATTERN OF VIOLATIONS.—If a satellite carrier engages in a willful or repeated pattern or practice of secondarily transmitting to the public a primary transmission embodying a performance or display of a work made by a television broadcast station to subscribers who do not reside in that station's local market, and are not subject to statutory licensing under section 119 or a private licensing agreement, then in addition to the remedies under paragraph (1)—

''(A) if the pattern or practice has been carried out on a substantially nationwide basis, the court—

''(i) shall order a permanent injunction barring the secondary transmission by the satellite carrier of the primary transmissions of that television broadcast station (and if such television broadcast station is a network station, all other television broadcast stations affiliated with such network); and

''(ii) may order statutory damages not exceeding $250,000 for each 6-month period during which the pattern or practice was carried out; and

''(B) if the pattern or practice has been carried out on a local or regional basis with respect to more than one television broadcast station, the court—

''(i) shall order a permanent injunction barring the secondary transmission in that locality or region by the satellite carrier of the primary transmissions of any television broadcast station; and

''(ii) may order statutory damages not exceeding $250,000 for each 6-month period during which the pattern or practice was carried out.

''(g) BURDEN OF PROOF.—In any action brought under subsection (f), the satellite carrier shall have the burden of proving that its secondary transmission of a primary transmission by a television broadcast station is made only to subscribers located within that station's local market or subscribers being served in compliance with section 119 or a private licensing agreement.

''(h) GEOGRAPHIC LIMITATIONS ON SECONDARY TRANSMISSIONS.—The statutory license created by this section shall apply to secondary transmissions to locations in the United States.

''(i) EXCLUSIVITY WITH RESPECT TO SECONDARY TRANSMISSIONS OF BROADCAST STATIONS BY SATELLITE TO MEMBERS OF THE PUBLIC.—No provision of section 111 or any other law (other than this section and section 119) shall be construed to contain any authorization, exemption, or license through which secondary transmissions by satellite carriers of programming contained in a primary transmission made by a television broadcast station may be made without obtaining the consent of the copyright owner.

''(j) DEFINITIONS.—In this section—

''(1) DISTRIBUTOR.—The term 'distributor' means an entity which contracts to distribute secondary transmissions from a satellite carrier and, either as a single channel or in a package with other programming, provides the secondary transmission either directly to individual subscribers or indirectly through other program distribution entities.

''(2) LOCAL MARKET.—

''(A) IN GENERAL.—The term 'local market', in the case of both commercial and noncommercial television broadcast stations, means the designated market area in which a station is located, and—

''(i) in the case of a commercial television broadcast station, all commercial television broadcast stations licensed to a community within the same designated market area are within the same local market; and

''(ii) in the case of a noncommercial educational television broadcast station, the market includes any station that is licensed to a community within the same designated market area as the noncommercial educational television broadcast station.

''(B) COUNTY OF LICENSE.—In addition to the area described in subparagraph (A), a station's local market includes the county in which the station's community of license is located.

''(C) DESIGNATED MARKET AREA.—For purposes of subparagraph (A), the term 'designated market area' means a designated market area, as determined by Nielsen Media Research and published in the 1999–2000 Nielsen Station Index Directory and Nielsen Station Index United States Television Household Estimates or any successor publication.

''(3) NETWORK STATION; SATELLITE CARRIER; SECONDARY TRANSMISSION.—The terms 'network station', 'satellite carrier', and 'secondary transmission' have the meanings given such terms under section 119(d).

''(4) SUBSCRIBER.—The term 'subscriber' means a person who receives a secondary transmission service from a satellite carrier and pays a fee for the service, directly or indirectly, to the satellite carrier or to a distributor.

''(5) TELEVISION BROADCAST STATION.—The term 'television broadcast station'—

''(A) means an over-the-air, commercial or noncommercial television broadcast station licensed by the Federal Communications Commission under subpart E of part 73 of title 47, Code of Federal Regulations, except that such term does not include a low-power or translator television station; and

''(B) includes a television broadcast station licensed by an appropriate governmental authority of Canada or Mexico if the station broadcasts primarily in the English language and is a network station as defined in section 119(d)(2)(A).''.

(b) INFRINGEMENT OF COPYRIGHT.—Section 501 of title 17, United States Code, is amended by adding at the end the following new subsection:

''(f)(1) With respect to any secondary transmission that is made by a satellite carrier of a performance or display of a work embodied in a primary transmission and is actionable as an act of infringement under section 122, a television broadcast station holding a copyright or other license to transmit or perform the same version of that work shall, for purposes of subsection (b) of this section, be treated as a legal or beneficial owner if such secondary transmission occurs within the local market of that station.

''(2) A television broadcast station may file a civil action against any satellite carrier that has refused to carry television broadcast signals, as required under section 122(a)(2), to enforce that television broadcast station's rights under section 338(a) of the Communications Act of 1934.''.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—The table of sections for chapter 1 of title 17, United States Code, is amended by adding after the item relating to section 121 the following:

''122. Limitations on exclusive rights; secondary transmissions by satellite carriers within local market.''.

SEC. 1003. EXTENSION OF EFFECT OF AMENDMENTS TO SECTION 119 OF TITLE 17, UNITED STATES CODE.

Section 4(a) of the Satellite Home Viewer Act of 1994 (17 U.S.C. 119 note; Public Law 103–369; 108 Stat. 3481) is amended by striking ''December 31, 1999'' and inserting ''December 31, 2004''.

SEC. 1004. COMPUTATION OF ROYALTY FEES FOR SATELLITE CARRIERS.

Section 119(c) of title 17, United States Code, is amended by adding at the end the following new paragraph:

''(4) REDUCTION.—

''(A) SUPERSTATION.—The rate of the royalty fee in effect on January 1, 1998, payable in each case under subsection (b)(1)(B)(i) shall be reduced by 30 percent.

''(B) NETWORK AND PUBLIC BROADCASTING SATELLITE FEED.—The rate of the royalty fee in effect on January 1, 1998, payable under subsection (b)(1)(B)(ii) shall be reduced by 45 percent.

''(5) PUBLIC BROADCASTING SERVICE AS AGENT.—For purposes of section 802, with respect to royalty fees paid by satellite carriers for retransmitting the Public Broadcasting Service satellite feed, the Public Broadcasting Service shall be the agent for all public television copyright claimants and all Public Broadcasting Service member stations.''.

SEC. 1005. DISTANT SIGNAL ELIGIBILITY FOR CONSUMERS.

(a) UNSERVED HOUSEHOLD.—

(1) IN GENERAL.—Section 119(d) of title 17, United States Code, is amended by striking paragraph (10) and inserting the following:

''(10) UNSERVED HOUSEHOLD.—The term 'unserved household', with respect to a particular television network, means a household that—

''(A) cannot receive, through the use of a conventional, stationary, outdoor rooftop receiving antenna, an over-the-air signal of a primary network station affiliated with that network of Grade B intensity as defined by the Federal Communications Commission under section 73.683(a) of title 47 of the Code of Federal Regulations, as in effect on January 1, 1999;

''(B) is subject to a waiver granted under regulations established under section 339(c)(2) of the Communications Act of 1934;

''(C) is a subscriber to whom subsection (e) applies;

''(D) is a subscriber to whom subsection (a)(11) applies; or

''(E) is a subscriber to whom the exemption under subsection (a)(2)(B)(iii) applies.''.

(2) CONFORMING AMENDMENT.—Section 119(a)(2)(B) of title 17, United States Code, is amended to read as follows:

''(B) SECONDARY TRANSMISSIONS TO UNSERVED HOUSEHOLDS.—

''(i) IN GENERAL.—The statutory license provided for in subparagraph (A) shall be limited to secondary transmissions of the signals of no more than two network stations in a single day for each television network to persons who reside in unserved households.

''(ii) ACCURATE DETERMINATIONS OF ELIGIBILITY.—

''(I) ACCURATE PREDICTIVE MODEL.—In determining presumptively whether a person resides in an unserved household under subsection (d)(10)(A), a court shall rely on the Individual Location Longley-Rice model set forth by the Federal Communications Commission in Docket No. 98–201, as that model may be amended by the Commission over time under section 339(c)(3) of the Communications Act of 1934 to increase the accuracy of that model.

''(II) ACCURATE MEASUREMENTS.—For purposes of site measurements to determine whether a person resides in an unserved household under subsection (d)(10)(A), a court shall rely on section 339(c)(4) of the Communications Act of 1934.

''(iii) C-BAND EXEMPTION TO UNSERVED HOUSEHOLDS.—

''(I) IN GENERAL.—The limitations of clause (i) shall not apply to any secondary transmissions by C-band services of network stations that a subscriber to C-band service received before any termination of such secondary transmissions before October 31, 1999.

''(II) DEFINITION.—In this clause the term 'C-band service' means a service that is licensed by the Federal Communications Commission and operates in the Fixed Satellite Service under part 25 of title 47 of the Code of Federal Regulations.''.

(b) EXCEPTION TO LIMITATION ON SECONDARY TRANSMISSIONS.—Section 119(a)(5) of title 17, United States Code, is amended by adding at the end the following:

''(E) EXCEPTION.—The secondary transmission by a satellite carrier of a performance or display of a work embodied in a primary transmission made by a network station to subscribers who do not reside in unserved households shall not be an act of infringement if—

''(i) the station on May 1, 1991, was retransmitted by a satellite carrier and was not on that date owned or operated by or affiliated with a television network that offered interconnected program service on a regular basis for 15 or more hours per week to at least 25 affiliated television licensees in 10 or more States;

''(ii) as of July 1, 1998, such station was retransmitted by a satellite carrier under the statutory license of this section; and

''(iii) the station is not owned or operated by or affiliated with a television network that, as of January 1, 1995, offered interconnected program service on a regular basis for 15 or more hours per week to at least 25 affiliated television licensees in 10 or more States.''.

(c) MORATORIUM ON COPYRIGHT LIABILITY.—Section 119(e) of title 17, United States Code, is amended to read as follows:

''(e) MORATORIUM ON COPYRIGHT LIABILITY.—Until December 31, 2004, a subscriber who does not receive a signal of Grade A intensity (as defined in the regulations of the Federal Communications Commission under section 73.683(a) of title 47 of the Code of Federal Regulations, as in effect on January 1, 1999, or predicted by the Federal Communications Commission using the Individual Location Longley-Rice methodology described by the Federal Communications Commission in Docket No. 98–201) of a local network television broadcast station shall remain eligible to receive signals of network stations affiliated with the same network, if that subscriber had satellite service of such network signal terminated after July 11, 1998, and before October 31, 1999, as required by this section, or received such service on October 31, 1999.''.

(d) RECREATIONAL VEHICLE AND COMMERCIAL TRUCK EXEMPTION.—Section 119(a) of title 17, United States Code, is amended by adding at the end the following:

''(11) SERVICE TO RECREATIONAL VEHICLES AND COMMERCIAL TRUCKS.—

''(A) EXEMPTION.—

''(i) IN GENERAL.—For purposes of this subsection, and subject to clauses (ii) and (iii), the term 'unserved household' shall include—

''(I) recreational vehicles as defined in regulations of the Secretary of Housing and Urban Development under section 3282.8 of title 24 of the Code of Federal Regulations; and

''(II) commercial trucks that qualify as commercial motor vehicles under regulations of the Secretary of Transportation under section 383.5 of title 49 of the Code of Federal Regulations.

''(ii) LIMITATION.—Clause (i) shall apply only to a recreational vehicle or commercial truck if any satellite carrier that proposes to make a secondary transmission of a network station to the operator of such a recreational vehicle or commercial truck complies with the documentation requirements under subparagraphs (B) and (C).

''(iii) EXCLUSION.—For purposes of this subparagraph, the terms 'recreational vehicle' and 'commercial truck' shall not include any fixed dwelling, whether a mobile home or otherwise.

''(B) DOCUMENTATION REQUIREMENTS.—A recreational vehicle or commercial truck shall be deemed to be an unserved household beginning 10 days after the relevant satellite carrier provides to the network that owns or is affiliated

with the network station that will be secondarily transmitted to the recreational vehicle or commercial truck the following documents:

''(i) DECLARATION.—A signed declaration by the operator of the recreational vehicle or commercial truck that the satellite dish is permanently attached to the recreational vehicle or commercial truck, and will not be used to receive satellite programming at any fixed dwelling.

''(ii) REGISTRATION.—In the case of a recreational vehicle, a copy of the current State vehicle registration for the recreational vehicle.

''(iii) REGISTRATION AND LICENSE.—In the case of a commercial truck, a copy of—

''(I) the current State vehicle registration for the truck; and

''(II) a copy of a valid, current commercial driver's license, as defined in regulations of the Secretary of Transportation under section 383 of title 49 of the Code of Federal Regulations, issued to the operator.

''(C) UPDATED DOCUMENTATION REQUIREMENTS.—If a satellite carrier wishes to continue to make secondary transmissions to a recreational vehicle or commercial truck for more than a 2-year period, that carrier shall provide each network, upon request, with updated documentation in the form described under subparagraph (B) during the 90 days before expiration of that 2-year period.''.

(e) CONFORMING AMENDMENT.—Section 119(d)(11) of title 17, United States Code, is amended to read as follows:

''(11) LOCAL MARKET.—The term 'local market' has the meaning given such term under section 122(j).''.

SEC. 1006. PUBLIC BROADCASTING SERVICE SATELLITE FEED.

(a) SECONDARY TRANSMISSIONS.—Section 119(a)(1) of title 17, United States Code, is amended—

(1) by striking the paragraph heading and inserting ''(1) SUPERSTATIONS AND PBS SATELLITE FEED.—'';

(2) by inserting ''or by the Public Broadcasting Service satellite feed'' after ''superstation''; and

(3) by adding at the end the following: ''In the case of the Public Broadcasting Service satellite feed, the statutory license shall be effective until January 1, 2002.''.

(b) ROYALTY FEES.—Section 119(b)(1)(B)(iii) of title 17, United States Code, is amended by inserting ''or the Public Broadcasting Service satellite feed'' after ''network station''.

(c) DEFINITIONS.—Section 119(d) of title 17, United States Code, is amended—

(1) by amending paragraph (9) to read as follows:

''(9) SUPERSTATION.—The term 'superstation'—

''(A) means a television broadcast station, other than a network station, licensed by the Federal Communications Commission that is secondarily transmitted by a satellite carrier; and

''(B) except for purposes of computing the royalty fee, includes the Public Broadcasting Service satellite feed.''; and

(2) by adding at the end the following:

''(12) PUBLIC BROADCASTING SERVICE SATELLITE FEED.—The term 'Public Broadcasting Service satellite feed' means the national satellite feed distributed and designated for purposes of this section by the Public Broadcasting Service consisting of educational and informational programming intended for private home viewing, to which the Public Broadcasting Service holds national terrestrial broadcast rights.''.

SEC. 1007. APPLICATION OF FEDERAL COMMUNICATIONS COMMISSION REGULATIONS.

Section 119(a) of title 17, United States Code, is amended—

(1) in paragraph (1), by inserting ''with regard to secondary transmissions the satellite carrier is in compliance with the rules, regulations, or authorizations of the Federal Communications Commission governing the carriage of television broadcast station signals,'' after ''satellite carrier to the public for private home viewing,'';

(2) in paragraph (2), by inserting ''with regard to secondary transmissions the satellite carrier is in compliance with the rules, regulations, or authorizations of the Federal Communications Commission governing the carriage of television broadcast station signals,'' after ''satellite carrier to the public for private home viewing,''; and

(3) by adding at the end of such subsection (as amended by section 1005(e) of this Act) the following new paragraph:

''(12) STATUTORY LICENSE CONTINGENT ON COMPLIANCE WITH FCC RULES AND REMEDIAL STEPS.—Notwithstanding any other provision of this section, the willful or repeated secondary transmission to the public by a satellite carrier of a primary transmission embodying a performance or display of a work made by a broadcast station licensed by the Federal Communications Commission is actionable as an act of infringement under section 501, and is fully subject to the remedies provided by sections 502 through 506 and 509, if, at the time of such transmission, the satellite carrier is not in compliance with the rules, regulations, and authorizations of the Federal Communications Commission concerning the carriage of television broadcast station signals.''.

SEC. 1008. RULES FOR SATELLITE CARRIERS RETRANSMITTING TELEVISION BROADCAST SIGNALS.

(a) AMENDMENTS TO COMMUNICATIONS ACT OF 1934.—Title III of the Communications Act of 1934 is amended by inserting after section 337 (47 U.S.C. 337) the following new sections:

''SEC. 338. CARRIAGE OF LOCAL TELEVISION SIGNALS BY SATELLITE CARRIERS.

''(a) CARRIAGE OBLIGATIONS.—

''(1) IN GENERAL.—Subject to the limitations of paragraph (2), each satellite carrier providing, under section 122 of title 17, United States Code, secondary transmissions to subscribers located within the local market of a television broadcast station of a primary transmission made by that station shall carry upon request the signals of all television broadcast stations located within that local market, subject to section 325(b).

''(2) REMEDIES FOR FAILURE TO CARRY.—The remedies for any failure to meet the obligations under this subsection shall be available exclusively under section 501(f) of title 17, United States Code.

''(3) EFFECTIVE DATE.—No satellite carrier shall be required to carry local television broadcast stations under paragraph (1) until January 1, 2002.

''(b) GOOD SIGNAL REQUIRED.—

''(1) COSTS.—A television broadcast station asserting its right to carriage under subsection (a) shall be required to bear the costs associated with delivering a good quality signal to the designated local receive facility of the satellite carrier or to another facility that is acceptable to at least one-half the stations asserting the right to carriage in the local market.

''(2) REGULATIONS.—The regulations issued under subsection (g) shall set forth the obligations necessary to carry out this subsection.

''(c) DUPLICATION NOT REQUIRED.—

''(1) COMMERCIAL STATIONS.—Notwithstanding subsection (a), a satellite carrier shall not be required to carry upon request the signal of any local commercial television broadcast station that substantially duplicates the signal of another local commercial television broadcast station which is secondarily transmitted by the satellite carrier within the same local market, or to carry upon request the signals of more than one local commercial television broadcast station in a single local market that is affiliated with a particular television network unless such stations are licensed to communities in different States.

''(2) NONCOMMERCIAL STATIONS.—The Commission shall prescribe regulations limiting the carriage requirements under subsection (a) of satellite carriers with respect to the carriage of multiple local noncommercial television broadcast stations. To the extent possible, such regulations shall provide the same degree of carriage by satellite carriers of such multiple stations as is provided by cable systems under section 615.

''(d) CHANNEL POSITIONING.—No satellite carrier shall be required to provide the signal of a local television broadcast station to subscribers in that station's local market on any particular channel number or to provide the signals in any particular order, except that the satellite carrier shall retransmit the signal of the local television broadcast stations to subscribers in the stations' local market on contiguous channels and provide access to such station's signals at a nondiscriminatory price and in a nondiscriminatory manner on any navigational device, on-screen program guide, or menu.

''(e) COMPENSATION FOR CARRIAGE.—A satellite carrier shall not accept or request monetary payment or other valuable consideration in exchange either for carriage of local television broadcast stations in fulfillment of the requirements of this section or for channel positioning rights provided to such stations under this section, except that any such station may be required to bear the costs associated with delivering a good quality signal to the local receive facility of the satellite carrier.

''(f) REMEDIES.—

''(1) COMPLAINTS BY BROADCAST STATIONS.—Whenever a local television broadcast station believes that a satellite carrier has failed to meet its obligations under subsections (b) through (e) of this section, such station shall notify the carrier, in writing, of the alleged failure and identify its reasons for believing that the satellite carrier failed to comply with such obligations. The satellite carrier shall, within 30 days after such written notification, respond in writing to such notification and comply with such obligations or state its reasons for believing that it is in compliance with such obligations. A local television broadcast station that disputes a response by a satellite carrier that it is in compliance with such obligations may obtain review of such denial or response by filing a complaint with the Commission. Such complaint shall allege the manner in which such satellite carrier has failed to meet its obligations and the basis for such allegations.

''(2) OPPORTUNITY TO RESPOND.—The Commission shall afford the satellite carrier against which a complaint is filed under paragraph (1) an opportunity to present data and arguments to establish that there has been no failure to meet its obligations under this section.

''(3) REMEDIAL ACTIONS; DISMISSAL.—Within 120 days after the date a complaint is filed under paragraph (1), the Commission shall determine whether the satellite carrier has met its obligations under subsections (b) through (e). If the Commission determines that the satellite carrier has failed to meet such obligations, the Commission shall order the satellite carrier to take appropriate remedial action. If the Commission determines that the satellite carrier has fully met the requirements of such subsections, the Commission shall dismiss the complaint.

''(g) REGULATIONS BY COMMISSION.—Within 1 year after the date of the enactment of this section, the Commission shall issue regulations implementing this section following a rulemaking proceeding. The regulations prescribed under

this section shall include requirements on satellite carriers that are comparable to the requirements on cable operators under sections 614(b)(3) and (4) and 615(g)(1) and (2).

''(h) DEFINITIONS.—As used in this section:

''(1) DISTRIBUTOR.—The term 'distributor' means an entity which contracts to distribute secondary transmissions from a satellite carrier and, either as a single channel or in a package with other programming, provides the secondary transmission either directly to individual subscribers or indirectly through other program distribution entities.

''(2) LOCAL RECEIVE FACILITY.—The term 'local receive facility' means the reception point in each local market which a satellite carrier designates for delivery of the signal of the station for purposes of retransmission.

''(3) LOCAL MARKET.—The term 'local market' has the meaning given that term under section 122(j) of title 17, United States Code.

''(4) SATELLITE CARRIER.—The term 'satellite carrier' has the meaning given such term under section 119(d) of title 17, United States Code.

''(5) SECONDARY TRANSMISSION.—The term 'secondary transmission' has the meaning given such term in section 119(d) of title 17, United States Code.

''(6) SUBSCRIBER.—The term 'subscriber' has the meaning given that term under section 122(j) of title 17, United States Code.

''(7) TELEVISION BROADCAST STATION.—The term 'television broadcast station' has the meaning given such term in section 325(b)(7).

"SEC. 339. CARRIAGE OF DISTANT TELEVISION STATIONS BY SATELLITE CARRIERS.

''(a) PROVISIONS RELATING TO CARRIAGE OF DISTANT SIGNALS.—

''(1) CARRIAGE PERMITTED.—

''(A) IN GENERAL.—Subject to section 119 of title 17, United States Code, any satellite carrier shall be permitted to provide the signals of no more than two network stations in a single day for each television network to any household not located within the local markets of those network stations.

''(B) ADDITIONAL SERVICE.—In addition to signals provided under subparagraph (A), any satellite carrier may also provide service under the statutory license of section 122 of title 17, United States Code, to the local market within which such household is located. The service provided under section 122 of such title may be in addition to the two signals provided under section 119 of such title.

''(2) PENALTY FOR VIOLATION.—Any satellite carrier that knowingly and willfully provides the signals of television stations to subscribers in violation of this subsection shall be liable for a forfeiture penalty under section 503 in the amount of $50,000 for each violation or each day of a continuing violation.

''(b) EXTENSION OF NETWORK NONDUPLICATION, SYNDICATED EXCLUSIVITY, AND SPORTS BLACKOUT TO SATELLITE RETRANSMISSION.—

''(1) EXTENSION OF PROTECTIONS.—Within 45 days after the date of the enactment of the Satellite Home Viewer Improvement Act of 1999, the Commission shall commence a single rulemaking proceeding to establish regulations that—

''(A) apply network nonduplication protection (47 CFR 76.92) syndicated exclusivity protection (47 CFR 76.151), and sports blackout protection (47 CFR 76.67) to the retransmission of the signals of nationally distributed superstations by satellite carriers to subscribers; and

''(B) to the extent technically feasible and not economically prohibitive, apply sports blackout protection (47 CFR 76.67) to the retransmission of the signals of network stations by satellite carriers to subscribers.

''(2) DEADLINE FOR ACTION.—The Commission shall complete all actions necessary to prescribe regulations required by this section so that the regulations shall become effective within 1 year after such date of enactment.

''(c) ELIGIBILITY FOR RETRANSMISSION.—

''(1) SIGNAL STANDARD FOR SATELLITE CARRIER PURPOSES.—For the purposes of identifying an unserved household under section 119(d)(10) of title 17, United States Code, within 1 year after the date of the enactment of the Satellite Home Viewer Improvement Act of 1999, the Commission shall conclude an inquiry to evaluate all possible standards and factors for determining eligibility for retransmissions of the signals of network stations, and, if appropriate—

''(A) recommend modifications to the Grade B intensity standard for analog signals set forth in section 73.683(a) of its regulations (47 CFR 73.683(a)), or recommend alternative standards or factors for purposes of determining such eligibility; and

''(B) make a further recommendation relating to an appropriate standard for digital signals.

''(2) WAIVERS.—A subscriber who is denied the retransmission of a signal of a network station under section 119 of title 17, United States Code, may request a waiver from such denial by submitting a request, through such subscriber's satellite carrier, to the network station asserting that the retransmission is prohibited. The network station shall accept or reject a subscriber's request for a waiver within 30 days after receipt of the request. The subscriber shall be permitted to receive such retransmission under section 119(d)(10)(B) of title 17, United States Code, if such station agrees to the waiver request and files with the satellite carrier a written waiver with respect to that subscriber allowing the subscriber to receive such retransmission. If a television network station fails to accept or reject a subscriber's request for a waiver within the 30-day period after receipt of the request, that station shall be deemed to agree to the waiver request and have filed such written waiver.

''(3) ESTABLISHMENT OF IMPROVED PREDICTIVE MODEL REQUIRED.—Within 180 days after the date of the enactment of the Satellite Home Viewer Improvement Act of 1999, the Commission shall take all actions necessary, including any reconsideration, to develop and prescribe by rule a point-to-point predictive model for reliably and presumptively determining the ability of individual locations to receive signals in accordance with the signal intensity standard in effect under section 119(d)(10)(A) of title 17, United States Code. In prescribing such model, the Commission shall rely on the Individual Location Longley-Rice model set forth by the Federal Communications Commission in Docket No. 98–201 and ensure that such model takes into account terrain, building structures, and other land cover variations. The Commission shall establish procedures for the continued refinement in the application of the model by the use of additional data as it becomes available.

''(4) OBJECTIVE VERIFICATION.—

''(A) IN GENERAL.—If a subscriber's request for a waiver under paragraph (2) is rejected and the subscriber submits to the subscriber's satellite carrier a request for a test verifying the subscriber's inability to receive a signal that meets the signal intensity standard in effect under section 119(d)(10)(A) of title 17, United States Code, the satellite carrier and the network station or stations asserting that the retransmission is prohibited with respect to that subscriber shall select a qualified and independent person to conduct a test in accordance with section 73.686(d) of its regulations (47 CFR 73.686(d)), or any successor regulation. Such test shall be conducted within 30 days after the date the subscriber submits a request for the test. If the written findings and conclusions of a test conducted in accordance with such section (or any successor regulation) demonstrate that the subscriber does not receive a signal that meets or exceeds the signal intensity standard in effect under section 119(d)(10)(A) of title 17, United States Code, the subscriber shall not be denied the retransmission of a signal of a network station under section 119 of title 17, United States Code.

''(B) DESIGNATION OF TESTER AND ALLOCATION OF COSTS.—If the satellite carrier and the network station or stations asserting that the retransmission is prohibited are unable to agree on such a person to conduct the test, the person shall be designated by an independent and neutral entity designated by the Commission by rule. Unless the satellite carrier and the network station or stations otherwise agree, the costs of conducting the test under this paragraph shall be borne by the satellite carrier, if the station's signal meets or exceeds the signal intensity standard in effect under section 119(d)(10)(A) of title 17, United States Code, or by the network station, if its signal fails to meet or exceed such standard.

''(C) AVOIDANCE OF UNDUE BURDEN.— Commission regulations prescribed under this paragraph shall seek to avoid any undue burden on any party.

''(d) DEFINITIONS.—For the purposes of this section:

''(1) LOCAL MARKET.—The term 'local market' has the meaning given that term under section 122(j) of title 17, United States Code.

''(2) NATIONALLY DISTRIBUTED SUPERSTATION.—The term 'nationally distributed superstation' means a television broadcast station, licensed by the Commission, that—

''(A) is not owned or operated by or affiliated with a television network that, as of January 1, 1995, offered interconnected program service on a regular basis for 15 or more hours per week to at least 25 affiliated television licensees in 10 or more States;

''(B) on May 1, 1991, was retransmitted by a satellite carrier and was not a network station at that time; and

''(C) was, as of July 1, 1998, retransmitted by a satellite carrier under the statutory license of section 119 of title 17, United States Code.

''(3) NETWORK STATION.—The term 'network station' has the meaning given such term under section 119(d) of title 17, United States Code.

''(4) SATELLITE CARRIER.—The term 'satellite carrier' has the meaning given such term under section 119(d) of title 17, United States Code.

''(5) TELEVISION NETWORK.—The term 'television network' means a television network in the United States which offers an interconnected program service on a regular basis for 15 or more hours per week to at least 25 affiliated broadcast stations in 10 or more States.''.

(b) NETWORK STATION DEFINITION.—Section 119(d)(2) of title 17, United States Code, is amended—

(1) in subparagraph (B) by striking the period and inserting a semicolon; and

(2) by adding after subparagraph (B) the following:

''except that the term does not include the signal of the Alaska Rural Communications Service, or any successor entity to that service.''.

SEC. 1009. RETRANSMISSION CONSENT.

(a) IN GENERAL.—Section 325(b) of the Communications Act of 1934 (47 U.S.C. 325(b)) is amended—

(1) by amending paragraphs (1) and (2) to read as follows:

''(b)(1) No cable system or other multichannel video programming distributor shall retransmit the signal of a broadcasting station, or any part thereof, except—

''(A) with the express authority of the originating station;

''(B) under section 614, in the case of a station electing, in accordance with this subsection, to assert the right to carriage under such section; or

''(C) under section 338, in the case of a station electing, in accordance with this subsection, to assert the right to carriage under such section.

''(2) This subsection shall not apply—

''(A) to retransmission of the signal of a noncommercial television broadcast station;

''(B) to retransmission of the signal of a television broadcast station outside the station's local market by a satellite carrier directly to its subscribers, if—

''(i) such station was a superstation on May 1, 1991;

''(ii) as of July 1, 1998, such station was retransmitted by a satellite carrier under the statutory license of section 119 of title 17, United States Code; and

''(iii) the satellite carrier complies with any network nonduplication, syndicated exclusivity, and sports blackout rules adopted by the Commission under section 339(b) of this Act;

''(C) until December 31, 2004, to retransmission of the signals of network stations directly to a home satellite antenna, if the subscriber receiving the signal—

''(i) is located in an area outside the local market of such stations; and

''(ii) resides in an unserved household;

''(D) to retransmission by a cable operator or other multichannel video provider, other than a satellite carrier, of the signal of a television broadcast station outside the station's local market if such signal was obtained from a satellite carrier and—

''(i) the originating station was a superstation on May 1, 1991; and

''(ii) as of July 1, 1998, such station was retransmitted by a satellite carrier under the statutory license of section 119 of title 17, United States Code; or

''(E) during the 6-month period beginning on the date of the enactment of the Satellite Home Viewer Improvement Act of 1999, to the retransmission of the signal of a television broadcast station within the station's local market by a satellite carrier directly to its subscribers under the statutory license of section 122 of title 17, United States Code.

For purposes of this paragraph, the terms 'satellite carrier' and 'superstation' have the meanings given those terms, respectively, in section 119(d) of title 17, United States Code, as in effect on the date of the enactment of the Cable Television Consumer Protection and Competition Act of 1992, the term 'unserved household' has the meaning given that term under section 119(d) of such title, and the term 'local market' has the meaning given that term in section 122(j) of such title.'';

(2) by adding at the end of paragraph (3) the following new subparagraph:

''(C) Within 45 days after the date of the enactment of the Satellite Home Viewer Improvement Act of 1999, the Commission shall commence a rulemaking proceeding to revise the regulations governing the exercise by television broadcast stations of the right to grant retransmission consent under this subsection, and such other regulations as are necessary to administer the limitations contained in paragraph (2). The Commission shall complete all actions necessary to prescribe such regulations within 1 year after such date of enactment. Such regulations shall—

''(i) establish election time periods that correspond with those regulations adopted under subparagraph (B) of this paragraph; and

''(ii) until January 1, 2006, prohibit a television broadcast station that provides retransmission consent from engaging in exclusive contracts for carriage or failing to negotiate in good faith, and it shall not be a failure to negotiate in good faith if the television broadcast station enters into retransmission consent agreements containing different terms and conditions, including price terms, with different multichannel video programming distributors if such different terms and conditions are based on competitive marketplace considerations.'';

(3) in paragraph (4), by adding at the end the following new sentence: ''If an originating television station elects under paragraph (3)(C) to exercise its right to grant retransmission consent under this subsection with respect to a satellite carrier, section 338 shall not apply to the carriage of the signal of such station by such satellite carrier.'';

(4) in paragraph (5), by striking ''614 or 615'' and inserting ''338, 614, or 615''; and

(5) by adding at the end the following new paragraph:

''(7) For purposes of this subsection, the term—

''(A) 'network station' has the meaning given such term under section 119(d) of title 17, United States Code; and

''(B) 'television broadcast station' means an over-the-air commercial or noncommercial television broadcast station licensed by the Commission under subpart E of part 73 of title 47, Code of Federal Regulations, except that such term does not include a low-power or translator television station.''.

(b) ENFORCEMENT PROVISIONS FOR CONSENT FOR RETRANSMISSIONS.—Section 325 of the Communications Act of 1934 (47 U.S.C. 325) is amended by adding at the end the following new subsection:

''(e) ENFORCEMENT PROCEEDINGS AGAINST SATELLITE CARRIERS CONCERNING RETRANSMISSIONS OF TELEVISION BROADCAST STATIONS IN THE RESPECTIVE LOCAL MARKETS OF SUCH CARRIERS.—

''(1) COMPLAINTS BY TELEVISION BROADCAST STATIONS.—If after the expiration of the 6-month period described under subsection (b)(2)(E) a television broadcast station believes that a satellite carrier has retransmitted its signal to any person in the local market of such station in violation of subsection (b)(1), the station may file with the Commission a complaint providing—

''(A) the name, address, and call letters of the station;

''(B) the name and address of the satellite carrier;

''(C) the dates on which the alleged retransmission occurred;

''(D) the street address of at least one person in the local market of the station to whom the alleged retransmission was made;

''(E) a statement that the retransmission was not expressly authorized by the television broadcast station; and

''(F) the name and address of counsel for the station.

''(2) SERVICE OF COMPLAINTS ON SATELLITE CARRIERS.—For purposes of any proceeding under this subsection, any satellite carrier that retransmits the signal of any broadcast station shall be deemed to designate the Secretary of the Commission as its agent for service of process. A television broadcast station may serve a satellite carrier with a complaint concerning an alleged violation of subsection (b)(1) through retransmission of a station within the local market of such station by filing the original and two copies of the complaint with the Secretary of the Commission and serving a copy of the complaint on the satellite carrier by means of two commonly used overnight delivery services, each addressed to the chief executive officer of the satellite carrier at its principal place of business, and each marked 'URGENT LITIGATION MATTER' on the outer packaging. Service shall be deemed complete one business day after a copy of the complaint is provided to the delivery services for overnight delivery. On receipt of a complaint filed by a television broadcast station under this subsection, the Secretary of the Commission shall send the original complaint by United States mail, postage prepaid, receipt requested, addressed to the chief executive officer of the satellite carrier at its principal place of business.

''(3) ANSWERS BY SATELLITE CARRIERS.—Within five business days after the date of service, the satellite carrier shall file an answer with the Commission and shall serve the answer by a commonly used overnight delivery service and by United States mail, on the counsel designated in the complaint at the address listed for such counsel in the complaint.

''(4) DEFENSES.—

''(A) EXCLUSIVE DEFENSES.—The defenses under this paragraph are the exclusive defenses available to a satellite carrier against which a complaint under this subsection is filed.

''(B) DEFENSES.—The defenses referred to under subparagraph (A) are the defenses that—

''(i) the satellite carrier did not retransmit the television broadcast station to any person in the local market of the station during the time period specified in the complaint;

''(ii) the television broadcast station had, in a writing signed by an officer of the television broadcast station, expressly authorized the retransmission of the station by the satellite carrier to each person in the local market of the television broadcast station to which the satellite carrier made such retransmissions for the entire time period during which it is alleged that a violation of subsection (b)(1) has occurred;

''(iii) the retransmission was made after January 1, 2002, and the television broadcast station had elected to assert the right to carriage under section 338 as against the satellite carrier for the relevant period; or

''(iv) the station being retransmitted is a noncommercial television broadcast station.

''(5) COUNTING OF VIOLATIONS.—The retransmission without consent of a particular television broadcast station on a particular day to one or more persons in the local market of the station shall be considered a separate violation of subsection (b)(1).

''(6) BURDEN OF PROOF.—With respect to each alleged violation, the burden of proof shall be on a television broadcast station to establish that the satellite carrier retransmitted the station to at least one person in the local market of the station on the day in question. The burden of proof shall be on the satellite carrier with respect to all defenses other than the defense under paragraph (4)(B)(i).

''(7) PROCEDURES.—

''(A) REGULATIONS.—Within 60 days after the date of the enactment of the Satellite Home Viewer Improvement Act of 1999, the Commission shall issue procedural regulations implementing this subsection which shall supersede procedures under section 312.

''(B) DETERMINATIONS.—

''(i) IN GENERAL.—Within 45 days after the filing of a complaint, the Commission shall issue a final determination in any proceeding brought under this subsection. The Commission's final determination shall specify the number of violations committed by the satellite carrier. The Commission shall hear witnesses only if it clearly appears, based on written filings by the parties, that there is a genuine dispute about material facts. Except as provided in the preceding sentence, the Commission may issue a final ruling based on written filings by the parties.

''(ii) DISCOVERY.—The Commission may direct the parties to exchange pertinent documents, and if necessary to take prehearing depositions, on such schedule as the Commission may approve, but only if the Commission first determines that such discovery is necessary to resolve a genuine dispute about material facts, consistent with the obligation to make a final determination within 45 days.

''(8) RELIEF.—If the Commission determines that a satellite carrier has retransmitted the television broadcast station to at least one person in the local market of such station and has failed to meet its burden of proving one of the defenses under paragraph (4) with respect to such retransmission, the Commission shall be required to—

''(A) make a finding that the satellite carrier violated subsection (b)(1) with respect to that station; and

''(B) issue an order, within 45 days after the filing of the complaint, containing—

''(i) a cease-and-desist order directing the satellite carrier immediately to stop making any further retransmissions of the television broadcast station to any person within the local market of such station until such time as the Commission determines that the satellite carrier is in compliance with subsection (b)(1) with respect to such station;

''(ii) if the satellite carrier is found to have violated subsection (b)(1) with respect to more than two television broadcast stations, a cease-and-desist order directing the satellite carrier to stop making any further retransmission of any television broadcast station to any person within the local market of such station, until such time as the Commission, after giving notice to the station, that the satellite carrier is in compliance with subsection (b)(1) with respect to such stations; and

''(iii) an award to the complainant of that complainant's costs and reasonable attorney's fees.

''(9) COURT PROCEEDINGS ON ENFORCEMENT OF COMMISSION ORDER.—

''(A) IN GENERAL.—On entry by the Commission of a final order granting relief under this subsection—

''(i) a television broadcast station may apply within 30 days after such entry to the United States District Court for the Eastern District of Virginia for a final judgment enforcing all relief granted by the Commission; and

''(ii) the satellite carrier may apply within 30 days after such entry to the United States District Court for the Eastern District of Virginia for a judgment reversing the Commission's order.

''(B) APPEAL.—The procedure for an appeal under this paragraph by the satellite carrier shall supersede any other appeal rights under Federal or State law. A United States district court shall be deemed to have personal jurisdiction over the satellite carrier if the carrier, or a company under common control with the satellite carrier, has delivered television programming by satellite to more than 30 customers in that district during the preceding 4-year period. If the United States District Court for the Eastern District of Virginia does not have personal jurisdiction over the satellite carrier, an enforcement action or appeal shall be brought in the United States District Court for the District of Columbia, which may find personal jurisdiction based on the satellite carrier's ownership of licenses issued by the Commission. An application by a television broadcast station for an order enforcing any cease-and-desist relief granted by the Commission shall be resolved on a highly expedited schedule. No discovery may be conducted by the parties in any such proceeding. The district court shall enforce the Commission order unless the Commission record reflects manifest error and an abuse of discretion by the Commission.

''(10) CIVIL ACTION FOR STATUTORY DAMAGES.—Within 6 months after issuance of an order by the Commission under this subsection, a television broadcast station may file a civil action in any United States district court that has personal jurisdiction over the satellite carrier for an award of statutory damages for any violation that the Commission has determined to have been committed by a satellite carrier under this subsection. Such action shall not be subject to transfer under section 1404(a) of title 28, United States Code. On finding that the satellite carrier has committed one or more violations of subsection (b), the District Court shall be required to award the television broadcast station statutory damages of $25,000 per violation, in accordance with paragraph (5), and the costs and attorney's fees incurred by the station. Such statutory damages shall be awarded only if the television broadcast station has filed a binding stipulation with the court that such station will donate the full amount in excess of $1,000 of any statutory damage award to the United States Treasury for public purposes. Notwithstanding any other provision of law, a station shall incur no tax liability of any kind with respect to any amounts so donated. Discovery may be conducted by the parties in any proceeding under this paragraph only if and to the extent necessary to resolve a genuinely disputed issue of fact concerning one of the defenses under paragraph (4). In any such action, the defenses under paragraph (4) shall be exclusive, and the burden of proof shall be on the satellite carrier with respect to all defenses other than the defense under paragraph (4)(B)(i). A judgment under this paragraph may be enforced in any manner permissible under Federal or State law.

''(11) APPEALS.—

''(A) IN GENERAL.—The nonprevailing party before a United States district court may appeal a decision under this subsection to the United States Court of Appeals with jurisdiction over that district court. The Court of Appeals shall not issue any stay of the effectiveness of any decision granting relief against a satellite carrier unless the carrier presents clear and convincing evidence that it is highly likely to prevail on appeal and only after posting a bond for the full amount of any monetary award assessed against it and for such further amount as the Court of Appeals may believe appropriate.

''(B) APPEAL.—If the Commission denies relief in response to a complaint filed by a television broadcast station under this subsection, the television broadcast station filing the complaint may file an appeal with the United States Court of Appeals for the District of Columbia Circuit.

''(12) SUNSET.—No complaint or civil action may be filed under this subsection after December 31, 2001. This subsection shall continue to apply to any complaint or civil action filed on or before such date.''.

SEC. 1010. SEVERABILITY.

If any provision of section 325(b) of the Communications Act of 1934 (47 U.S.C. 325(b)), or the application of that provision to any person or circumstance, is held by a court of competent jurisdiction to violate any provision of the Constitution of the United States, then the other provisions of that section, and the application of that provision to other persons and circumstances, shall not be affected.

SEC. 1011. TECHNICAL AMENDMENTS.

(a) TECHNICAL AMENDMENTS RELATING TO CABLE SYSTEMS.—Title 17, United States Code, is amended as follows:

(1) Such title is amended by striking ''programing'' each place it appears and inserting ''programming''.

(2) Section 111 is amended by striking ''compulsory'' each place it appears and inserting ''statutory''.

(3) Section 510(b) is amended by striking ''compulsory'' and inserting ''statutory''.

(b) TECHNICAL AMENDMENTS RELATING TO PERFORMANCE OR DISPLAYS OF WORKS.—

(1) Section 111 of title 17, United States Code, is amended—

(A) in subsection (a), in the matter preceding paragraph (1), by striking ''primary transmission embodying a performance or display of a work'' and inserting ''performance or display of a work embodied in a primary transmission'';

(B) in subsection (b), in the matter preceding paragraph (1), by striking ''primary transmission embodying a performance or display of a work'' and inserting ''performance or display of a work embodied in a primary transmission''; and

(C) in subsection (c)—

(i) in paragraph (1)—

(I) by inserting ''a performance or display of a work embodied in'' after ''by a cable system of''; and

(II) by striking ''and embodying a performance or display of a work''; and

(ii) in paragraphs (3) and (4)—

(I) by striking ''a primary transmission'' and inserting ''a performance or display of a work embodied in a primary transmission''; and

(II) by striking ''and embodying a performance or display of a work''.

(2) Section 119(a) of title 17, United States Code, is amended—

(A) in paragraph (1), by striking ''primary transmission made by a superstation and embodying a performance or display of a work'' and inserting ''performance or display of a work embodied in a primary transmission made by a superstation'';

(B) in paragraph (2)(A), by striking ''programming'' and all that follows through ''a work'' and inserting ''a performance or display of a work embodied in a primary transmission made by a network station'';

(C) in paragraph (4)—

(i) by inserting ''a performance or display of a work embodied in'' after ''by a satellite carrier of''; and

(ii) by striking ''and embodying a performance or display of a work''; and

(D) in paragraph (6)—

(i) by inserting ''performance or display of a work embodied in'' after ''by a satellite carrier of''; and

(ii) by striking ''and embodying a performance or display of a work''.

(3) Section 501(e) of title 17, United States Code, is amended by striking ''primary transmission embodying the performance or display of a work'' and inserting ''performance or display of a work embodied in a primary transmission''.

(c) CONFORMING AMENDMENT.—Section 119(a)(2)(C) of title 17, United States Code, is amended in the first sentence by striking ''currently''.

(d) WORK MADE FOR HIRE.—Section 101 of title 17, United States Code, is amended in the definition relating to work for hire in paragraph (2) by inserting ''as a sound recording,'' after ''audiovisual work''.

SEC. 1012. EFFECTIVE DATES.

Sections 1001, 1003, 1005, 1007, 1008, 1009, 1010, and 1011 (and the amendments made by such sections) shall take effect on the date of the enactment of this Act. The amendments made by sections 1002, 1004, and 1006 shall be effective as of July 1, 1999.

TITLE II—RURAL LOCAL TELEVISION SIGNALS

SEC. 2001. SHORT TITLE.

This title may be cited as the ''Rural Local Broadcast Signal Act''.

SEC. 2002. LOCAL TELEVISION SERVICE IN UNSERVED AND UNDERSERVED MARKETS.

(a) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Federal Communications Commission (''the Commission'') shall take all actions necessary to make a determination regarding licenses or other authorizations for facilities that will utilize, for delivering local broadcast television station signals to satellite television subscribers in

unserved and underserved local television markets, spectrum otherwise allocated to commercial use.

(b) RULES.—

(1) FORM OF BUSINESS.—To the extent not inconsistent with the Communications Act of 1934 and the Commission's rules, the Commission shall permit applicants under subsection (a) to engage in partnerships, joint ventures, and similar operating arrangements for the purpose of carrying out subsection (a).

(2) HARMFUL INTERFERENCE.—The Commission shall ensure that no facility licensed or authorized under subsection (a) causes harmful interference to the primary users of that spectrum or to public safety spectrum use.

(3) LIMITATION ON COMMISSION.—Except as provided in paragraphs (1) and (2), the Commission may not restrict any entity granted a license or other authorization under subsection (a) from using any reasonable compression, reformatting, or other technology.

(c) REPORT.—Not later than January 1, 2001, the Commission shall report to the Agriculture, Appropriations, and the Judiciary Committees of the Senate and the House of Representatives, the Senate Committee on Commerce, Science, and Transportation, and the House of Representatives Committee on Commerce, on the extent to which licenses and other authorizations under subsection (a) have facilitated the delivery of local signals to satellite television subscribers in unserved and underserved local television markets. The report shall include—

(1) an analysis of the extent to which local signals are being provided by direct-to-home satellite television providers and by other multichannel video program distributors;

(2) an enumeration of the technical, economic, and other impediments each type of multichannel video programming distributor has encountered; and

(3) recommendations for specific measures to facilitate the provision of local signals to subscribers in unserved and underserved markets by direct-to-home satellite television providers and by other distributors of multichannel video programming service.

TITLE III—TRADEMARK CYBERPIRACY PREVENTION

SEC. 3001. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This title may be cited as the ''Anticybersquatting Consumer Protection Act''.

(b) REFERENCES TO THE TRADEMARK ACT OF 1946.—Any reference in this title to the Trademark Act of 1946 shall be a reference to the Act entitled ''An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes'', approved July 5, 1946 (15 U.S.C. 1051 et seq.).

SEC. 3002. CYBERPIRACY PREVENTION.

(a) IN GENERAL.—Section 43 of the Trademark Act of 1946 (15 U.S.C. 1125) is amended by inserting at the end the following:

''(d)(1)(A) A person shall be liable in a civil action by the owner of a mark, including a personal name which is protected as a mark under this section, if, without regard to the goods or services of the parties, that person—

''(i) has a bad faith intent to profit from that mark, including a personal name which is protected as a mark under this section; and

''(ii) registers, traffics in, or uses a domain name that—

''(I) in the case of a mark that is distinctive at the time of registration of the domain name, is identical or confusingly similar to that mark;

''(II) in the case of a famous mark that is famous at the time of registration of the domain name, is identical or confusingly similar to or dilutive of that mark; or

''(III) is a trademark, word, or name protected by reason of section 706 of title 18, United States Code, or section 220506 of title 36, United States Code.

''(B)(i) In determining whether a person has a bad faith intent described under subparagraph (A), a court may consider factors such as, but not limited to—

''(I) the trademark or other intellectual property rights of the person, if any, in the domain name;

''(II) the extent to which the domain name consists of the legal name of the person or a name that is otherwise commonly used to identify that person;

''(III) the person's prior use, if any, of the domain name in connection with the bona fide offering of any goods or services;

''(IV) the person's bona fide noncommercial or fair use of the mark in a site accessible under the domain name;

''(V) the person's intent to divert consumers from the mark owner's online location to a site accessible under the domain name that could harm the goodwill represented by the mark, either for commercial gain or with the intent to tarnish or disparage the mark, by creating a likelihood of confusion as to the source, sponsorship, affiliation, or endorsement of the site;

''(VI) the person's offer to transfer, sell, or otherwise assign the domain name to the mark owner or any third party for financial gain without having used, or having an intent to use, the domain name in the bona fide offering of any goods or services, or the person's prior conduct indicating a pattern of such conduct;

''(VII) the person's provision of material and misleading false contact information when applying for the registration of the domain name, the person's intentional failure to maintain accurate contact information, or the person's prior conduct indicating a pattern of such conduct;

''(VIII) the person's registration or acquisition of multiple domain names which the person knows are identical or confusingly similar to marks of others that are distinctive at the time of registration of such domain names, or dilutive of famous marks of others that are famous at the time of registration of such domain names, without regard to the goods or services of the parties; and

''(IX) the extent to which the mark incorporated in the person's domain name registration is or is not distinctive and famous within the meaning of subsection (c)(1) of section 43.

''(ii) Bad faith intent described under subparagraph (A) shall not be found in any case in which the court determines that the person believed and had reasonable grounds to believe that the use of the domain name was a fair use or otherwise lawful.

''(C) In any civil action involving the registration, trafficking, or use of a domain name under this paragraph, a court may order the forfeiture or cancellation of the domain name or the transfer of the domain name to the owner of the mark.

''(D) A person shall be liable for using a domain name under subparagraph (A) only if that person is the domain name registrant or that registrant's authorized licensee.

''(E) As used in this paragraph, the term 'traffics in' refers to transactions that include, but are not limited to, sales, purchases, loans, pledges, licenses, exchanges of currency, and any other transfer for consideration or receipt in exchange for consideration.

''(2)(A) The owner of a mark may file an in rem civil action against a domain name in the judicial district in which the domain name registrar, domain name registry, or other domain name authority that registered or assigned the domain name is located if—

''(i) the domain name violates any right of the owner of a mark registered in the Patent and Trademark Office, or protected under subsection (a) or (c); and

''(ii) the court finds that the owner—

''(I) is not able to obtain in personam jurisdiction over a person who would have been a defendant in a civil action under paragraph (1); or

''(II) through due diligence was not able to find a person who would have been a defendant in a civil action under paragraph (1) by—

''(aa) sending a notice of the alleged violation and intent to proceed under this paragraph to the registrant of the domain name at the postal and e-mail address provided by the registrant to the registrar; and

''(bb) publishing notice of the action as the court may direct promptly after filing the action.

''(B) The actions under subparagraph (A)(ii) shall constitute service of process.

''(C) In an in rem action under this paragraph, a domain name shall be deemed to have its situs in the judicial district in which—

''(i) the domain name registrar, registry, or other domain name authority that registered or assigned the domain name is located; or

''(ii) documents sufficient to establish control and authority regarding the disposition of the registration and use of the domain name are deposited with the court.

''(D)(i) The remedies in an in rem action under this paragraph shall be limited to a court order for the forfeiture or cancellation of the domain name or the transfer of the domain name to the owner of the mark. Upon receipt of written notification of a filed, stamped copy of a complaint filed by the owner of a mark in a United States district court under this paragraph, the domain name registrar, domain name registry, or other domain name authority shall—

''(I) expeditiously deposit with the court documents sufficient to establish the court's control and authority regarding the disposition of the registration and use of the domain name to the court; and

''(II) not transfer, suspend, or otherwise modify the domain name during the pendency of the action, except upon order of the court.

''(ii) The domain name registrar or registry or other domain name authority shall not be liable for injunctive or monetary relief under this paragraph except in the case of bad faith or reckless disregard, which includes a willful failure to comply with any such court order.

''(3) The civil action established under paragraph (1) and the in rem action established under paragraph (2), and any remedy available under either such action, shall be in addition to any other civil action or remedy otherwise applicable.

''(4) The in rem jurisdiction established under paragraph (2) shall be in addition to any other jurisdiction that otherwise exists, whether in rem or in personam.''.

(b) CYBERPIRACY PROTECTIONS FOR INDIVIDUALS.—

(1) IN GENERAL.—

(A) CIVIL LIABILITY.—Any person who registers a domain name that consists of the name of another living person, or a name substantially and confusingly similar thereto, without that person's consent, with the specific intent to profit from such name by selling the domain name for financial gain to that person or any third party, shall be liable in a civil action by such person.

(B) EXCEPTION.—A person who in good faith registers a domain name consisting of the name of another living person, or a name substantially and confusingly similar thereto, shall not be liable under this paragraph if such name is used in, affiliated with, or related to a work of authorship protected under title 17, United States Code, including a work made for hire as defined in section 101 of title 17, United States Code, and if the person registering the domain name is the copyright owner or licensee of the

work, the person intends to sell the domain name in conjunction with the lawful exploitation of the work, and such registration is not prohibited by a contract between the registrant and the named person. The exception under this subparagraph shall apply only to a civil action brought under paragraph (1) and shall in no manner limit the protections afforded under the Trademark Act of 1946 (15 U.S.C. 1051 et seq.) or other provision of Federal or State law.

(2) REMEDIES.—In any civil action brought under paragraph (1), a court may award injunctive relief, including the forfeiture or cancellation of the domain name or the transfer of the domain name to the plaintiff. The court may also, in its discretion, award costs and attorneys fees to the prevailing party.

(3) DEFINITION.—In this subsection, the term ''domain name'' has the meaning given that term in section 45 of the Trademark Act of 1946 (15 U.S.C. 1127).

(4) EFFECTIVE DATE.—This subsection shall apply to domain names registered on or after the date of the enactment of this Act.

SEC. 3003. DAMAGES AND REMEDIES.

(a) REMEDIES IN CASES OF DOMAIN NAME PIRACY.—

(1) INJUNCTIONS.—Section 34(a) of the Trademark Act of 1946 (15 U.S.C. 1116(a)) is amended in the first sentence by striking ''(a) or (c)'' and inserting ''(a), (c), or (d)''.

(2) DAMAGES.—Section 35(a) of the Trademark Act of 1946 (15 U.S.C. 1117(a)) is amended in the first sentence by inserting '', (c), or (d)'' after ''section 43(a)''.

(b) STATUTORY DAMAGES.—Section 35 of the Trademark Act of 1946 (15 U.S.C. 1117) is amended by adding at the end the following:

''(d) In a case involving a violation of section 43(d)(1), the plaintiff may elect, at any time before final judgment is rendered by the trial court, to recover, instead of actual damages and profits, an award of statutory damages in the amount of not less than $1,000 and not more than $100,000 per domain name, as the court considers just.

SEC. 3004. LIMITATION ON LIABILITY.

Section 32(2) of the Trademark Act of 1946 (15 U.S.C. 1114) is amended—

(1) in the matter preceding subparagraph (A) by striking ''under section 43(a)'' and inserting ''under section 43(a) or (d)''; and

(2) by redesignating subparagraph (D) as subparagraph (E) and inserting after subparagraph (C) the following:

''(D)(i)(I) A domain name registrar, a domain name registry, or other domain name registration authority that takes any action described under clause (ii) affecting a domain name shall not be liable for monetary relief or, except as provided in subclause (II), for injunctive relief, to any person for such action, regardless of whether the domain name is finally determined to infringe or dilute the mark.

''(II) A domain name registrar, domain name registry, or other domain name registration authority described in subclause (I) may be subject to injunctive relief only if such registrar, registry, or other registration authority has—

''(aa) not expeditiously deposited with a court, in which an action has been filed regarding the disposition of the domain name, documents sufficient for the court to establish the court's control and authority regarding the disposition of the registration and use of the domain name;

''(bb) transferred, suspended, or otherwise modified the domain name during the pendency of the action, except upon order of the court; or

''(cc) willfully failed to comply with any such court order.

''(ii) An action referred to under clause (i)(I) is any action of refusing to register, removing from registration, transferring, temporarily disabling, or permanently canceling a domain name—

''(I) in compliance with a court order under section 43(d); or

''(II) in the implementation of a reasonable policy by such registrar, registry, or authority prohibiting the registration of a domain name that is identical to, confusingly similar to, or dilutive of another's mark.

''(iii) A domain name registrar, a domain name registry, or other domain name registration authority shall not be liable for damages under this section for the registration or maintenance of a domain name for another absent a showing of bad faith intent to profit from such registration or maintenance of the domain name.

''(iv) If a registrar, registry, or other registration authority takes an action described under clause (ii) based on a knowing and material misrepresentation by any other person that a domain name is identical to, confusingly similar to, or dilutive of a mark, the person making the knowing and material misrepresentation shall be liable for any damages, including costs and attorney's fees, incurred by the domain name registrant as a result of such action. The court may also grant injunctive relief to the domain name registrant, including the reactivation of the domain name or the transfer of the domain name to the domain name registrant.

''(v) A domain name registrant whose domain name has been suspended, disabled, or transferred under a policy described under clause (ii)(II) may, upon notice to the mark owner, file a civil action to establish that the registration or use of the domain name by such registrant is not unlawful under this Act. The court may grant injunctive relief to the domain name registrant, including the reactivation of the domain name or transfer of the domain name to the domain name registrant.''.

SEC. 3005. DEFINITIONS.

Section 45 of the Trademark Act of 1946 (15 U.S.C. 1127) is amended by inserting after the undesignated paragraph defining the term ''counterfeit'' the following:

''The term 'domain name' means any alphanumeric designation which is registered with or assigned by any domain name registrar, domain name registry, or other domain name registration authority as part of an electronic address on the Internet.

''The term 'Internet' has the meaning given that term in section 230(f)(1) of the Communications Act of 1934 (47 U.S.C. 230(f)(1)).''.

SEC. 3006. STUDY ON ABUSIVE DOMAIN NAME REGISTRATIONS INVOLVING PERSONAL NAMES.

(a) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Commerce, in consultation with the Patent and Trademark Office and the Federal Election Commission, shall conduct a study and report to Congress with recommendations on guidelines and procedures for resolving disputes involving the registration or use by a person of a domain name that includes the personal name of another person, in whole or in part, or a name confusingly similar thereto, including consideration of and recommendations for—

(1) protecting personal names from registration by another person as a second level domain name for purposes of selling or otherwise transferring such domain name to such other person or any third party for financial gain;

(2) protecting individuals from bad faith uses of their personal names as second level domain names by others with malicious intent to harm the reputation of the individual or the goodwill associated with that individual's name;

(3) protecting consumers from the registration and use of domain names that include personal names in the second level domain in manners which are intended or are likely to confuse or deceive the public as to the affiliation, connection, or association of the domain name registrant, or a site accessible under the domain name, with such other person, or as to the origin, sponsorship, or approval of the goods, services, or commercial activities of the domain name registrant;

(4) protecting the public from registration of domain names that include the personal names of government officials, official candidates, and potential official candidates for Federal, State, or local political office in the United States, and the use of such domain names in a manner that disrupts the electoral process or the public's ability to access accurate and reliable information regarding such individuals;

(5) existing remedies, whether under State law or otherwise, and the extent to which such remedies are sufficient to address the considerations described in paragraphs (1) through (4); and

(6) the guidelines, procedures, and policies of the Internet Corporation for Assigned Names and Numbers and the extent to which they address the considerations described in paragraphs (1) through (4).

(b) GUIDELINES AND PROCEDURES.—The Secretary of Commerce shall, under its Memorandum of Understanding with the Internet Corporation for Assigned Names and Numbers, collaborate to develop guidelines and procedures for resolving disputes involving the registration or use by a person of a domain name that includes the personal name of another person, in whole or in part, or a name confusingly similar thereto.

SEC. 3007. HISTORIC PRESERVATION.

Section 101(a)(1)(A) of the National Historic Preservation Act (16 U.S.C. 470a(a)(1)(A)) is amended by adding at the end the following: ''Notwithstanding section 43(c) of the Act entitled 'An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes', approved July 5, 1946 (commonly known as the 'Trademark Act of 1946' (15 U.S.C. 1125(c))), buildings and structures on or eligible for inclusion on the National Register of Historic Places (either individually or as part of a historic district), or designated as an individual landmark or as a contributing building in a historic district by a unit of State or local government, may retain the name historically associated with the building or structure.''.

SEC. 3008. SAVINGS CLAUSE.

Nothing in this title shall affect any defense available to a defendant under the Trademark Act of 1946 (including any defense under section 43(c)(4) of such Act or relating to fair use) or a person's right of free speech or expression under the first amendment of the United States Constitution.

SEC. 3009. TECHNICAL AND CONFORMING AMENDMENTS.

Chapter 85 of title 28, United States Code, is amended as follows:

(1) Section 1338 of title 28, United States Codes, is amended—

*(A) in the section heading by striking ''**trademarks**'' and inserting ''**trademarks**'';*

(B) in subsection (a) by striking ''trademarks'' and inserting ''trademarks''; and

(C) in subsection (b) by striking ''trade-mark'' and inserting ''trademark''.

(2) The item relating to section 1338 in the table of sections for chapter 85 of title 28, United States Code, is amended by striking ''trademarks'' and inserting ''trademarks''.

SEC. 3010. EFFECTIVE DATE.

Sections 3002(a), 3003, 3004, 3005, and 3008 of this title shall apply to all domain names registered before, on, or after the date of the enactment of this Act, except that damages under

subsection (a) or (d) of section 35 of the Trademark Act of 1946 (15 U.S.C. 1117), as amended by section 3003 of this title, shall not be available with respect to the registration, trafficking, or use of a domain name that occurs before the date of the enactment of this Act.

TITLE IV—INVENTOR PROTECTION

SEC. 4001. SHORT TITLE.

This title may be cited as the ''American Inventors Protection Act of 1999''.

Subtitle A—Inventors' Rights

SEC. 4101. SHORT TITLE.

This subtitle may be cited as the ''Inventors' Rights Act of 1999''.

SEC. 4102. INTEGRITY IN INVENTION PROMOTION SERVICES.

(a) IN GENERAL.—Chapter 29 of title 35, United States Code, is amended by adding at the end the following new section:

''§ 297. Improper and deceptive invention promotion

''(a) IN GENERAL.—An invention promoter shall have a duty to disclose the following information to a customer in writing, prior to entering into a contract for invention promotion services:

''(1) the total number of inventions evaluated by the invention promoter for commercial potential in the past 5 years, as well as the number of those inventions that received positive evaluations, and the number of those inventions that received negative evaluations;

''(2) the total number of customers who have contracted with the invention promoter in the past 5 years, not including customers who have purchased trade show services, research, advertising, or other nonmarketing services from the invention promoter, or who have defaulted in their payment to the invention promoter;

''(3) the total number of customers known by the invention promoter to have received a net financial profit as a direct result of the invention promotion services provided by such invention promoter;

''(4) the total number of customers known by the invention promoter to have received license agreements for their inventions as a direct result of the invention promotion services provided by such invention promoter; and

''(5) the names and addresses of all previous invention promotion companies with which the invention promoter or its officers have collectively or individually been affiliated in the previous 10 years.

''(b) CIVIL ACTION.—(1) Any customer who enters into a contract with an invention promoter and who is found by a court to have been injured by any material false or fraudulent statement or representation, or any omission of material fact, by that invention promoter (or any agent, employee, director, officer, partner, or independent contractor of such invention promoter), or by the failure of that invention promoter to disclose such information as required under subsection (a), may recover in a civil action against the invention promoter (or the officers, directors, or partners of such invention promoter), in addition to reasonable costs and attorneys' fees—

''(A) the amount of actual damages incurred by the customer; or

''(B) at the election of the customer at any time before final judgment is rendered, statutory damages in a sum of not more than $5,000, as the court considers just.

''(2) Notwithstanding paragraph (1), in a case where the customer sustains the burden of proof, and the court finds, that the invention promoter intentionally misrepresented or omitted a material fact to such customer, or willfully failed to disclose such information as required under subsection (a), with the purpose of deceiving that customer, the court may increase damages to not more than three times the amount awarded, taking into account past complaints made against the invention promoter that resulted in regulatory sanctions or other corrective actions based on those records compiled by the Commissioner of Patents under subsection (d).

''(c) DEFINITIONS.—For purposes of this section—

''(1) a 'contract for invention promotion services' means a contract by which an invention promoter undertakes invention promotion services for a customer;

''(2) a 'customer' is any individual who enters into a contract with an invention promoter for invention promotion services;

''(3) the term 'invention promoter' means any person, firm, partnership, corporation, or other entity who offers to perform or performs invention promotion services for, or on behalf of, a customer, and who holds itself out through advertising in any mass media as providing such services, but does not include—

''(A) any department or agency of the Federal Government or of a State or local government;

''(B) any nonprofit, charitable, scientific, or educational organization, qualified under applicable State law or described under section 170(b)(1)(A) of the Internal Revenue Code of 1986;

''(C) any person or entity involved in the evaluation to determine commercial potential of, or offering to license or sell, a utility patent or a previously filed nonprovisional utility patent application;

''(D) any party participating in a transaction involving the sale of the stock or assets of a business; or

''(E) any party who directly engages in the business of retail sales of products or the distribution of products; and

''(4) the term 'invention promotion services' means the procurement or attempted procurement for a customer of a firm, corporation, or other entity to develop and market products or services that include the invention of the customer.

''(d) RECORDS OF COMPLAINTS.—

''(1) RELEASE OF COMPLAINTS.—The Commissioner of Patents shall make all complaints received by the Patent and Trademark Office involving invention promoters publicly available, together with any response of the invention promoters. The Commissioner of Patents shall notify the invention promoter of a complaint and provide a reasonable opportunity to reply prior to making such complaint publicly available.

''(2) REQUEST FOR COMPLAINTS.—The Commissioner of Patents may request complaints relating to invention promotion services from any Federal or State agency and include such complaints in the records maintained under paragraph (1), together with any response of the invention promoters.''.

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 29 of title 35, United States Code, is amended by adding at the end the following new item:

''297. Improper and deceptive invention promotion.''.

SEC. 4103. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle shall take effect 60 days after the date of the enactment of this Act.

Subtitle B—Patent and Trademark Fee Fairness

SEC. 4201. SHORT TITLE.

This subtitle may be cited as the ''Patent and Trademark Fee Fairness Act of 1999''.

SEC. 4202. ADJUSTMENT OF PATENT FEES.

(a) ORIGINAL FILING FEE.—Section 41(a)(1)(A) of title 35, United States Code, relating to the fee for filing an original patent application, is amended by striking ''$760'' and inserting ''$690''.

(b) REISSUE FEE.—Section 41(a)(4)(A) of title 35, United States Code, relating to the fee for filing for a reissue of a patent, is amended by striking ''$760'' and inserting ''$690''.

(c) NATIONAL FEE FOR CERTAIN INTERNATIONAL APPLICATIONS.—Section 41(a)(10) of title 35, United States Code, relating to the national fee for certain international applications, is amended by striking ''$760'' and inserting ''$690''.

(d) MAINTENANCE FEES.—Section 41(b)(1) of title 35, United States Code, relating to certain maintenance fees, is amended by striking ''$940'' and inserting ''$830''.

SEC. 4203. ADJUSTMENT OF TRADEMARK FEES.

Notwithstanding the second sentence of section 31(a) of the Trademark Act of 1946 (15 U.S.C. 111(a)), the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office is authorized in fiscal year 2000 to adjust trademark fees without regard to fluctuations in the Consumer Price Index during the preceding 12 months.

SEC. 4204. STUDY ON ALTERNATIVE FEE STRUCTURES.

The Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office shall conduct a study of alternative fee structures that could be adopted by the United States Patent and Trademark Office to encourage maximum participation by the inventor community in the United States. The Director shall submit such study to the Committees on the Judiciary of the House of Representatives and the Senate not later than 1 year after the date of the enactment of this Act.

SEC. 4205. PATENT AND TRADEMARK OFFICE FUNDING.

Section 42(c) of title 35, United States Code, is amended in the second sentence—

(1) by striking ''Fees available'' and inserting ''All fees available''; and

(2) by striking ''may'' and inserting ''shall''.

SEC. 4206. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this subtitle shall take effect on the date of the enactment of this Act.

(b) SECTION 4202.—The amendments made by section 4202 of this subtitle shall take effect 30 days after the date of the enactment of this Act.

Subtitle C—First Inventor Defense

SEC. 4301. SHORT TITLE.

This subtitle may be cited as the ''First Inventor Defense Act of 1999''.

SEC. 4302. DEFENSE TO PATENT INFRINGEMENT BASED ON EARLIER INVENTOR.

(a) DEFENSE.—Chapter 28 of title 35, United States Code, is amended by adding at the end the following new section:

''§ 273. Defense to infringement based on earlier inventor

''(a) DEFINITIONS.—For purposes of this section—

''(1) the terms 'commercially used' and 'commercial use' mean use of a method in the United States, so long as such use is in connection with an internal commercial use or an actual arm's-length sale or other arm's-length commercial transfer of a useful end result, whether or not the subject matter at issue is accessible to or otherwise known to the public, except that the subject matter for which commercial marketing or use is subject to a premarketing regulatory review period during which the safety or efficacy of the subject matter is established, including any period specified in section 156(g), shall be deemed 'commercially used' and in 'commercial use' during such regulatory review period;

''(2) in the case of activities performed by a nonprofit research laboratory, or nonprofit entity such as a university, research center, or hospital, a use for which the public is the intended beneficiary shall be considered to be a use described in paragraph (1), except that the use—

''(A) may be asserted as a defense under this section only for continued use by and in the laboratory or nonprofit entity; and

''(B) may not be asserted as a defense with respect to any subsequent commercialization or use outside such laboratory or nonprofit entity;

''(3) the term 'method' means a method of doing or conducting business; and

''(4) the 'effective filing date' of a patent is the earlier of the actual filing date of the application for the patent or the filing date of any earlier United States, foreign, or international application to which the subject matter at issue is entitled under section 119, 120, or 365 of this title.

''(b) DEFENSE TO INFRINGEMENT.—

''(1) IN GENERAL.—It shall be a defense to an action for infringement under section 271 of this title with respect to any subject matter that would otherwise infringe one or more claims for a method in the patent being asserted against a person, if such person had, acting in good faith, actually reduced the subject matter to practice at least 1 year before the effective filing date of such patent, and commercially used the subject matter before the effective filing date of such patent.

''(2) EXHAUSTION OF RIGHT.—The sale or other disposition of a useful end product produced by a patented method, by a person entitled to assert a defense under this section with respect to that useful end result shall exhaust the patent owner's rights under the patent to the extent such rights would have been exhausted had such sale or other disposition been made by the patent owner.

''(3) LIMITATIONS AND QUALIFICATIONS OF DEFENSE.—The defense to infringement under this section is subject to the following:

''(A) PATENT.—A person may not assert the defense under this section unless the invention for which the defense is asserted is for a method.

''(B) DERIVATION.—A person may not assert the defense under this section if the subject matter on which the defense is based was derived from the patentee or persons in privity with the patentee.

''(C) NOT A GENERAL LICENSE.—The defense asserted by a person under this section is not a general license under all claims of the patent at issue, but extends only to the specific subject matter claimed in the patent with respect to which the person can assert a defense under this chapter, except that the defense shall also extend to variations in the quantity or volume of use of the claimed subject matter, and to improvements in the claimed subject matter that do not infringe additional specifically claimed subject matter of the patent.

''(4) BURDEN OF PROOF.—A person asserting the defense under this section shall have the burden of establishing the defense by clear and convincing evidence.

''(5) ABANDONMENT OF USE.—A person who has abandoned commercial use of subject matter may not rely on activities performed before the date of such abandonment in establishing a defense under this section with respect to actions taken after the date of such abandonment.

''(6) PERSONAL DEFENSE.—The defense under this section may be asserted only by the person who performed the acts necessary to establish the defense and, except for any transfer to the patent owner, the right to assert the defense shall not be licensed or assigned or transferred to another person except as an ancillary and subordinate part of a good faith assignment or transfer for other reasons of the entire enterprise or line of business to which the defense relates.

''(7) LIMITATION ON SITES.—A defense under this section, when acquired as part of a good faith assignment or transfer of an entire enterprise or line of business to which the defense relates, may only be asserted for uses at sites where the subject matter that would otherwise infringe one or more of the claims is in use before the later of the effective filing date of the patent or the date of the assignment or transfer of such enterprise or line of business.

''(8) UNSUCCESSFUL ASSERTION OF DEFENSE.—If the defense under this section is pleaded by a person who is found to infringe the patent and who subsequently fails to demonstrate a reasonable basis for asserting the defense, the court shall find the case exceptional for the purpose of awarding attorney fees under section 285 of this title.

''(9) INVALIDITY.—A patent shall not be deemed to be invalid under section 102 or 103 of this title solely because a defense is raised or established under this section.''.

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 28 of title 35, United States Code, is amended by adding at the end the following new item:

''273. Defense to infringement based on earlier inventor.''.

SEC. 4303. EFFECTIVE DATE AND APPLICABILITY.

This subtitle and the amendments made by this subtitle shall take effect on the date of the enactment of this Act, but shall not apply to any action for infringement that is pending on such date of enactment or with respect to any subject matter for which an adjudication of infringement, including a consent judgment, has been made before such date of enactment.

Subtitle D—Patent Term Guarantee

SEC. 4401. SHORT TITLE.

This subtitle may be cited as the ''Patent Term Guarantee Act of 1999''.

SEC. 4402. PATENT TERM GUARANTEE AUTHORITY.

(a) ADJUSTMENT OF PATENT TERM.—Section 154(b) of title 35, United States Code, is amended to read as follows:

''(b) ADJUSTMENT OF PATENT TERM.—

''(1) PATENT TERM GUARANTEES.—

''(A) GUARANTEE OF PROMPT PATENT AND TRADEMARK OFFICE RESPONSES.—Subject to the limitations under paragraph (2), if the issue of an original patent is delayed due to the failure of the Patent and Trademark Office to—

''(i) provide at least one of the notifications under section 132 of this title or a notice of allowance under section 151 of this title not later than 14 months after—

''(I) the date on which an application was filed under section 111(a) of this title; or

''(II) the date on which an international application fulfilled the requirements of section 371 of this title;

''(ii) respond to a reply under section 132, or to an appeal taken under section 134, within 4 months after the date on which the reply was filed or the appeal was taken;

''(iii) act on an application within 4 months after the date of a decision by the Board of Patent Appeals and Interferences under section 134 or 135 or a decision by a Federal court under section 141, 145, or 146 in a case in which allowable claims remain in the application; or

''(iv) issue a patent within 4 months after the date on which the issue fee was paid under section 151 and all outstanding requirements were satisfied,

the term of the patent shall be extended 1 day for each day after the end of the period specified in clause (i), (ii), (iii), or (iv), as the case may be, until the action described in such clause is taken.

''(B) GUARANTEE OF NO MORE THAN 3-YEAR APPLICATION PENDENCY.—Subject to the limitations under paragraph (2), if the issue of an original patent is delayed due to the failure of the United States Patent and Trademark Office to issue a patent within 3 years after the actual filing date of the application in the United States, not including—

''(i) any time consumed by continued examination of the application requested by the applicant under section 132(b);

''(ii) any time consumed by a proceeding under section 135(a), any time consumed by the imposition of an order under section 181, or any time consumed by appellate review by the Board of Patent Appeals and Interferences or by a Federal court; or

''(iii) any delay in the processing of the application by the United States Patent and Trademark Office requested by the applicant except as permitted by paragraph (3)(C),

the term of the patent shall be extended 1 day for each day after the end of that 3-year period until the patent is issued.

''(C) GUARANTEE OR ADJUSTMENTS FOR DELAYS DUE TO INTERFERENCES, SECRECY ORDERS, AND APPEALS.—Subject to the limitations under paragraph (2), if the issue of an original patent is delayed due to—

''(i) a proceeding under section 135(a);

''(ii) the imposition of an order under section 181; or

''(iii) appellate review by the Board of Patent Appeals and Interferences or by a Federal court in a case in which the patent was issued under a decision in the review reversing an adverse determination of patentability,

the term of the patent shall be extended 1 day for each day of the pendency of the proceeding, order, or review, as the case may be.

''(2) LIMITATIONS.—

''(A) IN GENERAL.—To the extent that periods of delay attributable to grounds specified in paragraph (1) overlap, the period of any adjustment granted under this subsection shall not exceed the actual number of days the issuance of the patent was delayed.

''(B) DISCLAIMED TERM.—No patent the term of which has been disclaimed beyond a specified date may be adjusted under this section beyond the expiration date specified in the disclaimer.

''(C) REDUCTION OF PERIOD OF ADJUSTMENT.—

''(i) The period of adjustment of the term of a patent under paragraph (1) shall be reduced by a period equal to the period of time during which the applicant failed to engage in reasonable efforts to conclude prosecution of the application.

''(ii) With respect to adjustments to patent term made under the authority of paragraph (1)(B), an applicant shall be deemed to have failed to engage in reasonable efforts to conclude processing or examination of an application for the cumulative total of any periods of time in excess of 3 months that are taken to respond to a notice from the Office making any rejection, objection, argument, or other request, measuring such 3-month period from the date the notice was given or mailed to the applicant.

''(iii) The Director shall prescribe regulations establishing the circumstances that constitute a failure of an applicant to engage in reasonable efforts to conclude processing or examination of an application.

''(3) PROCEDURES FOR PATENT TERM ADJUSTMENT DETERMINATION.—

''(A) The Director shall prescribe regulations establishing procedures for the application for and determination of patent term adjustments under this subsection.

''(B) Under the procedures established under subparagraph (A), the Director shall—

''(i) make a determination of the period of any patent term adjustment under this subsection,

and shall transmit a notice of that determination with the written notice of allowance of the application under section 151; and

''(ii) provide the applicant one opportunity to request reconsideration of any patent term adjustment determination made by the Director.

''(C) The Director shall reinstate all or part of the cumulative period of time of an adjustment under paragraph (2)(C) if the applicant, prior to the issuance of the patent, makes a showing that, in spite of all due care, the applicant was unable to respond within the 3-month period, but in no case shall more than three additional months for each such response beyond the original 3-month period be reinstated.

''(D) The Director shall proceed to grant the patent after completion of the Director's determination of a patent term adjustment under the procedures established under this subsection, notwithstanding any appeal taken by the applicant of such determination.

''(4) APPEAL OF PATENT TERM ADJUSTMENT DETERMINATION.—

''(A) An applicant dissatisfied with a determination made by the Director under paragraph (3) shall have remedy by a civil action against the Director filed in the United States District Court for the District of Columbia within 180 days after the grant of the patent. Chapter 7 of title 5, United States Code, shall apply to such action. Any final judgment resulting in a change to the period of adjustment of the patent term shall be served on the Director, and the Director shall thereafter alter the term of the patent to reflect such change.

''(B) The determination of a patent term adjustment under this subsection shall not be subject to appeal or challenge by a third party prior to the grant of the patent.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 282 of title 35, United States Code, is amended in the fourth paragraph by striking ''156 of this title'' and inserting ''154(b) or 156 of this title''.

(2) Section 1295(a)(4)(C) of title 28, United States Code, is amended by striking ''145 or 146'' and inserting ''145, 146, or 154(b)''.

SEC. 4403. CONTINUED EXAMINATION OF PATENT APPLICATIONS.

Section 132 of title 35, United States Code, is amended—

(1) in the first sentence by striking ''Whenever'' and inserting ''(a) Whenever''; and

(2) by adding at the end the following:

''(b) The Director shall prescribe regulations to provide for the continued examination of applications for patent at the request of the applicant. The Director may establish appropriate fees for such continued examination and shall provide a 50 percent reduction in such fees for small entities that qualify for reduced fees under section 41(h)(1) of this title.''.

SEC. 4404. TECHNICAL CLARIFICATION.

Section 156(a) of title 35, United States Code, is amended in the matter preceding paragraph (1) by inserting '', which shall include any patent term adjustment granted under section 154(b),'' after ''the original expiration date of the patent''.

SEC. 4405. EFFECTIVE DATE.

(a) AMENDMENTS MADE BY SECTIONS 4402 AND 4404.—The amendments made by sections 4402 and 4404 shall take effect on the date that is 6 months after the date of the enactment of this Act and, except for a design patent application filed under chapter 16 of title 35, United States Code, shall apply to any application filed on or after the date that is 6 months after the date of the enactment of this Act.

(b) AMENDMENTS MADE BY SECTION 4403.—The amendments made by section 4403—

(1) shall take effect on the date that is 6 months after the date of the enactment of this Act, and shall apply to all applications filed under section 111(a) of title 35, United States Code, on or after June 8, 1995, and all applications complying with section 371 of title 35, United States Code, that resulted from international applications filed on or after June 8, 1995; and

(2) do not apply to applications for design patents under chapter 16 of title 35, United States Code.

Subtitle E—Domestic Publication of Patent Applications Published Abroad

SEC. 4501. SHORT TITLE.

This subtitle may be cited as the ''Domestic Publication of Foreign Filed Patent Applications Act of 1999''.

SEC. 4502. PUBLICATION.

(a) PUBLICATION.—Section 122 of title 35, United States Code, is amended to read as follows:

''§ 122. Confidential status of applications; publication of patent applications

''(a) CONFIDENTIALITY.—Except as provided in subsection (b), applications for patents shall be kept in confidence by the Patent and Trademark Office and no information concerning the same given without authority of the applicant or owner unless necessary to carry out the provisions of an Act of Congress or in such special circumstances as may be determined by the Director.

''(b) PUBLICATION.—

''(1) IN GENERAL.—(A) Subject to paragraph (2), each application for a patent shall be published, in accordance with procedures determined by the Director, promptly after the expiration of a period of 18 months from the earliest filing date for which a benefit is sought under this title. At the request of the applicant, an application may be published earlier than the end of such 18-month period.

''(B) No information concerning published patent applications shall be made available to the public except as the Director determines.

''(C) Notwithstanding any other provision of law, a determination by the Director to release or not to release information concerning a published patent application shall be final and nonreviewable.

''(2) EXCEPTIONS.—(A) An application shall not be published if that application is—

''(i) no longer pending;

''(ii) subject to a secrecy order under section 181 of this title;

''(iii) a provisional application filed under section 111(b) of this title; or

''(iv) an application for a design patent filed under chapter 16 of this title.

''(B)(i) If an applicant makes a request upon filing, certifying that the invention disclosed in the application has not and will not be the subject of an application filed in another country, or under a multilateral international agreement, that requires publication of applications 18 months after filing, the application shall not be published as provided in paragraph (1).

''(ii) An applicant may rescind a request made under clause (i) at any time.

''(iii) An applicant who has made a request under clause (i) but who subsequently files, in a foreign country or under a multilateral international agreement specified in clause (i), an application directed to the invention disclosed in the application filed in the Patent and Trademark Office, shall notify the Director of such filing not later than 45 days after the date of the filing of such foreign or international application. A failure of the applicant to provide such notice within the prescribed period shall result in the application being regarded as abandoned, unless it is shown to the satisfaction of the Director that the delay in submitting the notice was unintentional.

''(iv) If an applicant rescinds a request made under clause (i) or notifies the Director that an application was filed in a foreign country or under a multilateral international agreement specified in clause (i), the application shall be published in accordance with the provisions of paragraph (1) on or as soon as is practical after the date that is specified in clause (i).

''(v) If an applicant has filed applications in one or more foreign countries, directly or through a multilateral international agreement, and such foreign filed applications corresponding to an application filed in the Patent and Trademark Office or the description of the invention in such foreign filed applications is less extensive than the application or description of the invention in the application filed in the Patent and Trademark Office, the applicant may submit a redacted copy of the application filed in the Patent and Trademark Office eliminating any part or description of the invention in such application that is not also contained in any of the corresponding applications filed in a foreign country. The Director may only publish the redacted copy of the application unless the redacted copy of the application is not received within 16 months after the earliest effective filing date for which a benefit is sought under this title. The provisions of section 154(d) shall not apply to a claim if the description of the invention published in the redacted application filed under this clause with respect to the claim does not enable a person skilled in the art to make and use the subject matter of the claim.

''(c) PROTEST AND PRE-ISSUANCE OPPOSITION.—The Director shall establish appropriate procedures to ensure that no protest or other form of pre-issuance opposition to the grant of a patent on an application may be initiated after publication of the application without the express written consent of the applicant.

''(d) NATIONAL SECURITY.—No application for patent shall be published under subsection (b)(1) if the publication or disclosure of such invention would be detrimental to the national security. The Director shall establish appropriate procedures to ensure that such applications are promptly identified and the secrecy of such inventions is maintained in accordance with chapter 17 of this title.''.

(b) STUDY.—

(1) IN GENERAL.—The Comptroller General shall conduct a 3-year study of the applicants who file only in the United States on or after the effective date of this subtitle and shall provide the results of such study to the Judiciary Committees of the House of Representatives and the Senate.

(2) CONTENTS.—The study conducted under paragraph (1) shall—

(A) consider the number of such applicants in relation to the number of applicants who file in the United States and outside of the United States;

(B) examine how many domestic-only filers request at the time of filing not to be published;

(C) examine how many such filers rescind that request or later choose to file abroad;

(D) examine the status of the entity seeking an application and any correlation that may exist between such status and the publication of patent applications; and

(E) examine the abandonment/issuance ratios and length of application pendency before patent issuance or abandonment for published versus unpublished applications.

SEC. 4503. TIME FOR CLAIMING BENEFIT OF EARLIER FILING DATE.

(a) IN A FOREIGN COUNTRY.—Section 119(b) of title 35, United States Code, is amended to read as follows:

''(b)(1) No application for patent shall be entitled to this right of priority unless a claim is filed in the Patent and Trademark Office, identifying the foreign application by specifying the application number on that foreign application,

the intellectual property authority or country in or for which the application was filed, and the date of filing the application, at such time during the pendency of the application as required by the Director.

''(2) The Director may consider the failure of the applicant to file a timely claim for priority as a waiver of any such claim. The Director may establish procedures, including the payment of a surcharge, to accept an unintentionally delayed claim under this section.

''(3) The Director may require a certified copy of the original foreign application, specification, and drawings upon which it is based, a translation if not in the English language, and such other information as the Director considers necessary. Any such certification shall be made by the foreign intellectual property authority in which the foreign application was filed and show the date of the application and of the filing of the specification and other papers.''.

(b) IN THE UNITED STATES.—

(1) IN GENERAL.—Section 120 of title 35, United States Code, is amended by adding at the end the following: ''No application shall be entitled to the benefit of an earlier filed application under this section unless an amendment containing the specific reference to the earlier filed application is submitted at such time during the pendency of the application as required by the Director. The Director may consider the failure to submit such an amendment within that time period as a waiver of any benefit under this section. The Director may establish procedures, including the payment of a surcharge, to accept an unintentionally delayed submission of an amendment under this section.''.

(2) RIGHT OF PRIORITY.—Section 119(e)(1) of title 35, United States Code, is amended by adding at the end the following: ''No application shall be entitled to the benefit of an earlier filed provisional application under this subsection unless an amendment containing the specific reference to the earlier filed provisional application is submitted at such time during the pendency of the application as required by the Director. The Director may consider the failure to submit such an amendment within that time period as a waiver of any benefit under this subsection. The Director may establish procedures, including the payment of a surcharge, to accept an unintentionally delayed submission of an amendment under this subsection during the pendency of the application.''.

SEC. 4504. PROVISIONAL RIGHTS.

Section 154 of title 35, United States Code, is amended—

*(1) in the section caption by inserting ''**; provisional rights**'' after ''**patent**''; and*

(2) by adding at the end the following new subsection:

''(d) PROVISIONAL RIGHTS.—

''(1) IN GENERAL.—In addition to other rights provided by this section, a patent shall include the right to obtain a reasonable royalty from any person who, during the period beginning on the date of publication of the application for such patent under section 122(b), or in the case of an international application filed under the treaty defined in section 351(a) designating the United States under Article 21(2)(a) of such treaty, the date of publication of the application, and ending on the date the patent is issued—

''(A)(i) makes, uses, offers for sale, or sells in the United States the invention as claimed in the published patent application or imports such an invention into the United States; or

''(ii) if the invention as claimed in the published patent application is a process, uses, offers for sale, or sells in the United States or imports into the United States products made by that process as claimed in the published patent application; and

''(B) had actual notice of the published patent application and, in a case in which the right arising under this paragraph is based upon an international application designating the United States that is published in a language other than English, had a translation of the international application into the English language.

''(2) RIGHT BASED ON SUBSTANTIALLY IDENTICAL INVENTIONS.—The right under paragraph (1) to obtain a reasonable royalty shall not be available under this subsection unless the invention as claimed in the patent is substantially identical to the invention as claimed in the published patent application.

''(3) TIME LIMITATION ON OBTAINING A REASONABLE ROYALTY.—The right under paragraph (1) to obtain a reasonable royalty shall be available only in an action brought not later than 6 years after the patent is issued. The right under paragraph (1) to obtain a reasonable royalty shall not be affected by the duration of the period described in paragraph (1).

''(4) REQUIREMENTS FOR INTERNATIONAL APPLICATIONS.—

''(A) EFFECTIVE DATE.—The right under paragraph (1) to obtain a reasonable royalty based upon the publication under the treaty defined in section 351(a) of an international application designating the United States shall commence on the date on which the Patent and Trademark Office receives a copy of the publication under the treaty of the international application, or, if the publication under the treaty of the international application is in a language other than English, on the date on which the Patent and Trademark Office receives a translation of the international application in the English language.

''(B) COPIES.—The Director may require the applicant to provide a copy of the international application and a translation thereof.''.

SEC. 4505. PRIOR ART EFFECT OF PUBLISHED APPLICATIONS.

Section 102(e) of title 35, United States Code, is amended to read as follows:

''(e) The invention was described in—

''(1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effect under this subsection of a national application published under section 122(b) only if the international application designating the United States was published under Article 21(2)(a) of such treaty in the English language; or

''(2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that a patent shall not be deemed filed in the United States for the purposes of this subsection based on the filing of an international application filed under the treaty defined in section 351(a); or''.

SEC. 4506. COST RECOVERY FOR PUBLICATION.

The Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office shall recover the cost of early publication required by the amendment made by section 4502 by charging a separate publication fee after notice of allowance is given under section 151 of title 35, United States Code.

SEC. 4507. CONFORMING AMENDMENTS.

The following provisions of title 35, United States Code, are amended:

(1) Section 11 is amended in paragraph 1 of subsection (a) by inserting ''and published applications for patents'' after ''Patents''.

(2) Section 12 is amended—

*(A) in the section caption by inserting ''**and applications**'' after ''**patents**''; and*

(B) by inserting ''and published applications for patents'' after ''patents''.

(3) Section 13 is amended—

*(A) in the section caption by inserting ''**and applications**'' after ''**patents**''; and*

(B) by inserting ''and published applications for patents'' after ''patents''.

(4) The items relating to sections 12 and 13 in the table of sections for chapter 1 are each amended by inserting ''and applications'' after ''patents''.

(5) The item relating to section 122 in the table of sections for chapter 11 is amended by inserting ''; publication of patent applications'' after ''applications''.

(6) The item relating to section 154 in the table of sections for chapter 14 is amended by inserting ''; provisional rights'' after ''patent''.

(7) Section 181 is amended—

(A) in the first undesignated paragraph—

(i) by inserting ''by the publication of an application or'' after ''disclosure''; and

(ii) by inserting ''the publication of the application or'' after ''withhold'';

(B) in the second undesignated paragraph by inserting ''by the publication of an application or'' after ''disclosure of an invention'';

(C) in the third undesignated paragraph—

(i) by inserting ''by the publication of the application or'' after ''disclosure of the invention''; and

(ii) by inserting ''the publication of the application or'' after ''withhold''; and

(D) in the fourth undesignated paragraph by inserting ''the publication of an application or'' after ''and'' in the first sentence.

(8) Section 252 is amended in the first undesignated paragraph by inserting ''substantially'' before ''identical'' each place it appears.

(9) Section 284 is amended by adding at the end of the second undesignated paragraph the following: ''Increased damages under this paragraph shall not apply to provisional rights under section 154(d) of this title.''.

(10) Section 374 is amended to read as follows:

''§ 374. Publication of international application

''The publication under the treaty defined in section 351(a) of this title, of an international application designating the United States shall confer the same rights and shall have the same effect under this title as an application for patent published under section 122(b), except as provided in sections 102(e) and 154(d) of this title.''.

(11) Section 135(b) is amended—

(A) by inserting ''(1)'' after ''(b)''; and

(B) by adding at the end the following:

''(2) A claim which is the same as, or for the same or substantially the same subject matter as, a claim of an application published under section 122(b) of this title may be made in an application filed after the application is published only if the claim is made before 1 year after the date on which the application is published.''.

SEC. 4508. EFFECTIVE DATE.

Sections 4502 through 4507, and the amendments made by such sections, shall take effect on the date that is 1 year after the date of the enactment of this Act and shall apply to all applications filed under section 111 of title 35, United States Code, on or after that date, and all applications complying with section 371 of title 35, United States Code, that resulted from international applications filed on or after that date. The amendments made by sections 4504 and 4505 shall apply to any such application voluntarily published by the applicant under procedures established under this subtitle that is pending on the date that is 1 year after the date of the enactment of this Act. The amendment made by section 4504 shall also apply to international applications designating the United States that are filed on or after the date that is

1 year after the date of the enactment of this Act.

Subtitle F—Optional Inter Partes Reexamination Procedure

SEC. 4601. SHORT TITLE.

This subtitle may be cited as the ''Optional Inter Partes Reexamination Procedure Act of 1999''.

SEC. 4602. EX PARTE REEXAMINATION OF PATENTS.

The chapter heading for chapter 30 of title 35, United States Code, is amended by inserting ***''EX PARTE''*** *before* ***''REEXAMINATION OF PATENTS''.***

SEC. 4603. DEFINITIONS.

Section 100 of title 35, United States Code, is amended by adding at the end the following new subsection:

''(e) The term 'third-party requester' means a person requesting ex parte reexamination under section 302 or inter partes reexamination under section 311 who is not the patent owner.''.

SEC. 4604. OPTIONAL INTER PARTES REEXAMINATION PROCEDURES.

(a) IN GENERAL.—Part 3 of title 35, United States Code, is amended by adding after chapter 30 the following new chapter:

''CHAPTER 31—OPTIONAL INTER PARTES REEXAMINATION PROCEDURES

''Sec.
''311. Request for inter partes reexamination.
''312. Determination of issue by Director.
''313. Inter partes reexamination order by Director.
''314. Conduct of inter partes reexamination proceedings.
''315. Appeal.
''316. Certificate of patentability, unpatentability, and claim cancellation.
''317. Inter partes reexamination prohibited.
''318. Stay of litigation.

''§ 311. Request for inter partes reexamination

''(a) IN GENERAL.—Any person at any time may file a request for inter partes reexamination by the Office of a patent on the basis of any prior art cited under the provisions of section 301.

''(b) REQUIREMENTS.—The request shall—

''(1) be in writing, include the identity of the real party in interest, and be accompanied by payment of an inter partes reexamination fee established by the Director under section 41; and

''(2) set forth the pertinency and manner of applying cited prior art to every claim for which reexamination is requested.

''(c) COPY.—Unless the requesting person is the owner of the patent, the Director promptly shall send a copy of the request to the owner of record of the patent.

''§ 312. Determination of issue by Director

''(a) REEXAMINATION.—Not later than 3 months after the filing of a request for inter partes reexamination under section 311, the Director shall determine whether a substantial new question of patentability affecting any claim of the patent concerned is raised by the request, with or without consideration of other patents or printed publications. On the Director's initiative, and at any time, the Director may determine whether a substantial new question of patentability is raised by patents and publications.

''(b) RECORD.—A record of the Director's determination under subsection (a) shall be placed in the official file of the patent, and a copy shall be promptly given or mailed to the owner of record of the patent and to the third-party requester, if any.

''(c) FINAL DECISION.—A determination by the Director under subsection (a) shall be final and non-appealable. Upon a determination that no substantial new question of patentability has been raised, the Director may refund a portion of the inter partes reexamination fee required under section 311.

''§ 313. Inter partes reexamination order by Director

''If, in a determination made under section 312(a), the Director finds that a substantial new question of patentability affecting a claim of a patent is raised, the determination shall include an order for inter partes reexamination of the patent for resolution of the question. The order may be accompanied by the initial action of the Patent and Trademark Office on the merits of the inter partes reexamination conducted in accordance with section 314.

''§ 314. Conduct of inter partes reexamination proceedings

''(a) IN GENERAL.—Except as otherwise provided in this section, reexamination shall be conducted according to the procedures established for initial examination under the provisions of sections 132 and 133. In any inter partes reexamination proceeding under this chapter, the patent owner shall be permitted to propose any amendment to the patent and a new claim or claims, except that no proposed amended or new claim enlarging the scope of the claims of the patent shall be permitted.

''(b) RESPONSE.—(1) This subsection shall apply to any inter partes reexamination proceeding in which the order for inter partes reexamination is based upon a request by a third-party requester.

''(2) With the exception of the inter partes reexamination request, any document filed by either the patent owner or the third-party requester shall be served on the other party. In addition, the third-party requester shall receive a copy of any communication sent by the Office to the patent owner concerning the patent subject to the inter partes reexamination proceeding.

''(3) Each time that the patent owner files a response to an action on the merits from the Patent and Trademark Office, the third-party requester shall have one opportunity to file written comments addressing issues raised by the action of the Office or the patent owner's response thereto, if those written comments are received by the Office within 30 days after the date of service of the patent owner's response.

''(c) SPECIAL DISPATCH.—Unless otherwise provided by the Director for good cause, all inter partes reexamination proceedings under this section, including any appeal to the Board of Patent Appeals and Interferences, shall be conducted with special dispatch within the Office.

''§ 315. Appeal

''(a) PATENT OWNER.—The patent owner involved in an inter partes reexamination proceeding under this chapter—

''(1) may appeal under the provisions of section 134 and may appeal under the provisions of sections 141 through 144, with respect to any decision adverse to the patentability of any original or proposed amended or new claim of the patent; and

''(2) may be a party to any appeal taken by a third-party requester under subsection (b).

''(b) THIRD-PARTY REQUESTER.—A third-party requester may—

''(1) appeal under the provisions of section 134 with respect to any final decision favorable to the patentability of any original or proposed amended or new claim of the patent; or

''(2) be a party to any appeal taken by the patent owner under the provisions of section 134, subject to subsection (c).

''(c) CIVIL ACTION.—A third-party requester whose request for an inter partes reexamination results in an order under section 313 is estopped from asserting at a later time, in any civil action arising in whole or in part under section 1338 of title 28, United States Code, the invalidity of any claim finally determined to be valid and patentable on any ground which the third-party requester raised or could have raised during the inter partes reexamination proceedings. This subsection does not prevent the assertion of invalidity based on newly discovered prior art unavailable to the third-party requester and the Patent and Trademark Office at the time of the inter partes reexamination proceedings.

''§ 316. Certificate of patentability, unpatentability, and claim cancellation

''(a) IN GENERAL.—In an inter partes reexamination proceeding under this chapter, when the time for appeal has expired or any appeal proceeding has terminated, the Director shall issue and publish a certificate canceling any claim of the patent finally determined to be unpatentable, confirming any claim of the patent determined to be patentable, and incorporating in the patent any proposed amended or new claim determined to be patentable.

''(b) AMENDED OR NEW CLAIM.—Any proposed amended or new claim determined to be patentable and incorporated into a patent following an inter partes reexamination proceeding shall have the same effect as that specified in section 252 of this title for reissued patents on the right of any person who made, purchased, or used within the United States, or imported into the United States, anything patented by such proposed amended or new claim, or who made substantial preparation therefor, prior to issuance of a certificate under the provisions of subsection (a) of this section.

''§ 317. Inter partes reexamination prohibited

''(a) ORDER FOR REEXAMINATION.—Notwithstanding any provision of this chapter, once an order for inter partes reexamination of a patent has been issued under section 313, neither the patent owner nor the third-party requester, if any, nor privies of either, may file a subsequent request for inter partes reexamination of the patent until an inter partes reexamination certificate is issued and published under section 316, unless authorized by the Director.

''(b) FINAL DECISION.—Once a final decision has been entered against a party in a civil action arising in whole or in part under section 1338 of title 28, United States Code, that the party has not sustained its burden of proving the invalidity of any patent claim in suit or if a final decision in an inter partes reexamination proceeding instituted by a third-party requester is favorable to the patentability of any original or proposed amended or new claim of the patent, then neither that party nor its privies may thereafter request an inter partes reexamination of any such patent claim on the basis of issues which that party or its privies raised or could have raised in such civil action or inter partes reexamination proceeding, and an inter partes reexamination requested by that party or its privies on the basis of such issues may not thereafter be maintained by the Office, notwithstanding any other provision of this chapter. This subsection does not prevent the assertion of invalidity based on newly discovered prior art unavailable to the third-party requester and the Patent and Trademark Office at the time of the inter partes reexamination proceedings.

''§ 318. Stay of litigation

''Once an order for inter partes reexamination of a patent has been issued under section 313, the patent owner may obtain a stay of any pending litigation which involves an issue of patentability of any claims of the patent which are the subject of the inter partes reexamination order, unless the court before which such litigation is pending determines that a stay would not serve the interests of justice.''.

(b) CONFORMING AMENDMENT.—The table of chapters for part III of title 25, United States Code, is amended by striking the item relating to chapter 30 and inserting the following:

"30. Prior Art Citations to Office and Ex Parte Reexamination of Patents 301
"31. Optional Inter Partes Reexamination of Patents ..... 311".

SEC. 4605. CONFORMING AMENDMENTS.

(a) PATENT FEES; PATENT SEARCH SYSTEMS.—Section 41(a)(7) of title 35, United States Code, is amended to read as follows:

''(7) On filing each petition for the revival of an unintentionally abandoned application for a patent, for the unintentionally delayed payment of the fee for issuing each patent, or for an unintentionally delayed response by the patent owner in any reexamination proceeding, $1,210, unless the petition is filed under section 133 or 151 of this title, in which case the fee shall be $110.''.

(b) APPEAL TO THE BOARD OF PATENTS APPEALS AND INTERFERENCES.—Section 134 of title 35, United States Code, is amended to read as follows:

"§ 134. Appeal to the Board of Patent Appeals and Interferences

''(a) PATENT APPLICANT.—An applicant for a patent, any of whose claims has been twice rejected, may appeal from the decision of the administrative patent judge to the Board of Patent Appeals and Interferences, having once paid the fee for such appeal.

''(b) PATENT OWNER.—A patent owner in any reexamination proceeding may appeal from the final rejection of any claim by the administrative patent judge to the Board of Patent Appeals and Interferences, having once paid the fee for such appeal.

''(c) THIRD-PARTY.—A third-party requester in an inter partes proceeding may appeal to the Board of Patent Appeals and Interferences from the final decision of the administrative patent judge favorable to the patentability of any original or proposed amended or new claim of a patent, having once paid the fee for such appeal. The third-party requester may not appeal the decision of the Board of Patent Appeals and Interferences.''.

(c) APPEAL TO COURT OF APPEALS FOR THE FEDERAL CIRCUIT.—Section 141 of title 35, United States Code, is amended by adding the following after the second sentence: ''A patent owner in any reexamination proceeding dissatisfied with the final decision in an appeal to the Board of Patent Appeals and Interferences under section 134 may appeal the decision only to the United States Court of Appeals for the Federal Circuit.''.

(d) PROCEEDINGS ON APPEAL.—Section 143 of title 35, United States Code, is amended by amending the third sentence to read as follows: ''In any reexamination case, the Director shall submit to the court in writing the grounds for the decision of the Patent and Trademark Office, addressing all the issues involved in the appeal.''.

(e) CIVIL ACTION TO OBTAIN PATENT.—Section 145 of title 35, United States Code, is amended in the first sentence by inserting ''(a)'' after ''section 134''.

SEC. 4606. REPORT TO CONGRESS.

Not later than 5 years after the date of the enactment of this Act, the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office shall submit to the Congress a report evaluating whether the inter partes reexamination proceedings established under the amendments made by this subtitle are inequitable to any of the parties in interest and, if so, the report shall contain recommendations for changes to the amendments made by this subtitle to remove such inequity.

SEC. 4607. ESTOPPEL EFFECT OF REEXAMINATION.

Any party who requests an inter partes reexamination under section 311 of title 35, United States Code, is estopped from challenging at a later time, in any civil action, any fact determined during the process of such reexamination, except with respect to a fact determination later proved to be erroneous based on information unavailable at the time of the inter partes reexamination decision. If this section is held to be unenforceable, the enforceability of the remainder of this subtitle or of this title shall not be denied as a result.

SEC. 4608. EFFECTIVE DATE.

(a) IN GENERAL.—Subject to subsection (b), this subtitle and the amendments made by this subtitle shall take effect on the date of the enactment of this Act and shall apply to any patent that issues from an original application filed in the United States on or after that date.

(b) SECTION 4605(a).—The amendments made by section 4605(a) shall take effect on the date that is 1 year after the date of the enactment of this Act.

Subtitle G—Patent and Trademark Office

SEC. 4701. SHORT TITLE.

This subtitle may be cited as the ''Patent and Trademark Office Efficiency Act''.

CHAPTER 1—UNITED STATES PATENT AND TRADEMARK OFFICE

SEC. 4711. ESTABLISHMENT OF PATENT AND TRADEMARK OFFICE.

Section 1 of title 35, United States Code, is amended to read as follows:

"§ 1. Establishment

''(a) ESTABLISHMENT.—The United States Patent and Trademark Office is established as an agency of the United States, within the Department of Commerce. In carrying out its functions, the United States Patent and Trademark Office shall be subject to the policy direction of the Secretary of Commerce, but otherwise shall retain responsibility for decisions regarding the management and administration of its operations and shall exercise independent control of its budget allocations and expenditures, personnel decisions and processes, procurements, and other administrative and management functions in accordance with this title and applicable provisions of law. Those operations designed to grant and issue patents and those operations which are designed to facilitate the registration of trademarks shall be treated as separate operating units within the Office.

''(b) OFFICES.—The United States Patent and Trademark Office shall maintain its principal office in the metropolitan Washington, D.C., area, for the service of process and papers and for the purpose of carrying out its functions. The United States Patent and Trademark Office shall be deemed, for purposes of venue in civil actions, to be a resident of the district in which its principal office is located, except where jurisdiction is otherwise provided by law. The United States Patent and Trademark Office may establish satellite offices in such other places in the United States as it considers necessary and appropriate in the conduct of its business.

''(c) REFERENCE.—For purposes of this title, the United States Patent and Trademark Office shall also be referred to as the 'Office' and the 'Patent and Trademark Office'.''.

SEC. 4712. POWERS AND DUTIES.

Section 2 of title 35, United States Code, is amended to read as follows:

"§ 2. Powers and duties

''(a) IN GENERAL.—The United States Patent and Trademark Office, subject to the policy direction of the Secretary of Commerce—

''(1) shall be responsible for the granting and issuing of patents and the registration of trademarks; and

''(2) shall be responsible for disseminating to the public information with respect to patents and trademarks.

''(b) SPECIFIC POWERS.—The Office—

''(1) shall adopt and use a seal of the Office, which shall be judicially noticed and with which letters patent, certificates of trademark registrations, and papers issued by the Office shall be authenticated;

''(2) may establish regulations, not inconsistent with law, which—

''(A) shall govern the conduct of proceedings in the Office;

''(B) shall be made in accordance with section 553 of title 5, United States Code;

''(C) shall facilitate and expedite the processing of patent applications, particularly those which can be filed, stored, processed, searched, and retrieved electronically, subject to the provisions of section 122 relating to the confidential status of applications;

''(D) may govern the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Office, and may require them, before being recognized as representatives of applicants or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office;

''(E) shall recognize the public interest in continuing to safeguard broad access to the United States patent system through the reduced fee structure for small entities under section 41(h)(1) of this title; and

''(F) provide for the development of a performance-based process that includes quantitative and qualitative measures and standards for evaluating cost-effectiveness and is consistent with the principles of impartiality and competitiveness;

''(3) may acquire, construct, purchase, lease, hold, manage, operate, improve, alter, and renovate any real, personal, or mixed property, or any interest therein, as it considers necessary to carry out its functions;

''(4)(A) may make such purchases, contracts for the construction, maintenance, or management and operation of facilities, and contracts for supplies or services, without regard to the provisions of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), the Public Buildings Act (40 U.S.C. 601 et seq.), and the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11301 et seq.); and

''(B) may enter into and perform such purchases and contracts for printing services, including the process of composition, platemaking, presswork, silk screen processes, binding, microform, and the products of such processes, as it considers necessary to carry out the functions of the Office, without regard to sections 501 through 517 and 1101 through 1123 of title 44, United States Code;

''(5) may use, with their consent, services, equipment, personnel, and facilities of other departments, agencies, and instrumentalities of the Federal Government, on a reimbursable basis, and cooperate with such other departments, agencies, and instrumentalities in the establishment and use of services, equipment, and facilities of the Office;

''(6) may, when the Director determines that it is practicable, efficient, and cost-effective to do so, use, with the consent of the United States and the agency, instrumentality, Patent and Trademark Office, or international organization concerned, the services, records, facilities, or

personnel of any State or local government agency or instrumentality or foreign patent and trademark office or international organization to perform functions on its behalf;

''(7) may retain and use all of its revenues and receipts, including revenues from the sale, lease, or disposal of any real, personal, or mixed property, or any interest therein, of the Office;

''(8) shall advise the President, through the Secretary of Commerce, on national and certain international intellectual property policy issues;

''(9) shall advise Federal departments and agencies on matters of intellectual property policy in the United States and intellectual property protection in other countries;

''(10) shall provide guidance, as appropriate, with respect to proposals by agencies to assist foreign governments and international intergovernmental organizations on matters of intellectual property protection;

''(11) may conduct programs, studies, or exchanges of items or services regarding domestic and international intellectual property law and the effectiveness of intellectual property protection domestically and throughout the world;

''(12)(A) shall advise the Secretary of Commerce on programs and studies relating to intellectual property policy that are conducted, or authorized to be conducted, cooperatively with foreign intellectual property offices and international intergovernmental organizations; and

''(B) may conduct programs and studies described in subparagraph (A); and

''(13)(A) in coordination with the Department of State, may conduct programs and studies cooperatively with foreign intellectual property offices and international intergovernmental organizations; and

''(B) with the concurrence of the Secretary of State, may authorize the transfer of not to exceed $100,000 in any year to the Department of State for the purpose of making special payments to international intergovernmental organizations for studies and programs for advancing international cooperation concerning patents, trademarks, and other matters.

''(c) CLARIFICATION OF SPECIFIC POWERS.—(1) The special payments under subsection (b)(13)(B) shall be in addition to any other payments or contributions to international organizations described in subsection (b)(13)(B) and shall not be subject to any limitations imposed by law on the amounts of such other payments or contributions by the United States Government.

''(2) Nothing in subsection (b) shall derogate from the duties of the Secretary of State or from the duties of the United States Trade Representative as set forth in section 141 of the Trade Act of 1974 (19 U.S.C. 2171).

''(3) Nothing in subsection (b) shall derogate from the duties and functions of the Register of Copyrights or otherwise alter current authorities relating to copyright matters.

''(4) In exercising the Director's powers under paragraphs (3) and (4)(A) of subsection (b), the Director shall consult with the Administrator of General Services.

''(5) In exercising the Director's powers and duties under this section, the Director shall consult with the Register of Copyrights on all copyright and related matters.

''(d) CONSTRUCTION.—Nothing in this section shall be construed to nullify, void, cancel, or interrupt any pending request-for-proposal let or contract issued by the General Services Administration for the specific purpose of relocating or leasing space to the United States Patent and Trademark Office.''.

SEC. 4713. ORGANIZATION AND MANAGEMENT.

Section 3 of title 35, United States Code, is amended to read as follows:

''§3. Officers and employees

''(a) UNDER SECRETARY AND DIRECTOR.—

''(1) IN GENERAL.—The powers and duties of the United States Patent and Trademark Office shall be vested in an Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office (in this title referred to as the 'Director'), who shall be a citizen of the United States and who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall be a person who has a professional background and experience in patent or trademark law.

''(2) DUTIES.—

''(A) IN GENERAL.—The Director shall be responsible for providing policy direction and management supervision for the Office and for the issuance of patents and the registration of trademarks. The Director shall perform these duties in a fair, impartial, and equitable manner.

''(B) CONSULTING WITH THE PUBLIC ADVISORY COMMITTEES.—The Director shall consult with the Patent Public Advisory Committee established in section 5 on a regular basis on matters relating to the patent operations of the Office, shall consult with the Trademark Public Advisory Committee established in section 5 on a regular basis on matters relating to the trademark operations of the Office, and shall consult with the respective Public Advisory Committee before submitting budgetary proposals to the Office of Management and Budget or changing or proposing to change patent or trademark user fees or patent or trademark regulations which are subject to the requirement to provide notice and opportunity for public comment under section 553 of title 5, United States Code, as the case may be.

''(3) OATH.—The Director shall, before taking office, take an oath to discharge faithfully the duties of the Office.

''(4) REMOVAL.—The Director may be removed from office by the President. The President shall provide notification of any such removal to both Houses of Congress.

''(b) OFFICERS AND EMPLOYEES OF THE OFFICE.—

''(1) DEPUTY UNDER SECRETARY AND DEPUTY DIRECTOR.—The Secretary of Commerce, upon nomination by the Director, shall appoint a Deputy Under Secretary of Commerce for Intellectual Property and Deputy Director of the United States Patent and Trademark Office who shall be vested with the authority to act in the capacity of the Director in the event of the absence or incapacity of the Director. The Deputy Director shall be a citizen of the United States who has a professional background and experience in patent or trademark law.

''(2) COMMISSIONERS.—

''(A) APPOINTMENT AND DUTIES.—The Secretary of Commerce shall appoint a Commissioner for Patents and a Commissioner for Trademarks, without regard to chapter 33, 51, or 53 of title 5, United States Code. The Commissioner for Patents shall be a citizen of the United States with demonstrated management ability and professional background and experience in patent law and serve for a term of 5 years. The Commissioner for Trademarks shall be a citizen of the United States with demonstrated management ability and professional background and experience in trademark law and serve for a term of 5 years. The Commissioner for Patents and the Commissioner for Trademarks shall serve as the chief operating officers for the operations of the Office relating to patents and trademarks, respectively, and shall be responsible for the management and direction of all aspects of the activities of the Office that affect the administration of patent and trademark operations, respectively. The Secretary may reappoint a Commissioner to subsequent terms of 5 years as long as the performance of the Commissioner as set forth in the performance agreement in subparagraph (B) is satisfactory.

''(B) SALARY AND PERFORMANCE AGREEMENT.—The Commissioners shall be paid an annual rate of basic pay not to exceed the maximum rate of basic pay for the Senior Executive Service established under section 5382 of title 5, United States Code, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(C) of title 5, United States Code. The compensation of the Commissioners shall be considered, for purposes of section 207(c)(2)(A) of title 18, United States Code, to be the equivalent of that described under clause (ii) of section 207(c)(2)(A) of title 18, United States Code. In addition, the Commissioners may receive a bonus in an amount of up to, but not in excess of, 50 percent of the Commissioners' annual rate of basic pay, based upon an evaluation by the Secretary of Commerce, acting through the Director, of the Commissioners' performance as defined in an annual performance agreement between the Commissioners and the Secretary. The annual performance agreements shall incorporate measurable organization and individual goals in key operational areas as delineated in an annual performance plan agreed to by the Commissioners and the Secretary. Payment of a bonus under this subparagraph may be made to the Commissioners only to the extent that such payment does not cause the Commissioners' total aggregate compensation in a calendar year to equal or exceed the amount of the salary of the Vice President under section 104 of title 3, United States Code.

''(C) REMOVAL.—The Commissioners may be removed from office by the Secretary for misconduct or nonsatisfactory performance under the performance agreement described in subparagraph (B), without regard to the provisions of title 5, United States Code. The Secretary shall provide notification of any such removal to both Houses of Congress.

''(3) OTHER OFFICERS AND EMPLOYEES.—The Director shall—

''(A) appoint such officers, employees (including attorneys), and agents of the Office as the Director considers necessary to carry out the functions of the Office; and

''(B) define the title, authority, and duties of such officers and employees and delegate to them such of the powers vested in the Office as the Director may determine.

The Office shall not be subject to any administratively or statutorily imposed limitation on positions or personnel, and no positions or personnel of the Office shall be taken into account for purposes of applying any such limitation.

''(4) TRAINING OF EXAMINERS.—The Office shall submit to the Congress a proposal to provide an incentive program to retain as employees patent and trademark examiners of the primary examiner grade or higher who are eligible for retirement, for the sole purpose of training patent and trademark examiners.

''(5) NATIONAL SECURITY POSITIONS.—The Director, in consultation with the Director of the Office of Personnel Management, shall maintain a program for identifying national security positions and providing for appropriate security clearances, in order to maintain the secrecy of certain inventions, as described in section 181, and to prevent disclosure of sensitive and strategic information in the interest of national security.

''(c) CONTINUED APPLICABILITY OF TITLE 5, UNITED STATES CODE.—Officers and employees of the Office shall be subject to the provisions of title 5, United States Code, relating to Federal employees.

''(d) ADOPTION OF EXISTING LABOR AGREEMENTS.—The Office shall adopt all labor agreements which are in effect, as of the day before

the effective date of the Patent and Trademark Office Efficiency Act, with respect to such Office (as then in effect).

''(e) CARRYOVER OF PERSONNEL.—

''(1) FROM PTO.—Effective as of the effective date of the Patent and Trademark Office Efficiency Act, all officers and employees of the Patent and Trademark Office on the day before such effective date shall become officers and employees of the Office, without a break in service.

''(2) OTHER PERSONNEL.—Any individual who, on the day before the effective date of the Patent and Trademark Office Efficiency Act, is an officer or employee of the Department of Commerce (other than an officer or employee under paragraph (1)) shall be transferred to the Office, as necessary to carry out the purposes of this Act, if—

''(A) such individual serves in a position for which a major function is the performance of work reimbursed by the Patent and Trademark Office, as determined by the Secretary of Commerce;

''(B) such individual serves in a position that performed work in support of the Patent and Trademark Office during at least half of the incumbent's work time, as determined by the Secretary of Commerce; or

''(C) such transfer would be in the interest of the Office, as determined by the Secretary of Commerce in consultation with the Director.

Any transfer under this paragraph shall be effective as of the same effective date as referred to in paragraph (1), and shall be made without a break in service.

''(f) TRANSITION PROVISIONS.—

''(1) INTERIM APPOINTMENT OF DIRECTOR.—On or after the effective date of the Patent and Trademark Office Efficiency Act, the President shall appoint an individual to serve as the Director until the date on which a Director qualifies under subsection (a). The President shall not make more than one such appointment under this subsection.

''(2) CONTINUATION IN OFFICE OF CERTAIN OFFICERS.—(A) The individual serving as the Assistant Commissioner for Patents on the day before the effective date of the Patent and Trademark Office Efficiency Act may serve as the Commissioner for Patents until the date on which a Commissioner for Patents is appointed under subsection (b).

''(B) The individual serving as the Assistant Commissioner for Trademarks on the day before the effective date of the Patent and Trademark Office Efficiency Act may serve as the Commissioner for Trademarks until the date on which a Commissioner for Trademarks is appointed under subsection (b).''.

SEC. 4714. PUBLIC ADVISORY COMMITTEES.

Chapter 1 of part I of title 35, United States Code, is amended by inserting after section 4 the following:

''§5. Patent and Trademark Office Public Advisory Committees

''(a) ESTABLISHMENT OF PUBLIC ADVISORY COMMITTEES.—

''(1) APPOINTMENT.—The United States Patent and Trademark Office shall have a Patent Public Advisory Committee and a Trademark Public Advisory Committee, each of which shall have nine voting members who shall be appointed by the Secretary of Commerce and serve at the pleasure of the Secretary of Commerce. Members of each Public Advisory Committee shall be appointed for a term of 3 years, except that of the members first appointed, three shall be appointed for a term of 1 year, and three shall be appointed for a term of 2 years. In making appointments to each Committee, the Secretary of Commerce shall consider the risk of loss of competitive advantage in international commerce or other harm to United States companies as a result of such appointments.

''(2) CHAIR.—The Secretary shall designate a chair of each Advisory Committee, whose term as chair shall be for 3 years.

''(3) TIMING OF APPOINTMENTS.—Initial appointments to each Advisory Committee shall be made within 3 months after the effective date of the Patent and Trademark Office Efficiency Act. Vacancies shall be filled within 3 months after they occur.

''(b) BASIS FOR APPOINTMENTS.—Members of each Advisory Committee—

''(1) shall be citizens of the United States who shall be chosen so as to represent the interests of diverse users of the United States Patent and Trademark Office with respect to patents, in the case of the Patent Public Advisory Committee, and with respect to trademarks, in the case of the Trademark Public Advisory Committee;

''(2) shall include members who represent small and large entity applicants located in the United States in proportion to the number of applications filed by such applicants, but in no case shall members who represent small entity patent applicants, including small business concerns, independent inventors, and nonprofit organizations, constitute less than 25 percent of the members of the Patent Public Advisory Committee, and such members shall include at least one independent inventor; and

''(3) shall include individuals with substantial background and achievement in finance, management, labor relations, science, technology, and office automation.

In addition to the voting members, each Advisory Committee shall include a representative of each labor organization recognized by the United States Patent and Trademark Office. Such representatives shall be nonvoting members of the Advisory Committee to which they are appointed.

''(c) MEETINGS.—Each Advisory Committee shall meet at the call of the chair to consider an agenda set by the chair.

''(d) DUTIES.—Each Advisory Committee shall—

''(1) review the policies, goals, performance, budget, and user fees of the United States Patent and Trademark Office with respect to patents, in the case of the Patent Public Advisory Committee, and with respect to Trademarks, in the case of the Trademark Public Advisory Committee, and advise the Director on these matters;

''(2) within 60 days after the end of each fiscal year—

''(A) prepare an annual report on the matters referred to in paragraph (1);

''(B) transmit the report to the Secretary of Commerce, the President, and the Committees on the Judiciary of the Senate and the House of Representatives; and

''(C) publish the report in the Official Gazette of the United States Patent and Trademark Office.

''(e) COMPENSATION.—Each member of each Advisory Committee shall be compensated for each day (including travel time) during which such member is attending meetings or conferences of that Advisory Committee or otherwise engaged in the business of that Advisory Committee, at the rate which is the daily equivalent of the annual rate of basic pay in effect for level III of the Executive Schedule under section 5314 of title 5, United States Code. While away from such member's home or regular place of business such member shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code.

''(f) ACCESS TO INFORMATION.—Members of each Advisory Committee shall be provided access to records and information in the United States Patent and Trademark Office, except for personnel or other privileged information and information concerning patent applications required to be kept in confidence by section 122.

''(g) APPLICABILITY OF CERTAIN ETHICS LAWS.—Members of each Advisory Committee shall be special Government employees within the meaning of section 202 of title 18, United States Code.

''(h) INAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to each Advisory Committee.

''(i) OPEN MEETINGS.—The meetings of each Advisory Committee shall be open to the public, except that each Advisory Committee may by majority vote meet in executive session when considering personnel or other confidential information.''.

SEC. 4715. CONFORMING AMENDMENTS.

(a) DUTIES.—Chapter 1 of title 35, United States Code, is amended by striking section 6.

(b) REGULATIONS FOR AGENTS AND ATTORNEYS.—Section 31 of title 35, United States Code, and the item relating to such section in the table of sections for chapter 3 of title 35, United States Code, are repealed.

(c) SUSPENSION OR EXCLUSION FROM PRACTICE.—Section 32 of title 35, United States Code, is amended by striking ''31'' and inserting ''2(b)(2)(D)''.

SEC. 4716. TRADEMARK TRIAL AND APPEAL BOARD.

Section 17 of the Act of July 5, 1946 (commonly referred to as the ''Trademark Act of 1946'') (15 U.S.C. 1067) is amended to read as follows:

''SEC. 17. (a) In every case of interference, opposition to registration, application to register as a lawful concurrent user, or application to cancel the registration of a mark, the Director shall give notice to all parties and shall direct a Trademark Trial and Appeal Board to determine and decide the respective rights of registration.

''(b) The Trademark Trial and Appeal Board shall include the Director, the Commissioner for Patents, the Commissioner for Trademarks, and administrative trademark judges who are appointed by the Director.''.

SEC. 4717. BOARD OF PATENT APPEALS AND INTERFERENCES.

Chapter 1 of title 35, United States Code, is amended—

(1) by striking section 7 and redesignating sections 8 through 14 as sections 7 through 13, respectively; and

(2) by inserting after section 5 the following:

''§6. Board of Patent Appeals and Interferences

''(a) ESTABLISHMENT AND COMPOSITION.—There shall be in the United States Patent and Trademark Office a Board of Patent Appeals and Interferences. The Director, the Commissioner for Patents, the Commissioner for Trademarks, and the administrative patent judges shall constitute the Board. The administrative patent judges shall be persons of competent legal knowledge and scientific ability who are appointed by the Director.

''(b) DUTIES.—The Board of Patent Appeals and Interferences shall, on written appeal of an applicant, review adverse decisions of examiners upon applications for patents and shall determine priority and patentability of invention in interferences declared under section 135(a). Each appeal and interference shall be heard by at least three members of the Board, who shall be designated by the Director. Only the Board of Patent Appeals and Interferences may grant rehearings.''.

SEC. 4718. ANNUAL REPORT OF DIRECTOR.

Section 13 of title 35, United States Code, as redesignated by section 4717 of this subtitle, is amended to read as follows:

''§13. Annual report to Congress

''The Director shall report to the Congress, not later than 180 days after the end of each fiscal year, the moneys received and expended by

the Office, the purposes for which the moneys were spent, the quality and quantity of the work of the Office, the nature of training provided to examiners, the evaluation of the Commissioner of Patents and the Commissioner of Trademarks by the Secretary of Commerce, the compensation of the Commissioners, and other information relating to the Office.''.

SEC. 4719. SUSPENSION OR EXCLUSION FROM PRACTICE.

Section 32 of title 35, United States Code, is amended by inserting before the last sentence the following: ''The Director shall have the discretion to designate any attorney who is an officer or employee of the United States Patent and Trademark Office to conduct the hearing required by this section.''.

SEC. 4720. PAY OF DIRECTOR AND DEPUTY DIRECTOR.

(a) PAY OF DIRECTOR.—Section 5314 of title 5, United States Code, is amended by striking:

''Assistant Secretary of Commerce and Commissioner of Patents and Trademarks.''.

and inserting:

''Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office.''.

(b) PAY OF DEPUTY DIRECTOR.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

''Deputy Under Secretary of Commerce for Intellectual Property and Deputy Director of the United States Patent and Trademark Office.''.

CHAPTER 2—EFFECTIVE DATE; TECHNICAL AMENDMENTS

SEC. 4731. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle shall take effect 4 months after the date of the enactment of this Act.

SEC. 4732. TECHNICAL AND CONFORMING AMENDMENTS.

(a) AMENDMENTS TO TITLE 35, UNITED STATES CODE.—

(1) The item relating to part I in the table of parts for chapter 35, United States Code, is amended to read as follows:

''I. United States Patent and Trademark Office ..... 1''.

(2) The heading for part I of title 35, United States Code, is amended to read as follows:

''PART I—UNITED STATES PATENT AND TRADEMARK OFFICE''.

(3) The table of chapters for part I of title 35, United States Code, is amended by amending the item relating to chapter 1 to read as follows:

''1. Establishment, Officers and Employees, Functions ..... 1''.

(4) The table of sections for chapter 1 of title 35, United States Code, is amended to read as follows:

''CHAPTER 1—ESTABLISHMENT, OFFICERS AND EMPLOYEES, FUNCTIONS

''Sec.
'' 1. Establishment.
'' 2. Powers and duties.
'' 3. Officers and employees.
'' 4. Restrictions on officers and employees as to interest in patents.
'' 5. Patent and Trademark Office Public Advisory Committees.
'' 6. Board of Patent Appeals and Interferences.
'' 7. Library.
'' 8. Classification of patents.
'' 9. Certified copies of records.
''10. Publications.
''11. Exchange of copies of patents and applications with foreign countries.
''12. Copies of patents and applications for public libraries.
''13. Annual report to Congress.''.

(5) Section 41(h) of title 35, United States Code, is amended by striking ''Commissioner of Patents and Trademarks'' and inserting ''Director''.

(6) Section 155 of title 35, United States Code, is amended by striking ''Commissioner of Patents and Trademarks'' and inserting ''Director''.

(7) Section 155A(c) of title 35, United States Code, is amended by striking ''Commissioner of Patents and Trademarks'' and inserting ''Director''.

(8) Section 302 of title 35, United States Code, is amended by striking ''Commissioner of Patents'' and inserting ''Director''.

(9)(A) Section 303 of title 35, United States Code, is amended—

*(i) in the section heading by striking ''**Commissioner**'' and inserting ''**Director**''; and*

(ii) by striking ''Commissioner's'' and inserting ''Director's''.

(B) The item relating to section 303 in the table of sections for chapter 30 of title 35, United States Code, is amended by striking ''Commissioner'' and inserting ''Director''.

(10)(A) Except as provided in subparagraph (B), title 35, United States Code, is amended by striking ''Commissioner'' each place it appears and inserting ''Director''.

(B) Chapter 17 of title 35, United States Code, is amended by striking ''Commissioner'' each place it appears and inserting ''Commissioner of Patents''.

(11) Section 157(d) of title 35, United States Code, is amended by striking ''Secretary of Commerce'' and inserting ''Director''.

(12) Section 202(a) of title 35, United States Code, is amended—

(A) by striking ''iv)'' and inserting ''(iv)''; and

(B) by striking the second period after ''Department of Energy'' at the end of the first sentence.

(b) OTHER PROVISIONS OF LAW.—

(1)(A) Section 45 of the Act of July 5, 1946 (commonly referred to as the ''Trademark Act of 1946''; 15 U.S.C. 1127), is amended by striking ''The term 'Commissioner' means the Commissioner of Patents and Trademarks.'' and inserting ''The term 'Director' means the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office.''.

(B) The Act of July 5, 1946 (commonly referred to as the ''Trademark Act of 1946''; 15 U.S.C. 1051 et seq.), except for section 17, as amended by 4716 of this subtitle, is amended by striking ''Commissioner'' each place it appears and inserting ''Director''.

(C) Sections 8(e) and 9(b) of the Trademark Act of 1946 are each amended by striking ''Commissioner'' and inserting ''Director''.

(2) Section 500(e) of title 5, United States Code, is amended by striking ''Patent Office'' and inserting ''United States Patent and Trademark Office''.

(3) Section 5102(c)(23) of title 5, United States Code, is amended to read as follows:

''(23) administrative patent judges and designated administrative patent judges in the United States Patent and Trademark Office;''.

(4) Section 5316 of title 5, United States Code (5 U.S.C. 5316) is amended by striking ''Commissioner of Patents, Department of Commerce.'', ''Deputy Commissioner of Patents and Trademarks.'', ''Assistant Commissioner for Patents.'', and ''Assistant Commissioner for Trademarks.''.

(5) Section 9(p)(1)(B) of the Small Business Act (15 U.S.C. 638(p)(1)(B)) is amended to read as follows:

''(B) the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office; and''.

(6) Section 12 of the Act of February 14, 1903 (15 U.S.C. 1511) is amended—

(A) by striking ''(d) Patent and Trademark Office;'' and inserting:

''(4) United States Patent and Trademark Office''; and

(B) by redesignating subsections (a), (b), (c), (e), (f), and (g) as paragraphs (1), (2), (3), (5), (6), and (7), respectively and indenting the paragraphs as so redesignated 2 ems to the right.

(7) Section 19 of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831r) is amended—

(A) by striking ''Patent Office of the United States'' and inserting ''United States Patent and Trademark Office''; and

(B) by striking ''Commissioner of Patents'' and inserting ''Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office''.

(8) Section 182(b)(2)(A) of the Trade Act of 1974 (19 U.S.C. 2242(b)(2)(A)) is amended by striking ''Commissioner of Patents and Trademarks'' and inserting ''Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office''.

(9) Section 302(b)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2412(b)(2)(D)) is amended by striking ''Commissioner of Patents and Trademarks'' and inserting ''Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office''.

(10) The Act of April 12, 1892 (27 Stat. 395; 20 U.S.C. 91) is amended by striking ''Patent Office'' and inserting ''United States Patent and Trademark Office''.

(11) Sections 505(m) and 512(o) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(m) and 360b(o)) are each amended by striking ''Patent and Trademark Office of the Department of Commerce'' and inserting ''United States Patent and Trademark Office''.

(12) Section 702(d) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 372(d)) is amended by striking ''Commissioner of Patents'' and inserting ''Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office'' and by striking ''Commissioner'' and inserting ''Director''.

(13) Section 105(e) of the Federal Alcohol Administration Act (27 U.S.C. 205(e)) is amended by striking ''United States Patent Office'' and inserting ''United States Patent and Trademark Office''.

(14) Section 1295(a)(4) of title 28, United States Code, is amended—

(A) in subparagraph (A) by inserting ''United States'' before ''Patent and Trademark''; and

(B) in subparagraph (B) by striking ''Commissioner of Patents and Trademarks'' and inserting ''Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office''.

(15) Chapter 115 of title 28, United States Code, is amended—

(A) in the item relating to section 1744 in the table of sections by striking ''Patent Office'' and inserting ''United States Patent and Trademark Office'';

(B) in section 1744—

(i) by striking ''Patent Office'' each place it appears in the text and section heading and inserting ''United States Patent and Trademark Office''; and

(ii) by striking ''Commissioner of Patents'' and inserting ''Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office''; and

(C) by striking ''Commissioner'' and inserting ''Director''.

(16) Section 1745 of title 28, United States Code, is amended by striking ''United States Patent Office'' and inserting ''United States Patent and Trademark Office''.

(17) Section 1928 of title 28, United States Code, is amended by striking ''Patent Office''

and inserting ''United States Patent and Trademark Office''.

(18) Section 151 of the Atomic Energy Act of 1954 (42 U.S.C. 2181) is amended in subsections c. and d. by striking ''Commissioner of Patents'' and inserting ''Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office''.

(19) Section 152 of the Atomic Energy Act of 1954 (42 U.S.C. 2182) is amended by striking ''Commissioner of Patents'' each place it appears and inserting ''Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office''.

(20) Section 305 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2457) is amended—

(A) in subsection (c) by striking ''Commissioner of Patents'' and inserting ''Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office (hereafter in this section referred to as the 'Director')''; and

(B) by striking ''Commissioner'' each subsequent place it appears and inserting ''Director''.

(21) Section 12(a) of the Solar Heating and Cooling Demonstration Act of 1974 (42 U.S.C. 5510(a)) is amended by striking ''Commissioner of the Patent Office'' and inserting ''Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office''.

(22) Section 1111 of title 44, United States Code, is amended by striking ''the Commissioner of Patents,''.

(23) Section 1114 of title 44, United States Code, is amended by striking ''the Commissioner of Patents,''.

(24) Section 1123 of title 44, United States Code, is amended by striking ''the Patent Office,''.

(25) Sections 1337 and 1338 of title 44, United States Code, and the items relating to those sections in the table of contents for chapter 13 of such title, are repealed.

(26) Section 10(i) of the Trading with the enemy Act (50 U.S.C. App. 10(i)) is amended by striking ''Commissioner of Patents'' and inserting ''Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office''.

CHAPTER 3—MISCELLANEOUS PROVISIONS

SEC. 4741. REFERENCES.

(a) IN GENERAL.—Any reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to a department or office from which a function is transferred by this subtitle—

(1) to the head of such department or office is deemed to refer to the head of the department or office to which such function is transferred; or

(2) to such department or office is deemed to refer to the department or office to which such function is transferred.

(b) SPECIFIC REFERENCES.—Any reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to the Patent and Trademark Office—

(1) to the Commissioner of Patents and Trademarks is deemed to refer to the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office;

(2) to the Assistant Commissioner for Patents is deemed to refer to the Commissioner for Patents; or

(3) to the Assistant Commissioner for Trademarks is deemed to refer to the Commissioner for Trademarks.

SEC. 4742. EXERCISE OF AUTHORITIES.

Except as otherwise provided by law, a Federal official to whom a function is transferred by this subtitle may, for purposes of performing the function, exercise all authorities under any other provision of law that were available with respect to the performance of that function to the official responsible for the performance of the function immediately before the effective date of the transfer of the function under this subtitle.

SEC. 4743. SAVINGS PROVISIONS.

(a) LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, grants, loans, contracts, agreements, certificates, licenses, and privileges—

(1) that have been issued, made, granted, or allowed to become effective by the President, the Secretary of Commerce, any officer or employee of any office transferred by this subtitle, or any other Government official, or by a court of competent jurisdiction, in the performance of any function that is transferred by this subtitle; and

(2) that are in effect on the effective date of such transfer (or become effective after such date pursuant to their terms as in effect on such effective date), shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, any other authorized official, a court of competent jurisdiction, or operation of law.

(b) PROCEEDINGS.—This subtitle shall not affect any proceedings or any application for any benefits, service, license, permit, certificate, or financial assistance pending on the effective date of this subtitle before an office transferred by this subtitle, but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this subtitle had not been enacted, and orders issued in any such proceeding shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be considered to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this subtitle had not been enacted.

(c) SUITS.—This subtitle shall not affect suits commenced before the effective date of this subtitle, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this subtitle had not been enacted.

(d) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the Department of Commerce or the Secretary of Commerce, or by or against any individual in the official capacity of such individual as an officer or employee of an office transferred by this subtitle, shall abate by reason of the enactment of this subtitle.

(e) CONTINUANCE OF SUITS.—If any Government officer in the official capacity of such officer is party to a suit with respect to a function of the officer, and under this subtitle such function is transferred to any other officer or office, then such suit shall be continued with the other officer or the head of such other office, as applicable, substituted or added as a party.

(f) ADMINISTRATIVE PROCEDURE AND JUDICIAL REVIEW.—Except as otherwise provided by this subtitle, any statutory requirements relating to notice, hearings, action upon the record, or administrative or judicial review that apply to any function transferred by this subtitle shall apply to the exercise of such function by the head of the Federal agency, and other officers of the agency, to which such function is transferred by this subtitle.

SEC. 4744. TRANSFER OF ASSETS.

Except as otherwise provided in this subtitle, so much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with a function transferred to an official or agency by this subtitle shall be available to the official or the head of that agency, respectively, at such time or times as the Director of the Office of Management and Budget directs for use in connection with the functions transferred.

SEC. 4745. DELEGATION AND ASSIGNMENT.

Except as otherwise expressly prohibited by law or otherwise provided in this subtitle, an official to whom functions are transferred under this subtitle (including the head of any office to which functions are transferred under this subtitle) may delegate any of the functions so transferred to such officers and employees of the office of the official as the official may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions under this section or under any other provision of this subtitle shall relieve the official to whom a function is transferred under this subtitle of responsibility for the administration of the function.

SEC. 4746. AUTHORITY OF DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET WITH RESPECT TO FUNCTIONS TRANSFERRED.

(a) DETERMINATIONS.—If necessary, the Director of the Office of Management and Budget shall make any determination of the functions that are transferred under this subtitle.

(b) INCIDENTAL TRANSFERS.—The Director of the Office of Management and Budget, at such time or times as the Director shall provide, may make such determinations as may be necessary with regard to the functions transferred by this subtitle, and to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this subtitle. The Director shall provide for the termination of the affairs of all entities terminated by this subtitle and for such further measures and dispositions as may be necessary to effectuate the purposes of this subtitle.

SEC. 4747. CERTAIN VESTING OF FUNCTIONS CONSIDERED TRANSFERS.

For purposes of this subtitle, the vesting of a function in a department or office pursuant to reestablishment of an office shall be considered to be the transfer of the function.

SEC. 4748. AVAILABILITY OF EXISTING FUNDS.

Existing appropriations and funds available for the performance of functions, programs, and activities terminated pursuant to this subtitle shall remain available, for the duration of their period of availability, for necessary expenses in connection with the termination and resolution of such functions, programs, and activities, subject to the submission of a plan to the Committees on Appropriations of the House and Senate in accordance with the procedures set forth in section 605 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1999, as contained in Public Law 105–277.

SEC. 4749. DEFINITIONS.

For purposes of this subtitle—

(1) the term ''function'' includes any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and

(2) the term ''office'' includes any office, administration, agency, bureau, institute, council, unit, organizational entity, or component thereof.

Subtitle H—Miscellaneous Patent Provisions

SEC. 4801. PROVISIONAL APPLICATIONS.

(a) ABANDONMENT.—Section 111(b)(5) of title 35, United States Code, is amended to read as follows:

''(5) ABANDONMENT.—Notwithstanding the absence of a claim, upon timely request and as prescribed by the Director, a provisional application may be treated as an application filed under subsection (a). Subject to section 119(e)(3) of this title, if no such request is made, the provisional application shall be regarded as abandoned 12 months after the filing date of such application and shall not be subject to revival after such 12-month period.''.

(b) TECHNICAL AMENDMENT RELATING TO WEEKENDS AND HOLIDAYS.—Section 119(e) of title 35, United States Code, is amended by adding at the end the following:

''(3) If the day that is 12 months after the filing date of a provisional application falls on a Saturday, Sunday, or Federal holiday within the District of Columbia, the period of pendency of the provisional application shall be extended to the next succeeding secular or business day.''.

(c) ELIMINATION OF COPENDENCY REQUIREMENT.—Section 119(e)(2) of title 35, United States Code, is amended by striking ''and the provisional application was pending on the filing date of the application for patent under section 111(a) or section 363 of this title''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply to any provisional application filed on or after June 8, 1995, except that the amendments made by subsections (b) and (c) shall have no effect with respect to any patent which is the subject of litigation in an action commenced before such date of enactment.

SEC. 4802. INTERNATIONAL APPLICATIONS.

Section 119 of title 35, United States Code, is amended as follows:

(1) In subsection (a), insert ''or in a WTO member country,'' after ''or citizens of the United States,''.

(2) At the end of section 119 add the following new subsections:

''(f) Applications for plant breeder's rights filed in a WTO member country (or in a foreign UPOV Contracting Party) shall have the same effect for the purpose of the right of priority under subsections (a) through (c) of this section as applications for patents, subject to the same conditions and requirements of this section as apply to applications for patents.

''(g) As used in this section—

''(1) the term 'WTO member country' has the same meaning as the term is defined in section 104(b)(2) of this title; and

''(2) the term 'UPOV Contracting Party' means a member of the International Convention for the Protection of New Varieties of Plants.''.

SEC. 4803. CERTAIN LIMITATIONS ON DAMAGES FOR PATENT INFRINGEMENT NOT APPLICABLE.

Section 287(c)(4) of title 35, United States Code, is amended by striking ''before the date of enactment of this subsection'' and inserting ''based on an application the earliest effective filing date of which is prior to September 30, 1996''.

SEC. 4804. ELECTRONIC FILING AND PUBLICATIONS.

(a) PRINTING OF PAPERS FILED.—Section 22 of title 35, United States Code, is amended by striking ''printed or typewritten'' and inserting ''printed, typewritten, or on an electronic medium''.

(b) PUBLICATIONS.—Section 11(a) of title 35, United States Code, is amended by amending the matter preceding paragraph 1 to read as follows:

''(a) The Director may publish in printed, typewritten, or electronic form, the following:''.

(c) COPIES OF PATENTS FOR PUBLIC LIBRARIES.—Section 13 of title 35, United States Code, is amended by striking ''printed copies of specifications and drawings of patents'' and inserting ''copies of specifications and drawings of patents in printed or electronic form''.

(d) MAINTENANCE OF COLLECTIONS.—

(1) ELECTRONIC COLLECTIONS.—Section 41(i)(1) of title 35, United States Code, is amended by striking ''paper or microform'' and inserting ''paper, microform, or electronic''.

(2) CONTINUATION OF MAINTENANCE.—The Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office shall not, pursuant to the amendment made by paragraph (1), cease to maintain, for use by the public, paper or microform collections of United States patents, foreign patent documents, and United States trademark registrations, except pursuant to notice and opportunity for public comment and except that the Director shall first submit a report to the Committees on the Judiciary of the Senate and the House of Representatives detailing such plan, including a description of the mechanisms in place to ensure the integrity of such collections and the data contained therein, as well as to ensure prompt public access to the most current available information, and certifying that the implementation of such plan will not negatively impact the public.

SEC. 4805. STUDY AND REPORT ON BIOLOGICAL DEPOSITS IN SUPPORT OF BIOTECHNOLOGY PATENTS.

(a) IN GENERAL.—Not later than 6 months after the date of the enactment of this Act, the Comptroller General of the United States, in consultation with the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, shall conduct a study and submit a report to Congress on the potential risks to the United States biotechnology industry relating to biological deposits in support of biotechnology patents.

(b) CONTENTS.—The study conducted under this section shall include—

(1) an examination of the risk of export and the risk of transfers to third parties of biological deposits, and the risks posed by the change to 18-month publication requirements made by this subtitle;

(2) an analysis of comparative legal and regulatory regimes; and

(3) any related recommendations.

(c) CONSIDERATION OF REPORT.—In drafting regulations affecting biological deposits (including any modification of title 37, Code of Federal Regulations, section 1.801 et seq.), the United States Patent and Trademark Office shall consider the recommendations of the study conducted under this section.

SEC. 4806. PRIOR INVENTION.

Section 102(g) of title 35, United States Code, is amended to read as follows:

''(g)(1) during the course of an interference conducted under section 135 or section 291, another inventor involved therein establishes, to the extent permitted in section 104, that before such person's invention thereof the invention was made by such other inventor and not abandoned, suppressed, or concealed, or (2) before such person's invention thereof, the invention was made in this country by another inventor who had not abandoned, suppressed, or concealed it. In determining priority of invention under this subsection, there shall be considered not only the respective dates of conception and reduction to practice of the invention, but also the reasonable diligence of one who was first to conceive and last to reduce to practice, from a time prior to conception by the other.''.

SEC. 4807. PRIOR ART EXCLUSION FOR CERTAIN COMMONLY ASSIGNED PATENTS.

(a) PRIOR ART EXCLUSION.—Section 103(c) of title 35, United States Code, is amended by striking ''subsection (f) or (g)'' and inserting ''one or more of subsections (e), (f), and (g)''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to any application for patent filed on or after the date of the enactment of this Act.

SEC. 4808. EXCHANGE OF COPIES OF PATENTS WITH FOREIGN COUNTRIES.

Section 12 of title 35, United States Code, is amended by adding at the end the following: ''The Director shall not enter into an agreement to provide such copies of specifications and drawings of United States patents and applications to a foreign country, other than a NAFTA country or a WTO member country, without the express authorization of the Secretary of Commerce. For purposes of this section, the terms 'NAFTA country' and 'WTO member country' have the meanings given those terms in section 104(b).''.

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 5001. COMMISSION ON ONLINE CHILD PROTECTION.

(a) REFERENCES.—Wherever in this section an amendment is expressed in terms of an amendment to any provision, the reference shall be considered to be made to such provision of section 1405 of the Child Online Protection Act (47 U.S.C. 231 note).

(b) MEMBERSHIP.—Subsection (b) is amended—

(1) by striking paragraph (1) and inserting the following new paragraph:

''(1) INDUSTRY MEMBERS.—The Commission shall include 16 members who shall consist of representatives of—

''(A) providers of Internet filtering or blocking services or software;

''(B) Internet access services;

''(C) labeling or ratings services;

''(D) Internet portal or search services;

''(E) domain name registration services;

''(F) academic experts; and

''(G) providers that make content available over the Internet.

Of the members of the Commission by reason of this paragraph, an equal number shall be appointed by the Speaker of the House of Representatives and by the Majority Leader of the Senate. Members of the Commission appointed on or before October 31, 1999, shall remain members.''; and

(2) by adding at the end the following new paragraph:

''(3) PROHIBITION OF PAY.—Members of the Commission shall not receive any pay by reason of their membership on the Commission.''.

(c) EXTENSION OF REPORTING DEADLINE.—The matter in subsection (d) that precedes paragraph (1) is amended by striking ''1 year'' and inserting ''2 years''.

(d) TERMINATION.—Subsection (f) is amended by inserting before the period at the end the following: ''or November 30, 2000, whichever occurs earlier''.

(e) FIRST MEETING AND CHAIRPERSON.—Section 1405 is amended—

(1) by striking subsection (e);

(2) by redesignating subsections (f) (as amended by the preceding provisions of this section) and (g) as subsections (l) and (m), respectively;

(3) by redesignating subsections (c) and (d) (as amended by the preceding provisions of this section) as subsections (e) and (f), respectively; and

(4) by inserting after subsection (b) the following new subsections:

''(c) FIRST MEETING.—The Commission shall hold its first meeting not later than March 31, 2000.

''(d) CHAIRPERSON.—The chairperson of the Commission shall be elected by a vote of a majority of the members, which shall take place not later than 30 days after the first meeting of the Commission.''.

(f) RULES OF THE COMMISSION.—Section 1405 is amended by inserting after subsection (f) (as so redesignated by subsection (e)(3) of this section) the following new subsection:

''(g) RULES OF THE COMMISSION.—

''(1) QUORUM.—Nine members of the Commission shall constitute a quorum for conducting the business of the Commission.

''(2) MEETINGS.—Any meetings held by the Commission shall be duly noticed at least 14 days in advance and shall be open to the public.

''(3) OPPORTUNITIES TO TESTIFY.—The Commission shall provide opportunities for representatives of the general public to testify.

''(4) ADDITIONAL RULES.—The Commission may adopt other rules as necessary to carry out this section.''.

SEC. 5002. PRIVACY PROTECTION FOR DONORS TO PUBLIC BROADCASTING ENTITIES.

(a) AMENDMENT.—Section 396(k) of the Communications Act of 1934 (47 U.S.C. 396(k)) is amended by adding at the end the following new paragraph:

''(12) Funds may not be distributed under this subsection to any public broadcasting entity that directly or indirectly—

''(A) rents contributor or donor names (or other personally identifiable information) to or from, or exchanges such names or information with, any Federal, State, or local candidate, political party, or political committee; or

''(B) discloses contributor or donor names, or other personally identifiable information, to any nonaffiliated third party unless—

''(i) such entity clearly and conspicuously discloses to the contributor or donor that such information may be disclosed to such third party;

''(ii) the contributor or donor is given the opportunity, before the time that such information is initially disclosed, to direct that such information not be disclosed to such third party; and

''(iii) the contributor or donor is given an explanation of how the contributor or donor may exercise that nondisclosure option.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to funds distributed on or after 6 months after the date of the enactment of this Act.

SEC. 5003. COMPLETION OF BIENNIAL REGULATORY REVIEW.

Within 180 days after the date of the enactment of this Act, the Federal Communications Commission shall complete the first biennial review required by section 202(h) of the Telecommunications Act of 1996 (Public Law 104–104; 110 Stat. 111).

SEC. 5004. PUBLIC BROADCASTING ENTITIES.

(a) CIVIL REMITTANCE OF DAMAGES.—Section 1203(c)(5)(B) of title 17, United States Code, is amended to read as follows:

''(B) NONPROFIT LIBRARY, ARCHIVES, EDUCATIONAL INSTITUTIONS, OR PUBLIC BROADCASTING ENTITIES.—

''(i) DEFINITION.—In this subparagraph, the term 'public broadcasting entity' has the meaning given such term under section 118(g).

''(ii) IN GENERAL.—In the case of a nonprofit library, archives, educational institution, or public broadcasting entity, the court shall remit damages in any case in which the library, archives, educational institution, or public broadcasting entity sustains the burden of proving, and the court finds, that the library, archives, educational institution, or public broadcasting entity was not aware and had no reason to believe that its acts constituted a violation.''.

(b) CRIMINAL OFFENSES AND PENALTIES.—Section 1204(b) of title 17, United States Code, is amended to read as follows:

''(b) LIMITATION FOR NONPROFIT LIBRARY, ARCHIVES, EDUCATIONAL INSTITUTION, OR PUBLIC BROADCASTING ENTITY.—Subsection (a) shall not apply to a nonprofit library, archives, educational institution, or public broadcasting entity (as defined under section 118(g).''.

SEC. 5005. TECHNICAL AMENDMENTS RELATING TO VESSEL HULL DESIGN PROTECTION.

(a) IN GENERAL.—

(1) Section 504(a) of the Digital Millennium Copyright Act (Public Law 105–304) is amended to read as follows:

''(a) IN GENERAL.—Not later than November 1, 2003, the Register of Copyrights and the Commissioner of Patents and Trademarks shall submit to the Committees on the Judiciary of the Senate and the House of Representatives a joint report evaluating the effect of the amendments made by this title.''.

(2) Section 505 of the Digital Millennium Copyright Act is amended by striking ''and shall remain in effect'' and all that follows through the end of the section and inserting a period.

(3) Section 1301(b)(3) of title 17, United States Code, is amended to read as follows:

''(3) A 'vessel' is a craft—

''(A) that is designed and capable of independently steering a course on or through water through its own means of propulsion; and

''(B) that is designed and capable of carrying and transporting one or more passengers.''.

(4) Section 1313(c) of title 17, United States Code, is amended by adding at the end the following: ''Costs of the cancellation procedure under this subsection shall be borne by the nonprevailing party or parties, and the Administrator shall have the authority to assess and collect such costs.''.

(b) TARIFF ACT OF 1930.—Section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking ''and (D)'' and inserting ''(D), and (E)''; and

(ii) by adding at the end the following:

''(E) The importation into the United States, the sale for importation, or the sale within the United States after importation by the owner, importer, or consigner, of an article that constitutes infringement of the exclusive rights in a design protected under chapter 13 of title 17, United States Code.''; and

(B) in paragraphs (2) and (3), by striking ''or mask work'' and inserting ''mask work, or design''; and

(2) in subsection (l), by striking ''or mask work'' each place it appears and inserting ''mask work, or design''.

SEC. 5006. INFORMAL RULEMAKING OF COPYRIGHT DETERMINATION.

Section 1201(a)(1)(C) of title 17, United States Code, is amended in the first sentence by striking ''on the record''.

SEC. 5007. SERVICE OF PROCESS FOR SURETY CORPORATIONS.

Section 9306 of title 31, United States Code, is amended—

(1) in subsection (a) by striking all beginning with ''designates a person by written power of attorney'' through the end of such subsection and inserting the following: ''has a resident agent for service of process for that district. The resident agent—

''(1) may be an official of the State, the District of Columbia, the territory or possession in which the court sits who is authorized or appointed under the law of the State, District, territory or possession to receive service of process on the corporation; or

''(2) may be an individual who resides in the jurisdiction of the district court for the district in which a surety bond is to be provided and who is appointed by the corporation as provided in subsection (b)''; and

(2) in subsection (b) by striking ''The'' and inserting ''If the surety corporation meets the requirement of subsection (a) by appointing an individual under subsection (a)(2), the''.

SEC. 5008. LOW-POWER TELEVISION.

(a) SHORT TITLE.—This section may be cited as the ''Community Broadcasters Protection Act of 1999''.

(b) FINDINGS.—Congress finds the following:

(1) Since the creation of low-power television licenses by the Federal Communications Commission, a small number of license holders have operated their stations in a manner beneficial to the public good providing broadcasting to their communities that would not otherwise be available.

(2) These low-power broadcasters have operated their stations in a manner consistent with the programming objectives and hours of operation of full-power broadcasters providing worthwhile services to their respective communities while under severe license limitations compared to their full-power counterparts.

(3) License limitations, particularly the temporary nature of the license, have blocked many low-power broadcasters from having access to capital, and have severely hampered their ability to continue to provide quality broadcasting, programming, or improvements.

(4) The passage of the Telecommunications Act of 1996 has added to the uncertainty of the future status of these stations by the lack of specific provisions regarding the permanency of their licenses, or their treatment during the transition to high definition, digital television.

(5) It is in the public interest to promote diversity in television programming such as that currently provided by low-power television stations to foreign-language communities.

(c) PRESERVATION OF LOW-POWER COMMUNITY TELEVISION BROADCASTING.—Section 336 of the Communications Act of 1934 (47 U.S.C. 336) is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively; and

(2) by inserting after subsection (e) the following new subsection:

''(f) PRESERVATION OF LOW-POWER COMMUNITY TELEVISION BROADCASTING.—

''(1) CREATION OF CLASS A LICENSES.—

''(A) RULEMAKING REQUIRED.—Within 120 days after the date of the enactment of the Community Broadcasters Protection Act of 1999, the Commission shall prescribe regulations to establish a class A television license to be available to licensees of qualifying low-power television stations. Such regulations shall provide that—

''(i) the license shall be subject to the same license terms and renewal standards as the licenses for full-power television stations except as provided in this subsection; and

''(ii) each such class A licensee shall be accorded primary status as a television broadcaster as long as the station continues to meet the requirements for a qualifying low-power station in paragraph (2).

''(B) NOTICE TO AND CERTIFICATION BY LICENSEES.—Within 30 days after the date of the enactment of the Community Broadcasters Protection Act of 1999, the Commission shall send a notice to the licensees of all low-power televisions licenses that describes the requirements for class A designation. Within 60 days after such date of enactment, licensees intending to seek class A designation shall submit to the Commission a certification of eligibility based on the qualification requirements of this subsection. Absent a material deficiency, the Commission shall grant certification of eligibility to apply for class A status.

''(C) APPLICATION FOR AND AWARD OF LICENSES.—Consistent with the requirements set forth in paragraph (2)(A) of this subsection, a licensee may submit an application for class A

designation under this paragraph within 30 days after final regulations are adopted under subparagraph (A) of this paragraph. Except as provided in paragraphs (6) and (7), the Commission shall, within 30 days after receipt of an application of a licensee of a qualifying low-power television station that is acceptable for filing, award such a class A television station license to such licensee.

''(D) RESOLUTION OF TECHNICAL PROBLEMS.—The Commission shall act to preserve the service areas of low-power television licensees pending the final resolution of a class A application. If, after granting certification of eligibility for a class A license, technical problems arise requiring an engineering solution to a full-power station's allotted parameters or channel assignment in the digital television Table of Allotments, the Commission shall make such modifications as necessary—

''(i) to ensure replication of the full-power digital television applicant's service area, as provided for in sections 73.622 and 73.623 of the Commission's regulations (47 CFR 73.622, 73.623); and

''(ii) to permit maximization of a full-power digital television applicant's service area consistent with such sections 73.622 and 73.623,

if such applicant has filed an application for maximization or a notice of its intent to seek such maximization by December 31, 1999, and filed a bona fide application for maximization by May 1, 2000. Any such applicant shall comply with all applicable Commission rules regarding the construction of digital television facilities.

''(E) CHANGE APPLICATIONS.—If a station that is awarded a construction permit to maximize or significantly enhance its digital television service area, later files a change application to reduce its digital television service area, the protected contour of that station shall be reduced in accordance with such change modification.

''(2) QUALIFYING LOW-POWER TELEVISION STATIONS.—For purposes of this subsection, a station is a qualifying low-power television station if—

''(A)(i) during the 90 days preceding the date of the enactment of the Community Broadcasters Protection Act of 1999—

''(I) such station broadcast a minimum of 18 hours per day;

''(II) such station broadcast an average of at least 3 hours per week of programming that was produced within the market area served by such station, or the market area served by a group of commonly controlled low-power stations that carry common local programming produced within the market area served by such group; and

''(III) such station was in compliance with the Commission's requirements applicable to low-power television stations; and

''(ii) from and after the date of its application for a class A license, the station is in compliance with the Commission's operating rules for full-power television stations; or

''(B) the Commission determines that the public interest, convenience, and necessity would be served by treating the station as a qualifying low-power television station for purposes of this section, or for other reasons determined by the Commission.

''(3) COMMON OWNERSHIP.—No low-power television station authorized as of the date of the enactment of the Community Broadcasters Protection Act of 1999 shall be disqualified for a class A license based on common ownership with any other medium of mass communication.

''(4) ISSUANCE OF LICENSES FOR ADVANCED TELEVISION SERVICES TO TELEVISION TRANSLATOR STATIONS AND QUALIFYING LOW-POWER TELEVISION STATIONS.—The Commission is not required to issue any additional license for advanced television services to the licensee of a class A television station under this subsection, or to any licensee of any television translator station, but shall accept a license application for such services proposing facilities that will not cause interference to the service area of any other broadcast facility applied for, protected, permitted, or authorized on the date of filing of the advanced television application. Such new license or the original license of the applicant shall be forfeited after the end of the digital television service transition period, as determined by the Commission. A licensee of a low-power television station or television translator station may, at the option of licensee, elect to convert to the provision of advanced television services on its analog channel, but shall not be required to convert to digital operation until the end of such transition period.

''(5) NO PREEMPTION OF SECTION 337.—Nothing in this subsection preempts or otherwise affects section 337 of this Act.

''(6) INTERIM QUALIFICATION.—

''(A) STATIONS OPERATING WITHIN CERTAIN BANDWIDTH.—The Commission may not grant a class A license to a low-power television station for operation between 698 and 806 megahertz, but the Commission shall provide to low-power television stations assigned to and temporarily operating in that bandwidth the opportunity to meet the qualification requirements for a class A license. If such a qualified applicant for a class A license is assigned a channel within the core spectrum (as such term is defined in MM Docket No. 87–286, February 17, 1998), the Commission shall issue a class A license simultaneously with the assignment of such channel.

''(B) CERTAIN CHANNELS OFF-LIMITS.—The Commission may not grant under this subsection a class A license to a low-power television station operating on a channel within the core spectrum that includes any of the 175 additional channels referenced in paragraph 45 of its February 23, 1998, Memorandum Opinion and Order on Reconsideration of the Sixth Report and Order (MM Docket No. 87–268). Within 18 months after the date of the enactment of the Community Broadcasters Protection Act of 1999, the Commission shall identify by channel, location, and applicable technical parameters those 175 channels.

''(7) NO INTERFERENCE REQUIREMENT.—The Commission may not grant a class A license, nor approve a modification of a class A license, unless the applicant or licensee shows that the class A station for which the license or modification is sought will not cause—

''(A) interference within—

''(i) the predicted Grade B contour (as of the date of the enactment of the Community Broadcasters Protection Act of 1999, or November 1, 1999, whichever is later, or as proposed in a change application filed on or before such date) of any television station transmitting in analog format; or

''(ii)(I) the digital television service areas provided in the DTV Table of Allotments; (II) the areas protected in the Commission's digital television regulations (47 CFR 73.622(e) and (f)); (III) the digital television service areas of stations subsequently granted by the Commission prior to the filing of a class A application; and (IV) stations seeking to maximize power under the Commission's rules, if such station has complied with the notification requirements in paragraph (1)(D);

''(B) interference within the protected contour of any low-power television station or low-power television translator station that—

''(i) was licensed prior to the date on which the application for a class A license, or for the modification of such a license, was filed;

''(ii) was authorized by construction permit prior to such date; or

''(iii) had a pending application that was submitted prior to such date; or

''(C) interference within the protected contour of 80 miles from the geographic center of the areas listed in section 22.625(b)(1) or 90.303 of the Commission's regulations (47 CFR 22.625(b)(1) and 90.303) for frequencies in—

''(i) the 470–512 megahertz band identified in section 22.621 or 90.303 of such regulations; or

''(ii) the 482–488 megahertz band in New York.

''(8) PRIORITY FOR DISPLACED LOW-POWER STATIONS.—Low-power stations that are displaced by an application filed under this section shall have priority over other low-power stations in the assignment of available channels.''.

TITLE VI—SUPERFUND RECYCLING EQUITY

SEC. 6001. SUPERFUND RECYCLING EQUITY.

(a) PURPOSES.—The purposes of this section are—

(1) to promote the reuse and recycling of scrap material in furtherance of the goals of waste minimization and natural resource conservation while protecting human health and the environment;

(2) to create greater equity in the statutory treatment of recycled versus virgin materials; and

(3) to remove the disincentives and impediments to recycling created as an unintended consequence of the 1980 Superfund liability provisions.

(b) CLARIFICATION OF LIABILITY UNDER CERCLA FOR RECYCLING TRANSACTIONS.—

(1) CLARIFICATION.—Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) is amended by adding at the end the following new section:

''SEC. 127. RECYCLING TRANSACTIONS.

''(a) LIABILITY CLARIFICATION.—

''(1) As provided in subsections (b), (c), (d), and (e), a person who arranged for recycling of recyclable material shall not be liable under sections 107(a)(3) and 107(a)(4) with respect to such material.

''(2) A determination whether or not any person shall be liable under section 107(a)(3) or section 107(a)(4) for any material that is not a recyclable material as that term is used in subsections (b) and (c), (d), or (e) of this section shall be made, without regard to subsections (b), (c), (d), or (e) of this section.

''(b) RECYCLABLE MATERIAL DEFINED.—For purposes of this section, the term 'recyclable material' means scrap paper, scrap plastic, scrap glass, scrap textiles, scrap rubber (other than whole tires), scrap metal, or spent lead-acid, spent nickel-cadmium, and other spent batteries, as well as minor amounts of material incident to or adhering to the scrap material as a result of its normal and customary use prior to becoming scrap; except that such term shall not include—

''(1) shipping containers of a capacity from 30 liters to 3,000 liters, whether intact or not, having any hazardous substance (but not metal bits and pieces or hazardous substance that form an integral part of the container) contained in or adhering thereto; or

''(2) any item of material that contained polychlorinated biphenyls at a concentration in excess of 50 parts per million or any new standard promulgated pursuant to applicable Federal laws.

''(c) TRANSACTIONS INVOLVING SCRAP PAPER, PLASTIC, GLASS, TEXTILES, OR RUBBER.—Transactions involving scrap paper, scrap plastic, scrap glass, scrap textiles, or scrap rubber (other than whole tires) shall be deemed to be arranging for recycling if the person who arranged for the transaction (by selling recyclable material or otherwise arranging for the recycling of recyclable material) can demonstrate by a preponderance of the evidence that all of the following criteria were met at the time of the transaction:

''(1) The recyclable material met a commercial specification grade.

''(2) A market existed for the recyclable material.

''(3) A substantial portion of the recyclable material was made available for use as feedstock for the manufacture of a new saleable product.

''(4) The recyclable material could have been a replacement or substitute for a virgin raw material, or the product to be made from the recyclable material could have been a replacement or substitute for a product made, in whole or in part, from a virgin raw material.

''(5) For transactions occurring 90 days or more after the date of enactment of this section, the person exercised reasonable care to determine that the facility where the recyclable material was handled, processed, reclaimed, or otherwise managed by another person (hereinafter in this section referred to as a 'consuming facility') was in compliance with substantive (not procedural or administrative) provisions of any Federal, State, or local environmental law or regulation, or compliance order or decree issued pursuant thereto, applicable to the handling, processing, reclamation, storage, or other management activities associated with recyclable material.

''(6) For purposes of this subsection, 'reasonable care' shall be determined using criteria that include (but are not limited to)—

''(A) the price paid in the recycling transaction;

''(B) the ability of the person to detect the nature of the consuming facility's operations concerning its handling, processing, reclamation, or other management activities associated with recyclable material; and

''(C) the result of inquiries made to the appropriate Federal, State, or local environmental agency (or agencies) regarding the consuming facility's past and current compliance with substantive (not procedural or administrative) provisions of any Federal, State, or local environmental law or regulation, or compliance order or decree issued pursuant thereto, applicable to the handling, processing, reclamation, storage, or other management activities associated with the recyclable material. For the purposes of this paragraph, a requirement to obtain a permit applicable to the handling, processing, reclamation, or other management activity associated with the recyclable materials shall be deemed to be a substantive provision.

''(d) TRANSACTIONS INVOLVING SCRAP METAL.—

''(1) Transactions involving scrap metal shall be deemed to be arranging for recycling if the person who arranged for the transaction (by selling recyclable material or otherwise arranging for the recycling of recyclable material) can demonstrate by a preponderance of the evidence that at the time of the transaction—

''(A) the person met the criteria set forth in subsection (c) with respect to the scrap metal;

''(B) the person was in compliance with any applicable regulations or standards regarding the storage, transport, management, or other activities associated with the recycling of scrap metal that the Administrator promulgates under the Solid Waste Disposal Act subsequent to the enactment of this section and with regard to transactions occurring after the effective date of such regulations or standards; and

''(C) the person did not melt the scrap metal prior to the transaction.

''(2) For purposes of paragraph (1)(C), melting of scrap metal does not include the thermal separation of 2 or more materials due to differences in their melting points (referred to as 'sweating').

''(3) For purposes of this subsection, the term 'scrap metal' means bits and pieces of metal parts (e.g., bars, turnings, rods, sheets, wire) or metal pieces that may be combined together with bolts or soldering (e.g., radiators, scrap automobiles, railroad box cars), which when worn or superfluous can be recycled, except for scrap metals that the Administrator excludes from this definition by regulation.

''(e) TRANSACTIONS INVOLVING BATTERIES.—Transactions involving spent lead-acid batteries, spent nickel-cadmium batteries, or other spent batteries shall be deemed to be arranging for recycling if the person who arranged for the transaction (by selling recyclable material or otherwise arranging for the recycling of recyclable material) can demonstrate by a preponderance of the evidence that at the time of the transaction—

''(1) the person met the criteria set forth in subsection (c) with respect to the spent lead-acid batteries, spent nickel-cadmium batteries, or other spent batteries, but the person did not recover the valuable components of such batteries; and

''(2)(A) with respect to transactions involving lead-acid batteries, the person was in compliance with applicable Federal environmental regulations or standards, and any amendments thereto, regarding the storage, transport, management, or other activities associated with the recycling of spent lead-acid batteries;

''(B) with respect to transactions involving nickel-cadmium batteries, Federal environmental regulations or standards are in effect regarding the storage, transport, management, or other activities associated with the recycling of spent nickel-cadmium batteries, and the person was in compliance with applicable regulations or standards or any amendments thereto; or

''(C) with respect to transactions involving other spent batteries, Federal environmental regulations or standards are in effect regarding the storage, transport, management, or other activities associated with the recycling of such batteries, and the person was in compliance with applicable regulations or standards or any amendments thereto.

''(f) EXCLUSIONS.—

''(1) The exemptions set forth in subsections (c), (d), and (e) shall not apply if—

''(A) the person had an objectively reasonable basis to believe at the time of the recycling transaction—

''(i) that the recyclable material would not be recycled;

''(ii) that the recyclable material would be burned as fuel, or for energy recovery or incineration; or

''(iii) for transactions occurring before 90 days after the date of the enactment of this section, that the consuming facility was not in compliance with a substantive (not procedural or administrative) provision of any Federal, State, or local environmental law or regulation, or compliance order or decree issued pursuant thereto, applicable to the handling, processing, reclamation, or other management activities associated with the recyclable material;

''(B) the person had reason to believe that hazardous substances had been added to the recyclable material for purposes other than processing for recycling; or

''(C) the person failed to exercise reasonable care with respect to the management and handling of the recyclable material (including adhering to customary industry practices current at the time of the recycling transaction designed to minimize, through source control, contamination of the recyclable material by hazardous substances).

''(2) For purposes of this subsection, an objectively reasonable basis for belief shall be determined using criteria that include (but are not limited to) the size of the person's business, customary industry practices (including customary industry practices current at the time of the recycling transaction designed to minimize, through source control, contamination of the recyclable material by hazardous substances), the price paid in the recycling transaction, and the ability of the person to detect the nature of the consuming facility's operations concerning its handling, processing, reclamation, or other management activities associated with the recyclable material.

''(3) For purposes of this subsection, a requirement to obtain a permit applicable to the handling, processing, reclamation, or other management activities associated with recyclable material shall be deemed to be a substantive provision.

''(g) EFFECT ON OTHER LIABILITY.—Nothing in this section shall be deemed to affect the liability of a person under paragraph (1) or (2) of section 107(a).

''(h) REGULATIONS.—The Administrator has the authority, under section 115, to promulgate additional regulations concerning this section.

''(i) EFFECT ON PENDING OR CONCLUDED ACTIONS.—The exemptions provided in this section shall not affect any concluded judicial or administrative action or any pending judicial action initiated by the United States prior to enactment of this section.

''(j) LIABILITY FOR ATTORNEY'S FEES FOR CERTAIN ACTIONS.—Any person who commences an action in contribution against a person who is not liable by operation of this section shall be liable to that person for all reasonable costs of defending that action, including all reasonable attorney's and expert witness fees.

''(k) RELATIONSHIP TO LIABILITY UNDER OTHER LAWS.—Nothing in this section shall affect—

''(1) liability under any other Federal, State, or local statute or regulation promulgated pursuant to any such statute, including any requirements promulgated by the Administrator under the Solid Waste Disposal Act; or

''(2) the ability of the Administrator to promulgate regulations under any other statute, including the Solid Waste Disposal Act.

''(l) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section shall be construed to—

''(1) affect any defenses or liabilities of any person to whom subsection (a)(1) does not apply; or

''(2) create any presumption of liability against any person to whom subsection (a)(1) does not apply.''

(2) TECHNICAL AMENDMENT.—The table of contents for title I of such Act is amended by adding at the end the following item:

''SEC. 127. Recycling transactions.''.

BILL YOUNG.
JERRY LEWIS.
Managers on the Part of the House.

TED STEVENS.
PETE DOMENICI.
KAY BAILEY HUTCHISON.
Managers on the Part of the Senate.

EXTENSIONS OF REMARKS

COMPETITION IN THE U.S.-CHINA ALL-CARGO MARKET

HON. JOHN S. TANNER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. TANNER. Mr. Speaker, earlier this year, the United States and the People's Republic of China completed a new civil aviation agreement. That agreement allows for one additional air carrier from each country to serve routes between these two nations. It has recently been suggested by some that Federal Express has a ''monopoly'' in the China market and that the Department of Transportation should grant another all-cargo carrier, such as UPS, the authority to serve China as opposed to expanding passenger carrier or Federal Express' service in this market. I believe that argument is meritless.

Federal Express initially applied to DOT in early 1992 for the authority it now holds. They pioneered U.S.-China express all-cargo services by acquiring an initial allocation of only 2 flights a week, under the old, more restrictive agreement. Only two other carriers, American International Airways and Evergreen International Airlines applied at that time. No other carriers even bothered to apply.

The Department selected Evergreen to operate the route and gave Federal Express backup authority. In early 1995, Federal Express and Evergreen jointly applied to transfer the primary authority to Federal Express because of problems experienced by Evergreen in its efforts to develop the market. At that time, DOT did consider, in response to comments filed by DHL, another air express carrier, whether the award to Federal Express would create a monopoly for express services. DHL was the only carrier to offer comments during these 1995 proceedings.

In its order approving the transfer from Evergreen to Federal Express, the Department concluded that Federal Express would not have monopoly power in the market, stating: ''Moreover, in this case, we found that there are alternative means of transportation. Not only does DHL have the opportunity to use U.S. and Chinese carriers in the market, Chinese carriers on both their combination and all-cargo services and the U.S. carriers on their combination services, but there are also third country carriers in the market available for use.''

Indeed, the market is already very competitive. Due to the historic imbalance in the number of flights DOT has allocated to passenger and air cargo services, U.S. passenger carriers, Northwest and United, can offer more freight capacity than Federal Express. Furthermore, I understand that both UPS and DHL already offer a wide range of express services through their joint ventures with SINOTRANS—the government-owned China National Foreign Trade Transportation Group Corporation. DHL has represented that it controls, with the help of its joint venture relationship with SINOTRANS, 35% of the China express market and UPS operates an extensive ground network in China. In addition, the U.S. Postal Service offers U.S-China express and parcel services. There are also two Chinese airlines, and at least 18 other foreign airlines that can offer U.S.-China cargo services, including some of the world's largest airlines like British Airways, Japan Air Lines and Lufthansa.

Because of the limited number of flights that it has been allocated, Federal Express today accounts for only 11.5% of the air express volume from the U.S. to China, and 4.8% of that volume in the opposite direction. That is hardly a monopoly.

Federal Express has pioneered the development of markets throughout Asia for the benefit of U.S. exporters. It was difficult in the early stages, but Federal Express made China a high priority in the development of its Asian network. Their commitment to this market has helped ensure that U.S. companies can even expand their trade and presence in China's major markets. In many of the Asian markets, such as Hong Kong, Japan, and the Philippines, other express carriers entered the market much later to compete with Federal Express. In each of these cases, Federal Express' rates were the same before as they were after the others entered the market.

Federal Express can only operate 8 flights per week today, increasing to 10 on April 1, 2000. It currently is the only incumbent U.S. airline that lacks the frequencies necessary to offer even two daily flights. Due to its limited number of frequencies, Federal Express operates a complex but incomplete schedule in the major markets it services in China. For example, it can offer daily service to Beijing in one direction only—westbound from the U.S.—with only three eastbound flights from the capital. It operates only five flights a week to and from Shanghai, and it is able to offer only eastbound service from Shenzhen.

Trade is the key to our competitiveness and prosperity in the global marketplace. Federal Express must be able to continue to develop this market to provide U.S. exporters the transportation services they require to be competitive. Federal Express has the presence in China to make this goal a reality in the near term.

The attempt by others to justify their belated interest in this market by characterizing Federal Express as a monopoly is not supported by the facts. The U.S.-China market for air express cargo services is competitive today.

TRIBUTE TO THE REGIONAL BOARD PRESIDENTS OF THE ANTI-DEFAMATION LEAGUE

HON. HOWARD L. BERMAN

OF CALIFORNIA

HON. BRAD SHERMAN

OF CALIFORNIA

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. BERMAN. Mr. Speaker, we rise to pay tribute to the past Regional Board Presidents of the Anti-Defamation League (ADL) for their fifty years of service and leadership. These men and women have contributed their wisdom, knowledge, and dedication to the ADL and our community.

The past presidents of ADL have been at the forefront of efforts to deter and counter hate-motivated crimes. Not only has the ADL played a fundamental role in hate-crime legislation, it has organized rallies to increase public awareness of such acts. The pivotal role played by the ADL during this past year's shooting at the Jewish Community Center was a clear example of the efforts of this organization.

The Anti-Defamation League serves as a community resource for the government, media, law enforcement agencies, and the general public. Through ADL's monitoring and educational programs, public awareness of racism, extremism, bigotry, and anti-Semitism has been raised. In addition to these programs, ADL works as a liaison between Israel and U.S. policy-makers to educate the public about the complexities of the peace process. These are only a few of the accomplishments of the ADL. We applaud the current and past presidents for their invaluable service to the ADL and for their invaluable contributions to our community. These men and women are an example to us all.

The ADL's Gala Dinner Dance is certainly a very special event and we are pleased to recognize your organization for its achievements. Again, congratulations to the dedicated presidents for their many years of contributions to the cultural and social well being of our society. Please accept our very best wishes for many more years of continued success.

Mr Speaker, we ask our distinguished colleagues to please join us in honoring Harry Graham Balter, I.B. Benjamin, Jack Y. Berman, Judge David Coleman, Faith Cookler, Hon. Norman L. Epstein, Hon. Robert Feinerman, David P. Goldman, Charles Goldring, Maxwell E. Greenberg, Bruce J. Hochman, Bernard S. Kamine, Harry J. Keaton, Joshua Kheel, Moe Kudler, Alexander L. Kyman, Myra Rosenberg Litman, Hon. Stanley Mosk, George E. Moss, Hon. Irwin J.

Nobron, Hon. Jack M. Newman, Hon. Marvin D. Rowen, and Barry R. Weiss for their ongoing service to the Jewish community and the community at large.

HOUSE RESOLUTION 350

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. SCHAFFER. Mr. Speaker, the House passage of H. Res. 350 advanced the firm position of the Congress in contradiction to the practice of trafficking in baby body parts for profit.

The topic, sir, is among the most ghastly imaginable. America's traditions of life and liberty are certainly challenged by procedures required to support such a barbaric trade as that addressed by the Resolution.

As further support for our efforts, I hereby, commend to the House an article delivered to me by Mrs. Kay Schrapel of Greeley, CO. Mrs. Schrapel requested I share this report with all Members and to fully honor and fulfill her humble request, I hereby submit the text of the report for the RECORD.

[Reprinted By Permission, For Personal Distribution, by WORLD, Asheville, NC, Oct. 23, 1999]

THE HARVEST OF ABORTION

(By Lynn Vincent)

WARNING: This story contains some graphic detail.

As Monday morning sunshine spills across the high plains of Aurora, Colo., and a new work week begins, fresh career challenges await Ms. Ying Bei Wang. On Monday, for example, she might scalpel her way through the brain stem of an aborted 24-week-preborn child, pluck the brain from the baby's peach-sized head with forceps, and plop it into wet ice for later shipment. On Tuesday, she might carefully slice away the delicate tissue that secures a dead child's eyes in its skull, and extract them whole. Ms. Ying knows her employer's clients prefer the eyes of dead babies to be whole. One once requested to receive 4 to 10 per day.

Although she works in Aurora at an abortion clinic called the Mayfair Women's Center, Ms. Ying is employed by the Anatomic Gift Foundation (AGF), a Maryland-based nonprofit. AGF is one of at least five U.S. organizations that collect, prepare, and distribute to medical researchers fetal tissue, organs, and body parts that are the products of voluntary abortions.

When ''Kelly,'' a woman who claimed to have been an AGF ''technician'' like Ms. Ying, approached Life Dynamics in 1997, the pro-life group launched an undercover investigation. The probe unearthed grim, hard-copy evidence of the cross-country flow of baby body parts, including detailed dissection orders, a brochure touting ''the freshest tissue available,'' and price lists for whole babies and parts. One 1999 price list from a company called Opening Lines reads like a cannibal's wish list: Skin $100. Limbs (at least 2) $150. Spinal cord $325. Brain $999 (30% discount if significantly fragmented).

The evidence confirmed what pro-life bioethicists have long predicted: the nadir-bound plummet of respect for human life—and the ascendancy of death for profit.

''It's the inevitable logical progression of a society that, like Darwin, believes we came from nothing,'' notes Gene Rudd, an obstetrician and member of the Christian Medical and Dental Society's Bioethics Commission. ''When we fail to see life as sacred and ordained by God as unique, this is the reasonable conclusion . . . taking whatever's available to gratify our own self-interests and taking the weakest of the species first . . . like jackals. This is the inevitable slide down the slippery slope.''

In 1993, President Clinton freshly greased that slope. Following vigorous lobbying by patient advocacy groups, Mr. Clinton signed the National Institutes of Health (NIH) Revitalization Act, effectively lifting the ban on federally funded research involving the transplantation of fetal tissue. For medical and biotech investigators, it was as though the high government gate barring them from Research Shangri-La had finally been thrown open. Potential cures for Parkinson's, AIDS, and cancer suddenly shimmered in the middle distance. The University of Washington in Seattle opened an NIH-funded embryology laboratory that runs a round-the-clock collection service at abortion clinics. NIH itself advertised (and still advertises) its ability to ''supply tissue from normal or abnormal embryos and fetuses of desired gestational ages between 40 days and term.''

But, this being the land of opportunity, fetal-tissue entrepreneurs soon emerged to nip at NIH's well-funded heels. Anatomic Gift Foundation, Opening Lines, and at least two other companies—competition AGF representatives say they know of, but decline to name—joined the pack. Each firm formed relationships with abortion clinics. Each also furnished abortionists with literature and consent forms for use by clinic counselors in making women aware of the option to donate their babies' bodies to medical science. According to AGF executive director Brent Bardsley, aborting mothers are not approached about tissue donation until after they've signed a consent to abort.

Ironically, it is the babies themselves that are referred to as ''donors,'' as though they had some say in the matter. Such semantic red flags—and a phalanx of others—have bioethicists hotly debating the issue of fetal-tissue research: Does the use of the bodies of aborted children for medical research amount to further exploitation of those who are already victims? Will the existence of fetal-tissue donation programs persuade more mothers that abortion is an acceptable, even altruistic, option? Since abortion is legal and the human bodies are destined to be discarded anyway, does it all shake out as a kind of ethical offset, mitigating the abortion holocaust with potential good?

While the ethical debate rages in air-conditioned conference rooms, material obtained by Life Dynamics points up what goes on in abortion clinic labs: the cutting up and parting out of dead children. The fate of these smallest victims is chronicled in more than 50 actual dissection orders or ''protocols'' obtained by the activist group. The protocols detail how requesting researchers want baby parts cut and shipped: ''Dissect fetal liver and thymus and occasional lymph node from fetal cadaver within 10 (minutes of death).'' ''Arms and legs not be intact.'' ''Intact brains preferred, but large pieces of brain may be usable.''

Most researchers want parts harvested from fetuses 18 to 24 weeks in utero, which means the largest babies lying in lab pans awaiting a blade would stretch 10 to 12 inches—from your wrist to your elbow. Some researchers append a subtle ''plus'' sign to the ''24,'' indicating that parts from late-term babies would be acceptable. Many stipulate ''no abnormalities,'' meaning the baby in question should have been healthy prior to having her life cut short by ''intrauterine cranial compression'' (crushing of the skull).

On one protocol dated 1991, August J. Sick of San Diego-based Invitrogen Corporation requested kidneys, hearts, lungs, livers, spleens, pancreases, skin, smooth muscle, skeletal muscle and brains from unborn babies of 15–22 seeks gestational age. Mr. Sick wanted ''5–10 samples of each per month.'' WORLD called Mr. Sick to verify that he had indeed order the parts. (He had.) When WORLD pointed out that Invitrogen's request of up to 100 samples per month would mean a lot of dead babies, Mr. Sick—sounding quite shaken—quickly aborted the interview.

Many of the dissection orders provide details of research projects in which the fetal tissue will be used. Most, in the abstract, are medically noble, with goals like conquering AIDS or creating ''surfactants,'' substances that would enable premature babies to breathe independently.

Other research applications are chilling. For example, R. Paul Johnson from Massachusetts' New England Regional Primate Research Center requested second-trimester fetal livers. His 1995 protocol notes that the livers will be used ultimately for ''primate implantation,'' including the ''creation of human-monkey chimeras.'' In biology, a chimera is an organism created by the grafting or mutation of two genetically different cell types.

Another protocol is up-front about the researchers' profit motive. Systemix, a California-based firm wanted aborting mothers to know that any fetal tissue donated ''is for research purposes which may lead to commercial applications.''

That leads to the money trail.

Life Dynamics' investigation uncovered the financial arrangement between abortionists and fetal-parts providers. The Uniform Anatomic Gift Act makes it a federal crime to buy or sell fetal tissue. So entities involved in the collection and transfer of fetal parts operate under a documentary rubric that, while technically lawful, looks distinctly like a legal end-around: AGF, for example, pays the Mayfair Women's Center for the privilege of obtaining fetal tissue. Researchers pay AGF for the privilege of receiving fetal tissue. But all parties claim there is no buying or selling of fetal tissue going on.

Instead, AGF representatives maintain that Mayfair ''donates'' dead babies to AGF. Researchers then compensate AGF for the cost of the tissue recovery. It's a service fee, explains AGF executive director Brent Bardsley: compensation for services like dissection, blood tests, preservation, and shipping.

Money paid by fetal-tissue providers to abortion clinics is termed a ''site fee,'' and does not, Mr. Bardsley maintains, pay for baby parts harvested. Instead the fee compensates clinics for allowing technicians like Ms. Ying to work on-site retrieving and dissecting dead babies—sort of a Frankensteinian sublet.

''It's clearly a fee-for-space arrangement,'' says Mr. Bardsley. ''We occupy a portion of their laboratory, use their clinic supplies, have a phone line installed. The site fee offsets the use of clinic supplies that we use in tissue procurement.''

According to Mr. Bardsley, fetal-tissue recovery accounts for only about 10 percent of AGF's business. The rest involves the recovery and transfer to researchers of non-transplantable organs and tissue from adult donors. But, in spite of the fact that AGF recovers tissue from all 50 states, Mr. Bardsley could not cite for WORLD an instance in which AGF pays a ''site fee'' to hospital morgues or funeral homes for the privilege of camping on-site to retrieve adult tissue.

Mr. Bardsley, a trained surgical technician, seems like a friendly guy. On the phone he sounds reasonable, intelligent, and sincere about his contention that AGF isn't involved in the fetal-tissue business for the money.

''We have a lot of pride in what we do,'' he says. ''We think we make a difference with research and researchers' accessibility to human tissue. Every time you go to a drug store, the drugs on the shelf are there as a result of human tissue donation. You can't perfect drugs to be used in human beings using animals models.''

AGF operates as a nonprofit and employs fewer than 15 people. Mr. Bardsley's brother Jim and Jim's wife Brenda founded the organization in 1994. The couple had previously owned a tissue-recovery organization called the International Institute for the Advancement of Medicine (IIAM), which had also specialized in fetal-tissue redistribution, counting, for example, Mr. Sick among its clients. But when IIAM's board of directors decided to withdraw from involvement with fetal tissue, the Bardsleys spun off AGF—specifically to continue providing fetal tissue or researchers.

Significantly, AFG opened in 1994, the year after President Clinton shattered the fetal-tissue research ban. Since then, the company's revenues have rocketed from $180,000 to $2 million in 1998. Did the Bardsleys see a market niche that was too good to pass up? Brenda Bardsley, who is now AFG president, says no. AGF's economic windfall, she says, is related to the company's expansion into adult donations, not the transfer of fetal tissue. She says she and her husband felt compelled to continue providing the medical community with a source of fetal tissue ''because of the research that was going on.''

''Abortion is legal, but tragic. We see what we're doing as trying to make the best of a bad situation,'' Mrs. Bardsley told WORLD. ''We don't encourage abortion, but we see that good can come from fetal-tissue research. There is so much wonderful research going on—research that can help save the lives of wanted children.''

Mrs. Bardsley says she teaches her own children that abortion is wrong. A Deep South transplant with a brisk. East coast accent. Mrs. Bardsley and her family attend a Southern Baptist church near their home on the Satilla River in White Oak, GA. Mrs. Bardsley homeschools her three children using, she says, a Christian curriculum: ''I've been painted as this monster, but here I am trying to give my kids a Christian education,'' she says, referring to other media coverage of AGF's fetal-parts enterprise.

Mrs. Bardsley says she's prayed over whether her business is acceptable in God's sight, and has ''gotten the feeling'' that it is. She also, she says, reads the Bible ''all the time.'' And though she can't cite a chapter and verse that says it's OK to cut and ferry baby parts, she points out that God commands us to love one another. For Mrs. Bardsley, aiding medical research by supplying fetal parts qualifies.

If they were in it for the money rather than for the good of mankind, says Mrs. Bardsley, AGF could charge much higher prices for fetal tissue than it does, because research demand is so high.

The issue of demand is one of several points on which the testimonies of Mrs. Bardsley and her brother-in-law Brent don't jibe. He says demand for fetal tissue ''isn't all that high.'' She says demand for fetal tissue is ''so high, we could never meet it.'' He says ''only a small percentage'' of aborting moms consent to donate their babies' bodies. She says 75 percent of them consent. He says AGF charges only for whole bodies, and doesn't see how the body-parts company Opening Lines could justify charging by the body part. She says AGF charges for individual organs and tissue based on the company's recovery costs.

Founded by pathologist Miles Jones, Opening Lines was, until recently, based in West Frankfort, Ill. According to its brochure, Opening Lines' parent company, Consultative and Diagnostic Pathology, Inc., processes an average of 1,500 fetal-tissue cases per day. While AGF requires that researchers submit proof that the International Research Board (IRB), a research oversight commission, approves their work, Opening Lines does not burden its customers with such technicalities. In fact, says the Opening Lines brochure, researchers need not tell the company why they need baby parts at all—simply state their wishes and let Opening Lines provide ''the freshest tissue prepared to your specifications and delivered in the quantities you need it.''

Opening Lines' brochure cloaks the profit motive in a veil of altruism. The cover tells abortionists that since fetal-tissue donation benefits medical science, ''You can turn your patients' decision into something wonderful.'' But in case philanthropy isn't a sufficient motivator, Dr. Jones also makes his program financially appealing to abortionists. Like AGF, he offers to lease space from clinics so his staff can dissect children's bodies on-site, but also goes a step further: He offers to train abortion clinic staff to harvest tissue themselves. He even sweetens the deal for abortionists with a financial incentive: ''Based on your volume, we will reimburse part or all of your employee's salary, thereby reducing your overhead.''

Again the money trail: more dead babies harvested, less overhead. Less overhead, more profit.

But Dr. Jones' own profits may be taking a beating at present. When Life Dynamics released the results of its investigation to West Frankfort's newspaper The Daily American, managing editor Shannon Woodworth ran a front-page story under a 100-point headline: ''Pro-Lifers: Baby body parts sold out of West Frankfort.'' The little town of 9,000 was scandalized. City officials threatened legal action against Dr. Jones and his chief of staff Gayla Rose, a lab technician and longtime West Frankfort resident. The story splashed down in local TV news coverage, and Illinois right-to-life activists vowed to picket Opening Lines. Within a week, Gayla Rose had shut down the company's West St. Louis Street location, disconnected the phone, and disappeared.

Area reporters now believe Dr. Jones may be operating somewhere in Missouri. WORLD attempted to track him down, but without success.

The demands of researchers for fetal tissue will continue to drive suppliers to supply it. And all parties will continue to wrap their grim enterprise in the guise of the greater good. But some bioethicists believe that even the greater good has a spending cap.

Christopher Hook, a fellow with the Center for Bioethics and Human Dignity in Bannockburn, Ill., calls the exploitation of pre-born children ''too high a price regardless of the supposed benefit. We can never feel comfortable with identifying a group of our brothers and sisters who can be exploited for the good of the whole,'' Dr. Hook says. ''Once we have crossed that line, we have betrayed our covenant with one another as a society, and certainly the covenant of medicine.''

TRIBUTE TO ETHEL GILROY

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. McINNIS. Mr. Speaker, I would like to recognize Ethel Gilroy. Ethel was awarded the prestigious award Southeastern Colorado Chapter of the American Red Cross' Outstanding Supporter for 1999. Repeatedly, Ethel has gone far beyond the call of duty.

A native of Sandwich, Illinois, she married her husband John Gilroy in 1929. In 1981, after her husband passed away Ethel moved to Pueblo, Colorado. It was there that she began a dedication to the bettering of the Red Cross that is the stuff of legend. For most of her life she has been a supporter of the American Red Cross and has been affiliated with the Southeastern Colorado Chapter since 1989. Over the course of the years she has helped countless people stay warm and fed.

Ethel also supports the Salvation Army, Library for the Blind, El Pueblo Boys and Girls Ranch, PBS and Habitat for the Humanity. She is to be admired and commended for her contribution and service to the Pueblo community. So, it is with this Mr. Speaker, that I say thank you to this dedicated woman.

RECOGNIZING FLOOD RELIEF WORKERS

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. SAM JOHNSON of Texas. Mr. Speaker, I would like to recognize the following young people who gave of themselves to help the people of New Braunfels, Comal, and Seguin, Texas, and Strong City, Kansas, in the wake of severe flooding in the fall of 1998. These men traveled many miles, at their own expense, to assist the citizens of these cities by removing countless loads of mud and debris from their houses and yards and by providing much-needed encouragement to those affected by the devastating floodwaters.

Anthony Anderson II, TX; David Bair, OH; Matthew Barber, British Columbia; Ryan Bedford, CA; Jacob Braddy, AZ; Jacory Brady, CO; Daniel Buhler, CA; Warren Burres, IN; James Connelly, CA; Andrew Conway, WA; Seth Cooke, TX; Steven Dankers, WI;

Joshua Dean, WI; Ryan DePoppe, WI; John Dixon, GA; David Edmonson, GA; Stephen Gaither, TX; Travis Gibson, FL; Zechariah

Hamilton, FL; David Haynes, MO; Prescott Hendrix, MI; Joshua Horvath, TX; Joshua Johnson, WA; Michael Jones, TX; Lindsay Kimbrough, IL;

Anthony Koca, CA; Mitchell Lane, AR; Joshua Long, CA; Gregory Mangione, MI; Daylan McCants, AZ; Matthew Moran, NY; Russell Moulton, OK; Jeremy Nordberg, TN; Joshua Norwood, WA; Jonah Offtermatt, TX; Daniel Rahe, CO; Isaac Reichardt, MI;

Jerome Richards, MI; David Servideo, VA; Jonathan Scott, CA; Brock Shinkle, KS; Donald Showalter, OH; Charles Snow, TN; Joseph Snow, TX; John Tanner, MI; Ryan Thomas, AL; Timothy Wann, FL; Stephen Watson, TX; Jared Yates, FL; Jonathan Wharton, TX.

THE INTRODUCTION OF LEGISLATION TO MAKE NON-PROFIT DOE CONTRACTORS SUBJECT TO CIVIL PENALTIES FOR SAFETY VIOLATIONS

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. BARTON of Texas. Mr. Speaker, today I am introducing legislation to correct a long-standing problem in the management of Department of Energy facilities.

Current law provides a special deal for DOE's non-profit contractors. When these non-profit contractors violate DOE's nuclear safety regulations, they are exempt from paying any fines for their misdeeds.

This exemption means that we now have two different sets of rules for DOE contractors—one set of rules for the conventional for-profit contractors, who are subject to fines for safety violations, and another set of rules for the non-profit contractors, who pay no penalty whatsoever for safety violations.

Because there are no adverse financial consequences when these non-profit contractors violate safety rules, we have unintentionally created a system in which there is little incentive for the non-profit contractors to take their nuclear safety responsibilities seriously.

The 1988 Price-Anderson Amendments to the Atomic Energy Act specifically exempted seven contractors, including non-profit institutions such as the University of California, from civil penalties. In a 1993 rule, the Secretary of Energy provided an automatic exemption from civil penalties for all non-profit educational institutions. This bill would amend the Atomic Energy Act to eliminate the statutory exemption for specific non-profit contractors and also eliminate the authority of the Secretary of Energy to provide, by regulation, an automatic exemption for all non-profit educational institutions.

At the Committee's request, the General Accounting Office recently completed a review of DOE's enforcement of nuclear safety rules, documenting recent DOE safety violations at DOE facilities. Of the total penalties assessed from 1996 through 1998 for safety violations, one-third of those penalties were assessed against non-profit contractors—and because of the exemptions in statute and in regulation, never had to be paid.

GAO concluded that the exemption for non-profit contractors should be eliminated. It made that recommendation in its report to Congress, and it testified to that effect before the Commerce Committee in a hearing on DOE Worker Safety on June 29, 1999.

This is a good example of how the legislative process works. Problems in agency performance, in this case recurrent safety problems at DOE facilities, prompted a closer look by the Oversight and Investigations Subcommittee, with the assistance of the GAO. This led to the legislation we are introducing today to solve those problems.

A TRIBUTE TO BERT ASKWITH

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mrs. LOWEY. Mr. Speaker, I rise today to express my great admiration for Bert Askwith, a leader in the worlds of business and philanthropy, who this year will be honored by the United Way for his exceptional community service.

Mr. Askwith is a living embodiment of the American dream. He founded Campus Coach Lines while still a college student in Depression-era Michigan. In the years that followed, Mr. Askwith would move Campus Coach Lines to New York and build it into a leading charter company. Indeed, today, Campus Coach supports everything from athletics to education to the arts by providing affordable, quality transportation to major institutions and individuals alike.

Mr. Askwith's business acumen and contributions to his field are evidenced by his election to six terms as President of the New York State Bus Association and by his service as a Director of the American Bus Association.

But in his home town of Harrison and home county of Westchester, Mr. Askwith is at least as well known for his volunteer work and boundless devotion to community needs. His contributions to the United Way alone have been vast—spanning everything from leadership of a local chapter to policy-making with the national organization.

Mr. Askwith is blessed with a wonderful family. His wife, Mimi, is a national resource in her own right and was voted Harrison's "Woman of the Year" in 1995. Mimi and Bert's energy and commitment are reflected in and shared by their three children, Patti Kenner, Dennis Askwith, and Kathy Franklin, as well as in their four grandchildren.

I am pleased to join in recognizing Bert Askwith on his many achievements and his towering personal example. He is a great man and a great American.

TRIBUTE TO EUGENE C. BAUER

HON. DAVID D. PHELPS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. PHELPS. Mr. Speaker, I rise today to pay tribute to Eugene C. Bauer. Mr. Bauer has recently retired from both his job at Ozee Terminal Incorporated and a life-long service to Coles County, Illinois. On September 28, 1914, Eugene C. Bauer was born and raised on his family's farm in Strasbourg, Illinois. Mr. Bauer and his wife Sharon are the parents of three children: Dr. Eugene A. Bauer, Dean of the School of Medicine at Stanford University, Kim M. Bauer, a Historic Research Specialist, at the Illinois Historical Preservation Society, and Mrs. Pamela K. Stewalt, who is employed by AmericanCIPS.

I am most pleased to inform my colleagues of Eugene C. Bauer's life-long dedication to improving the lives of his friends, neighbors, and fellow residents of Coles County. His accomplishments and accolades are almost too numerous to mention, but I want to take this time to do just that. Mr. Bauer has provided his valuable service and guidance to the Mattoon Association of Commerce, Mattoon Rotary Club, the American Red Cross, School District 100-Mattoon, Community Unit School District #2 of Coles County, Lake Land College, Mattoon Area Development Coalition, Coles Together, keeping and renovating the Post Office in downtown Mattoon and the Coles County Board. He was awarded the Rotary Club Man of the Year 1973–1974, the Postal Award in 1980, the Civic Award by the Mattoon Association of Commerce in 1981 and the Distinguished Service Award by Land Lake College in 1988. He is also the owner of Ozee Terminals Incorporated, which is a real estate holding and development company established in 1945 by Carl Ozee.

Mr. Speaker, I know that Eugene C. Bauer will be sorely missed by all the people he works with and the organizations he is affiliated with in Coles County during his retirement. However, I am sure that his presence in the Coles County Community will still be strong, while he is enjoying his retirement to the fullest. He enjoys reading, gardening, music, splitting wood and spending time with his family. I hope my fellow colleagues will join me now in congratulating Eugene C. Bauer on his retirement and wishing him God's speed in all his future endeavors.

COMMEMORATING THE 66TH ANNIVERSARY OF THE UKRAINIAN FAMINE OF 1932–1933

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. SCHAFFER. Mr. Speaker, this year, the Ukrainian nation and the entire Ukrainian-American community will solemnly commemorate the 66th anniversary of the Ukrainian famine of 1932–1933. The poignancy that envelopes this sorrowful episode in Ukrainian history stems from the fact the famine was an artificial famine. The Soviet government decided to break the resistance of all Ukraine through sheer naked force. Indeed, Josef Stalin was determined to crush all vestiges of Ukrainian nationalism.

Stalin quickly transformed the U.S.S.R. into an industrialized state at enormous cost to human and material resources. Between 7 to 10 million Ukrainians perished as a direct result of his forced agriculture collectivization.

In 1932, the Soviets increased the grain procurement quota for Ukraine by 44%. They were aware this extraordinarily high quota would result in a grain shortage, therefore resulting in the inability of the Ukrainian peasants to feed themselves. Soviet law was quite clear. No grain could be given to feed the peasants until the quota was met. The famine broke the peasants will to resist collectivization and left Ukraine politically, socially, and psychologically traumatized.

Although the world press reported the truth about the famine in Ukraine, regrettably, Western industrialists and businessmen proceeded to do business with the U.S.S.R.—especially by buying Ukrainian wheat at cheap prices, heedless of the fact that millions of Ukrainians had perished from hunger because Moscow had confiscated this wheat in order to sell it for profit abroad.

This Saturday, Ukrainian-Americans will be afforded an opportunity to observe this tragic chapter in Ukraine's history on November 21, 1999 with a special requiem service in New York's St. Patrick's Cathedral. This day has been designated as ''Ukrainian Famine Day of Rememberance'' in hopes that, in remembering this tragic event, the world community recognizes that the only safeguard to prevent future atrocities of this nature is to maintain and ensure support for an independent Ukrainian state.

RECOGNIZING TORNADO CLEANUP WORKERS

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. SAM JOHNSON of Texas. Mr. Speaker, I would like to bring to the Congress' attention the work of the following 39 young men who spent two weeks assisting the people of Little Rock, Arkansas in clean-up efforts in the aftermath of a tornado that struck the city in January 1999. These men served under the direction of Mayor Jim Dailey to clear fallen trees and debris for property-owners. They should be commended for their hard work and dedication to helping others in a time of great need.

Robert Adamis, CA; Nathan Allen, OH; Ryan Anders, MI; Timothy Anderson, WY; Luke Borchers, MO; Jeff Bramhill, Ontario; Nathan Bryant, GA; Donald Burzynski, FL; Benjamin Caffee, AL; Brian Cahill, TX;

Curtis Eaton, TN; Timothy Ferry, NJ; Joshua Fox, CA; Jonathan Gunter, IN; Christopher Hanson, WI; Luke Hodges, OK; Thomas Hogarty, VA; Stephen Hough, IN; Riley Irwin, Alberta; Jeremy Jansen, KS;

Jeffery Jestes, OK; Seth Johnson, NE; Nathan Lord, GA; Jonathan McKeithen, FL; Nathan Nazario, PR; Timothy Noland, MA; Elisha Odegaard, MN; Andrew Papillon, MN; Stephen Parrish, TN; Daniel Petersen, GA;

Misha Randolph, TX; John Saucier, AL; Frank Shao, NJ; John Tanner, MI; Justin Tanner, MI; John Thornton IV, TN; Matthew Whitaker, NY; Vincent Williams, OK; David Winsinger, FL.

PROTECTING THE FUTURE OF SOCIAL SECURITY

HON. RANDY ''DUKE'' CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. CUNNINGHAM. Mr. Speaker, I rise today to talk about securing the future of Social Security.

Today, nearly 44.4 million Americans receive Social Security benefits. More than 4 million of these live in my home State of California. Seniors all over America rely on it as a major source of retirement income. However, Social Security is not just a retirement program. It also provides badly needed survivor and disability benefits to America's working men and women.

Unfortunately, the future of Social Security is not secure. Today, more young people believe in UFOs than believe Social Security will be there for them. We must work to strengthen Social Security and protect our nation's retirement system.

A simple first step is for politicians to stop raiding the Social Security Trust Fund to pay for more government spending. Every senior—and every future senior—that I talk with agrees with me on this.

In 1969, the Democrats were in control of Congress. They looked far and wide for money to pay for their new social welfare programs. That was the year they broke the people's trust. Every year since then, a portion of the Social Security Trust Fund surplus has been spent on other government spending. Americans have endured 30 years of this, turning our Social Security Trust Fund into a ''slush fund.''

For the seventh consecutive year, President Clinton proposed spending billions of the Social Security surplus on government programs. We Republicans in Congress would have none of it. For the first time in over a generation, we are not spending Social Security funds on anything other than Social Security benefits.

In addition, this spring, the House passed the Social Security and Medicare Safe Deposit Act of 1999 (H.R. 1259) and moved one step closer to protecting the future of Social Security. This bipartisan measure won a vote of 416–12, with all but one of the ''nay'' votes coming from members of the President's party—the same party that raided Social Security for thirty long years. Our Social Security lockbox legislation will change the way the budget is prepared so Social Security funds cannot be used for other purposes. It helps every American guard against politicians' attempts to raid the Social Security surpluses for more government spending. I call on my colleagues in the Senate to pass this bill and help us keep 100 percent of Social Security funds for Social Security.

Mr. Speaker, the American people are tired of politicians who say nice things about Social Security one day, then raid it for new government spending the next. The Republican Congress can and will protect 100 percent of the Social Security Trust Fund and stop the raid on Social Security this year. We will restore trust to the Social Security Trust Fund. And we will not go back. That is my plan, and I hope that my colleagues will join me in this important effort.

HONORING JACK WOOLF, AGRICULTURIST OF THE YEAR

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to honor Jack L. Woolf, chairman of Woolf Enterprises and the Woolf Farming Company, for being named the 1999 Agriculturist of the Year by the Fresno Chamber of Commerce. Mr. Woolf is being honored on November 17, 1999 at the Ag Fresno Farm Equipment Exposition luncheon.

Jack Woolf is well known throughout the Central Valley agricultural community. In addition to Woolf Farming, Woolf Enterprises holds a major interest in Los Gatos Tomato Products; Harris-Woolf California Almond Processing; Cal-West Rain and Aliso Ranch, Madera County. Woolf is also president of Woolf Farming of Arizona.

Woolf currently serves on the Board of Directors for Valley Public Television and recently received the Public Television Development Leadership Award for 1999. He also serves on the Fresno Historical Society Board.

Jack Woolf began his agricultural career by joining Russell Giffen, Inc. in 1946 where he served as general manager for more than 28 years. Woolf also served as chairman of the Kingsburg Cotton Oil Co., president of the California Tomato Growers Association and as a member of the Board of Regents for Santa Clara University.

He is a past member of the board of directors for Westlands Water District, California Valley Bank and San Joaquin College of Law.

Mr. Speaker, I want to congratulate Jack Woolf for being named Agriculturist of the Year for 1999. I urge my colleagues to join me in wishing Jack many more years of continued success.

HONORING THE APPOINTMENT OF ALPHONSO ''AL'' MALDON, JR., TO THE POSITION OF ASSISTANT SECRETARY FOR FORCE MANAGEMENT POLICY, DEPARTMENT OF DEFENSE

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. CLYBURN. Mr. Speaker, I rise today to honor and congratulate Mr. Alphonso ''Al'' Maldon, Jr., for his confirmation as the Assistant Secretary for Force Management Policy at the Department of Defense. Many of us here in the House of Representatives know Al Maldon for his tireless dedication to the United States Government in his capacity as Deputy Assistant to the President for Legislative Affairs and White House Congressional Liaison to the Senate and House of Representatives.

In this capacity, he provides policy making and strategic advice to the President. Although Mr. Maldon is indirectly involved with a myriad of legislative issues, he is directly responsible for those issues in both the House and Senate involving Trade, Defense, International Affairs, Intelligence and Veterans Affairs.

In March 1993, Mr. Maldon was appointed as a Special Assistant to the President for Legislative Affairs. He subsequently served as the first African-American to be appointed as Deputy Assistant to the President and Director of the White House Military Office. In this capacity he managed and directed a large staff of over 1,900 personnel—providing operational, logistical, and state-of-the-art communications support to the President.

Prior to joining the Administration, Mr. Maldon enjoyed an outstanding military career. He entered active duty service as a commissioned officer in the United States Army in August of 1972. His assignments included tours in Europe, Korea, and various posts throughout the United States. Some of his highly visible positions included assignments as the Executive Officer, Armed Forces Staff College; and as Admissions and Public Liaison Officer at the United States Military Academy, West Point, NY. His career progressed through increasingly responsible positions as a Field Artillery and Adjutant General Corps Officer. He completed his military career as a Colonel with an assignment to the United States House of Representatives as the Deputy Director for Army Legislative Affairs in February 1993.

Mr. Maldon holds a Master of Arts Degree from the University of Oklahoma in Human Relations and a Bachelor of Arts Degree from Florida A&M University. He also graduated from various military schools and colleges, including the Command and General Staff College, the Armed Forces Staff College, and the Army's Organizational Effectiveness Management Consultant School in Monterey, CA. He is the recipient of numerous military decorations including the Legion of Merit, the Defense Meritorious Service Medal (with two oak leaf clusters), the Army Commendation Medal and the U.S. Army Staff Badge. In addition, Mr. Maldon is a recipient of the United States Congressional Award for Leadership and Patriotism, and he is listed in Who's Who in America.

He has been blessed with a loving and caring family including his wife Carolyn and their daughter Kiamesha Racha'el. The family resides in Fairfax Station, VA.

As Assistant Secretary for Force and Management Policy, Mr. Maldon will be responsible for policies, plans and programs for military and civilian personnel management, including recruitment, education, career development, equal opportunity, compensation, recognition, discipline, and separation of all Department of Defense personnel, both military and civilian.

Mr. Speaker, Al Maldon's dedication to public service, both as a civilian and as a member of the United States Army serves as a model to us all. I ask my colleagues to join me in wishing him the very best in his new assignment and his continued service to the citizens of the United States. I am proud to count him as a friend.

CONGRATULATING THE PEOPLE OF BONITA SPRINGS, FLORIDA

HON. PORTER J. GOSS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. GOSS. Mr. Speaker, I am proud to recognize the creation of the ninth city in the Fourteenth District of Florida, the City of Bonita Springs. After many months of debate and discussion, the people of Bonita Springs cast their ballots in favor of incorporation as the fifth city in Lee County, FL on November 2, 1999.

As a new Millennium begins, so the citizens of Bonita Springs will embark on a new challenge, the challenge of creating a new city from residents' ideas of what their community ought to be. It comes as no surprise that there are those willing to do the hard work involved with new cityhood. I'm sure they will find the rewards great and surprising, as I discovered in my experience when the City of Sanibel was born 25 years ago.

Now that the incorporation debate is over, I know the people of Bonita Springs will come together, roll up their sleeves and begin the business of fashioning a city that they can be proud of. Beginnings are marvelous, because the imagination is the only limitation. Of course, not everything can be accomplished immediately, but the ideas that come forth now can certainly become part of long-range goals.

Again, my congratulations to the people of Bonita Springs. I stand ready to help them make their city the best it can be.

PRESIDENT ALIEV RECOMMITS AZERBAIJAN TO RELIGIOUS FREEDOM

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. SMITH of New Jersey. Mr. Speaker, I am pleased to bring to the attention of my colleagues recent positive developments on religious freedom in Azerbaijan. Members of the Commission on Security and Cooperation in Europe, which I chair, raised last week our concern over the raids of the Baptist and Lutheran churches in Baku, the threatened deportation of foreigners associated with these churches, and the firing of a number of Jehovah's Witnesses from their jobs because of their religious affiliation. In a letter to President Haidar Aliev on November 3, referencing Azerbaijan's OSCE commitments to religious liberty, we raised the recent incidents that violate religious liberty and asked Azerbaijan to register religious groups that have not been able to gain legal status.

On Monday, November 8, in a meeting with U.S. Ambassador Stanley Escudero, President Aliev publicly reaffirmed Azerbaijan's commitment to religious freedom, pledged to redress recent problems faced by minority religious groups, and gave assurances there would be no further religious liberty violations in Azerbaijan. In a statement that was carried by the government-controlled media, President Aliev said, ''I have vigorously warned administrative bodies of the fact that arbitrariness on such issues is inconceivable. One cannot restrict freedom of conscience and creed.'' Our Embassy in Baku reports that the courts have set aside the deportation orders for the foreign Christians, and the Garadag Gas Plant has reinstated the jobs of the Jehovah's Witnesses.

Mr. Speaker, I commend Ambassador Stanley Escudero for persistently raising these issues with Azeri authorities. I also commend the work of Political Officer Michael Speckhard who has been a tireless advocate for religious freedom.

I am hopeful that President Aliev's remarks signal a new dawn in Azerbaijan and that his country will become the region's beacon for religious freedom. The prompt response of President Aliev to these recent events is encouraging, and I am hopeful that religious group that previously have not been able to obtain legal status will now be registered and will be free to practice their faith.

RECOGNIZING TORNADO RELIEF WORKERS

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. SAM JOHNSON of Texas. Mr. Speaker, I would like to give recognition to a group of 21 young folks who traveled to the cities of Jackson and Clarksville, Tennessee at the request of city officials to provide assistance in clean-up efforts, following a tornado in January 1999. These outstanding young men were noted for their teamwork, enthusiasm and diligence in all they did to serve the people of Jackson and Clarksville. They are to be commended for their selfless service.

Jeff Bramhill, Ontario; Jason Brown, AL; Donald Burzynski, FL; Brian Cahill, TX; Brian Drozdov, WA; Christopher Ekstrom, OR; Paul Ellis, MS; Cory Finch, MO; Joshua Fox, CA; Christopher Hanson, WI;

John Hill, IA; Seth Johnson, NE; Jonathan Lancaster, MI; Joshua Meals, TN; Samuel Mills, TX; Daniel Petersen, GA; Lance Stoney, British Columbia; John Tanner, MI; John Thornton IV, TN; Mark Wahl, OR; Andrew Whitaker, NY.

NATIONAL PRAYER BREAKFAST TRANSCRIPT INDUCTION

HON. STEVE LARGENT

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. LARGENT. Mr. Speaker, since the early 1950's, Members of the Senate and the House of Representatives prayer groups have hosted an annual gathering in our Nation's Capital known as the National Prayer Breakfast. The Breakfast has afforded the opportunity for both the House and Senate to come together, in a nonpartisan alliance, whether in times of peace or times of war, in times of

abundance or times of scarcity, to prayerfully support the President and other leaders in this country. This year I was given the privilege of chairing this event.

We were honored once again to have the President and First Lady, and the Vice President and Mrs. GORE in attendance. We were also honored to have several heads of state from Macedonia, Albania, Ecuador, and Benin. Max Lucado, an author, pastor, and this year's keynote speaker, spoke of the model that Jesus of Nazareth gave of love, not only for those we like and agree with, but most importantly, for those we do not.

On behalf of the Members of the Senate and House who have hosted this Breakfast, I submit the transcript of the breakfast for insertion into the RECORD for our posterity.

1999 NATIONAL PRAYER BREAKFAST

Thursday, February 4, 1999, Hilton Washington and Towers Hotel, Washington, DC

Chairman: Representative Steve Largent

Representative LARGENT. My name is Steve Largent, and I want to welcome you to the National Prayer Breakfast. I am a member of the House of Representatives from the state of Oklahoma, and I am this year's chairman and will be acting as the Master of Ceremonies for the prayer breakfast this year.

It is my pleasure at this time to introduce Mr. Jim Kimsey, who will begin with our pre-breakfast prayer.

Mr. KIMSEY. Basil was a fourth-century saint from Asia Minor. He said, ''We pray in the morning to give us the first stirrings of our mind to God. Before anything else, let the thought of God gladden you.'' Would you begin this day with me in prayer?

Dear God, may the efforts of all those gathered here today reach far and wide—our thoughts, our work, our lives. Make them blessings for your kingdom. Let them go beyond today. Our lives today have consequences unseen. Each life has a purpose. Please, God, grant us the wisdom to recognize that purpose.

Today is new and unlike any other day, for God makes each day different. To live each day wisely, we need wisdom—wisdom in our hearts and in our thoughts. We need wisdom in the choices we make. Psalm 90 implores us, ''Lord, teach us to number our days aright, that we may gain wisdom in our heart.''

Each day, like today, we pray to God to help us to do the things that matter, not to waste the time we have. We know the moments we have are precious. We pray that God helps us count them dear and to teach us to number our days aright; that he fills this day and every day with kindness so that we may be glad and rejoice all the days of our life.

Numbering our days aright is crucial for our own happiness, but it is even more important for the rest of the world. Each day we are presented with opportunities to make a difference; small differences, like a hello to a lonely neighbor, to extra change dropped in a homeless person's cup. And we can make big differences feeding the hungry, teaching children to read, bridging understanding and peace between nations. Every difference you make matters, just as every day matters. Edmund Burke wisely noted long ago, ''The only thing necessary for the triumph of evil is for good men to do nothing.''

We are especially blessed today. We have a unique opportunity in our frantic lives to begin with prayer and listen to the wisdom of the incredible group assembled here today. I would like to leave you with one thought. Yesterday is history, and tomorrow is a mystery. But today is a gift. Thank you.

(Opening Song by the United States Army Chorus.)

Representative LARGENT. Thank you to the United States Army Chorus. We appreciate that. That is inspiring, and a good way to start the breakfast.

At this time I would like to call to the podium General Dennis Reimer, who is the Chief of Staff of the Army, for our opening prayer.

General REIMER. Let us pray.

Almighty and eternal God, creator of all things, we ask your presence with us at this gathering this morning as we raise our minds and hearts to you. May the words we share be an echo of your voice. We are grateful for our nation's long and abiding legacy of freedom. We thank you for your gifts, which become richer as we share them, and more secure as we guard them for one another.

Gracious Lord, we praise you for the spirit of liberty you have established through our nation's founders. Lord, we remember this morning the words of Peter Marshall, who gave thanks for the rich heritage of this good land, for the evidences of thy favor in the past and for the hand that hath made and preserve this a nation. We thank you for the men and women who, by blood and sweat, by toil and tears, forged on the anvil of their own sacrifice all that we hold dear. May we never lightly esteem what they obtained at a great price. Grateful for rights and privileges, may we be conscious of duties and obligations. May his words continue to be timeless.

Lord, we ask that you will strengthen us to stand firmly against cruel and heartless discrimination or prejudice of any kind. In your holy presence we ask that the things which make for peace may not be hidden from our eyes. Help us catch your vision of a greater destiny and the call of holy responsibility. May the moral fibers of duty, honor and country be seen in all we do.

Lord our God, in profound gratitude we ask your blessing on the United States of America. Bless now this food to our use and us to your service. In your holy name we pray. Amen.

Representative LARGENT. Thank you, General Reimer, a great Oklahoman.

Please enjoy your meal. We will continue with the program in about 15 minutes. Thank you.

(Breakfast)

Representative LARGENT. In addition to the President and First Lady, and the Vice President, this morning we have a number of special guests. We have members of the Senate and the House, and Members of the President's Cabinet. We have Members of the Joint Chiefs, prime ministers, heads of corporations, student leaders and numerous other dignitaries. We have people from all 50 states and over 160 countries represented here this morning. (Applause.)

In addition, we have with us several heads of state which I would like to recognize at this time. We have His Excellency Ljubco Georgievski, Prime Minister of the Former Yugoslav Republic of Macedonia. (Applause.) Also joining us is His Excellency Mathieu Kerekou, President of the Republic of Benin. (Applause.) His Excellency Jamil Mahuad, President of Ecuador. (Applause.) And His Excellency Pandeli Majko, Prime Minister of the Republic of Albania. (Applause.) I get extra credit for all of that. (Laughter.)

At this time, I would like to introduce the head table. Beginning on my left and your right is Mr. Jim Kimsey. He is the founder of America On Line and is a gentleman who has a deep love for the District of Columbia. With Mr. Kimsey is Ms. Holidae Hayes. We are glad to have you here. (Applause.)

Next to them is Mr. Michael W. Smith. He is a Grammy-winning recording artist who will perform for us later, and his wife, Debbie. (Applause.)

Next we have Dr. Laura Schlessinger, also known as Dr. Laura. (Applause.) I don't even need to say who she is, right? (Laughter.) No, she is one of America's most listened-to-radio talk show hosts. She is the co-author of the current bestseller, ''The Ten Commandments: The Significance of God's Law in Everyday Life.'' She is also a licensed marriage, family, and children's counselor and is frequently referred to as America's mommy. (Applause.)

Next to Dr. Schlessinger is Senator Kay Bailey Hutchison, an outstanding Senator from the State of Texas, who will share with you later about the Senate and House breakfast groups. Senator, thank you. (Applause.)

Next is Annie Glenn, wife of Senator John Glenn. Annie is a great friend and a great example for us all. (Applause.) And then we have Senator Glenn, who is one of our national heroes, whose return to space last year had me considering out of retirement, briefly. (Applause.)

Next is our Vice President, Al Gore. Every year Congress hosts a National Student Leadership Forum on Faith and Values, and this year the Vice President and his wife, Tipper, were kind enough to open up their home to about 200 student leaders from across the country and actually spent a lot of time with them individually, talking with them. Mr. Vice President, please tell Tipper we said thank you very much. (Applause.)

Next are President Clinton and the First Lady. (Applause.) I want to tell you an interesting story that I think also is a bit of a glimpse behind the scenes of President Clinton. After the prayer breakfast two years ago, I sent him a note thanking him for his remarks, which were wonderful, as they will be this morning. He actually was in the process of writing me a note and said, ''No, I thought I would just call.''

So he called our home, and my daughter Casie, who at that time was about 15 years old, answered the phone and said, ''The President of the United States is calling for Congressman Steve Largent.'' My daughter put the phone on hold and came and got me and she said, ''Dad, somebody said that the President is on the line. Would you please get him off the line because I've got Brad Pitt holding on the other line.'' (Applause.)

Next to the First Lady is my first lady, Terry Largent. (Applause.)

Next we have our speaker this morning, Max Lucado and his wife Denalyn. I will tell you more about Max just a little bit later. (Applause.)

Next to the Lucados is Senator Joseph Lieberman, a great senator and a man who is known for his integrity and for his love of God. (Applause.)

Next is one of my good friends and colleagues in the House of Representatives, Harold Ford, Jr. He is the first African-American in history to succeed his father in the U.S. House of Representatives. (Applause.)

And next to Congressman Ford are General Dennis Reimer, who I introduced earlier, one of our great military leaders, and his wife, Mrs. Mary Jo Reimer. (Applause.)

As we gather this morning, this is the National Prayer Breakfast, and there are many around the world who need our prayers here this morning. I want to take a moment to mention just a few of the people that are in dire need of our prayers this morning, including King Hussein, Billy Graham, Pope John Paul II, and the victims of the recent earthquake in Colombia. In fact, it is my understanding that King Hussein is undergoing therapy for cancer treatment as we are speaking and is watching the prayer breakfast this morning.

Many in the Senate and the House breakfast group have had the opportunity over the years to become friends in this fellowship with his majesty, King Hussein of Jordan. As friends, we have prayed with his majesty in times of triumph and times of trial. And as he undergoes treatment this week for the trial of a lifetime, we join all our prayers to uplift his spirit and strengthen his family, his loved ones and his medical care team in a special way.

Also, many of you may be here this morning asking, ''What is the prayer breakfast and why am I here?'' I want to tell you just a little bit about the prayer breakfast and its genesis. It is not very complicated, actually. There was a small group that began meeting in the Senate back in the early 1950s. They were joined later by a small group that began in the House. At some time they decided, wouldn't it be a good idea if the House group and the Senate group met together to pray for the President of the United States. And that is how the prayer breakfast began 47 years ago. You are going to hear a little bit more about the Senate and House groups from Senator Hutchison and what we are doing in both chambers as we speak.

The members concluded that whether our country is experiencing peace or war, bounty or struggle, there is a tremendous need for people of faith to lift the President up in prayer. This is not now, nor has it ever been, a political event. When we come to the prayer breakfast, we take our political hats off and come together to talk and pray about the principles of Jesus.

One individual who embodies these principles and who generally graces our presence here at the prayer breakfast is Dr. Billy Graham. Unfortunately, because of his health considerations, Dr. Graham is unable to attend this year. However, by way of a letter, he sends his greetings. I would like to share a portion of his letter with you, because I believe it captures the spirit of the occasion.

Dr. Graham writes, ''After so many years, the most difficult thing for me to do is to inform you that I will not be able to come to the prayer breakfast as I had planned. I hope you will give my greetings and the promise of prayer for this important gathering this morning. Our country is in need of a unity that only God can bring. We must as a people repent of our sins and turn to God in faith. He alone can heal our divisions, forgive our sins and bring the spiritual renewal the nation needs if we are to survive. I deeply regret that I cannot be with you today, but I will be in prayer that God will give the greatest spirit of spiritual renewal that we have ever had. Please assure the President and Mrs. Clinton, Vice President and Mrs. Gore, and the other leaders gathered at the breakfast, that they are in my constant prayers. God bless you all. Billy Graham.'' (Applause.)

Mr. President, I would just add that our prayer is that while you are here with us, you will have a sense of peace and rest and will understand that as you leave here that there are people all over the world that are praying for you.

Now, Senator Kay Bailey Hutchinson will share with you about the House and Senate prayer groups.

Senator HUTCHISON. Thank you, Congressman Largent. And thank you for all the work you have done to make this a wonderful event. (Applause.) Mr. President and Mrs. Clinton, Mr. Vice President, we are so honored to have all of our guests today.

It is gratifying to see such a large and distinguished crowd for this great Washington tradition. We come for our own reasons, some more inspired than others. For some, it is the prayer. Perhaps for some it is the breakfast. (Scattered laughter.) But as I look around this morning, in this city, I am reminded about the small-town Texas preacher who phoned the local newspaper editor on Monday to thank him for making a mistake in the paper. And the editor said, ''Well, why are you thanking me for the mistake?'' And the preacher said, ''Well, the topic I sent you was, 'What Jesus Saw in the Publicans and Plutocrats.' What you printed was, 'What Jesus Saw in Republicans and Democrats.' The curiosity brought me the greatest crowd of the year.'' (Laughter.)

Obviously, we do not come here today as Republicans or Democrats, or even as Americans. We come as God's human creation, seeking guidance in our daily lives. I am pleased to report for the United States Senate and the House of Representative this morning. Each of us has a regular weekly meeting at breakfast, and our regulars rarely miss it. It is the priority time on our schedules. It is a time for fellowship and reflection, two commodities that are often in short supply in the course of our daily lives.

It is also a time to renew old acquaintances. One of the regulars who grace the Senate meeting is former Senate Majority Leader Mike Mansfield. Every Wednesday morning he comes in and orders bacon and eggs and biscuits, and all of my younger colleagues are eating granola and fruit. (Laughter.) We tell him we love to see a guy that still eats like a guy. (Laughter.) We figure that the breakfast and the prayer is working for him, because he is 96 years old. (Applause.)

We are blessed with occasional drop-ins. Both the Vice President and the President have dropped in on our prayer breakfasts, and we enjoy it very much. But mostly it is just us, our members and our former members, who are always welcome. We spend our sessions discussing different things. Sometimes it is the events of the day and what bearing they may have on our spiritual growth and renewal. At other times, we hear the testimony of a colleague or we help him or her respond to a personal crisis. There is only one informal rule: we never discuss Senate or House business.

The Senate and the House are institutions, that, by their very nature and genius, are diverse. They represent varied sections and interests that define the great nation that is ours. They come together to find common ground. But in our prayer breakfast, we start on common ground and we grow together from there. We start from the acceptance that each of us is flawed, that we all need guidance, and that none of us alone has the answers. We grow from the relationship that bonds us. We gain the strength to fulfill our collective duty to develop and nurture one nation under God, indivisible, with liberty and justice for all. That is what all of us hope that this annual meeting does, to inspire us to do better in the next year for our respective nations.

Thank you. Thank you, Steve. (Applause.)

Representative LARGENT. Thank you, Senator. And now, for a reading from the Holy Scriptures, Dr. Laura Schlessinger.

Dr. SCHLESSINGER. First, I would just like to say I cannot tell you how touched and honored I am to be here doing this. You have no idea what it means to me. This is Deuteronomy 8.

''You shall faithfully observe all the instruction that I enjoin upon you today, that you may thrive and increase and be able to possess the land that the Lord promised on oath to your fathers. Remember, the long way that the Lord your God has made you travel in the wilderness these past 40 years, that he might test you by hardship to learn what is in your hearts, whether you would keep his commandments or not.

''He subjected you to the hardship of hunger and then gave you manna to eat, which neither you nor your fathers had ever known, in order to teach you that man does not live by bread alone, but that man may live on anything that the Lord decrees. The clothes upon you did not wear out, nor did your feet swell these 40 years.

''Bear in mind that the Lord your God disciplines you just as a man disciplines his son. Therefore, keep the commandments of the Lord your God. Walk in his ways and revere him. For the Lord your God is bringing you into a good land, a land with streams and springs and fountains issuing from plain and hill, a land of wheat and barley, of vines, figs and pomegranates, a land of olive trees and honey, a land where you may eat food without scarcity, where you will lack nothing, a land whose rocks are iron and from whose hills you can mine copper.

''When you have eaten your fill, give thanks to the Lord your God for the good land which he has given you. Take care, lest you forget the Lord your God and fail to keep his commandments, his rules and his laws, which I enjoin upon you today. When you have eaten your fill and have built fine houses to live in and your herds and flocks have multiplied and your silver and gold have increased and everything you own has prospered, beware lest your hearts grow haughty and you forget the Lord your God, who freed your from the land of Egypt, the house of bondage, who led you through the great and terrible wilderness with its serpents and scorpions, a parched land with no water on it, who brought forth water for you from the flinty rock, who fed you in the wilderness with manna, which your fathers had never known, in order to test you by hardship, only to benefit you in the end.

''You say to yourselves, 'My own power and the might of my own hand have won this wealth for me.' Remember that it is the Lord your God who gives you the power to get wealth in fulfillment of the covenant that he made an oath with your fathers, as is still the case. If you do forget the Lord your God and follow other gods to serve them or bow down to them, I warn you this day that you shall certainly perish. Like the nations that the Lord will cause to perish before you, so shall you perish, because you did not heed the Lord your God.''

Shalom. (Applause.)

Representative LARGENT. Thank you, Dr. Laura. Now Michael W. Smith.

(Michael W. Smith sings ''Salvation Belongs to God.'')

Representative LARGENT. Thank you, Michael.

As you are aware, Senator Glenn made history recently by returning to space 36 years after he became the first American to orbit the earth. During Senator Glenn's space flight last year, he kept in contact with the President via e-mail. At one point, the Presdient E-mailed Senator Glenn to let him know he had spoken to an 83-year-old woman from Queens and asked her what she thought of the mission. She replied that it seemed like a perfectly fine thing for a young man like Senator Glenn to do. (Laughter.) So please welcome the young Senator Glenn to the podium. (Applause.)

Senator GLENN. Thank you. (Continued applause.) Thank you all very much. Thank you all very, very much. Steve, I thank you for that introduction very much also.

Let me add a couple of Old Testament thoughts to what Dr. Laura just read for you a moment ago. These readings have been favorites of mine for long time, and I wanted to add those before I get over into a couple of quotes from the New Testament.

I am sure you all are very familiar with that part in Ecclesiastes that starts out, ''To everything there is a season, and a time for every purpose under heaven.'' I won't take time to read all of it exactly, but you remember that. ''A time to be born and die, plant, pluck up that which is planted, a time to kill, heal, break down, build up, weep, laugh, mourn, dance, cast away stones, gather stones, embrace, time to refrain, time to get, time to lose, time to keep, cast away, rend and sow, silence, speak, love and hate, time of war, time of peace.''

That about covers the whole gamut of the human experience. There is not much we could add to that. That has always been one that I thought leads us to believe that there is a time for everything intended for us, than God wants us to live a full life. There is a time for everything. There is a time to live and a time to do—for all these things.

There is another passage that I also like. This came to me and has been a favorite, because when I was training way back in World War II days, which does show my age, I guess, my mother sent a passage to me that I have always thought was very apropos, not only for that time and what I was looking forward to then, but also no matter what happens to us any time in life. And that is out of Psalms 139.

''Whither shall I go from thy spirit, or whither shall I flee from thy presence? If I ascend up into heaven, thou art there. If I make my bed in hell, behold, thou are there.'' And this part in particular: ''If I take the wings of the morning and dwell in the uttermost parts of the sea, even there shall thy hand lead me and thy right hand shall hold me.'' To me, that dwelling in the uttermost parts of the sea also means going into space, I can tell you that. Those two passages together I have always thought were about my favorite parts of the Scripture.

Now to our New Testament reading, which I understand is also the favorite of some of the other people here this morning. Romans 8: ''Who shall separate us from the love of Christ? Shall tribulation or distress or persecution or famine or nakedness or peril or sword? As it is written, 'For thy sake, we are killed all day long. We are counted as sheep for slaughter.' Nay, in all these things, we are more than conquerors through him that loved us. For I am persuaded that neither death nor life nor angels nor principalities nor powers nor things present nor things to come nor height nor depth nor any other creature shall be able to separate us from the love of God which is in Christ Jesus our Lord.''

The second passage is out of Philippians: ''Rejoice in the Lord always. And again I say, rejoice. Let your moderation be known unto all men. The Lord is at hand. Be careful for nothing, but in everything, by prayer and supplication, with thanksgiving, let your requests be made known unto God. And the peace of God, which passeth all understanding, shall keep your hearts and minds through Christ Jesus. Finally, brethren, whatsoever things are true, whatsoever things are honest, whatsoever things are pure, whatsoever things are lovely, whatsoever things are of good report, if there be any virtue, if there be any praise, think on these things. Those things which ye have both learned and received and heard and seen in me, do. And the God of peace shall be with you.''

Thank you. (Applause.)

Representative LARGENT. Thank you, Senator Glenn. Please welcome to the podium, ladies and gentlemen, the Vice President of the United States, Albert Gore, Jr. (Applause.)

Vice President GORE. Thank you, Steve. Thank you very much. Thank you, Congressman Largent; Mr. President, Mrs. Clinton; Mr. Speaker; distinguished guests.

To all of those who have worked so hard to make this breakfast what it is, including a lot of men and women in the Overflow Room, who did more work than anybody else, I want to thank them. When I went over to speak with them during the breakfast briefly, by sheer coincidence, I read exactly the same passage from Romans that John just picked here.

And to all of you, I want to thank you for joining us at this annual gathering, which reaffirms America as a pilgrim people and a nation of faith.

Every one of us, I believe, has a task appointed for us by the Lord. We are reminded, ''Whatsoever thy hand findeth to do, do it with thy might.'' A teacher should teach with all his heart, a parent should care for her child as if all heaven were watching, a machinist should take the utmost pride in a job well done, because all of us are asked by God to devote our daily work to others and to his glory. All of us have a chance to be made great, not by our achievements measured in the world's eyes, but through our commitment to a path of righteousness and to one another.

I also believe our nation has a task appointed for it by the Lord. As the Gospel says, ''Let your light so shine before men that they may see your good works and glorify your Father, which is in heaven.'' Though our founders separated Church and State, they never forgot that this eternal spiritual light illuminated the principles of democracy, and especially the idea of the preciousness and equality of every human being. The truth that underlies the Constitution is that every human being, no matter how rich or how poor, how powerful or how frail, is made in God's holy image and must be treated accordingly.

We have seen, especially in this century, how dangerous and destructive the world becomes when individuals, nations, and leaders forget this eternal truth. Without it, the door to evil is wrenched open, wreaking untold misery on the human race; demagoguery and cruelty, racial hatred and totalitarianism may enter unchecked.

When we understand our real nature and responsibility as true sons and daughters of the living God, it does not mean we retreat from the world, even though all of us know how hard the world can be on our ideals. Rather, God asks us to more forward into human institutions and, instead of conforming ourselves to them, change them for the better, doing our best to listen to the small, still voice that should guide us.

A little farther in that part of Romans, in a different translation, is a passage that has always meant a lot to me: ''Do not be conformed to this world, but be transformed by the renewing of your mind, so that you may discern what is the will of God, what is good and acceptable and perfect. Let love be genuine. Hate what is evil. Hold fast to what is good. Live in harmony with one another. Do not be haughty, but associate with the lowly. Do not claim to be wiser than you are. Do not repay anyone evil for evil, but take thought for what is noble in the sight of all.''

An old folk tale says there are two ways to warm yourself when it is very cold. One is by putting on a luxurious coat; the other is by lighting a fire. The difference is that the fur coat warms only yourself, while the fire lights anyone who comes near.

We have a comparable choice every day. Indeed, we are at a moment of great spiritual opportunity to choose right. The end of the millennium is drawing near, so let us carry no spiritual debts into a new time, but recommit to a future where we elevate mankind's faith and fill the world with justice. (Applause.)

Representative LARGENT. Thank you, Mr. Vice President.

I was joking with the Vice President earlier that the prayer breakfast is on Thursday, but his prayers were answered earlier in the week when Mr. Gephardt pulled out of the presidential primary. (Laughter.)

It gives me great honor to introduce our speaker this morning, Mr. Max Lucado. Max is probably best known as a best-selling author, having 11 million books in print. Although I have read many of his books, the one that truly touched me the most has been one of his children's books called ''You Are Special.'' I have given this book to several friends and have read it aloud on various occasions, especially when I speak with young people. When I was asked to choose a speaker this morning, I immediately thought of Max, because I am convinced that someone who writes the way he writes knows a great deal about the unconditional love of God. So, Max, please come and share with us what is on your heart this morning. (Applause.)

Mr. LUCADO. Mr. President and Mrs. Clinton, Mr. Vice Presdient. I cannot thank you enough for this wonderful privilege that you have given me and my wife, Denalyn, to be with you this morning. Thank you, Congressman Largent, for those kind words.

I never quite know how people respond to those of us who write. Not long ago I was speaking at a conference and a man came up to me afterwards and said, ''I've never had dinner with an author before.'' And I said, ''Well, you buy, I'll eat.'' (Laughter.) So off we went and had a delightful chat. Some days later I received a note from him in which he said, ''I thoroughly enjoyed our visit, but you were not as intelligent as I thought you would be.'' (Laughter.) You can't please everyone.

I will do my best to keep my remarks brief. Not long ago I was speaking and a man got up in the middle of my presentation and began walking out. I stopped everything and I said, ''Sir, can you tell me where you're going?'' He said, ''I'm going to get a haircut.'' I said, ''Why didn't you get one before you came in?'' He said, ''I didn't need one before I came in.'' (Laughter.)

I have asked several people associated with the breakfast why the invitation came my

way. The answer that really made most sense was the briefest one, and that is, ''We thought you might share a few words about Jesus,'' a request I am privileged to attempt to fulfill.

The final paragraph on the invitation that we received defines the National Prayer Breakfast as ''a fellowship in the spirit of Jesus.'' How remarkable that such an event even exists. It speaks so No highly of you, or leaders, that you would convene such a gathering and clear times out of your very busy schedules to attend such a gathering, not under any religious or political auspices, but in the spirit of Jesus. Thank you for that during these dramatic hours you have made prayer a priority.

This breakfast speaks highly of you, our guests. You weave a tapestry this morning of 160 different nations, traditions and cultures, representing a varity of backgrounds but united by a common desire to do what is right for your people. And you are welcome here. Each and every one of you are welcome.

The breakfast is a testimony to you, our leaders, to you, our guests, but most of all, wouldn't you agree?, the breakfast is a testimony of Jesus of Nazareth. Regardless of our perception and understanding and opinion of him, how remarkable that 2,000 years after his birth, we are gathered to consider this life, a man of humble origins, a brother to the poor, a friend of sinners and the great reconciler of people.

It is this last attribute of Jesus I thought we could consider for just a few moments, his ability to reconcile the divided, his ability to deal with contentious people. After all, don't we all deal with people and don't we all know how contentious they can be? How does that verse go? ''To live above with those we love, O, how that will be glory. But to live below with those we know, now, that's another story.'' (Laughter.)

I found this out in college when I found a girl whom I really liked and I took her home to meet my mom, but my mom didn't like her, so I took her back. (Laughter.) I found another girl I really liked, and so I took her home to meet my mom, but mom didn't like her either. So I took her back. I found another girl, took her home. Mom didn't like her. I went through a dormitory full of girls—(laughter)—until finally I found one that I knew my mom would like because she looked just like my mom. She walked like my mom. She talked like my mom. So I took her home, and my dad could not stand her. (Laughter.)

People are tough to deal with. But tucked away in the pages of the Bible is the story of Jesus guiding a contentious group through a crisis. If you will turn your attention to the inside of your program that you received, you will read the worlds written by a dear friend of Jesus, the apostle John. And he tells us this story:

''Jesus knew that the Father had put all things under his power and that he had come from God and was returning to God. So he got up from the meal, he took off his outer clothing, he wrapped a towel around his waist. After that he poured water into a basin and began to wash his disciples' feet, drying them with the towel that was wrapped around him. He came to Simon Peter, who said to him 'Lord, are you going to wash my feet?' And Jesus replied, 'You do not realize what I am doing, but later you will understand.' :'No,' said Peter. 'You shall never wash my feet.' And Jesus answered, 'Unless I wash your feet, you have no part with me.' 'Then, Lord,' Simon Peter replied, 'not just my feet, but my hands and my head as well.' ''

It is the final night of Jesus' life, the night before his death, and Jesus and his disciples have gathered for what will be their final meal together. You would think his followers would be sensitive to the demands of the hour, but they are not. They are divided. Another follower by the name of Luke in his gospel writes these words: ''The disciples began to argue about which of them was the most important.'' Can you imagine? The leader is about to be killed and the followers are posturing for power. This is a contentious group.

Not only are they contentious, they are cowardly. Before the night is over, the soldiers will come and the followers will scatter, and those who sit with him at the table will abandon him in the garden. Can you imagine a more stressful evening—death threats on one side and contentious and quarrelsome followers on the other? I suppose some of you can. That may sound like a typical day at the office. But we know that the response of Jesus was not at all typical.

But I wonder what our response would be. Perhaps we would preach a sermon on team work, maybe point a few fingers or pound a few tables. That is probably what we would do. But what does Jesus do? How does he guide a divided team through a crisis? He stands and he removes his coat and he wraps a servant's towel around his waist. He takes up the wash basin and he kneels before one of his disciples. Unlacing a sandal, he gently lifts the disciple's foot and places it in the wash basin, covers it with water and begins to clean it. One by one, Jesus works his way down the row, one grimy foot after another. He washes the feet of his followers.

By the way, I looked for the verse in the Bible that says Jesus washed all of the disciples' feet except the feet of Judas, but I could not find it. The feet of Judas were washed as well. No one was excluded.

You may be aware that the washing of feet was a task reserved not just for the servants but for the lowest of servants. Every group has its pecking order, and a group of household servants was no exception. And whoever was at the bottom of that pecking order was the one given the towel and the one given the basin. But in this case, the one with the towel and the one with the basin is the one whom many of us esteem as the creator and king of the universe. What a thought. Hands which shaped the stars, rubbing dirt; fingers which formed mountains, massaging toes. And the one before whom all nations will one day bow, kneeling before his friends, before his divided and disloyal band of friends.

It is important to note that Jesus is not applauding their behavior. He is not applauding their actions. He simply chooses to love them and respect them, in spite of their actions. He literally and symbolically cups the grimiest part of their lives in his hands and cleanses it with forgiveness. Isn't this what this gesture means? To wash someone's feet is to touch the mistakes of their lives and cleanse them with kindness. Sometimes there is no other option. Sometimes everything that can be said has been said. Sometimes the most earnest defense is inadequate. There are some conflicts, whether in nations or in homes, which can only be resolved with a towel and a basin of water.

''But Max,'' you might be saying, ''I'm not the one to wash feet. I've done nothing wrong.'' Perhaps you have done nothing wrong. But neither did Jesus. You see, the genius of Jesus' example is that the burden of bridge-building falls on the strong one, not on the weak one. It is the one in the right who takes the initiative.

And you know what happens? When the one in the right volunteers to wash the feet of the one in the wrong, both parties end up on their knees. For don't we always think we are right? We kneel to wash feet only to look up and see our adversary, who is kneeling to wash ours. What better posture from which to resolve our differences?

By the way, this story offers a clear picture of what it means to be a follower of Jesus. We have allowed the definition to get so confusing. Some think it has something to do with attending a certain church or embracing a particular political view. Really it is much simpler. A follower of Jesus is one who has placed his or her life where the disciples placed their feet—in the hands of Jesus. And just as he cleansed their feet with water, so he cleanses our mistakes with forgiveness.

That is why followers of Jesus must be the very first to wash the feet of others. Jesus goes on to say, ''If I, your Lord and master, have washed your feet, you also should wash one another's feet. I did this as an example so that you should do as I have done for you.''

I wonder what would happen if we accepted this challenge, if we followed Jesus's example. What if we all determined to resolve conflict by the washing of feet? If we did, here is what might occur. We would listen, really listen, when people speak. We would be kind to those who curse us and quick to forgive those who ask our forgiveness. We would be more concerned about being fair than being noticed. We would not lower our God-given standards, nor would we soften our hearts. We should keep our minds open, our hearts tender and our thoughts humble. And we would search for and find the goodness that God has placed within each person, and love it.

Would our problems be solved overnight? No. Jesus's were not. Judas still sold out and the disciples still ran away. But in time—in fact, in short time—they all came back and they formed a nucleus of followers who changed the course of history. And no doubt they must have learned what I pray we learn this morning: that some problems can only be solved with a towel and a basin of water.

Let's pray together. Our Father, you have taught us that the line between good and evil does not run down geographical or political boundaries but runs through each of our hearts. Please expand that part of us which is good and diminish that part of us which is evil. Let your great blessings be upon our President and his family, our Vice President and his family, and all of these leaders and dignitaries gathered. But we look to you as the ultimate creator, director and author of the universe. Lead us to someone today whose mistakes we might touch with kindness. By your power we pray. Amen. (Applause.)

Representative LARGENT. Thank you, Max. At this time I want to make one other brief introduction, and that is the new Speaker of the House of Representatives, my friend from Illinois, Denny Hastert. (Applause.)

I want to say it is my privilege and high honor to at this time introduce the President of the United States, Mr. William Jefferson Clinton. (Applause.)

President CLINTON. Thank you very much.

Steve, distinguished head table guests, to the leaders from around the world who are here, the members of Congress, Mr. Speaker and others, ladies and gentlemen.

I feel exactly the way I did the first time I ever gave a speech as a public official, to

the Pine Bluff Rotary Club Officers Installation Banquet in January of 1977. The dinner started at 6:30. There were 500 people there. All but three were introduced; they went home mad. (Laughter.) We had been there since 6:30. I was introduced at a quarter to 10. The guy that introduced me was so nervous he did not know what to do, and, so help me, the first words out of his mouth were, ''You know, we could stop here and have had a very nice evening.'' (Laughter.) He did not mean it the way it sounded, but I do mean it. We could stop here and have had a very wonderful breakfast. You were magnificent, Max. Thank you very much. (Applause.)

I did want to assure you that one of the things that has been said here today repeatedly is absolutely true. Senator Hutchison was talking about how when we come here, we set party aside, and there is absolutely no politics in this. I can tell you that is absolutely so. I have had a terrific relationship with Steve Largent, and he has yet to vote with me the first time. (Laughter.) So I know there is no politics in this prayer breakfast. (Laughs.)

We come here every year. Hillary and I were staying up kind of late last night talking about what we should say today and who would be here. I would like to ask you to think about what Max Lucado said in terms of the world we live in, for it is easier to talk about than to do, this idea of making peace with those who are different from us.

We have certain signs of hope, of course. Last Good Friday in Northern Ireland, the Irish Protestants and the Irish Catholics set aside literally centuries of distrust and chose peace for their children.

Last October, at the Wye Plantation in Maryland, Chairman Arafat, Abu Mazin and the Palestinian delegation, and Prime Minister Netanyahu and the Israeli delegation went through literally sleepless nights to try to save the peace process in the Middle East and put it back on track.

Throughout this year, we have worked with our allies to deepen the peace in Bosnia, and we are delighted to have the leader of the Republika Srpska here today. We are working today to avoid a new catastrophe in Kosovo, with some hopeful signs.

We also have worked to guarantee religious freedom to those who disagree with all of us in this room, recognizing that so much of the trouble in the world is rooted in what we believe are the instructions we get from God to do things to people who are different from us. And we think the only answer is to promote religious freedom at home and around the world.

I want to thank all of you who helped us to pass the Religious Freedom Act of 1998. I would like say a special word of appreciation to Dr. Robert Seiple, the former head of World Vision, who is here with us today. He is now America's Ambassador at Large for International Religious Freedom. Later this month, I will appoint three members to the United States Commission on International Religious Freedom. The Congress has already nominated its members.

We know that is a part of it. But, respectfully, I would suggest it is not enough. As we pray for peace, as we listen to what Max said, we say, well, of course it is God's will. But the truth is, throughout history, people have prayed to God to aid them in war. People have claimed repeatedly that it was God's will that they prevail in conflict. Christians have done it at least since the time of the crusades. Jews have done it since the times of the Old Testament. Muslims have done it from the time of the Essenes down to the present day. No faith is blameless in saying that they have taken up arms against other faiths, other races, because it was God's will that they do so. Nearly everybody would agree that from time to time, that happens over the long course of history. I do believe that, even though Adolf Hitler preached a perverted form of Christianity, God did not want him to prevail. But I also know that when we take up arms or words against one another, we must be very careful in invoking the name of our Lord.

Abraham Lincoln once said that in the great Civil War neither side wanted war and both sides prayed to the same God; but one side would make war rather than stay in the union, and the other side would accept war rather than let it be rent asunder, so the war came. In other words, our great president understood that the Almighty has his own designs and all we can do is pray to know God's will.

What does that have to do with us? Martin Luther King once said we had to be careful taking vengeance in the name of God, because the old law of ''an eye for an eye leaves everybody blind.''

And so today, in the spirit in which we have been truly ministered to today, I ask you to pray for peace in the Middle East, in Bosnia and Kosovo; in Northern Ireland, where there are new difficulties. I ask you to pray that the young leaders of Ethiopia and Eritrea will find a way to avoid war. I ask you to pray for a resolution of the conflicts between India and Pakistan. I ask you to pray for the success of the peace process in Colombia, for the agreement made by the leaders of Ecuador and Peru, for the ongoing struggles to make the peace process work in Guatemala.

I ask you to pray for peace. I ask you to pray for the peacemakers; for the Prime Minister of Albania; for the Prime Minister of Macedonia; who are here. Their region is deeply troubled. I ask you to pray for Chairman Arafat and the Palestinians; for the government of Israel; for Mrs. Leah Rabin and her children, who are here, for the awful price they have paid in the loss of Prime Minister Rabin for the cause of peace. I ask you to pray for King Hussein, a wonderful human being, the champion of peace who, I promise you today, is fighting for his life mostly so he can continue to fight for peace.

Finally, I ask you to pray for all of us, including yourself; to pray that our purpose truly will reflect God's will; to pray that we can all be purged of the temptation to pretend that our willfulness is somehow equal to God's will; to remember that all the great peacemakers in the world in the end have to let go and walk away, like Christ, not from apparent but from genuine grievances. If Nelson Mandela can walk away from 28 years of oppression in a little prison cell, we can walk away from whatever is bothering us. If Leah Rabin and her family can continue their struggle for peace after the Prime Minister's assassination, then we can continue to believe in our better selves.

I remember on September the 19th, 1993, when the leaders of Israel and the Palestinian Authority gathered in Washington to sign the peace accord, the great question arose about whether, in front of a billion people on international television, for the very first time, Chairman Arafat and Prime Minister Rabin would shake hands.

Now this may seem like a little thing to you. But Yitzhak Rabin and I were sitting in my office talking, and he said: ''You know, Mr. President, I have been fighting this man for 30 years. I have buried a lot of people. This is difficult.'' And I started to make an argument, and before I could say anything, he said, ''But you do not make peace with your friends.'' And so the handshake occurred that was seen around the world.

A little while afterward, after some time passed, they came back to Washington. And they were going to sign these agreements about what the details were of handling over Gaza and parts of the West Bank. On this second signing, the two of them had to sign three copies of these huge maps, books of maps. There were 27 maps. There were literally thousands of markings on these maps, on each page: ''What would happen at every little cross road? Who would be in charge? Who would do this, who would do that, who would do the other thing?'' Right before the ceremony there was a hitch, and some jurisdictional issue was not resolved. Everybody was going around in a tizzy. I opened the door to the little back room, where the Vice President and I have lunch once a week. I said to these two people, who shook hands for the first time not so long ago: ''Why don't you guys go in this room and work this out? This is not a big deal.'' Thirty minutes later they came out. No one else was in there. They worked it out; they signed the copies three times, 27 pieces each, each page they were signing. And it was over.

You do not make peace with your friends, but friendship can come, with time and trust and humility, when we do not pretend that our willfulness is an expression of God's will.

I do not know how to put this into words. A friend of mine last week sent me a little story our of Mother Teresa's life. She was asked, ''When you pray, what do you say to God?'' And she said, ''I don't say anything; I listen.'' And then she was asked, ''Well, when you listen, what does God say to you?'' And she said, ''He doesn't say anything either; he listens.'' (Soft laughter.)

In another way, Saint Paul said the same thing. ''We do not know how to pray as we ought, but the Spirit himself intercedes for us, with signs too deep for words.''

So I ask you to reflect on all we have seen and heard and felt today. I ask you to pray for peace, for the peacemakers, and for peace within each of our hearts—in silence.

(Moment of silence.) Amen.

(Applause.)

Representative LARGENT. Thank you Mr. President, for your remarks. You have asked us to pray for the leaders of the world and for leadership in the world. And at this time, I would like to ask my friend, Representative Harold Ford, to come forward to pray for world leaders.

Representative FORD. Thank you, Steve.

We pray, God, that you will help us to understand what the book of Ephesians means when it says, ''We wrestle not against flesh and blood but against principalities and powers.'' We pray that we may heed the ancient summons, pray as if everything depended on God and act as if everything depended on you. Whether we worship in the shadow of the cross, under the Star of David or the crescent of Islam, it is in this spirit that we gather and in this spirit that we pray. We pray that God be above us to protect, beneath us to uphold, before us to guide and around us to comfort. We offer these prayers in the name of one God of all humanity. Let all of God's children say amen. (Applause.)

Representative LARGENT. Thank you, Harold. One of the real mysteries of the power of Jesus is that, Mr. President, as you said, I may not have voted with you in the four years that I have been in Congress, but I want you to know that I care for you and

love you. That is part of the mystery of Jesus and the celebration that we have here this morning as we come to pray for our leaders and for our world.

At this time I would to ask Senator Lieberman to come forward and lead us in our benediction. (Applause.)

Senator LIEBERMAN. Thank you. Let us pray.

I pray, Lord, that you will open my lips, that I may declare your praise. We love you, Lord, because we come before you with a perfect faith that you will hear our prayer. And we have that faith not because of our confidence in our righteousness but because of our trust in your mercy.

Lord, thank you for waking us up this morning, restoring our souls to our bodies, bringing us to this place, but the destination we seek is a unified one, Lord, and it is you. You are the source of our lives, of our principles, of our purpose. We thank you for all that you have done for us. And as the President said so beautifully and compellingly and truthfully, for reasons that only impress us with our imperfection, so often our attempts to reach you have divided us.

But today, the spirit in this room is yours; in the Hebrew, Shekinah, the spirit of God, is here and it brings us together in a characteristically American way, in a way that the founders of this country understood, and they expressed in the very first paragraph by which they declared their independence that they held certain truths to be self-evident and that the first of these was that the rights they were granting us came from you; they were not the work of philosophers or lawers or politicians, but were the endowment we received from you, our creator.

Lord, we thank you for the leaders who are here, the speakers who are here who have shared their faith with us. We ask your prayers, especially on the leaders of our country, the President and Vice President and their devoted and gifted wives. We pray particularly today for the President of the United States. We thank you for the gifts you have given him of intellect, of judgment, of compassion, of communication, that have enabled him to be such a successful leader of our country and have raised up so many people in this country to a better life and have brought him to a point where people around the world depend on him, put their hopes in him.

And Lord, may I say a special prayer at this time of difficulty for our President, that you hear his prayers, that you help him in the work he is doing with his family and his clergy, that you accept his atonement in the spirit in which David spoke to the prophet and said, ''I am distressed. Let me put my faith not in human hands but in the hands of God, who is full of abundant mercy.''

So, Lord, we pray that you will not only restore his soul and lead him in the paths of righteousness for your name's sake, but help us join with him to heal the breach, begin the reconciliation and restore our national soul so that we may go forward together to make this great country even greater and better.

And I pray, Lord, too, for all the leaders from around the world who are here. And in the spirit that the President himself invoked, I want to reach out particularly to Chairman Arafat and Abu Mazin and Leah Rabin and her children, and to do so in the spirit of unity that fills this room, but also in the recollection and remembrance of the truth, that Abraham, with whom you entered the covenant that gave birth to at least three of the great religions that are here today, that Abraham loved his son Ishmael as he did his son Isaac. And we pray that you will bring that truth to Chairman Arafat and the leaders of Israel and you will guide them in the paths of peace so that their children and grandchildren may truly one day not just live in peace but sit together, as Dr. King evoked in all of us, at the table of brotherhood and sisterhood.

So, Lord, as we leave this place, we pray that you will take us by the hand and lead us home, but let us not leave here the spirit of unity and purpose that has filled this room. Let us resolve, each of us in our own way, to work to honor your name, to bring us closer each day to the realization of the prophet's vision, ''when the valleys will be exalted and the hills and mountains made low, when the rough spots will be made straight and the glory of the Lord will fill the earth, and all flesh will see it and experience it.'' On that day, Lord, your name will truly be one and your children will be one.

Amen. (Applause.)

Representative LARGENT. Thank you, Senator Lieberman.

Ladies and gentlemen, this concludes the 47th National Prayer Breakfast.

Thank you all for being with us here this morning. Let's leave today and live out the principles Jesus taught about loving one another, loving our God with all our heart, soul and mind. Thank you, and have a good morning.

ACCREDITATION OF THE OAK PARK FIRE DEPARTMENT

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. DAVIS of Illinois. Mr. Speaker, on August 26, 1999 the Village of Oak Park Fire Department was awarded the title ''Accredited Fire Department'' by the Commission on Fire Accreditation International (C.F.A.I.).

The Oak Park Fire Department is only the third fire department in the State of Illinois and one of only 21 departments in the United States and Canada to achieve such accreditation.

Fire Chief Gerald Beeson and the other members of the department worked to complete their application for over 2 years.

Chief Beeson told the Wednesday Journal, ''Those who review applications—members of the International Association of Fire Chiefs and the International Association of City and County Managers—look at all facets of fire service, including departmental aspects like training and response time and on the village side like finances and codes.''

The accreditation is a benchmark, a set of standards, Oak Park can use to judge the quality of their fire protection service. The departmental achievement is a credit to all of Oak Park's fire fighters and we salute them for their outstanding accomplishment.

THE TENTH ANNIVERSARY OF THE FALL OF THE BERLIN WALL, THE PEOPLE OF BELARUS ARE STILL BEING OPPRESSED BY AUTHORITARIAN DICTATOR

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. GEJDENSON. Mr. Speaker, I rise to introduce a resolution on the gravity of the political and economic situation in Belarus. I believe it's time for U.S. Congress to express strong opposition to the continued egregious violations of human rights and the lack of progress toward the establishment of democracy and the rule of law in Belarus and call on President Alexandr Lukashenka to engage in negotiations with the representatives of the opposition and to restore the constitutional rights of the Belarusian people.

While the U.S. and Europe are marking the 10 year anniversary of the fall of the Berlin Wall, President Lukashenka is building a new wall between Belarus and democracy and trying to isolate Belarus by using old Soviet and Stalinist tactics of misinformation and intimidation. The people of Belarus have experienced a great deal of suffering over the years—as the victims of the Nazis, of Stalin, and of the Chernobyl disaster. I visited Belarus several months ago and it is clear to see that the people of Belarus are still getting a bad deal—again at the hands of their leadership.

In the fall of 1996, President Lukashenka used bogus tactics to impose a new constitution on Belarus, to abolish the existing parliament and replace it with a rubber-stamp legislature, and to illegally extend his presidential term. Although Lukashenka says that his government is willing to enter into negotiations with the opposition, his actions indicate the opposite. Lukashenka has created a climate of fear in Belarus, along the lines of Stalin's and Hitler's regimes, which he admires. He has targeted the opposition, non-governmental organizations, and the independent media. Opposition figures have disappeared; independent newspapers are fighting for survival; and those Belarusians who are brave enough to publicly protest Lukashenka's rule, get thrown into prison on trumped up charges.

Lukashenka is pushing his country deeper and deeper into an economic abyss. Prices remain under state control, and there has been no privatization to speak of. The average monthly wage is somewhere around $30 a month, and many people rely on subsistence farming in a backyard plot to feed their families.

We in the U.S. Congress have a moral responsibility to promote democracy and support economic development in Belarus. This resolution condemns the current Belarusian regime and calls for immediate dialogue between President Lukashenka and the Consultative Council of Belarusian opposition and the restoration of a civilian, democratically-elected government in Belarus, based on the rule of law, and an independent judiciary. The resolution urges President Lukashenka to respect the human rights of all Belarusian citizens, including those members of the opposition who

are currently being illegally detained in violation of their constitutional rights.

President Lukashenka must make good on his promise to hold free parliamentary elections in 2000 and presidential elections in 2001. Please join me in supporting this resolution.

H.R. 3116, THE FAIR COMPETITION IN FOREIGN COMMERCE ACT

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. KOLBE. Mr. Speaker, for decades the United States has carried the standard in promoting democracy, market liberalization, and economic development abroad. To further those goals, we have spent literally billions of dollars in developing countries. And we have made progress. Nations have made economic progress over the past few decades and democracy is taking root in some of the rockiest soil in the globe. Thanks to the creation of the World Trade Organization a few years ago, the vast majority of international trade is now governed by clear and transparent rules.

But, as the Asian financial crisis and the theft of billions of dollars of IMF money in Russia shows, we still have a long way to go. Too many places in the world continue to be held in the grip of corruption and cronyism. The obvious impact of these two evils are the loss of untold millions, even billions, of dollars. But the corrosive effects of corruption and cronyism are worse; they are all too often hidden and ignored.

Government corruption undermines the rule of law—the very cornerstone of democracy. Government corruption undermines economic development, squandering billions of dollars of investment capital on enrichment of the few rather than the benefit of many. Government corruption undermines the ability of U.S. business to compete freely and fairly for foreign government contracts, costing U.S. corporations millions of dollars in lost sales. Government corruption undermines the integrity of public service and erodes the confidence of the public in their own government. Most important, government corruption steals hope—the hope for a better future that all citizens of the world have a right to expect. If nurturing democracy and expanding economic opportunity continue to be a goal of this country, then eliminating corruption and cronyism in government procurement must also be a priority. That is why I am proud to join with my colleague, ROBERT MATSUI in introducing H.R. 3116, the Fair Competition in Foreign Commerce Act. This legislation builds upon the excellent work of the Organization on Economic Development and Cooperation which set the international standard with its Agreement on Bribery and Corruption. The agreement makes it a crime to offer, promise or give a bribe to a foreign public official in order to obtain or retain international business deals. Sadly, there are today only thirty-four signatory countries to this agreement.

H.R. 3116 complements the work of the OECD, particularly that of the Development Assistance Committee Recommendation on Anti-Corruption Proposals for Aid-Funded Procurement, approaches the problem of corruption in international government Procurement through U.S. foreign aid and multilateral financial institutions, It is not a club or a blunt instrument, but its says in no uncertain terms that the United States will not continue to underwrite corrupt practices in other countries.

Our bill requires the Secretary of the Treasury to develop a plan to promote international government procurement reforms using U.S. participation in international as the tool. It prohibits U.S. non-humanitarian foreign assistance to nations that have not demonstrated significant progress towards institutionalizing open and transparent government procurement practices.

We want to assist the administration's efforts to promote government procurement transparency, whether through the World Trade Organization or the Free Trade Area of the Americas. But we also want to ensure that transparency in government procurement doesn't take a back seat—that is why we require the administration and other nations to focus on institutionalizing open and transparent international government procurement practices.

The key to the legislation is building institutions in countries which promote and protect transparency in government procurement activities. We want nations to develop the institutional capacity needed to properly monitor international government procurement contracts. Where nations lack such capacity, we encourage the use of third-party procurement monitoring to ensure openness and transparency in the process. Third-party procurement monitoring is a process where an uninvolved third-party is hired to monitor every stage of the procurement process. The procedure has been used successfully in South America and Africa to fight corruption in international government procurement. Third-party procurement monitors have the expertise needed to ensure that a project is competitively bid and effectively executed. In turn, this expertise gets passed on to the host governments, which further institutionalizes open procurement practices. The goal should be a process free from cronyism and corruption. This legislation will help us accomplish that goal.

RECOGNIZING THE WORK OF THE AIR LAND EMERGENCY RESOURCE TEAM

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. SAM JOHNSON of Texas. Mr. Speaker, I would like to bring to the Congress' attention seven young men and the members of the Joseph Rankin family who sacrificed time and effort to serve the people of Russia from July 10–August 25, 1999, by remodeling an orphanage in Moscow to improve living conditions. In addition to the joy they received from investing in the lives of others, this cross-cultural experience gave these individuals a greater appreciation for the benefits and privileges we enjoy in America. These individuals are to be commended for their willingness to put the needs of others before their own.

Daniel Buhler, MI; Michael Hadden, GA; Jesse Long, WA; Timothy Moye, GA; Joseph Rankin, MI; Joyce Rankin, MI; Benjamin Rankin, MI; Daniel Rankin, MI; Joseph Rankin, MI; Justin Tanner, MI; Jefferson Turner, GA; Neil Waters, VA.

CAMPAIGN FINANCE REFORM MISSES IMPORTANT TARGET

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. BEREUTER. Mr. Speaker, this Member highly commends to his colleagues this editorial I submit from the November 1, 1999, Norfolk Daily News regarding campaign finance reform. The editorial rightly notes that campaign finance reform must address the use of union dues (regardless of the union member's wishes) for political contributions.

[From the Daily News, Nov. 1, 1999]

REFORM MISSES IMPORTANT TARGET

CAMPAIGN FOR NEW RESTRICTIONS FAILS TO PUT FOCUS ON MAJOR SOURCE OF PROBLEMS

At the same time as the McCain-Feingold proposal aimed at changing rules of campaign financing was being defeated in the U.S. Senate, a major endorsement aimed at influencing the 2000 election results was taking place. Its unsurprising results bear on the issue, inaccurately described as ''reform,'' since that term implies beneficial change, not cosmetic change.

McCain-Feingold's aim was to reduce the ''soft money'' contributions by which unlimited amounts may be given to political parties—not individual candidates—for advancing their views on major issues of the day. It is a contrast to the $1,000 individual contribution limits, never adjusted for inflation, which can be provided directly to candidates.

Bearing on this issue is the way in which some organizations, notably the AFL–CIO, can support their favored candidates with endorsements, publicity and in-house politicking with little regard for financing limitations.

The recent AFL–CIO endorsement of Vice President Al Gore's bid for the Democratic nomination was not unanimous, and it lacked important initial support from two of the major affiliates, the Teamsters Union and the United Auto Workers. They are likely to check in later. But that endorsement kicked into gear a $40 million union mobilization for the primaries and the general election. It is ''soft money'' but vital support—in part provided in violation of the rights of that apparent minority of union members which may want Bill Bradley as the nominee, or as an extreme example, members who might even choose a Republican.

The unions have every right to back whatever candidates they choose. They do not have the right, however, to spend mandatory dues money that was supposed to have been allocated to collective bargaining and the more restricted cause of improving the status of union workers.

Being forced, through mandatory fees, to support candidates and causes with which one disagrees is a violation of a fundamental

tenet of a free society. The U.S. Supreme Court has addressed the issue and reached that conclusion. But it is one of several glaring cases of disregard for the law that the Clinton administration has ignored the principle. Without enforcement of that rule, any ''reforms'' of the current flawed campaign financing laws are worthless. Nothing wrong with unions spending big bucks for politics as long as the money is openly provided and comes from willing donors. Nothing wrong, either, with like amounts coming from readily identifiable business or other organizations operating under the same terms.

But let them use these resources openly to win friends and influence elections, and understand that true reform depends on voluntary contributions.

REAL ESTATE FLEXIBILITY ACT OF 1999

HON. JIM McCRERY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. McCRERY. Mr. Speaker, today I am introducing legislation, the Real Estate Flexibility Act of 1999, to remove a present-law tax penalty that confronts individual real estate investors who wish to sell debt-encumbered property.

This legislation is important to our Nation's real estate markets. It would provide real estate investors with flexibility in managing tax liabilities while at the same time allowing debt-strapped property to be put to its highest and best use.

An example will help to illustrate the need for this legislation. Assume that an individual investor owns commercial investment real property that is valued at $100 and that is encumbered by debt of $90. The individual's basis in the property is zero. Assume that the individual wishes to enter the residential real estate market and that a buyer offers to purchase his commercial property for fair market value. Under the terms of the transaction, the buyer will assume the $90 of debt and will pay the individual $10 in cash.

Under current tax law, the individual will be taxed not only on the cash received, but also on the discharged debt. In this case, the tax paid by the individual on the sale—as much as $25 in this case (taking into account tax on unrecaptured depreciation)—will exceed the $10 in cash the individual actually receives. Thus, selling the property would force the individual to come up with cash out of pocket to pay the IRS.

In light of this disincentive, many individuals in this situation do not sell. Rather, they sit and hold. As a result, the underlying property does not pass into the hands of new owners who may be more likely to make improvements and put the property to its highest and best use.

In these circumstances, I believe an individual taxpayer should be given flexibility to pay this tax liability when he or she has the necessary cash. The Real Estate Flexibility Act of 1999 would allow individuals wishing to sell debt-encumbered property to elect to pay tax on the sale only to the extent of the cash received; the individual would have to reduce basis in other property to the extent that gains are not taxed. In our example, the individual would pay tax of $10—i.e., the amount of the cash actually received—upon disposition of the commercial real estate and would reduce his or her basis in other depreciable property by the amount of untaxed gain on the commercial property.

I ask my colleagues to join me in supporting this important legislation.

CONGRATULATORY REMARKS TO THE FOSTER GRANDPARENT PROGRAM OF SOUTHEAST MISSOURI FOR 26 YEARS OF SERVICE TO PUBLIC EDUCATION

HON. JO ANN EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mrs. EMERSON. Mr. Speaker, I'd like to take this opportunity to commend the Foster Grandparent Program of Southeast Missouri for recently completing its 26th year serving the senior citizens in the communities of East Prairie, Poplar Bluff, and Sikeston, Missouri.

The Foster Grandparent Program of Southeast Missouri has had a tremendous impact on the senior citizens who serve as mentors to at-risk children in local elementary schools. This program serves as a way for these mentors to be significant change-agents in their communities during their golden years.

In addition to providing an opportunity for seniors to feel a sense of self-worthy and responsibility within the community, let me also share with you some stories from teachers who have seen first-hand the tremendous impact of the Foster Care Program.

One teacher from Mark Twain Elementary School in Sikeston, Missouri, spoke of a boy who suffered from a learning disability but progressed greatly with the help of a foster grandparent. ''With his foster grandma's help, this child has made tremendous progress this year, in spite of his disability. He has changed from a frustrated student who couldn't read or spell to a student who beams because now he can pick up first grade and second grade-level books and read them with fluency. The positive impact that this foster grandparent has had in this student's life with her genuine care and concern, and one-on-one tutoring, cannot really be measured.''

Another teacher spoke of a grandmother who worked one-on-one with several students throughout the school year. ''This woman is such a great asset to our school and my classroom. She fulfills these children's needs in every way possible, not to mention the invaluable assistance she provides me. Without her, I could not give the extra attention to the students with the class size being so large. This grandmother is wonderful and gives the children an extended family while away from home.''

I received dozens of letters from teachers, principals, participants, and mentors in the program, all of whom believe that this program is one of the most rewarding programs within their communities. I cannot emphasize enough the importance of programs like this that realize the potential of senior citizens to make significant contributions to our society, and I congratulate the Foster Grandparent Program of Southeast Missouri for their wonderful efforts over the past 26 years.

INTRODUCTION OF LEGISLATION ADDRESSING NAZI ASSET CONFISCATION

HON. JIM RAMSTAD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. RAMSTAD. Mr. Speaker, over 50 years ago, Nazi Germany began a systematic process of eliminating an entire race. Over 6 million men, women and children lost their lives in this tragic chapter in human history simply because they were Jewish. They were the ultimate victims.

Others were forced to work as slaves in German factories. Some were subjected to brutal experiments, and others had their assets and belongings stolen from them to be given to those of ''Aryan'' stock or used by the German government in its war effort.

Amazingly, these criminal acts have yet to be settled. The U.S. government is currently involved in negotiations between German companies and Nazi victims here in the U.S. which could lead to compensation for some of the victims.

I believe the companies which profited from their complicity with the Nazi regime and the Holocaust should pay for their actions. It is absolutely appalling that to this day, German banks and businesses have not admitted their role in this theft nor have they returned the fruits of their crimes. It is inexcusable that German banks and businesses continue to deny their obvious guilt and refuse to compensate the victims.

That's why I am introducing legislation today which would allow victims of the Nazi regime to bring suit in U.S. federal court against German banks and businesses which assisted in and profited from the Nazi's Aryanization effort.

My legislation would clarify that U.S. courts do have jurisdiction over these claims and would extend any statute of limitations to 2010.

There are people who say this occurred too long ago and that we should leave these events in the past. I strongly and fundamentally disagree. There must never be a statute of limitations on Aryanization, as genocide and related crimes should always be punished.

These companies need to come forward, open their books and return their criminally-obtained gains to close this open wound on the soul of humanity.

This legislation will right a terrible wrong in the annals of world history, and it's long overdue.

RECOGNIZING TORNADO RELIEF WORKERS

HON. SAM JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. SAM JOHNSON of Texas. Mr. Speaker, I want to commend 58 young men who selflessly spent two weeks in Bridge Creek and Midwest City, Oklahoma last spring to help search for missing persons and clear debris in the aftermath of multiple tornadoes. From May 5–21, 1999, these young men served others at their own expense, and through their hard work and willing attitudes they brought encouragement and hope to citizens who had sustained great loss.

Paul Aber, OH; Peter Ackerman, IL; Derek Aloisi, NY; John Baker, OK; Paul Bell, TN; Erik Benson, WI; Shawn Bradley, TN; David Breneman, NM; Jared Busse, MO; Joshua Craymer, MI; Daniel Davies, IN; John Dew, MI; Matthew Field, Australia; Jeremy Flanagan, TX;

David French, CA; Philip George, IN; Edward Harris, TX; Jeremy Hebert, LA; John Hill, IA; Isaac Houser, OH; Jeremy Jansen, KS; Jeffery Jestes, OK; Joshua Koyejo, NJ; Jonathan Kranick, WA; Caleb Lachmann, IN; Joshua Lachmann, IN; Daniel Lamb, CA; Barak Lundberg, WA; Joseph Lyle, IL;

Gregory Mangione, MI; David McKenzie, SC; John Miller, CA; Samuel Mills, TX; Daniel Moulton, OK; Alex Nicolato, OH; Joseph Nix, MI; John Nix, MI; Marc Payant, Quebec; Sean Pelletier, WA; Jadon Rauch, IN; Micah Richmond, OR; Bruce Rozeboom, MI; Robert Shumer, OH;

Ben Sibley, WI; Eric Singer, PA; Mark Stanley, MN; Shane Stieglitz, IN; Jacob Strain, KS; John Tanner, MI; Jeffrey TenBrink, MI; Daryn Thompson, GA; Brian Tuplin, Alberta; Benjamin Vincent, MI; Aaron Waldier, OR; Ryan Ward, OR; Christopher Wilks, CA; Vincent Williams, OK; Joshua Young, CA.

IN MEMORY OF AN OUTSTANDING KENTUCKIAN: PAMELA FARIS BROWN (1942–1970)

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. ROGERS. Mr. Speaker, almost three decades ago a 28-year-old woman set off on an adventure of a lifetime. It was an adventure that would end in heartbreak—an adventure from which she would not return.

At the time of her death Pamela Faris Brown had already made her mark as a nationally recognized actress and entertainer. Years earlier, she had also appeared on Kentucky's political stage—credited with helping to give a boost to the distinguished public service career of her father, John Y. Brown, Sr.

Tragically, however, along with her husband and another companion, Pam perished in September of 1970 while attempting to cross the Atlantic Ocean in a balloon.

I first encountered Pamela Brown in the early 1960's during my last two years of law school, when I served as a clerk for her father's criminal law practice in Lexington, Kentucky. Pamela was a bright, energetic and charismatic young woman whose love of life was only matched by her love of family and friends.

She was born in Lexington on August 26th, 1942, and attended the University of Kentucky and Stephens College before setting out on her performing career. Pamela's skill as an actress took her from 'Shakespeare in the Park' productions in Louisville to the pursuit of her career in New York City. Her mother, Dorothy, issued a warning to the young woman headed for the big city: ''New York will change you,'' she warned, to which Pam replied: ''I'll change New York.''

Pamela Brown did make an impression on New York. She worked her way into a regular role on the television daytime drama 'Love is a Many Splendored Thing' and appeared on highly popular national television programs. She made guest appearances on the Ed Sullivan Show and the Lawrence Welk Show, and performed with Walter Abel in a summer stock production of 'Take Her, She's Mine'.

But Pam's enthusiasm wasn't just limited to the dramatic arts. In 1966, when an illness nearly forced her father to withdraw from his political campaign, Pamela volunteered to appear in his place at speaking engagements. Years later, her father would recall his opponent's campaign manager as saying, ''You didn't beat us. Pamela did.'' Her brother, John Y. Brown, Jr., would also serve as Kentucky's governor.

A spirit like Pamela Brown's is impossible to contain—so was her enthusiasm for the adventure that would eventually claim her life. On Sunday, September 20th, 1970, Pamela and her husband, Rod Anderson, along with their companion, Malcolm Brighton, set off from East Hampton, Long Island, aboard the balloon they called 'The Free Life'. They set out to make history. The following day, the trio encountered a cold front and a driving rainstorm, which forced their craft into the sea.

The famous aviatrix Amelia Earhart perished attempting to set another aviation landmark 62 years ago. Earhart once eloquently explained the spirit that also led Pam to follow her balloon adventure: ''Please know I am quite aware of the hazards,'' Earhart said. ''I want to do it because I want to do it. Women must try to do things as men have tried. When they fail their failure must be but a challenge to others.''

Today, Pamela Brown's memory lives on at the Actor's Theater of Louisville, whose main stage was named the Pamela Brown Auditorium to honor her. Her memory and her spirit also lives on in the hearts and minds of many of us—friends, family, and fellow Kentuckians, for whom Pamela Brown still is an inspiration.

RECOGNIZING ''BRAVO SAN DIEGO''

HON. BRIAN P. BILBRAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. BILBRAY. Mr. Speaker, it is with great pleasure that I rise to bring to the attention of the Congress an event that symbolizes the synergy between the very best of human nature and the very best of human ability.

Too often, Members come to the floor to speak of tragedy, mishap, or malady; so much so, that when future generations look back upon us, it will appear as if our moment in history was consumed solely by the various tempests of our time. It is with this in mind that I bring news of an event to be held in my district of San Diego, California which celebrates the merger between the business community and the arts community, and highlights the philanthropic and community oriented nature of my constituency.

On November 20th, 1999 ''Bravo San Diego'' will being together over 800 arts, business and civic leaders for an evening of arts, food and entertainment. The goal of this event is to raise awareness and funds for the Business Volunteers for the Arts (BVA), a not-for-profit program administered by the Performing Arts League. The BVA provides volunteers from the business community to act as private, voluntary consultants to arts organizations so they may better abide by business protocol and practices, and exact the most efficient use of their resources.

''Bravo San Diego'' will be hosted by Mr. Earl Holding, the owner of the Westgate Hotel, and supported by major sponsorships from Qualcomm, Gateway, Sempra and many other philanthropic-minded San Diego businesses. Additionally, the program will be coordinated by Mr. Georg Hochfilzer of the Westgate and Mr. Rod Appel, producer for the Performing Arts League. Representing the largest gathering of arts and culture ever in San Diego, ''Bravo San Diego'' will showcase the accomplishments and programs of over fifty performing arts organizations and seven museums.

Mr. Speaker, as we pay tribute this month to the impact that arts and culture have on each of our lives, it is important that we also recognize those persons and organizations who will ensure that these vital community needs survive the changing times. Therefore, I extend my most sincere congratulations to the BVA, for their good work, and my most sincere thank you to the men and women who will make ''Bravo San Diego'' a success and example from which the rest of America may learn to support their arts and culture.

INTRODUCTION OF THE MILITARY EXTRATERRITORIAL JURISDICTION ACT

HON. SAXBY CHAMBLISS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. CHAMBLISS. Mr. Speaker, currently, there are instances where American civilians have committed crimes outside the United States but have not been prosecuted because foreign governments decline to take any action and U.S. military or civilian law enforcement agencies lack the appropriate authority to prosecute these criminals. Consequently, only minor administrative sanctions are available to punish serious crimes.

Today, my colleague, Congressman BILL MCCOLLUM, and I are introducing legislation that will close a legal loophole that currently allows civilians accompanying the military outside the United States to avoid prosecution from crimes.

For example, a Department of Defense teacher raped a minor and videotaped the event. The host country chose not to prosecute, and the United States did not have the jurisdiction to prosecute the teacher.

The son of a contractor employee in Italy committed various crimes including rape, arson, assault, and drug trafficking. Because of a lack of jurisdiction to prosecute, the son was simply barred from the base.

A civilian spouse living overseas attacked her active duty husband with a kitchen knife and stabbed him in the shoulder. Although the spouse confessed to aggravated assault, the local national law enforcement agencies declined to prosecute.

A 13-year-old living on an Army base in Germany, sexually molested and raped several other children under the age of ten. German authorities decided not to prosecute. The only punishment for the offender was to be expelled from Germany.

An Air Force employee molested 24 children, ages 9 to 14. Because the host country refused to prosecute, the only recourse was to bar him from the base.

An Overseas Jurisdiction Advisory Committee has recommended to the Secretary of Defense and the Attorney General that this kind of "legislation is needed to address misconduct by civilians accompanying the force overseas in peacetime settings." Both the Department of Justice and the Department of Defense support legislation that will help to maintain order and discipline among our armed forces.

It is time that we close the loophole that allows civilian criminals to escape prosecution of their crimes. The Military Extraterritorial Jurisdiction Act we are introducing today, similar to S. 768 introduced by Senator JEFF SESSIONS and Senator MICHAEL DEWINE, will provide the federal government much greater ability to hold criminals responsible for crimes which they commit and will finally tighten our laws so that criminals do not go unpunished.

TRIBUTE TO SHARON BECK

HON. GREG WALDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. WALDEN of Oregon. Mr. Speaker, I rise today to honor a woman who is nearing the end of her tenure as president of the Oregon Cattlemen's Association. Sharon Beck is a remarkable woman who deserves the appreciation of all of those whose livelihoods depend on their ability to till the soil and raise cattle. She is a woman who has devoted a significant portion of her life to defending the farmers and ranchers of both Oregon and the United States and preserving their rural way of life.

Sharon's election by her peers as president of the OCA is merely one reflection of the respect and admiration she has garnered throughout her years of tireless devotion on behalf of the agricultural community. In 1984 the Beck family was named producers of the year by the Beef Improvement Federation. Sharon and her husband appeared on the cover of Beef Today in 1995. This year her family's farm received the high honor of being named the Oregon Wheat Growers League "State Conservation Farm of the Year." Sharon Beck has received awards from the Oregon Cattlewomen, has twice received the President's award from the Oregon Cattlemen's Association, and was named Union County's "Agricultural Woman of the Year." These awards represent not only Sharon's dedication to agriculture, but also that of her family and especially her husband Bob, who deserves a recognition of his own.

Sharon's son Rob summed up her life of achievement perfectly by noting that her commitment and dedication have allowed her to excel at any endeavor she undertakes, and that no matter what the odds, she is never overwhelmed. That's why farmers and ranchers turn to Sharon in times of trouble. And Mr. Speaker, that's why I rise today to recognize Sharon Beck—a true American rancher and a true friend of mine.

IN PRAISE OF UNCONVENTIONAL GIVING

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. MCCOLLUM. Mr. Speaker, I rise today to draw attention to the excellent and unconventional work accomplished at America's Community Bankers' Annual Convention in Orlando. I say "unconventional" because not many of the nation's millions of convention-goers do what America's Community Bankers does.

Each year, ACB and its spouses' organization, Housing Partners, select a charity in their convention city, raise funds for it, and present the group with a check during the convention. On November 2 in Orlando, Housing Partners presented their 1999 charity, Orlando's Edgewood Children's Ranch, with a record donation of $170,000. Over the past 8 years, ACB's Housing Partners has donated more than $700,000 to charities around the country. The money is raised in a variety of ways, including a craft sale, a golf tournament, a benefit concert, and donations from member banks.

The Edgewood Children's Ranch, a residential child care and development facility that has been helping troubled youngsters and families in the Orlando area for more than 30 years, is one of my favorites in an area blessed with many fine helping organizations. The ranch has been called a "boot camp with love," because of its emphasis on structure, school, and parental involvement.

Although the ranch accepts children from all denominations and races, it expects them to attend chapel, pledge allegiance to the American flag, and respect their elders—activities, to quote Gaby Acks, the ranch's development director, "that disqualify us for public funds."

That's why America's Community Bankers' unrestricted gift of $170,000, which represents about one-tenth of the ranch's annual budget, is so important. "We are ecstatic," said Joan Consolver, executive director of the ranch. "It is unheard of for a convention group to leave a gift like this for the community."

I recognized America's Community Bankers' unique commitment to community in my remarks at the convention and I was glad that Orlando did as well. Mayor Glenda Hood and Orange County Chairman Mel Martinez both took time from their busy schedules to come to the check presentation ceremony and express the collective thanks of our community. Chairman Martinez said the philanthropic model developed by ACB's Housing Partners "serves as an example of leadership and community service for other trade associations and conventions." He commended them "for the extraordinary gesture of goodwill and the legacy they have left to our community." Mayor Hood proclaimed October 31–November 3, 1999 as America's Community Bankers and Housing Partners Day in Orlando "in recognition of their philanthropic excellence."

The Orlando Sentinel ran the following editorial.

BANKERS GIVE BACK TO LOCAL CHILDREN—THEY RAISED $170,000 FOR EDGEWOOD CHILDREN'S RANCH DURING THEIR CONVENTION

People who live near the Edgewood Children's Ranch can drive past it for years without ever knowing it's there. Tucked next to a lake and down the hill from a quiet street off Old Winter Garden Road, the sprawling campus affords a splendid view that few see.

Last week, a Washington, D.C.-based banker's group got the chance to set eyes on the ranch. And its members liked what they saw so much, they raised $170,000 for the 30-year old home for troubled kids, a record for the trade group.

America's Community Bankers picks a city for its convention each year, and every year, its organization of spouses and housing partners hold fund-raisers during the convention. In 1994, the group raised $50,000 for House of Hope, an Orlando-based teen program. Last year, it gave $150,000 to a battered women's shelter in Chicago.

From a popular craft sale to a big, convention-capping concert—this year's featured Frankie Avalon—the fund raising gives spouses a chance to do more than just tag along for golf outings or fancy dinners, said Joan Pinkerton, a spokeswoman for America's Community Bankers.

"People will say to me, 'That's the reason I come to the convention,'" Pinkerton said, "It's a neat way to tie into the community." For the children's ranch, which ekes out an existence on a $1.2 million annual budget and a lot of prayers, the gift is the largest ever that will go to its general fund. We were blown away by the amount," said Gaby Acks, children's development director for the ranch. Faith is a huge component at the ranch, which accepts struggling children and teens for a year or two. While the residents are not ordered by the courts to be there, many have chosen the ranch as an alternative to juvenile detention or other probationary conditions.

The rules are strict—hospital corners on the beds, neatly folded clothes and taking only what you can eat at meals—but the kids who live there find they don't mind after a few weeks.

Richard Amado, 16, found himself at the ranch after some minor scrapes with the law. Although he says he initially chafed at the

carefully regimented days there, he has made up two grade levels in his schoolwork and has become a quiet, well-mannered young man.

During their convention, the bankers held a golf tournament in addition to the craft sale and the concert.

Some of them also toured the ranch, meeting the kids and seeing where their money will go. They were so impressed, they may donate some of next year's fund-raising haul to the ranch, Pinkerton said.

Acks, who said each day can bring small miracles for the often-strapped ranch, wasn't surprised at their reaction. Anyone who visits, she said, can't help but be touched.

''It's really just an amazing place,'' she said.

I commend America's Community Bankers for leaving its most recent hand-print in Orlando at the Edgewood Children's Ranch, and encourage other groups to follow this unique example of community involvement.

A CLARIFICATION FOR THE PATENT AND TRADEMARK PROVISIONS IN H.R. 1554, AS PASSED IN THE HOUSE OF REPRESENTATIVES ON NOVEMBER 9, 1999

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. MANZULLO. Mr. Speaker, H.R. 1554, the Satellite Home Viewer Act, includes most of the legislation that would impact the U.S. Patent system. I worked closely with the authors of the bill in the House of Representatives. I appreciate the time they took to listen to my strong concerns about the original bill, H.R. 1907, which passed in the House overwhelmingly this past August. I offer these remarks, however, to create a legislative history and to clarify language in one of the sections I believed needed reworking—the title concerning Third Party Re-Examination.

Under Subtitle F—Optional Inter Partes Reexamination Procedure, Section 4605 Conforming Amendments, paragraph (b) contains what I believe to be a technical error. Section 134 of title 35 of the United States Code is amended in two sub-paragraphs (a) and (b). H.R. 1554 uses the term ''administrative patent judge'' where it should read ''primary examiner,'' in both paragraphs. Therefore, this section should read,

Section 134 of title 35, United States Code, is amended to read as follows:

''Section 134. Appeal to the Board of Patent Appeals and Interferences

''(a) Patent Applicant.—An applicant for a patent, any of whose claims has been twice rejected, may appeal from the decision of the primary examiner to the Board of Patent Appeals and interferences, having once paid the fee for such appeal.

''(b) Patent Owner.—A patent owner in any reexamination proceeding may appeal from the final rejection of any claim by the primary examiner to the Board of Patent Appeals and Interferences, having once paid the fee for such appeal.''

I thank the Speaker for his indulgence in allowing me this opportunity to clarify the language of this section of H.R. 1554.

CELEBRATING THE 134TH ANNIVERSARY OF THE BETHEL MISSIONARY BAPTIST CHURCH OF CROCKETT, TX

HON. JIM TURNER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. TURNER. Mr. Speaker, I rise today to recognize and celebrate an important milestone in the history of Bethel Missionary Baptist Church, of Crockett, Texas. On October 10, 1999, Bethel Missionary Baptist Church celebrated 134 years of service to this East Texas community. As the church members celebrate this important anniversary, I ask all of my colleagues to join with me today in recognizing this milestone. I would also like to take this opportunity to congratulate Reverend Delvin Atchison for his continued leadership of the Bethel congregation.

Organized in 1965 by newly-freed slaves, Bethel Missionary Baptist Church today is a vibrant and growing ministry. As a resident of Crockett, I can truly attest to the tremendous impact the church and its members continue to have on the lives of Houston County residents. Bethel Missionary Baptist Church has become known throughout Crockett and surrounding communities as ''A Community of Caring Christians.''

Through the years Bethel Missionary Baptist Church as profoundly influenced the life of our community because it has been blessed with lay leaders who have also been leaders in the civic, cultural and political affairs of Crockett, Houston County and the State of Texas. In addition, Bethel has benefited from the leadership of many gifted and talented ministers exemplified by its current pastor, Delvin Atchison. My personal relationship with Reverend Atchison and with the late Reverend J.T. Groves has been a blessing to me and my family. Their leadership has expanded the boundaries of influence of Bethel Missionary Baptist Church.

Bethel's ministry has contributed not only to meeting the spiritual needs of the congregation but to the healing, reconciliation and racial harmony of the larger community. During the past 134 years, the members of the Bethel Missionary Baptist Church congregation have been at the forefront in advancing civil rights and civic participation and have fostered unity, justice and social progress for all citizens.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in congratulating the congregation of Bethel Missionary Baptist Church, under the guidance of Reverend Atchison, as it celebrates its 134th anniversary. All past and present church members and pastors should be proud of the numerous contributions Bethel Missionary Baptist Church has made in the spiritual life of the Crockett community over the past 134 years. May God continue to bless this ministry of service and caring.

RECOGNIZING THE U.S. BORDER PATROL'S SEVENTY-FIVE YEARS OF SERVICE

SPEECH OF

HON. HENRY BONILLA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 10, 1999

Mr. BONILLA. Mr. Speaker, I rise in support of this legislation ''recognizing the United States Border Patrol's 75 years of service since its founding.''

I have nearly 800 miles of the Texas-Mexico border in my congressional district. I know all too well the extent to which Border Patrol agents meet the daily challenge of keeping our borders safe and curbing the flow of illegal aliens and drugs into the United States with courage, patience and sheer tenacity. They go out every day and fight to keep our borders and our border residents safe.

Our Border Patrol field agents are the best in the business. It is an ongoing battle to keep our borders safe, drug-free and crime free. The Border Patrol is faced with carrying out a tremendous task with limited, often outdated and failing resources. Yet, every day they go out to defend our borders. The brave men and women of the Border Patrol put their lives on the line for us. Those of us in border communities know what a crucial role the Border Patrol plays in protecting our borders daily.

As a Texan I take pride in recognizing the fact that the founding members of the Border Patrol included Texas Rangers, sheriffs and deputized cowboys who patrolled the Texas frontier during the late 1800s and the early 1900s.

I am honored to support this legislation which honors our Border Patrol personnel who serve this nation in defending our borders.

INTRODUCTION OF THE FAIR CREDIT REPORTING AMENDMENTS ACT OF 1999

HON. PETE SESSIONS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. SESSIONS. Mr. Speaker, today I introduce legislation to provide a technical clarification to the Fair Credit Reporting Act (FCRA). This clarification is necessary to protect workers and small businesses from unsafe work conditions and to root out illegal activity in the workplace.

Provisions of the Fair Credit Reporting Act (FCRA) as amended in 1996 undermine investigations of sexual harassment, embezzlement, workplace violence, drug sales and other illegal activities in the workplace. Because of an interpretation by the Federal Trade Commission (FTC) of the 1996 FCRA amendments, employers who retain investigators, attorneys, or others to conduct inquiries into unlawful activities subject themselves to the provisions of the Act and must: Provide notice before initiating an investigation; obtain written authorization from the suspect and other employees; upon request, disclose the

"nature and scope of the investigation"; and prior to taking any adverse action against an employee, provide the employee a complete and unedited copy of the investigative report.

When the FCRA amendments were passed in 1996, Congress did not intend for such burdensome restrictions to be placed on employers who seek to provide safe, crime free workplaces for their employees.

The Occupational Safety and Health Act requires employers to provide a safe and secure workplace. And Civil rights laws require employers to investigate allegations of sexual harassment and discrimination. Yet, the FCRA makes such inquiries impossible. Even if the employer is able to persuade a suspect employee to consent to an investigation, the investigation could still be thwarted by the accused who may be able to "cover his tracks." Even more important is the chilling effect of providing investigative reports to suspected miscreants. What witness will be forthcoming when they find out the accused will know who spoke to the investigator? What is the logic of asking a deranged employee if you can investigate him?

Americans are all concerned with the rise in incidences of workplace violence, including killings this month in Seattle, Washington and Honolulu, Hawaii. At a time when we are all concerned about workplace violence, the FCRA is tying the hands of employers who attempt to protect their employees.

The application of the FCRA is far broader than Congress intended when the law was amended in 1996. It now undercuts virtually all workplace investigations and may impact on legitimate inquiries outside of the workplace as well. Congress needs to make clear that these investigations are not covered by the Act.

The legislation I introduce today, the Fair Credit Reporting Amendments of 1999, has been drafted through a careful bipartisan process. Concerns from consumer groups and the FTC were incorporated into the final draft of this legislation. The legislation removes the requirement of employee consent for an employer to investigate a limited number of illegal or unsafe activities in the workplace. These limited activities include drug use or sales, violence, sexual harassment, employment discrimination, job safety or health violations, criminal activity including theft, embezzlement, sabotage, arson, patient or elder abuse, and child abuse.

Additionally, should an employer seek to use such a report to take any action against an employee, the employer must inform the employee that a report was prepared as well as the nature and scope of the report.

This is important legislation that should be considered early in the next session of Congress. I urge my colleagues to join as cosponsors and push for speedy passage of this bill to reduce crime and provide safer workplaces.

TRIBUTE TO DR. TOMMY J. DORSEY

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Dr. Tommy J. Dorsey for his outstanding contributions to his community, particularly through the Meharry Medical College Benefit Golf Tournament.

The Meharry Medical College Benefit Golf Tournament began in Orlando, Florida, in December of 1991 to raise funds to support Meharry Medical College and its needy students. With golf participants in its first event, the tournament raised $10,000 for the college. In its second year, the tournament drew 120 golfers, and continues to grow yearly. To date, the tournament has raised over $100,000 for the college and its students.

Dr. Dorsey is one of the very distinguished alumni of the Meharry Medical College School of Dentistry. He graduated from Jones High School in 1961, and attended Fisk University where he received a B.A. in Biology. He then attended Meharry Medical College for 4 years where he received his D.D.S.

Dr. Dorsey served as a Lieutenant in the Navy from 1969–1971, and was awarded a Navy Commendation Medal in Human Relations. After his stint in the service, Dr. Dorsey served as the Chief Family Dentist at the Neighborhood Family Health Center of Miami for 4 years. In 1975, Dr. Dorsey went into private practice in Orlando, where he continues to work today.

Dr. Dorsey has held many positions in his community, and has been recognized for his service and dedication on many occasions. He founded and served as Executive Director of the Orlando Minority Youth Golf Association in 1991, he has served as the Vice Chairman of Orange County Membership Mission and Review Board, a member of the Community Development and Youth Service Board, President of the Orlando Alumni Chapter of Meharry Medical College, member of the Board of Trustees at Meharry Medical College, and was chosen as the 1994 Alumnus of the Year from Meharry Medical College. Dr. Dorsey also received the Winter Park Alumni Chapter Community Service Award from Kappa Alpha Psi Fraternity, Inc., in 1996, the Omega Psi Phi Outstanding Service Award in 1997, the Tiger Woods Foundation and The Minority Golf Association Recognition Award in 1997, the Orange County Classroom Teachers Association Martin Luther King, Jr. Award in 1998, the Orlando Alumni Chapter of the Year Award in 1998, and the Star 94.5 Home Town Hero Recognition.

Dr. Dorsey is a member of Omega Psi Phi Fraternity, Inc., he is a Prince Hall Affiliated Mason, a member of the Noble of the Ancient and Arabic Order of the Mystic Shrine, and a member of BETA XI BOULE—Sigma Pi Phi Fraternity, Inc.

Mr. Speaker, I ask you to join with me in honoring Dr. Tommy J. Dorsey for his outstanding community involvement, and in wishing him continued success with the Meharry Medical College Benefit Golf Tournament.

TRIBUTE TO WADE KING

HON. JACK METCALF

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. METCALF. Mr. Speaker, Wade King was a 10-year-old boy from my district who was killed on June 10th when a gasoline pipeline ruptured and exploded in Bellingham, Washington. I submit this letter written by someone who knew him very well, into the RECORD as a memorial to him.

A LETTER FROM WADE

Dear Mom & Dad, Sis, Bro, Lynn, Jessica, Grandma Dorothy and all:

I wanted you to know I arrived safely. Jesus met me and led the way. This is an awesome place. I asked him what happened and he told me a gas pipeline ruptured and exploded in the park, filling the creek where Steve and I were playing. I told him I thought that was a dumb place for a pipeline, and he said something like we humans still have a problem with foresight, whatever that means.

Anyway this place is just out of sight, and guess what, I don't have any burns and no pain, and all they tell you about Jesus is true. He loves us all and said he'd take care of you, Mom and Dad, and everyone else back in Bellingham.

I can't make up my mind what I like best about this place, because time doesn't matter; we can sleep when we want, eat when we want and the food is fantastic; you know how I like food, and sports are always being played. This morning Steve and I counted at least 12 baseball diamonds with games going on at all of them; some of the greats were playing—that DiMaggio guy and Mickey Mantle. I guess they were pretty good, weren't they Dad? And by the way I got to watch the Mariners on Saturday—way to go guys. I knew we could beat those Ferndale guys. It was a special hook-up because they knew how important this game was to me.

Mom, I hope you're not too sad, or mad at me: I know I've caused a lot of people to be sad, but tell everyone I'm fine, especially all the kids and teachers at Roosevelt. My education will continue; I have a lot of stripes to earn before I become an angel—can you imagine that? Me, an angel? Yeah, I know I can hear you all laughing, "Wade with wings?" Just imagine that—but you can bet I'm going to be the best angel possible.

Tell my 4th grade Sunday school class at St. Paul's that they should study the Bible: it has all that really matters in life; that will be my biggest task along with all the regular subjects.

I want you to know, too, how special a send-off you and Father John gave me at Harborview—to have you there gave me the strength to face the darkness until Jesus came for me.

I miss you all very much, and Jesus told me how much you all miss me, and then he pointed out that we can always replay the tapes of our lives to remember those special moments. Then he reminded me of the time he said, "I am with you always." Well, he said the same is true of us—I will be with you in spirit forever, just as Jesus is with you. I gave Jesus a high five when he reminded me of that—he is a cool guy.

You know we touched each other in life: I touched you and you touched me. Each of you went into making me who I am, and I'd like to think I helped you be who you are. If that is so, then I continue to live in you and you live in me.

Finally, thank you for celebrating my life today; it is special to know how much you are loved; I know I'm one very much loved boy and I love you all, too. Jesus says that is the key to life—loving each other. Remember his commandment, "Love one another as I have loved you."

I love you all,

WADE

Amen.

TRIBUTE TO MAYOR JAN RUDMAN

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. CALVERT. Mr. Speaker, throughout towns and cities across our nation there are individuals who are willing to step forward to dedicate their talents and energies to making life better for their friends and neighbors. The citizens of Corona, California, are fortunate to have such an individual in outgoing Mayor Jan Rudman.

Mayor Rudman's involvement with Corona city government, and community, began in 1994 when she was first elected to the Corona City Council. As a councilwoman she represented the community's concerns, set priorities for projects and plans of action, allocated funds, and made decisions essential to the future of Corona. Her energy seems endless, with the long list of her business and community involvements including: Circle City Rotary, 1993 Mayor's Task Force, Navy League, Corona Chamber of Commerce and First Congregational Church.

In 1998, the Corona, recognized her leadership and commitment and elected her mayor. Since then, she has accomplished many goals which have improved the community. One of her greatest accomplishments as mayor was the implementation of the ''Partners in Community Service'' program, implemented to recognize the many volunteer groups and organizations who have given back to the Corona community so graciously.

Mayor Rudman has made a lasting and positive impact in the Corona community. Her involvement and leadership has established a path for those individuals following in her footsteps. I would like to take this opportunity to thank Mayor Rudman for her dedication, influence and involvement in our community. She has served as an outstanding representative of municipal government. It is a great pleasure for me to congratulate Mayor Rudman for the outstanding job she has done as Mayor of Corona.

TRIBUTE TO J. THOMAS DE BRUIN ON THE OCCASION OF HIS RETIREMENT

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. PALLONE. Mr. Speaker, on Friday, November 19, 1999, Mr. J. Thomas De Bruin of West Long Branch, NJ, will be honored on the occasion of his retirement from the State of New Jersey's Office of the Public Defender, after 31 years of distinguished public service.

Mr. De Bruin served as a police officer in West Long Branch from 1967 to 1970. In October of 1970, he began working at the Public Defender's Office in what would prove to be a long and impressive career. From 1991 until his retirement, Mr. De Bruin was a Chief Investigator, and since 1995 he has been the Supervisor of the Polygraph Unit. He has been a certified polygraph examiner since 1982. His professional memberships include: the New Jersey Polygraphists, Inc., since 1983, and Past President 1997–98; the American Polygraph Association since 1986, including service on the Membership Committee 1998–99; and the Public Defenders' Investigators' Association of New Jersey, 1971–91.

Mr. De Bruin was also very active in community affairs. He served on a number of commissions and bodies in his home town of West Long Branch, including: the Zoning Board of Adjustment, the Sport Association, the Recreation Commission and the Historic Society. Mr. De Bruin is a Member of the Board of Trustees of the Old First United Methodist Church. He has served as Director of the West Long Branch Little League and as Treasurer of the Public School PTA. He has been a Webelos Leader of the Cub Scouts of America, and President of the Shore Regional High School Quarterback Club. He was a Manager/Coach of the first championship season of the West Long Branch Lions of the Seaboard Bigger League in 1971. Mr. De Bruin has also served as Musical Director of the Asbury Park and Red Bank Area Chapters of the Society for the Preservation and Encouragement of Barbershop Quartet Singing in America.

Tom De Bruin resides in West Long Branch with his wife Louise. They have two adult sons, Brian and Dominick, and a daughter-in-law.

Mr. Speaker, the Office of the Public Defender will be much the poorer with Mr. De Bruin's departure. But I am confident that Monmouth County will continue to benefit from his commitment to service and dedication to our community for many years to come.

TRIBUTE TO MR. GEORGE B. SALTER

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. RUSH. Mr. Speaker, I rise today to pay tribute to one of Chicago's unsung heroes, the late George B. Salter. His untimely death on October 24, 1999 will truly leave a deep void in our community.

Mr. George B. Salter was born in Hickory, Mississippi on October 13, 1916 to the union of Sallie Johnson Salter and Frank Salter. Mr. George B. Salter would later marry his high school sweetheart Louise Lucille Stroter. To this union two daughters were born, Brenda Yvonne Salter and Henrietta Louise Salter.

A Navy veteran, Mr. George B. Salter committed part of his life to protect the freedom of Americans and to further fight for the freedom of others around the world. While in the Navy Mr. George B. Salter was a member of the prestigious Navy band playing the trumpet while stationed in Earl, New Jersey.

Mr. George B. Salter was employed for over 40 years by the Chicago Burlington and Quincy Railroad (presently Burlington Northern Santa Fe Railroad) where he rose in the ranks and became the first African-American to be appointed to the position of crew supervisor. Mr. George B. Salter was a steadfast believer that with the proper amount of work anything was possible.

Mr. George B. Salter took an active part in his community. This was seen in his utmost consecration to his vocation as God's faithful servant. As a Senior Usher in charge of the Balcony at Liberty Baptist Church, George B. Salter enjoyed helping Liberty's official greeters bring their children upstairs. Mr. Salter brought hope and optimism to ordinary folks whose lives he touched so deeply never holding anyone at arm's length.

Mr. George B. Salter was a relentless community builder, a loving father, and a doting grandfather, completely unselfish in all of his endeavors. Mr. Salter leaves behind his devoted wife of 58 years Louise, his daughter Brenda Salter Jones married to James Jones Sr., Henrietta Salter Leak married to Spencer Leak Sr., and four beautiful grandsons James Jones Jr., Spencer Leak Jr., Stephen L. Leak and Stacy R. Leak. The man they called ''Papa'' will surely be missed.

My fellow colleagues please join me in honoring the memory of Mr. George B. Salter, a true beacon of the Chicago community.

HONORING JACK A. BROWN III

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. TOWNS. Mr. Speaker, I want to recognize the achievements of Jack A. Brown III.

Jack is a native New Yorker who was born and raised on the lower east side of Manhattan. He currently resides, in my district, in the Clinton Hill section of Brooklyn. Jack has had a distinguished 7-year career with the Correctional Services Corporation (CSC). The Corporation is a private company contracted by local, State and Federal Corrections Department to provide concrete services to the inmate population. As the vice president of Correctional Services Corporation Community Services Division, Mr. Brown maintains overall responsibility for the day to day operations of the five New York programs. These programs, three for the Federal Bureau of Prisons and two for the New York State Department of Corrections, are designed to provide inmates with the tools necessary to successfully reintegrate back into their prospective communities as self-sufficient, responsible, law abiding citizens.

Prior to his employment with CSC, Jack served as an officer in the United States Army's Air Defense Artillery Division for 4 years. He is a graduate of the State University of New York at Buffalo with a Bachelor's degree in Human Services, with a concentration in mental health, and Biology. During his academic years, he gained invaluable experience in the field of human services holding positions as Physiatrics Counselor, Chemical Dependency Counselor and Youth Counselor. In December, Jack expects to earn a double Masters degree, an MBA and a Master of Science and Economic Development, from the University of new Hampshire.

I wish Jack Brown success in his future endeavors and I commend his achievements to my colleagues' attention.

INDIA PROTESTS POPE'S VISIT

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. BURTON of Indiana. Mr. Speaker, I was disturbed to learn of the organized protests against Pope John Paul II in anticipation of his recent visit to India. In fact, many would tell you that there was more reason to worry about his safety on this trip than when he traveled to communist Poland under martial law. Although the Pope left the country safely, I cannot forget the ghastly image printed by the media of Hindu activists burning an effigy of Pope John Paul II in New Delhi before his visit.

Mr. Speaker, these protests were led by a violent faction of Hindu fundamentalists that are closely aligned with the Hindu nationalist government. They have carried out a wave of brutal attacks on Christians within the past year. Since Christmas Day of 1998, they have burned down Christian churches, prayer halls, and schools. Also, four priests have been murdered, and earlier this year Australian missionary Graham Staines and his two young sons were burned alive.

How much more of this must we witness? Already 200,000 Christians, 250,000 Sikhs, 65,000 Muslims, and tens of thousands of others have fallen at the hands of either the Indian government or those closely related to the government since the subcontinent's independence a half-century ago.

Mr. Speaker, I submit the articles from India Abroad and the New York Post into the RECORD regarding this disturbing issue.

[From the New York Post, Oct. 28, 1999]

POPE'S PASSAGE TO INDIA MAY BE MOST PERILOUS YET

(By Rod Dreher)

Will Pope John Paul II be safe in India? There is more reason to worry for the pontiff's welfare as he visits the world's largest democracy next week than there was when he went to communist Poland under marital law.

That's because a small but violent faction of Hindu fundamentalists aligned with the Hindu nationalist government have been conducting an organized campaign against the pope as part of a concerted effort to demonize and persecute the country's tiny Christian minority.

The government promises to protect the Holy Father from coalition fanatics. But while John Paul can rely on state security, his Catholic followers and Protestant brethren remain at the mercy of Hindu brownshirts.

These thugs have carried out vicious attacks on Christians since a coalition led by the hard-line Bharatiya Janata Party (BJP) came to power two years ago.

Freedom House, the Washington-based human-rights organization, says there have been more recorded incidents of violence against India's Christian minority in the past year than in the previous half-century.

The most shocking incident took place in January, when Hindu thugs burned alive Australian missionary Graham Staines and his two little boys. That was far from an isolated incident.

In 1998, the Catholic Bishop's Conference in India reported 108 cases of beatings, stonings, church burnings, looting of religious schools and institutions, and other attacks on Catholics and evangelicals.

It has been just as bad this year. Just last month, a Catholic priest working in the same territory as the Staines family was murdered while saying Mass for converts, his heart pierced by a poison-tipped arrow.

Why the attacks? Hindu nationalist leaders, particularly those associated with the BJP-allied World Hindu Congress (VHP), claim Christians are on ''conversion overdrive.''

This is preposterous. Despite being present in India for almost 2,000 years, and educating hundreds of millions of Indian children, Christianity claims the allegiance of less than 3 percent of the country's people.

Even in Orissa state, site of the worst anti-Christian violence, fewer than 500 conversions occur each year.

Still, Hindu nationalists continue to make wild-eyed assertions, such as VHP leader Mohan Joshi's recent statement that missionary homes run by Mother Teresa's order were ''nothing but conversion centers.''

Not true, but if it were, so what?

We know perfectly well what would have become of the diseased and the destitute had Mother Teresa's nuns not rescued them from the street: They would have been left to die in the gutter, condemned by a culture that decrees these lowborn souls deserve their fate.

''What has the VHP done to better the life of the low castes? The answer is nothing,'' says Freedom House investigator Joseph Assad.

''When I was in India, I talked to one Christian who was forcibly reconverted to Hinduism. He told me when no one cared for us, Christians came and gave us food, gave us shelter and gave us medicine.''

An Indian Protestant activist who lives in New Jersey told me BJP rule has meant open season on followers of Christ.

''The last two years have been unprecedented,'' the man says.

''They have burned churches down, raped nuns, killed people. We complain to the government, but they look the other way.''

The Hindu militants certainly do not represent the sentiments of all Hindus. But these thugs have the tacit support and protection of the ruling BJP. Indeed, the BJP Web site condemns ''Semitic monotheism''—Judaism, Christianity and Islam—for ''bringing intolerance to India.''

This is what is known to professional propagandists as the Big Lie. No wonder Hindu hard-liners confidently pillage Christian communities.

How many more Hindu-led atrocities will Christians and others suffer before Prime Minister Atal Behari Vajpayee calls off the nationalist dogs?

Will it take a physical assault on the Holy Father for the world to wake up to the kind of place Gandhi's great nation has become.

[From India Abroad, Oct. 29, 1999]

PROTEST MARCH LAUNCHED AGAINST THE POPE'S VISIT

(By Frederick Noronha)

PANAJI, GOA.—Hindu right-wing groups flagged off a Goa-to-Delhi protest march on Oct. 21 that could fuel the controversy surrounding Pope John Paul II's visit to India, scheduled for early November.

The campaigners are protesting what they call large-scale conversions to Christianity in India and want the Pope to say that all religions are equal.

The protest march, which is scheduled to end in Delhi around the time of the Pope's visit, is being called a ''Dharma Jagran Abhiyan.'' It was flagged off from Divar, an island off Old Goa, once a center for Catholic evangelization.

''This awareness march is for people of all religions. Christians are brothers of the same blood,'' said Subhash Velingkar, one of the organizers of the march.

Velingkar lashed out at the English language media for voicing concern that the march could ignite anti-Christian feelings.

At the same time, however, Velingkar condemned religious conversions saying that they changed ''not just the religion of people, but also their culture and traditions.''

He criticized Delhi Archbishop Alan de Lastic for ''sending an SOS message to the Vatican'' complaining about the situation in India. ''Why should people from India complain to the Vatican?'' he asked.

Velingkar reiterated the demand voiced by the Vishwa Hindu Parishad (VHP), the right-wing affiliate of the Bharatiya Janata Party (BJP) which leads the coalition government at the Center, that the Pope should make an admission in his public address at Delhi that all the religions are the same and all lead to salvation.

The VHP last week once again welcomed the Pope's visit, stating that it was not against Christianity, but was opposed to ''Churchainity.''

A VHP affiliate, the Sanskriti Raksha Manch, has already demanded an apology from the Pope for the atrocities committed during Inquisition in Portuguese-ruled Goa in the 16th century.

From Goa, the march passes through Belgaum, Nipani, Mumbai, Kolhapur and Nashik in Karnataka and Maharashtra, before entering Gujarat, Rajasthan and Madhya Pradesh and then onward to Delhi, covering the 1,300-mile route in about a fortnight. It will reach Delhi by the time of the Pope's visit on Nov. 5.

Newspaper reports quoted Manohar Parrikar, the BJP Leader of the Opposition in the Goa Assembly, as saying that his party was neither opposing nor supporting the march.

He said the movement's leadership was not under the control of the BJP and while individual members of the party were free to join it, the party could not be held responsible for any untoward incident arising from the march.

IN HONOR OF MARGE WILK, RECIPIENT OF THE ''VOLUNTEER OF THE YEAR'' AWARD FROM THE BAYONNE HISTORICAL SOCIETY, INC.

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. MENENDEZ. Mr. Speaker, I rise today to recognize Mrs. Marge Wilk, a life-long resident of Bayonne, New Jersey, for her dedicated service to the Bayonne Historical Society, and for being named this year's "Volunteer of the Year."

Mrs. Wilk began her remarkable career in volunteerism with the Bayonne Historical Society, an organization of residents dedicated to preserving the history of this great city. Serving as a trustee for this organization for many

years, Mrs. Wilk worked to foster the growth of the Society.

In addition to her work with the Bayonne Historical Society, Mrs. Wilk became an active member of numerous civic and educational organizations, playing a vital role in their growth. She served as recording secretary of Marist High School PTA, president of Holy Family Academy Mothers Club, and president of the Holy Family Academy Alumni Mothers Club for eight years.

A graduate of Bayonne High School and the Horace Mann School, Mrs. Wilk is currently a trustee on the Board of the Bayonne Economic Opportunity Foundation and is the recording secretary of the Colgate Retirees Association. She is also a volunteer member of the Communications Committee of B21C, Bayonne in the Twenty-First Century.

Mrs. Wilk, wife of the late Henry Wilk, has worked as an advertising representative at the Bayonne Community News for the past 15 years and in the business office of the Bayonne Times for the past 19 years. She is the mother of four children and the grandmother of Evan and Nicolas.

Mrs. Wilk exemplifies what we appreciate most in the human spirit and provides a living example of what we all should strive for in our everyday lives. For her service to the residents of Bayonne, and for her hard work for the Bayonne Historical Society, I ask my colleagues to join me in honoring Mrs. Marge Wilk as "Volunteer of the Year."

A FOND FAREWELL TO I. MICHAEL HEYMAN

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. STARK. Mr. Speaker, I rise today to pay tribute to my good friend I. Michael Heyman. As his friends and colleagues gather to honor his retirement from the Smithsonian Institute and his years of service to the University of California Berkeley, I would like to share with the House some of the highlights of Secretary Heyman's distinguished career.

I. Michael Heyman became the 10th secretary of the Smithsonian Institution on Sept. 19, 1994. He heads a complex of 16 museums and galleries and the National Zoological Park, as well as scientific and cultural research facilities in 10 states and the Republic of Panama.

Secretary Heyman served as chancellor of the University of California at Berkeley from 1980 to 1990. He began his career at Berkeley in 1959 as an acting professor of law and became a full professor in 1961. His distinguished teaching career has included service as a visiting professor of law at Yale (1963–1964) and at Stanford (1971–1972).

A strong leader and active fundraiser, he strengthened Berkeley's biosciences departments and successfully promoted ethnic diversification of the undergraduate student body while maintaining high academic standards. The university maintains several large museums and, as chancellor, he actively participated in their supervision.

His distinguished career includes serving as counselor to Secretary of the Interior Bruce Babbit and as deputy assistant secretary for policy at the Department of the Interior from 1993 to 1994. He is also a member of the state bars of California and New York.

Born on May 30, 1930, in New York City, I. Michael Heyman was educated at Dartmouth College, earning a bachelor's degree in government in 1951. After a year in Washington as a legislative assistant to Senator Irving M. Ives of New York, he served in the United States Marines as a first lieutenant on active duty from 1951 to 1953, and as a captain in the reserves from 1953 to 1958.

Secretary Heyman received his juris doctor in 1956 from Yale University Law School, where he was editor of the Yale Law Journal. He was an associate with the firm of Carter, Ledyard and Milburn in New York City from 1956 to 1957. He was chief law clerk to Chief Justice Earl Warren from 1958 to 1959.

Over the years, Secretary Heyman has served on and chaired numerous boards and commissions, including almost four years as a member of the Smithsonian's Board of Regents (1990–1994). He has dedicated more than a decade of service to Dartmouth, his alma mater, as a member of its board of trustees from 1982 to 1993 and as chairman of the board from 1991 to 1993. Heyman has also been a member of the board of trustees of the Lawyers' Committee for Civil Rights under Law since 1977.

He is married to Therese Thau Heyman, senior curator on leave from the Oakland Museum in California. Their son, James, is a physicist and teacher.

I join my California colleagues in gratitude and appreciation for Secretary Heyman's contributions to education, law, culture, and above all, public service. His is a career we can only hope others will emulate. We congratulate him on a successful and fulfilling professional life, and we wish him well.

TRIBUTE TO WORCESTER ACADEMY COACH TOM BLACKBURN

HON. JAMES P. McGOVERN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. McGOVERN. Mr. Speaker, I rise today to pay tribute to a great coach and a tremendous athletic director, Tom Blackburn. Tom will be the recipient of a much-deserved "Banner Celebration" on November 21 at Worcester Academy's Daniels Gymnasium. Tom Blackburn came to Worcester Academy in the Fall of 1973 and retired this past spring. He holds the best coaching record in the school's basketball history, including 7 New England Class A Prep School Championships. As a graduate of Worcester Academy, I am proud to have this opportunity to congratulate Tom Blackburn on his achievements.

Mr. Speaker, I know my colleagues join me in paying tribute to Tom Blackburn for his dedication to his players, his school and his community. He is a treasured friend, and I wish him a happy and healthy retirement.

At this point, Mr. Speaker, I include for the RECORD an article on Tom Blackburn from Worcester Academy's alumni magazine, The Hilltopper.

THE BLACKBURN ERA COMES TO AN END

Late in the afternoon of February 27, Tom Blackburn made his final substitutions against Bridgton at the last home game of the season as his twenty-six year career as athletic director and coach at Worcester Academy drew to a close. Though Tom would have greatly preferred a different outcome (Bridgton won 73–64), the game itself was merely a prelude to an afternoon of moving tributes from former colleagues, players, current faculty, family and friends. Of these it was Dee Rowe '47 who seemed to capture the essence of Tom Blackburn: "I will always be grateful to Tom for distinguished service to Worcester Academy. He is an outstanding educator and a man of great honor and integrity."

As part of the celebration, a banner was hoisted commemorating Blackburn's coaching record at the Academy. It is a lofty record indeed. In addition to being the basketball coach with the most wins in the Academy's history (he has been at the helm for 395 of the 895 wins Worcester Academy has posted since 1917), coach Blackburn's team have also made impressive showings in the New England Class A Tournament Championships. Twenty-four of his twenty-six squads qualified for post-season play with eleven reaching the finals and seven earning championships. That's one championship team for every three-and-a-half years of coaching.

Tom Blackburn has also nurtured some great players over his quarter-century career. Former Boston Celtic player and current Indiana Pacers Assistant Coach Rick Carlisle '79, ex-LA Clipper Jeff Cross '80 and University of Maryland Center Obinna Ekezie '95 [as of fall '99, now of the NBA's Vancouver Grizzlies] come immediately to mind.

Morgan "Mo" Cassara '93, Tom's successor as basketball coach, commented, "My post-graduate year at WA was the greatest experience of my life athletically. Tom's discipline and style of coaching inspired me to become a coach too."

In 1995 Tom Blackburn was inducted into the Academy's Hall of Fame, evidence of his long-term impact and positive influence on its students and on the Academy as a whole.

Headmaster Dexter Morse reflected that, "Tom has been more than just a head coach and athletic director. He has been a wonderful representative of our school both in the Worcester community and in the greater independent school arena. He will always be known for his strong character, his dedication to teaching and his love for his family and his school. He is without question an inspiration to us all."

TRIBUTE TO RETIRED NATIONAL WEATHER SERVICE CENTRAL REGION DIRECTOR RICHARD P. AUGULIS

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Ms. McCARTHY of Missouri. Mr. Speaker, I rise today to pay tribute to Richard P. Augulis on the occasion of his retirement as Director of the National Weather Service Central Region headquartered in my Congressional District.

A 35-year employee of the National Weather Service, part of the Department of Commerce's National Oceanic and Atmospheric Administration, Mr. Augulis has always held public safety as the first priority in his career, whether as a forecaster or as an office and regional manager. He recently retired after 12 years as Director of the 14-state Central Region and is currently enjoying his retirement in Las Vegas, where he relocated to be near his family.

Mr. Augulis joined the National Weather Service in August 1961 as a Weather Bureau Student Trainee at WBAS Midway Airport in Chicago while attending St. Louis University. He earned his Bachelor of Science in Meteorology in 1963 and added a Masters Degree in 1967. His distinguished career included a variety of forecasting and management positions with the National Weather Service in Salt Lake City, Utah; to Anchorage and Fairbanks, Alaska; Garden City, New York; and finally, to Kansas City.

As meteorologist in charge of the new Fairbanks Weather Forecast Office beginning in 1974, Mr. Augulis presided over a staff that operated service programs during the exciting and challenging times of the Trans-Alaska Pipeline construction.

Mr. Augulis' leadership was invaluable to employees during the mid 1970s transition from teletype machines to computers as the Automation of Field Operations (AFOS) communications network was implemented by the National Weather Service.

Mr. Augulus' last decade with the National Weather Service included the largest modernization and reorganization ever undertaken by the agency. He helped guide his Region through the introduction and implementation of sate-of-the-art Doppler radar, computer-enhanced weather modeling and forecasting, and restructuring from more than 300 offices of varying sizes and capabilities to an efficient network of 123 Twenty-First Century Weather Forecast Offices across the United States.

Mr. Augulis served proudly as an employee and a manager of the National Weather Service. He is a distinguished executive branch employee whose accomplishments reflect credit on himself, the National Weather Service, and the United States of America.

Mr. Speaker, on this occasion, please join with me, his family, friends, and colleagues as we honor Richard P. Augulis on his retirement from the National Weather Service and on his outstanding contributions to our region.

A TRIBUTE TO AN AMERICAN VETERAN—MR. JESSE CONTRERAS

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. UNDERWOOD. Mr. Speaker, last week on the last Veterans Day of this century, President Clinton recalled the honor, duty and sacrifice of those soldiers, sailors and airmen who did not make it back home to America. He articulated a point that is worth quoting, for it poignantly captures a notion that is often not realized.

President Clinton's impassioned address stated that:

> [T]he young men and women who have died in defense of our country gave up not only the life they were living, but also the life they would have lived—their chance to be parents; their chance to grow old with their grandchildren. Too often when we speak of sacrifice, we speak in generalities about the larger sweep of history, and the sum total of our nation's experience. But it is very important to remember that every single veteran's life we honor today was just that—a life—just like yours and mine. A life with family and friends, and love and hopes and dreams, and ups and downs; a life that should have been able to play its full course.

Taking the President's words to heart and remembering our fallen heroes, I would like to describe the life of a very special man who bravely fought for this nation, was wounded in combat, survived the ardors of war, and came home to live a long life as a husband, a father, and a grandfather.

Private, First Class (PFC) Jesse Contreras, a California native, was drafted into the United States Army as an infantryman during the Second World War. As a Mexican-American during the 1940s, he may not have been completely accepted by his country and may have been seen by some as a second-class citizen. Jesse Contreras held no grudges, however, and when his country called upon him to defend the very freedoms and rights that may not have been fully extended to him or his family, Jesse did not hesitate. After basic training, PFC Contreras was bound for Europe as part of the 104th Timberwolf Infantry Division, 413th Infantry Brigade, 3rd Battalion, Company ''I'', under the brilliant command of Major General Terry de la Mesa Allen, himself an Hispanic-American.

The Timberwolves entered the war in the Autumn of 1944 and had quickly become legendary for the ferocious fighting that took place and because the men quickly proved themselves as agile combatants against the deeply entrenched and veteran units of the German Wehrmacht in France. The Division was engaged in sustained combat for approximately 195 days across Northern France towards the German frontier. The Allies were methodically driving the German forces from France. It would be only a matter of time before the Allies would be fighting on German soil on the way to Berlin. As the vice closed in on Germany, Hitler and the German General Staff planned for one last offensive against the Allies.

The strong German offensive, launched the morning of December 16, 1944 became known as the ''Ardennes Offensive'' or ''Battle of the Bulge'' and the 104th was directed to prepare an all-out defense of its sector. This delayed the planned crossing of the Roer river until 3:30 a.m., February 23, 1945 when the major offensive action to reach Cologne was begun. The Rhine was reached on March 7, 1945 whereupon Time Magazine reported, ''The Germans fought for the Roer River, between Aachen and Cologne, as if it were the Meuse, the Marne, and the Somme of the last war all rolled into one.'' It was in this final German offensive that PFC Contreras's story comes to light.

The 104th Division had been engaged in fierce combat from the Roer River to the Rhine in an attempt to repulse the German onslaught. During one particularly fierce fire fight, PFC Contreras was wounded from a German grenade. The wound was not too serious to prevent PFC Contreras from continuing to fight but he quickly found that Company ''I'' had become overrun by the Germans. Captured, he and his fellow Timberwolves found themselves face to face with the treacherous Nazi soldiers.

The head German officer ordered that all the Americans line up. The Nazi officer, who spoke English but with a thick German accent, went down the line of his American prisoners one by one to demand information from them. With submachine guns pointed at the men of Company ''I'', the German officer who held a lead pipe in hand began barking orders and interrogating his captors.

PFC Contreras as a Mexican-American spoke both English and Spanish but since Spanish was his first language, he had trouble understanding the commands of the German officer. Believing that PFC Contreras was making fun of him or just being recalcitrant, the German officer struck him in the skull with the lead pipe, knocking him out. Before PFC Contreras and his fellow P.O.W.'s were moved to a German Camp, they were liberated by an advancing column of G.I.'s pushing back the Germans.

PFC Contreras was then transferred to a military hospital in England and eventually sent to recover in Ft. Houston, Texas. It was during his recovery that Germany had surrendered. PFC Contreras was soon discharged in September 1945 where upon he became Jesse Contreras, a civilian once again. For his wounds sustained through action with the enemy, PFC Contreras won the Purple Heart medal.

After the war, Jesse Contreras returned home to his wife and began raising his family. In 1998 Jesse passed away having lived a long and fruitful life full of stories, a beautiful wife and a big family that included 6 children, 16 grandchildren and 31 great-grandchildren. Jesse's legacy of service was passed along to subsequent generations of the Contreras family. His son Alfred Contreras became a U.S. Marine during the Vietnam War. And currently two of Jesse's grandchildren are in the Marine Corps while one other grandchild is about to become a Marine.

The life of this remarkable man was meaningful to me because as a little boy, he and his family lived across the street from us when my own family lived for a time, in Norwalk, California. His wife, Mary, and their family became especially close to us and they have always been helpful to us. In many ways I was a member of their family as well.

Jesse Contreras would entertain us for hours with many stories of his exploits during World War II. While he did not win the Congressional Medal of Honor he served his country selflessly and with honor like so many millions of other veterans. He was an average 24-year-old who was asked to do incredible things in the face of enemy fire and even risk his life for his country. It is all the more remarkable when you consider that like most men of his generation he was simply doing what was expected of him. In the years after the war, he remained in close contact with

those survivors of Company "I" and attended many reunions of the 104th Timberwolves Association with his wife Mary.

Jesse was the typical veteran of World War II in that he fought for his country and asked little in return. He became a great family man whose influence extended to his neighbors like me. It was because of his experience as a wounded veteran struggling to keep a family afloat that helped make him strong of character and a role model for me. His sacrifice was part of a proud tradition of Mexican-Americans who fought with valor and patriotism during all of America's wars.

Mr. Speaker, this was one story about one life, among millions from that greatest of generations. It was a story about a regular family man who as a result of simply doing his duty shed his blood for his country. It was a story about a man who faced the incredible horrors of armed conflict and came home to raise a wonderful family. The United States was built by people like Jesse Contreras and is in many ways the land of the free because it is the home of the brave.

Mr. Speaker, I want to thank Mr. Contreras for his service to his country and for the kindness he showed me as a little boy. I want to also thank his wife Mary and her children who continue to be an inspiration for me for the strength and love of family that they continue to share to this very day. The world is a safer place because of the likes of Jesse Contreras and the millions of other American veterans. It was an honor to have known him and to have learned from him. May God bless his family and God bless the United States of America. Thank you.

TRIBUTE TO CARLOS BELTRÁN

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to Mr. Carlos Beltrán, an outstanding Puerto Rican athlete and a very successful baseball player. On November 10, 1999, Carlos was selected as the 1999 American League Rookie of the Year by the Baseball Writers Association of America. Carlos previously was honored as the league's top rookie by Baseball America, the Sporting News, and Baseball Digest.

Born in Manati, P.R., Carlos turned in Rookie of the Year numbers, hitting at a .293 clip with 112 runs scored, 22 home runs and 108 RBIs. He became the first American League rookie to collect 100 RBIs in a season since Mark McGwire in 1987 (118) and the first big league rookie with 100 RBIs since Los Angeles' Mike Piazza in 1993 (112).

Mr. Speaker, Carlos was the Royals' 2nd-round pick in the 1995 June Free Agent Draft. He has never played a game at the Triple-A level, as he made the jump from Double-A Wichita to Kansas City in September of last season. The 22-year-old was second in the American League with 663 at-bats, tied for third with 16 outfield assists and was seventh with 194 hits. He led A.L. rookies in runs, hits, home runs, RBIs, multi-hit games (54), total bases (301), stolen bases (27) and on-base percentage (.337).

Carlos Beltrán established numerous Royals rookie records in 1999, as he produced one of the best all-around seasons of any player in club history with 22 homers, 27 stolen bases, 108 RBIs, 112 runs and 16 outfield assists.

Through his dedication, discipline, and success in baseball, Mr. Beltrán serves as a role model for millions of youngsters in the United States and Puerto Rico who dream of succeeding, like him, in the world of baseball.

Mr. Speaker, I ask my colleagues to join me in congratulating Mr. Carlos Beltrán for his contributions and dedication to baseball, as well as for serving as a role model for the youth of Puerto Rico and the U.S.A.

AFRICAN-AMERICAN INITIATIVE FOR MALE HEALTH IMPROVEMENT

HON. CAROLYN C. KILPATRICK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Ms. KILPATRICK. Mr. Speaker, I rise today to call attention to a tragic health care crisis that currently exists among African-American men in my state of Michigan, as well as across the nation, with regard to undiagnosed and undertreated chronic disease. Research has established that African-Americans exhibit a greater prevalence of chronic diseases than the general population—including diabetes, hypertension, eye disease and stroke. And African-American men often suffer disproportionately.

For example, diabetes is the leading cause of morbidity and mortality in African-American men. Persons affected by diabetes suffer higher rates (often double) of serious preventable complications, including blindness, lower extremity amputation and end-stage renal disease. Poorly controlled diabetes is also a "gateway" condition in that it leads to cardiovascular disease (including hypertension), accounting for more than two-thirds of diabetes-related deaths. These unnecessary deaths are due to underlying atherosclerotic cardiovascular disease and result in heart attacks.

Uncontrolled diabetes progressively leads to deterioration in health status, poorer quality of life, and ultimately, premature mortality. It is increasingly clear that serious measures must be implemented in the short-term to address the chronic disease health crisis affecting African-American men in Michigan and to turn these troubling statistics around for the longer term.

Scientific studies show that these complications are preventable, and measures to implement prevention plans must be taken now. As the Federal Government evaluates the investment it should make in this particularly important area of minority and community health, I would strongly encourage cultivating partnerships with integrated health systems in the private sector who have years of substantive experience in designing highly effective community-based health programs.

I have recently become aware of the successful efforts of the Henry Ford Health System in Detroit, MI, to address the crisis through the establishment of the African-American Initiative for Male Health Improvement (AIM–HI). AIM–HI is reaching out with screening and assistance for people who suffer prevalent chronic diseases. AIM–HI provides test results, patient education and participant referrals, monitoring appointment compliance and providing assistance with finding treatment for underinsured participants who test positive. The locus of AIM–HI program services is in the Metropolitan Detroit area, where 75 percent of the Michigan target population resides. In order to reach the largest number of people in the African-American male population, AIM–HI provides program services throughout the community at churches, community centers, senior centers, parks, barber shops, union halls, and fraternal organization halls.

In addition to screening, educational, and treatment access services, AIM–HI is also developing a tool to evaluate the quality of health care delivered to African-American men with diabetes and other chronic diseases. This "report card" assesses health care quality and effectiveness across a set of performance indicators that have been developed jointly by a panel of experts and community representatives. This initiative, sponsored by the Henry Ford Health System, is now in an embryonic stage and has had to confine itself to a narrow target population and program scope due to limited resources. Yet, it is resoundingly clear that this particular model has the potential to make a significant impact in affecting positive outcomes and health status improvement for African-American males.

I would hope that as the Department of Health and Human Services develops its budget for Fiscal Year 2001, strong consideration will be given to investing federal resources in collaborative partnerships with integrated health systems in urban settings that have the expertise to develop innovative models for minority health improvements.

Mr. Speaker, I would like to thank the Chairman of the Labor, HHS, Education Appropriations Subcommittee, Mr. PORTER, and the ranking minority member, Mr. OBEY, for their clear commitment to improving the quality of health care for all Americans in Fiscal Year 2000. I look forward to working with the Subcommittee in the next session of Congress to increase support for critically needed minority health initiatives.

RECOGNIZING THE CONTRIBUTIONS OF SONOSITE, INC.

HON. JAY INSLEE

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. INSLEE. Mr. Speaker, I rise today to recognize SonoSite, Inc., a company located in my home State of Washington. SonoSite, is a spin-off from ATL Ultrasound, has revolutionized the quality and portability of ultrasound equipment by using advanced technology to provide for ultrasound delivery through a hand-held device. Physicians and their patients around the country will benefit from this new high-tech, ultra-portable diagnostic tool that is expected to expand the use of ultrasound in medical care.

Originally designed for the military under ATL Ultrasound, SonoSite's ultrasound system pioneers an advanced high performance, miniaturized all-digital broadband technology platform in a compact, lightweight system. This allows the simultaneous acquisition and interpretation of images, and provides the ability to diagnose conditions in any clinical or field setting. This advancement promises to alter current paradigms in routine patient care—at the patient's bedside, an imaging facility, or even a remote location.

Initially available for use in obstetrics, gynecology, and emergency medicine, this ultrasound technology will enable trained physicians to significantly expand the routine use of ultrasound for faster, more accurate patient evaluations anytime, anywhere, resulting in better patient care. Patients may benefit by avoiding "waiting trauma," the anxiety felt by both patients and physicians when a problem is indicated but diagnostic answers are not available at the point of care.

I recognize the work being done by the Agency for Health Care Policy and Research (AHCPR) to complete outcome-based studies assessing routine use of ultrasound in the assessment of abnormal uterine bleeding. I urge the continued partnership between the Agency and SonoSite to best meet the needs of patients and physicians.

The SonoSite ultrasound system is a highly accessible advance in medical technology—both in terms of portability and cost. The low cost of the new system can result in improved healthcare delivery at a time when health clinics and hospitals are facing additional cuts in their day to day financial operations. The portability of this new technology can allow physicians to expand the use of ultrasound in practice by adding an ultrasound machine to every exam room or otherwise supplementing current stationary ultrasound equipment.

I recognize SonoSite, Inc. for its efforts to maximize the use of innovative technology to advance the heavily-utilized ultrasound system as we move into the 21st century. Their efforts in partnership with the AHCPR, will result in quality, portable, and affordable medical care that will have a positive effect on my constituents in the State of Washington, and to others across the country.

In a State known for medical innovation and technological ingenuity, SonoSite deserves recognition for its pioneering technology.

INTRODUCTION OF STB MODERNIZATION BILL STATEMENT

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. NADLER. Mr. Speaker, today, I am introducing the Surface Transportation Board (STB) Modernization Act. Our rail freight system is an integral part of the distribution of goods across the Nation. The safe and efficient movement of rail freight in this country is an important, though at times unnoticed, part of the economy and the lives of everyday citizens. We take for granted that this system is working properly until goods do not arrive on supermarket shelves or the cost of heating our homes skyrockets due to costs caused by shipping delays.

The trend of carriers to consolidate has left the Nation with only six major railroads. As a result of these mergers, new problems and issues have been created that were not addressed in the Interstate Commerce Commission Termination Act, the law that created the STB. This bill attempts to address those issues and would improve the efficiency of the Nation's rail system and address many of the concerns of labor, shippers, and communities.

First, this bill would provide necessary protection to rail workers by ending "cram down." Cram down occurs when merging railroads override collective bargaining agreements with workers and "cram down" new terms on the workers to realize merger benefits. The STB has approved this practice for far too long. Under this bill, a collective bargaining agreement could be modified only if both the rail carriers and affected laborers agree. In addition, the existing minimum level of labor protection would be codified.

Second, this bill would improve the efficiency of shipping in several ways. It would bring an end to "bottlenecks" along rail lines. In bottlenecks, the STB allowed one rail carrier to prevent or discourage a shipper from interchanging with another rail carrier for more direct service by refusing to quote a rate or quoting an excessive rate along its portion of a line. In addition, this bill would broaden the STB's authority to transfer or direct the operations of a line and ease the ability of a carrier to gain access to terminal facilities; and narrow the exemption from antitrust laws that railroads currently enjoy.

Third, the bill contains several miscellaneous provisions that would address problems faced by rail carriers, shippers, and the public. The bill would reduce fees for bringing disputes before the STB, provide tax relief for carriers that invest in their rail yards, and codify the STB's decision to eliminate the requirement that shippers show an absence of product and geographic competition in rate cases.

Fourth, this bill would create a Federal Railroad Advisory Committee to study, among other things, the efficiency, maintenance, operation, and physical condition of the Nation's rail system. After 2 years, the Committee would make recommendations for improving the system to Congress and the President.

Overall, the STB Reauthorization Act of 1999 would guarantee that our Nation's rail system will be competitive, efficient, and safe as we enter the 21st century.

REMARKS OF DR. RUTH MERCEDES-SMITH

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. MANZULLO. Mr. Speaker, I am proud to take this opportunity to commend this speech given by Dr. Ruth Mercedes-Smith, President of Highland Community College on Freeport, Illinois, to my colleagues and other readers of the RECORD.

LEARNING BEGINS AT HOME

My topic today is "Learning begins at home." But let me be up-front about this topic. While learning does begin at home, we live, unfortunately, in a time when homes are not prepared to meet this challenge. Therefore, people like you and institutions like Highland Community College must join hands and help parents and families prepare themselves to make it happen.

Did you know that 50% of intellectual development takes place between birth and four years of age? That means that parents are important teachers. They provide the foundation for a child's learning skills at home. But, as I said earlier, many parents are not prepared to develop a learning environment. Consider the following statistics: According to a 1992 National Adult Literacy Survey, approximately 22% of America's adults have difficulty using certain reading, writing, and computational skills considered necessary for functioning in daily life. These adults, in general, are operating below the 5th grade level. Of the over 40 million adults with literacy needs, only 10% are enrolled in programs to assist them in improving their skills. Forty-three percent of adults at the lowest literacy level live in poverty. This contrasts with only 6% of those at the two highest literacy levels. Individuals with low literacy skills are at risk of not being able to understand materials distributed by health care providers. Adults with strong basic skills are more likely to ensure good health for themselves and their children. Teen pregnancy rates are higher among those with lower literacy skills.

Seventy-five percent of food stamp recipients performed in the two lowest literacy levels. In addition, 70% of prisoners performed in the two lowest levels. In a 1995 comparison of literacy among seven countries, the United States ranked next to last, when measured against Canada, Germany, Netherlands, Poland, Sweden, and Switzerland. Clearly a large percentage of our parents are adults at-risk. The question is, "What will our communities do to help them?" As a result of the lack of learning that takes place in the home due to parents who do not have the necessary educational skills we also find that we have large numbers of children who face major barriers as they grow toward adulthood.

Let me tell you about these children: Children who don't have the basic readiness skills when they enter school are 3 or 4 times more likely to drop out in later years. Children's chances for success in school are greatly affected by the educational attainment of their parents. A parent's education level is the single best indicator of a child's success in school. Parents who have books in the home and read to their children have children who are better readers and better students. When parents are involved in helping their school-age children with their schoolwork, social class drops out as a factor in poor performance.

Yes, large numbers of our children are at-risk. Again, I ask the question, "What will our communities do to help them?" An ancient saying from Africa sums it up well: "It takes an entire village to raise a child." I know Hillary Clinton used this as a book title, but I had used these words long before she made them famous. Think about that for a moment. It takes an entire village to raise a child. It seems to me that Freeport is a village in one sense of that word and that Freeport is of a size that could manage this type of challenge. The same applies to Lena, Stockton, Mt. Carroll, Forreston, and other

towns in our region. You see, I have a vision. You are among the first to hear it. My vision is that every town in our community college district will become engaged in this educational challenge and that every town will decide that by the year 2010 every person in that town will have the skills they need to become self-sufficient—whatever the age. Does that sound plausible to You? Do you think it would be too difficult to accomplish? Well, I know we can do it. And I'll tell you why.

First of all, we have several programs from the college that lay the groundwork for such an initiative. One set of services is run by our Adult Education program. Their classes meet across Highland's district. This includes basic skills. GED prep, JobSmart, English-as-a-Second-Language or ESL, and short-term training. Last year these programs served 898 adults. Classrooms are aided by volunteer tutors who meet with students at these sites or at the homes of the tutors or the students. As you can see, this is a very flexible program designed for easy access for students. So here is the first challenge to you. How about becoming a tutor and helping an adult improve reading, writing or math skills? That adult, in turn, will help his or her children and thus we will break the cycle of unpreparedness. Tutors must take 12 hours of training, which is provided at all of our sites on selected evenings or Saturdays. During the last year, the Adult Education program taught 200 students in GED prep and 148 students obtained their GED diploma. I wish you could attend one of those graduations because you would be impressed. Families, including children, attend and celebrate with the graduates. Each year several of them are selected to speak to the group. Once one of the speakers told how her husband had lost his job and could not find another. They both decided to earn their diplomas and not only did they graduate together but he found two jobs. Now that is success! The year before that tears were shed when an 80 year old grandmother, who had conquered cancer, spoke about her desire to have a diploma to show her grandchildren that education was important.

A second program at HCC was developed several years ago when two Highland Foundation members became concerned about the cycle they were seeing in their little community of Mt. Morris. Parents who had not succeeded in school were raising children who seemed to be starting the cycle again. They came to the college to try to determine what types of services might help. They decided to begin a Parents as Teachers program. We worked with them and managed to find some seed money to start them on their way. This program served both parents and children. In the parent segment they created an activity in class that reinforced or taught school readiness; for example, shapes, numbers, and the alphabet. They learned how to work with their children in doing these activities at home. There was also a ''parenting'' component of the class where they shared concerns about family life and discussed solutions. The children attended separate classes, at the same time, with professional childcare workers. Their program goals were primarily physical, social and emotional rather than academic. Ages ranged from 3 to 5. Free transportation was provided for parents and children. This was a key ingredient. In addition, childcare reimbursement was available for children under 2. Recruitment was done through agency referrals such as the Department for Human Services and Head Start.

As the needs of the community have evolved, so has the program. The next iteration was the JobSmart program, which prepared parents for employment while simultaneously working on their parenting skills. Next, an ESL family literacy program was added to address the language needs of a growing Hispanic population in Mt. Morris. Currently, the community is working with us to establish a short-term training program. It has become clear to employees and employers alike that basic computer skills and an introduction to a range of employment possibilities are important for Mt. Morris. Those classes will begin next week.

Here's my point. The citizens of Mt. Morris have worked hard to stay in touch with the needs of their changing community. As they discovered issues, they worked with our staff to create services to address them. So, here comes my second challenge. Think about the Mt. Morris approach to literacy and self-sufficiency. When you identify a need in your community, think of us as a potential partner. We can sit down and talk about a plan, and by sharing our resources, we can make some things happen. A third program initiated by the college is workplace literacy. This service is provided to college district companies. It includes both assessment of worker math and reading skills as well as classroom instruction. Courses are taught at the business or nearby. To date the major sites have been Galena, Warren and Freeport. I have talked with some of these workers and am impressed by their dedication to learning. It is not easy, when one is an adult, to find out that your reading and/or math skills do not meet current workforce needs. Fortunately, all assessments are confidential and employers are only given group data. That allows the workers to feel safe and encourages them to take up the challenge of learning that may have been neglected when they were children. Well, you guessed it. Here comes challenge number three. Why not encourage more local employers to prepare for global competition by upgrading the skills of their workforce?

We know that 80% of the jobs in the new millennium will require a 2-year college education. In looking to the future, it will take three workers to support each retiree. Where will they come from if 1/3 of the nation is undereducated? In a 1990 national school enrollment study, it was reported that between the 9th and 12th grades, 24% of the students had dropped out. An additional 5%, who started 12th grade did not finish, which means 29% of this cohort did not complete a high school education. Today's dropouts are tomorrow's parents: 1 in 6 babies in the U.S. has a teenage mother; and 1 in 4 is born out of wedlock. As you can see, not only are our villages in trouble, but also our nation. We must work together for the following reasons:

1st: Each generation has a relationship to future generations. Justiz calls it ''reciprocal dependency'' because what one generation does affects what other generations can and will do.

2nd: We are, right now, in the midst of a short window of opportunity. A third world is developing within our nation. The gulf between the haves and the have nots is growing larger.

3rd: Our country is at risk. Our once unchallenged, preeminence in commerce, industry, science and technological innovation is being overtaken by competitors from across the world.

4th: Children who feel failure are beginning to decide that if they can't have total success their next best bet is to have total failure. they see incompetence as an advantage because it reduces expectations.

5th, and most importantly our children have no one to read to them. Remember your parents reading to you? Remember the times you climbed in bed and mom or dad picked up your favorite book? Can you recall the magic of those moments? And now imagine what your life would have been like without those moments. Not a pleasant thought, is it? So I share with you my final challenge—read to a child today!

I close with a quote from the report, *A Nation at Risk*;

''It is . . . the America of all of us that is at risk . . . It is by our willingness to take up the challenge, and our resolve to see it through, that America's place in the world will be either secured or fortified.''

Please read to a child today—it will bring joy to the child and to you. That one small act can begin to change the future of our country, which lies in the hands of all of our children. Yes, learning begins at home, but all of us must help. Here are my challenges to you—once again:

1. Become a tutor and help an adult improve reading, writing or math skills.
2. Identify your community's literacy and self-sufficiency needs and partner with HCC to find resources to address.
3. Encourage more local employers to prepare for global competition by upgrading the skills of their workforce.
4. Read to a child today.

Yes, learning begins at home and this place is home to all of us. Let us join hands and bring the joy of learning to everyone in our communities . . . then learning will truly begin at home once more.

THE JESUIT MARTYRS OF EL SALVADOR

HON. JAMES P. McGOVERN

OF MASSACHSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. McGOVERN. Mr. Speaker, I have just returned from three days in El Salvador where, at the invitation of the Jesuit-run University of Central America (UCA) in San Salvador and the Association of Jesuit Colleges and Universities, I participated in events surrounding the commemoration of the 10th Anniversary of the murders of the Jesuit leadership of the UCA. While this horrific event stunned that small nation and the international community, the unraveling of that case and the identification of who within the Salvadoran armed forces committed this crime contributed to a negotiated settlement of the 12-year civil war in which over 70,000 Salvadoran civilians lost their lives.

Along with Congressman MOAKLEY, I delivered an address at the University of Central America on November 12th. I walked to the site behind the Jesuits' campus residence, the very ground where ten years ago the bodies of my beloved friends were discovered. This hallowed ground is now a beautiful rose garden. Each day people from all over come to the garden to nourish their hope and renew their commitment, and it is used by faculty and students alike for meditation and repose. There is now a chapel where the six priests are buried. The university has also installed a small and emotionally compelling museum dedicated to the lives and deaths of the six

Jesuit priests, their housekeeper and her daughter, who as witnesses were also murdered that night.

Mr. Speaker, the lives and deaths of these priests had a profound effect on my own life. I knew them in life, and I helped investigate and uncover who ordered and carried out their murders. I have remained involved and committed to peace, democracy, and development in El Salvador. I will never forget my friends, and I urge my colleagues to never forget our obligation to help El Salvador build a better future.

I would like to enter into the RECORD the address I made at the University of Central America and an article about the 10th Anniversary by Father Leo Donovan, the President of Georgetown University.

10TH ANNIVERSARY COMMEMORATION OF THE JESUIT MARTYRS, UNIVERSIDAD CENTROAMERICANA JOSE SIMEON CANAS, SAN SALVADOR, EL SALVADOR, NOVEMBER 12, 1999

I feel privileged to be here tonight, to be part of this company of speakers, to hear the words and memories of the families, and to honor and remember the lives of our friends—Ignacio Ellacuria, Segundo Montes, Ignacio, Martin-Baro, Amando Lopez, Juan Ramon Moreno, Joaquin Lopez y Lopez, Elba Julia Ramos and Celina Ramos. Congressman MOAKLEY and I are most associated with the investigation into their murders, but I was honored to know these priests for many years. I was honored to call them my friends. I learned from their insights, research and analysis. I laughed and sang songs with them. And I have been inspired by the lives they led.

The lives and deaths of my friends and my experiences in El Salvador have informed and influenced all other actions I have taken on human rights issues. they shape the way I tackle the challenges of social justice, fairness, and civil rights in my own country. And they are always in my thoughts as I think about the values and ideals I wish to pass along to my 18-month old son, Patrick George McGovern.

I believe with all my heart that the United States is a great country. That it is built upon the promotion and preservation of freedom, liberty and respect for the rights and dignity of every one of our citizens. The U.S. has fought to protect democracy, helped war-ravaged countries rebuild, and responded generously to natural disasters, like Hurricane Mitch. As someone who values a sense of history, I'm inspired by the principles enshrined in our founding documents.

The actions of my government, however, during the long years of the Salvadoran war, were a source of deep disappointment for me because U.S. policy did not reflect the values and ideals of America. Instead, that policy had more to do with our obsession with the Cold war than with the search for peace and justice in El Salvador.

The U.S. did not cause the war in El Salvador. But our policy did help prolong a war that cost tens of thousands of innocent lives—including the lives of the six men and two women were gather to honor tonight. Had we used our influence earlier to promote a negotiated settlement, perhaps our friends might be here celebrating with us.

We in the United States need to acknowledge that fact. In particular, our leaders need to acknowledge that fact.

There was an arrogance about U.S. policy that rationalized, explained away, and even condoned a level of violence against the Salvadoran people that would have been intolerable if perpetrated against our own citizens.

Presidents, Vice Presidents, Senators and Members of Congress have for years come to El Salvador to tell you what changes you must make in your nation. They—and I—have urged you to make institutional changes in El Salvador—in your military, your police, your judiciary, and your political institutions. And you have made changes, and you have made great progress in these areas.

To be frank, however, they and I have rarely talked about the institutional changes we need to make in the United States. But the fact is, we in the U.S. have a responsibility to change the culture and mindset of many of our own institutions.

I fear that we in the U.S. have institutions—namely our military and intelligence agencies—that have not fully learned the lessons of El Salvador. While there are examples where these agencies have performed admirably, we continue to make many of the same mistakes. Sadly, the U.S. continues to train, equip and aid repressive militaries around the world in the name of strategic interest—no matter the level of human rights abuses.

In late August, I traveled to East Timor. I was there nine days before the historic vote for independence. I spent a day out in the countryside with Catholic priests Hilario Madeira and Francisco Soares, who were protecting over 2,000 displaced people who had sought refuge from militia violence in the church courtyard. I had dinner in the home of Bishop Carlos Belo and heard him talk about the escalating violence against East Timorese people. And I thought about El Salvador, and the pastoral work of the Catholic Church, and my friends, the Jesuits, and the work of the UCA.

Two weeks after I returned to the United States, Father Hilario and Father Francisco were murdered, shot down on the steps of their church as they tried to protect their parishioners from massacre. Bishop Belo's house was burned to the ground, and he was forced to flee his country.

During the 24 years of Indonesian occupation of East Tmimor, the United States sent the Indonesian military over $1 billion in arms sales and over $500 million in direct aid and training. To the credit of the Clinton Administration, the U.S. severed military relations with Indonesia in September. But we should have done that sooner, and it was the Pentagon that was most reluctant to break relations with its military partners during the first critical weeks of violence that devastated the people of East Timor.

The problem with the Indonesian military, like the Salvadoran military of the 1980s, is not a problem of a ''few bad apples.'' It is an institutional problem. And the U.S. approach to military aid, training and arms sales reflects an institutional problem within the U.S. military. Never again should the United States be in the position of training and equipping military personnel who cannot distinguish between civilian actors and armed combatants.

The U.S. has yet to sign the international treaty to ban antipersonnel landmines—a treaty the Government of El Salvador to its great credit has signed. You have seen the devastation of land mines—the tragedy of a young child missing a leg or an arm and maybe even missing a future. But why hasn't the U.S. yet signed the treaty? Because the institutional culture of the Pentagon rejects giving up any kind of weapon currently in its arsenal, no matter how deadly to innocent civilians. This must change.

Our military institutions should care as much about the lives and security of ordinary citizens as they do about strategic advantage and military relations. I have met many good men and women who serve in the Armed Forces, including many who serve in El Salvador. It is important that our institutions, like these individuals, realize that respecting human rights and safeguarding the lives of ordinary people is in the strategic and national interests of the United States.

And let me be clear, the U.S. Congress also must fulfill its responsibility and demand accountability of our military programs. All too often, Members of Congress simply don't want to know what our military and other programs abroad are doing.

We also must change the culture of secrecy and denial within our military and intelligence institutions

I have pushed my government hard to disclose all documents in its possession related to the case of the four U.S. churchwomen murdered in El Salvador in 1980. It's been 19 years—and the families of these murdered women still do not have the satisfaction of knowing all that their government knows.

I have also pushed my government to release all documents relating to the Pinochet case, including materials on the United States role in the overthrow of the government of Chile and its aftermath. The people of Chile have waited 26 years for justice. The action taken by Spanish Judge Garzon has broken new ground in international human rights law, making it clear that no one, no matter how high their office, who commits crimes against humanity, can escape the consequences of their actions.

I don't do this because I can't let go of the past. I do this because I want to ensure a better future. It is hard to change ''old ways''—whether we are talking about institutions in the United States or in El Salvador. But we must change in order to protect the freedoms of tomorrow.

I believe the United States has a special obligation, given our past, to help El Salvador in its economic development, to assist the people of El Salvador in achieving their goals, and to support the rights of Salvadoran refugees still living in the United States. As a Member of the U.S. Congress, I believe it is my responsibility to fight for more resources to aid in the development of El Salvador; to help El Salvador confront the challenges of poverty and inequality that limit the futures of so many Salvadoran families; and to aid the people of this great country in pursuing their dreams and aspirations.

I'm proud of our current programs in El Salvador. I know our Ambassador and USAID director have made it a priority to reach out to the Salvadoran people, to encourage participation in the planning of United States development projects, and to forge a working relationship with communities throughout El Salvador—and I commend them for their fine work.

As a citizen of the United States, I want my country to be, in the words of my good friend and mentor, George McGovern, ''a witness to the world for what is just and noble in human affairs.'' This will require the citizens of my country to bring our nation to a higher standard—and we will do so with respect and a deep love for our country.

Over a decade ago, the Jesuits of the UCA taught me that a life committed to social justice, to protecting human rights, to seeking the truth is a life filled with meaning

and purpose. I hope my life will be such a life. And if it is, it will be due to my long association with the Jesuits, the UCA, and the people of El Salvador. And for that, I thank you—all of you—you who are here tonight, and those who are with us every day in spirit. You are truly ''presente'' in my life.

[From the Washington Post, Nov. 16, 1999]

MARTYRS IN EL SALVADOR

(By Leo J. O'Donovan, S.J.)

Ten years ago in the early morning darkness of Nov. 16, army soldiers burst into the Jesuit residence at the University of Central America (UCA) in San Salvador and brutally killed six Jesuit priests, their housekeeper and her young daughter. It was not the first assassination of church leaders: 18 Catholic priests, including Father Rutilio Grande and Archbishop Oscar Romero, and four North American churchwomen have been killed in El Salvador since the late 1970s— more than in any other nation in the world. And the murder of priests and nuns continues to scar the history of other countries, including India, Guatemala and most recently East Timor.

While we still grieve their loss the 10th anniversary of the Jesuit assassinations offers an important opportunity to reflect on the enduring legacy of the martyrs.

Far from silencing those dedicated to promoting justice, peace and the alleviation of misery for all in the human family, the Jesuit murders spurred the people of El Salvador—and the world—to witness a higher truth. Shortly after the murders, a U.N. Truth Commission was formed to investigate the killings. Although the government initially claimed that FMLN guerrillas had committed the murders, the Truth Commission determined that the government had in fact ordered the killings.

In an appalling step five days after the report was released, the Salvadoran National Assembly gave amnesty to those convicted. But through the U.N. Truth Commission, an essential truth about state violence in EL Salvador was uncovered, as well as the deeply disturbing fact that 19 of the 26 Salvadoran officers involved in the slayings had been trained at the U.S. Army School of the Americas at Fort Benning, Ga.

The murders—and the unfolding truth about who committed them—helped significantly undermine the power and prestige of the armed forces and provided impetus for the peace process. Signed on Jan. 16, 1992, the peace accords ended a war that had cost the lives of 75,000 citizens and represent the triumph of another of the Jesuits' essential goals—peace through dialogue.

While still fragile, the peace in El Salvador has enabled some political and judicial reform and provides the critical foundation for future advances. Since the end of the civil war, there have been two open, democratic elections, featuring candidates from both the National Republican Alliance Party (ARENA) and the opposing National Liberation Party (FMLN).

The macroeconomic indictors show that inflation is at its lowest level in nearly three decades. Newly elected President Francisco Flores of the ARENA Party has promised continued economic improvement and a vitally needed reduction of poverty. But many grave challenges face him and the people of El Salvator.

Approximately 40 percent of Salvadorans live in dire poverty. More than a third of citizens lack safe drinking water and adequate housing. And more than half the population lacks adequate health care. Education for all, a fundamental goal shared by the slain Jesuits, also continues to elude the country—more than 30 percent of Salvadorans are illiterate.

Violence continues to be a national scourge. A joint U.N. commission in 1994 reported that while military death squads had ceased to operate after the peace accords, criminal gangs or illegal armed groups were committing summary executions, posing death threats and carrying out other acts of intimidation for political motives. The Washington Office on Latin America reports that violent crime continues to threaten the still tender democratic political order. Unless the government can address the problem of citizen security, while respecting human and civil rights, the country may slip back into a state of war. Continuing the work of the martyred Jesuits is more important than ever.

As we look ahead, the Jesuit martyrs offer us a lasting model of courageous service to humanity. At a time when torture, intimidation and death-squad executions of civilians were daily occurrences, my Jesuit brothers regularly endured threats to their safety and well-being. During the civil war, the UCA campus and the Jesuit residence were bombed at least 16 times. But the Jesuit's teaching and research, their pastoral work, and their advocacy of social reform continued despite all challenge. They knew and accepted the great personal risk their work entailed—the risk of their lives.

In the days prior to his death Father Ignacio Ellacuria, president of UCA, had refused the opportunity to remain in his home country, Spain, and wait out the period of unrest in El Salvador. Father Ignatio Martin-Baro, academic vice president was asked, ''Why don't you leave here, Father? It is dangerous.'' He responded: ''Because we have much to do; there is much work.'' The spirit and conviction of these men endures through the efforts of those who bravely stepped forward to take their places, including Father Charles Beirne, S.J., who took over Martin-Baro's position in the aftermath of the assassinations and Father Chema Tojeria, S.J., who now serves as Father Ellacuria's successor. Their spirit endures in the human rights volunteers from around the world—people from organizations such as Catholic Relief Services, Amnesty International and the Lawyers Committee for Human Rights—all active in El Salvador.

It lives in the Salvadoran people. And the spirit of the Jesuit martyrs endures as we in distant countries around the globe learn from their example of steadfast commitment to the poor, to education and to a future built on freedom and justice, not opposition and bloodshed.

TRIBUTE TO OUTSTANDING TEACHERS

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. PAYNE. Mr. Speaker, I rise to pay tribute and to congratulate the outstanding accomplishments of ten distinguished teachers from New Jersey. These great individuals have dedicated over twenty years each to educating and uplifting New Jersey's brightest little stars: our youth. They have truly demonstrated a solid commitment to building strong foundations for their students; in and outside of the schoolrooms.

As a result of their diligent work towards promoting leadership in our children, these teachers will be honored by the Phi Chapter of Iota Phi Lambda Sorority, Inc. on November 20. Iota Phi Lambda Sorority, a national business women's sorority, is devoted to projecting the philosophy of the pursuit of excellence in all worthy endeavors among youth.

The teachers being honored during the Apple for the Teacher program, part of the National Education Week celebration, are: Carolyn S. Banks; Gloria J. Bartee; Henry B. Clark; Phyllis K. Donoghue; Victoria Gong; Mary Jo Grimm; Gail D. Lane; Robin C. Lewis; Simone Wilson; Kathleen Witche.

Mr. Speaker, I ask that all my colleagues join me in congratulating these superb teachers on their efforts to improve the community. When our teachers demonstrate such initiative, we as a nation prosper.

MIAMI CHILDREN'S HOSPITAL

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Ms. ROS-LEHTINEN. Mr. Speaker, I proudly rise today to pay tribute to a place where children are second to none: Miami Children's Hospital, which will celebrate its 50th anniversary on March 21, 2000.

This world class children's hospital had its humble beginnings with a vision by our former Ambassador to the Vatican, David McLean Walters. After his granddaughter's sorrowful death from Leukemia, Ambassador Walters decidedly vowed to create a facility where South Florida's children could receive the best possible care, and where no child would lack excellent medical care. With his bold leadership, he worked tirelessly to raise funds through the Miami Children's Hospital Foundation, and what began as a humble idea twenty years ago is now commonly referred to as the Pinnacle of Pediatrics.

Today, under the exceptional steering and superb guidance of its current President, Tom Rozek, Miami Children's Hospital continues to administer superior care to scores of infirm children not only in South Florida, but throughout the entire United States and, indeed the world.

Essential to the achievement of excellence has been the dedication of a talented medical staff administered with tender, loving care and the support of a caring South Florida community.

Our future can only be as good as our children, and with the strong commitment to their health and future that is permeated at Miami Children's Hospital, it is evident that our future will be blazing brightly.

THE 100TH ANNIVERSARY OF THE FRATERNAL ORDER OF EAGLES AERIES #33 and #34

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. VENTO. Mr. Speaker, I want to note for the U.S. House of Representatives the 100th Anniversary of St. Paul, Minnesota's Fraternal Order of Eagles, Aerie #33 which was founded in 1899 and Minneapolis Aerie #34 which was founded the same year. These anniversaries are being celebrated this month with gatherings which reflect on the century of service and the positive impact upon families and communities as a result of the Fraternal Order of Eagles Aeries #33 and #34 in Minnesota.

The Minnesota chapters of the Eagles in 1998 alone raised $838,000 and nationally, the Fraternal Order of the Eagles (F.O.E.) donated $7 million to the Max Baer Heart Fund, $6 million for the Jimmy Durante Crippled Children and Cancer fund, $4 million for Alzheimer's research and $1.5 million to the Make a Wish Foundation.

These contributions speak for themselves as to the important role and spirit of care for those in need the F.O.E. has performed. Equally important are the local efforts and contributions of time and funds to youth and families in many local communities across the nation which has helped to sustain athletic and recreational activities and involvement that has enabled participation by many low and moderate income children and youth.

Even at a dinner celebrating their 100th anniversary in St. Paul, the volunteer athletic club of young men involved in boxing, and servers for the event were generously handed $200 in tips and the regular monthly support for their program monthly.

Certainly, as we emphasize the investment in families and communities and recognize anew today the importance of such private community based efforts, we should give a big thanks to the F.O.E. and especially recognize a century of service for St. Paul F.O.E. #33 and Minneapolis F.O.E. #34 in Minnesota. Their leadership and commitment to people has helped shape our cities, state and nation and certainly we hope that the F.O.E. will have positive success for the next century. They are an outstanding, quintessential example of the American spirit of generosity and grassroots non-profit self help that have well served our nation in the past, today and hopefully for the millenium.

A POINT-OF-LIGHT FOR ALL AMERICANS: THE BROOKLYN ALUMNAE CHAPTER OF DELTA SIGMA THETA SORORITY, INC.

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. OWENS. Mr. Speaker, on Sunday, November 21, 1999 at the Bridge Street AME Church the Members of the Brooklyn Alumnae Chapter of Delta Sigma Theta Sorority, Inc. will celebrate 50 years of Public Service to the Brooklyn, New York Community. The achievements of this very dedicated group deserves recognition from the wider ''Caring Majority'' community.

In observing it's 50th Anniversary, the Brooklyn Chapter will celebrate a history that began with it's charter in November, 1949 as the Delta Gamma Sigma Chapter of Delta Sigma Theta Sorority. The first meeting was called by the late Soror Catherine Alexander. Other sorors in attendance were Pearl Butler Fulcher, Ann Fultz, Dorothy Funn, Rhoda Green, Mary Hairston, Willie Rivers, Vennie Howard, Llewelyn Lawrence, Arneida Lee, Agnes Levy, Fannie Mary, Dorothy Paige, Olive Robinson, Ruth Scott, Gwendolyn Simpson, Carrie Smith, Helen Snead, Frances Van Dunk, and Edith Mott Young.

These twenty dedicated and committed sorors set out to organize programs to enhance the education and cultural life in the Brooklyn Community.

As the years passed, the chapter membership grew as more and more sorors in the area began to take notice of the contributions being made by the Brooklyn Chapter. Today the chapter is comprised of over 200 women dedicated to fulfilling the aims of Delta's National Five Point Program. The activities of these dedicated women provide immediate benefits for local constituents. The example set by the Brooklyn Alumnae Chapter of Delta Sigma Theta Sorority, Inc. should be viewed as a ''POINT-OF-LIGHT'' for all Americans.

TRIBUTE TO BRIAN LANCE GUTLIEB

HON. ANTHONY D. WEINER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. WEINER. Mr. Speaker, I rise today to recognize an upstanding member of our community who is being recognized by the Brighton-Atlantic Unit #1672 of B'nai Brith on the occasion of its 1999 Youth Services Award Breakfast.

Brian Lance Gotlieb has earned a well-deserved reputation as a tireless fighter on behalf of the youth in our community, and is rightfully honored for his achievements by B'nai Brith on this special occasion.

Gotlieb, who serves as the liaison to Intermediate School 303 and Public Schools 90, 100, 209 and 253, is currently working on different ways to protect our community's children. As a member of the District 21 School Board, he has initiated the process of identifying unsafe streets throughout District 21 to ensure the safety of all pedestrians. And, throughout this school year, Gotlieb will be hosting a series of Child Safety Programs that will provide parents with free copies of their children's fingerprints along with Polaroid pictures to present to law enforcement personnel in the event of an emergency.

Further, as my Deputy Chief of Staff, Brian Lance Gotlieb has served as my liaison to the Board of Education and School Construction Authority for the last three years. In addition, he is primarily responsible for the intake and resolution of constituent concerns in my Community Office located in the Sheepshead Bay section of Brooklyn.

Gotlieb, who credits his late mother, Myrna, with teaching him the importance of helping others and being active in the community, created the highly successful organization Shorefront Toys for Tots in 1995. Founded in his mother's memory, Shorefront Toys for Tots has helped bring Chanukah cheer to more than 7,500 underprivileged children in the Shorefront community.

As a student at the Rabbi Harry Halpern Day School and its Talmud Torah High School division, Gotlieb packed and delivered Passover packages to aid needy senior citizens. Gotlieb strengthened his bond with the Jewish community as an undergraduate and graduate student through his involvement with the Jewish Culture Foundation at New York University and B'nai B'rith Hillel at the University of Florida, where he served as a Reporter for the Jewish Student News.

Gotlieb is a member of Community Board 13 and serves on it's Education and Library and Youth Services committees. He also serves his neighbors as a member of the Board of Directors in Section 4 of Trump Village and as an Executive Board member of the 60th Precinct Community Council.

Mr. Speaker, I applaud the members of Brighton-Atlantic Unit #1672 of B'nai Brith for recognizing the achievements of Brian Lance Gotlieb, a tireless worker for the people of Brooklyn and Queens.

INTRODUCTION OF DICKINSON DAM BASCULE GATES SETTLEMENT ACT

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. POMEROY. Mr. Speaker, I rise today to introduce the Dickinson Dam Bascule Gates Settlement Act to bring closure to a longstanding issue between the city of Dickinson, North Dakota and the Bureau of Reclamation. The legislation would permit the Secretary of the Interior to accept a one-time lump sum payment of $300,000 from the city of Dickinson in lieu of annual payments required under the city's existing repayment contract for the construction of the bascule gates on the Dickinson Dam.

In 1950, a dam was constructed on the Heart River in North Dakota to provide a supply of water to the city of Dickinson. However, by the 1970s, the need for additional water in the area was identified. Early in the 1980s the bascule gates were constructed as a Bureau of Reclamation project to provide additional water storage capacity in Lake Patterson, the reservoir created by the Dickinson Dam. At the time, the city expressed concern about the cost and viability of the gates. Prior to the placement of the gates in North Dakota, no testing on the gates had been conducted at any location in a northern climate. Unfortunately, this significant oversight proved fatal for the gates. In 1982, shortly after the start of

operations of the bascule gates, a large block of ice caused excessive pressure on the hydraulic system causing it to fail. These damages added additional costs to the project and a financial burden on the city as modifications to the gate hydraulic system were made and a de-icing system installed.

Today, the city of Dickinson no longer benefits from the additional water capacity of Lake Patterson. The city of Dickinson now received their water through the Southwest Pipeline which was made possible through the Garrison Diversion Unit, another Bureau of Reclamation Project. The pipeline provides a high quality and more reliable water supply than the city's previous supply from Lake Patterson. To date, the city has repaid more than $1.2 million for the bascule gates despite the fact that they no longer provide any significant benefit to the city.

In addition to allowing a lump sum payment, the bill also requires the city of Dickinson to pay annual operation and maintenance costs for the bascule gates, up to a maximum of $15,000. Annual O&M costs to date have averaged about $9,000 over the past 10 years. Any annual O&M costs beyond $15,000 would be the responsibility of the federal government. Finally, the bill permits the Secretary of the Interior to enter into appropriate water service contracts with the city for any beneficial use of the water in Patterson Lake.

Mr. Speaker, I believe that the legislation represents a fair and appropriate resolution for the federal government and the city of Dickinson to this longstanding issue.

THE ALL AMERICAN CRUISE ACT OF 1999

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 16, 1999

Mr. HUNTER. Mr. Speaker, today I am introducing a bill critical to the future of our domestic shipbuilding industry. This bill, aptly named the "All American Cruise Act of 1999," takes steps that are long overdue to promote the construction of cruise ships by U.S. shipbuilders. My bill is a prime example of a "Made in the USA" initiative.

The United States is the largest cruise ship market in the world. In 1998, 120 foreign-built, foreign-registered cruise ships serviced the American market, which consists of nearly seven million passengers annually. Experts anticipate that by 2003 there will be 10 million passengers and 160 foreign-built and operated ships servicing North America. American shipbuilding firms have been placed at a decisive disadvantage in the global shipbuilding market due to U.S. tax laws and European subsidy policies. European builders of cruise ships receive numerous tax incentives and other assistance from their governments to reduce the price of their ships. Foreign cruise companies operating from U.S. ports pay no U.S. income tax, an immediate price advantage for the foreign competitor. For example, Carnival Cruise Lines, a Libyan registered company, is reported to have earned $652 million in tax-free income during 1998, yet 90 percent of their passengers are Americans.

The All American Cruise Act is designed to bring this industry back to our shores through tax parity desperately needed to encourage our domestic industry. My bill, among other recommended changes, would implement the following: tax credits to U.S. builders of cruise ships of 20,000 gross tons and greater; U.S. cruise ship owners will be exempt from paying U.S. corporate income tax; cruise ship owners will be able to depreciate their ships over a five-year period rather than the current 10-year period; the current $2,500 business tax deduction limit for a convention on a cruise ship would be repealed to give the same unlimited tax deductions for business conventions held at shore-side hotels; and a 20 percent tax credit will be granted to U.S. companies which operate ships using environmentally clean burning engines manufactured in the United States.

While some of these tax provisions may at first glance seem costly to the U.S. Treasury, it should be noted that, since cruise chips are not presently built domestically nor operated as U.S. companies, current tax revenues will not be impacted. In fact, when this bill is passed, hundreds of thousands of high technology and high skill manufacturing jobs will be created. Although my bill has not yet been scored by the Joint Tax Committee or the Congressional Budget Office, I am confident that it will actually contribute to the U.S. Treasury as well as to the U.S. manufacturing base.

In addition, the All American Cruise Act has national security implications. At this time there are only six private-sector shipyards in the United States. These shipyards are located in California, Connecticut and Rhode Island, Louisiana, Maine, Mississippi, and Virginia. Taking legislative action to ensure a robust domestic ship building industry will ensure that U.S. taxpayers have access to competitive prices, technology, and a ready supply of ships and labor in time of conflict. A recent Congressional Research Service Report (RL 30251) stated, ". . . competition in defense acquisition can generate benefits for the government and taxpayers by restraining acquisition costs, improving product quality, encouraging adherence to scheduled delivery dates, and promoting innovation." Further, "achieving effective competition in Navy ship construction has become more difficult in recent years due to the relatively low rate of Navy ship procurement . . ." It is in our best interest as a nation to do all we can to ensure that there is a viable and productive United States shipbuilding industry that will meet our national security, cargo and recreational needs long into the future.

The All American Cruise Act will also stimulate revenue for our nation's ports. With U.S. built and operated cruise ships in operation, American cruise lines will be able to dock at more than one U.S. port per trip. This will ultimately benefit both passengers and local ports.

It is also important to emphasize that ships built in the United States and operated by Americans adhere to the highest construction, labor, and environmental standards, unlike ships that are neither built nor operated to America's high safety standards. Our citizens deserve better. My bill will give American tourists the safety they deserve when vacationing at sea.

The All American Cruise Act is supported by both industry and labor. In fact, I am submitting letters in support of this legislation from the following organizations: the American Shipbuilding Association, the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, the American Maritime Officers, and the American Maritime Officers Service.

I urge all of my colleagues to join me in sponsoring this legislation. Throughout our history, seafaring vessels have played a critical role in our military, cargo movement and entertainment. The time has come to bring the cruise industry back to America's shores. Support the All American Cruise Act of 1999.

AMERICAN SHIPBUILDING ASSOCIATION

November 9, 1999.

Hon. DUNCAN HUNTER,

Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN HUNTER: On behalf of the shipbuilding industry, the American Shipbuilding Association (ASA) would like to express to you its strong support of your legislation, entitled the "All American Cruise Act of 1999". This bill will provide American shipbuilders, owners, and crews with tax parity with foreign builders and owners of cruise ships that operate almost exclusively from U.S. ports and derive over 90 percent of their income from U.S. citizens.

As you have recognized, American shipbuilders, ship owners, and crews have been placed at a severe competitive disadvantage in the American cruise ship market because of the U.S. tax code that rewards companies that build and register their ships in foreign countries while penalizing American companies who wish to build and register their ships in the United States. For example, the 120 cruise ships that serve the North American market depart U.S. ports with vacation tours bought by U.S. citizens. These ships, however, are built in foreign countries where governments provide tax credits and other assistance that equates to as much as a 50 percent reduction in the price of these ships. The ships in turn are operated by companies that register them in foreign countries to avoid U.S. corporate income tax. By building and operating these ships foreign, these companies avoid America's high environmental, labor, and safety standards in the construction and operation of their ships, and jeopardize the lives of American tourists.

Some in Congress would propose that the United States just surrender the U.S. cruise ship market to these foreign entities by repealing the American Passenger Vessel Services Act, which requires ships carrying passengers between two U.S. ports to be U.S.-built, owned, and crewed. Our industry believes there is a better way—your way—which would create an All American industry built by Americans for Americans. Your legislation would retain U.S. high safety standards in the construction and operation of cruise ships, while providing American builders and owners tax parity with foreign builders and owners of cruise ships that operate from U.S. shores.

Your bill would create hundreds of thousands of high technology, high skilled manufacturing and seagoing jobs for Americans; strengthen the American defense shipbuilding industrial base; and ignite a powerful engine that would propel all segments of the U.S. economy toward strong growth and prosperity into the 21st Century. Furthermore, American tourists would be assured

that they would be vacationing on the safest constructed and operated ships in the world.

The American Shipbuilding Association commends you for your legislation and urges your colleagues to support the All American Cruise Act of 1999.

Sincerely,

CYNTHIA L. BROWN,
President.

AMERICAN MARITIME OFFICERS SERVICE,
Washington, DC, November 9, 1999.

Hon. DUNCAN HUNTER,
U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN HUNTER: We understand that you are considering introducing legislation to address the inequities facing the creation of a domestic U.S.-flag, U.S.-built cruise industry. We have reviewed the draft bill and on behalf of the American Maritime Officers Service, we would like to express our strong support for your effort.

As you know, the United States is the largest cruise ship market in the world and represents one of the largest growth markets. Yet all of the large oceangoing cruise ships serving the American market are built and operated by foreign companies to avoid U.S. tax laws. This anomaly has created a market barrier to U.S. companies are to have an opportunity to develop an American cruise industry to serve our market. Your legislation will provide American companies tax parity with their foreign competitors and create hundreds of thousands of high technology jobs, highly skilled manufacturing and seagoing jobs. In addition, your legislation will increase port revenues in the United States.

Again, we wish to commend you for your efforts and urge you to introduce the ''All-American Cruise Act of 1999'' at the earliest possible date. Please do not hesitate to call me if I can be of any assistance in gaining support for your efforts.

Sincerely,

GORDON W. SPENCER,
Legislative Director.

AMERICAN MARITIME OFFICERS, A NATIONAL UNION CELEBRATING 50 YEARS,
Washington, DC, November 9, 1999.

Hon. DUNCAN HUNTER,
U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN HUNTER: We understand that you are considering introducing legislation to address the inequities facing the creation of a domestic U.S. flag, U.S. built cruise industry. On behalf of the American Maritime Officers, the largest seagoing officer's union in the United States, we want to take this opportunity to commend you for your efforts. This proposed legislation is critical if Americans are to reenter a market currently being dominated by foreign built and foreign-crewed ships.

The United States is the largest cruise ship market in the world and represents one of the largest growth markets. All of the large oceangoing cruise ships serving the American market are built and operated by foreign companies to avoid U.S. tax law. This anomaly has created a market barrier to U.S. companies which pay U.S. taxes.

Tax parity must be provided if U.S. companies are to have an opportunity to develop an American cruise industry. Your legislation will provide tax parity in a number of very critical ways including tax credits to U.S. builders of cruise ships over 20,000 tons, accelerated depreciation for ships build in U.S. shipyards, elimination of the current $2,500 limit for the cost of conventions on cruise ships, and exemption from U.S. corporate income tax for U.S. cruise operators. Changes such as these are critical if Americans are to enter a market now dominated by foreign companies that pay no taxes.

Again we wish to commend you for your efforts and urge you to introduce the ''All-American Cruise Act of 1999'' at the earliest possible date. Please do not hesitate to call me if I can be of any assistance in gaining the support for your effort.

CHARLES T. CRANGLE,
Executive Director,
Congressional and Legislative Affairs
American Maritime Officers.

INTERNATIONAL BROTHERHOOD OF BOILERMAKERS, IRON SHIP BUILDERS, BLACKSMITHS, FORGERS & HELPERS,
November 8, 1999.

HON. DUNCAN HUNTER,
U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN HUNTER: We understand that you are considering introducing legislation to address the inequities facing the creation of a domestic U.S. flag, U.S. built cruise industry. We have reviewed the draft bill and on behalf of the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers, and Helpers, we would like to express our strong support for your effort.

As you know the United States is the largest cruise ship market in the world and represents one of the largest growth markets. Yet all of the large oceangoing cruise ships serving the American market are built and operated by foreign companies to avoid U.S. tax law. This is a huge market—120 foreign-built cruise ships serve the American market today. The number is expected to grow to 160 by 2003. Unless U.S. tax laws are amended to allow the entry of American companies into this market, these ships will continue to be built by European shipyards and be owned and operated by foreign companies. Your legislation will provide American companies the needed tax parity with their foreign competitors and create hundreds of thousands of highly skilled manufacturing jobs in the United States. It is a given that European builders of cruise ships receive numerous tax incentives and other assistance from their governments to reduce the price of their cruise ships. It is only fair that our shipyards and our skilled workers be given the same breaks as those provided to our competitors.

Again we wish to commend you for your efforts and urge you to introduce the ''All-American Cruise Act of 1999'' at the earliest possible date. Please do not hesitate to call me if I can be of any assistance in gaining the support for your effort.

Sincerely,

ANDE M. ABBOTT,
Assistant to the International President.