SENATE—*Tuesday, June 15, 1999*

The Senate met at 11 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, there is nothing more wonderful than the smile of Your affirmation. We say with John Hancock, ''By the smile of heaven I am a free and independent man.'' We praise You that You have smiled with providential care on our beloved Nation. Your smile of joy is the source of our lasting happiness. You have given us freedom to live as independent men and women because we are dependent on You. May this be a day to count our blessings, so that every moment of this day may be filled with praise and gratitude for all You do for us. We even praise You for our problems because we know that You will help us solve them in a way that will bring us closer to You. Most of all, we seek Your smile over our efforts to change whatever contradicts Your will in America and registers consternation on Your face. Thank You for Your corrective judgment and, when we change or correct social injustice, thank You for Your amazing grace. We claim Your benediction, ''*The Lord bless you and keep you. The Lord make his face shine upon you and be gracious to you. The Lord lift up His countenance upon you, and give you peace.*''—Numbers 6:24–26. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, Senator MCCAIN, is recognized.

SCHEDULE

Mr. MCCAIN. Today the Senate will immediately begin 2 hours of debate on S. 96, the Y2K legislation. Following that debate, the Senate will stand in recess until 2:15 p.m. so that the weekly party conferences can meet. When the Senate reconvenes at 2:15, a series of stacked votes will begin. The first votes in order will be on or in relation to the pending amendments to the Y2K bill, followed by a vote on final passage.

After the disposition of the Y2K bill, a cloture vote on the Social Security lockbox issue will take place. If cloture is not invoked on the lockbox legislation, a cloture vote on H.R. 1664 regarding the steel, oil, and gas appropriations bill will be in order.

Further, if cloture is not invoked on H.R. 1664, it is the intention of the majority leader to resume debate on the energy and water appropriations bill. It is hoped that a vote on final passage to that appropriations bill can be completed by this evening.

RESERVATION OF LEADER TIME

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

Y2K ACT

The PRESIDING OFFICER. Under the previous order, there will now be 2 hours of debate equally divided for closing arguments on S. 96, which the clerk will report.

The legislative assistant read as follows:

A bill (S. 96) to regulate commerce between and among the several States by providing for its orderly resolution of disputes arising out of computer-based problems related to processing data that includes a two-digit expression of the year's date.

The Senate resumed consideration of the bill.

Pending:

McCain Amendment No. 608, in the nature of a substitute.

Sessions Amendment No. 623 (to Amendment No. 608), to permit evidence of communications with State and Federal regulators to be admissible in class action lawsuits.

Gregg/Bond Amendment No. 624 (to Amendment No. 608), to provide for the suspension of penalties for certain year 2000 failures by small business concerns.

Mr. MCCAIN. Mr. President, after discussion with the distinguished Democrat manager, Senator HOLLINGS, I would like to modify the unanimous consent agreement to allow Senator HOLLINGS and I 3 minutes each before the vote on final passage is taken. I will withhold that request to clear it on both sides. But I think it is appropriate after we have votes on amendments that Senator HOLLINGS and I be allowed to make brief statements before the final vote on this very important issue. So I will withhold that unanimous consent request, but I intend to make it at the appropriate time.

Also for the information of my colleagues, I believe we may not require a vote on the Sessions amendment—I believe we are working that out on both sides—and we may not require a vote on the Gregg amendment as well, although neither have been worked out on both sides. We are attempting to do that. So it is entirely possible that at 2:15 we would be moving to final passage.

I note that it is acceptable to the other side, so I ask unanimous consent to modify the unanimous consent request, that Senator HOLLINGS be allowed 4 minutes and I be allowed 4 minutes prior to the vote on final passage of the pending Y2K legislation.

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

Mr. MCCAIN. Mr. President, I believe it is in the unanimous consent agreement that there be 2 hours equally divided; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. MCCAIN. Mr. President, I yield myself whatever time I may consume.

Mr. President, we are about to culminate the work of many months: investigation, drafting, negotiation, and compromise. The vote we take today will set the tone for the Senate in the new millennium. The Senate will either rise to the challenge that the Y2K problem poses and provide a proactive solution, or it will allow traditional political loyalties to leave us in reactive mode after a problem exists. I am optimistic that most of my colleagues recognize the importance of providing a balanced approach to avoiding a Y2K litigation quagmire, to preserving the nation's economy and providing support to the creativity and ingenuity that makes this country the world's leader in technology.

I want to remind my colleagues that many compromises have been made in this bill since it passed out of the Commerce Committee. It is certainly not as strong a bill as that passed by the House. These compromises have been made in order to get a bill that can have bipartisan approval and can be signed into law. We cannot play politics with this important issue—we must ensure that this legislation becomes law. On the other hand, I have stated clearly that I will not be party to passing a mere facade. Unless we really accomplish something, we cannot take credit for doing so. Even with all of the compromises we have made to get the legislation to this point, I firmly believe that the legislation will be effective.

Before we vote, I want to walk through the provisions of the legislation and correct some misconceptions as to how this bill would operate. With all of the rhetoric of the past several days, I think there has been some concern about the operation of the legislation, which I want to allay.

First, it is critical to remember that this legislation addresses Y2K failures which may be encountered by every industry, business, and consumer in the country. This legislation is not designed to protect the high tech industry or provide it immunity. The intent

of the legislation is to provide a balance and orderly system for the resolution of Y2K failures in a manner that is fair, ensures that real problems experienced by consumers and businesses alike are addressed quickly, without litigation whenever possible, and that the judicial system is not overrun with opportunistic and creative lawsuits. It is not the redress of real problems that this legislation seeks to limit.

It is important to keep in mind that this legislation is supported by the broadest array of interests I have ever seen in support of legislation. They represent companies which will be plaintiffs, those who will be defendants, and those who will likely be both. These varied interests have debated among themselves many of the points raised on the floor of the Senate regarding the balance between plaintiffs and defendants. The compromises made since the bill was passed from the Commerce Committee also have refined the balance. What remains today to be voted upon is a good piece of legislation for every segment of the nation's economy.

Let me also reiterate that the Y2K date code problem is not simple to correct. Millions of lines of code are involved, many in outdated languages or in applications that have been revised and upgraded more than once or twice. Multiple means of correcting the date codes adds to the challenge, as does the rare occurrence of leap year in the first year of a new century. Uncertainty as to all the affected embedded chips, the interface of the various corrections, and the complexities of solving the date code without affecting other aspects of a date program, all make this a complex problem requiring massive dedication of technical ingenuity to correct. Although the opponents of this legislation would like the country to think the solution is simple and could have and should have been fixed a long time before now, it is not so simple.

Businesses in every industry will spend hundreds of billions of dollars to correct the problem. Estimates are that the costs in the United States alone will be between $100 and $200 BILLION—without litigation costs. There will undoubtedly be shifts of costs from one business to another, from one industry to another, from consumer to manufacturer, as the ramifications of the problem are better known. The purpose of this legislation is to provide rules and mechanisms for this process of cost shifting; rather than focusing on blame, to focus on solutions, prevention and remediation of real problems, rather than anticipated or perceived problems.

Let me review some of the most important aspects of S. 96:

First, I want to emphasize that this legislation does not affect personal injury cases. We have done nothing to alter the current law regarding how personal injury or wrongful death claims would be handled.

Second, let me state clearly that this legislation sunsets. It applies only to problems that occur within 3 years. This legislation will not change American law for all time.

The notice provisions provide time for the potential plaintiffs and defendants to resolve Y2K problems without litigation. The notice period is 30 days. Only if the defendant responds by fixing the problem is another 60 days provided to allow remediation to be completed. If there is no response, or if the defendant declines to fix the problem, the plaintiff can sue on the 31st day. The emphasis here is on providing notice that there is a problem so that it can be fixed. Most people want their equipment to work—they don't want a lawsuit. This provision ensures that the first order of business is to offer an opportunity to fix the problem. In no way does this provision deny someone's right to sue. Instead, it should speed up resolution of problems.

A requirement for pleading material injury ensures that the cases which are litigated are those in which there is real injury. This section will not cause problems for consumers or businesses with actual Y2K-related failures. It will cause a problem for plaintiffs solicited for class actions where no injury has occurred, as in the increasingly famous California case brought by Tom Johnson.

To remind my colleagues, that is the case brought against six retailers in California, not to remedy any failure or injury, but to disgorge profits made over the past 5 years from selling unspecified products which may or may not be Y2K compliant. The clear intent of this litigation is a large settlement. That kind of profiteering litigation is the kind of litigation which S. 96 seeks to curb. Our judicial system should not be clogged with possible Y2K failures, nor novel complaints to ensure the payment of lottery-type settlements and attorneys' fees.

The economic loss rule further ensures that contract actions will not be ''tortified.'' Why is this important? Historically contract actions have provided as remedy the ''benefit of the bargain,'' but not punitive damages. The ''benefit of the bargain'' may include lost profits or similar compensatory damages to ensure that the plaintiff is made whole. By turning contract actions into tort actions, aggressive attorneys can claim the more lucrative punitive damages which are not compensatory in nature and allow a windfall from which to pay attorneys' fees.

However, banning the ''tortification'' of contracts does not leave a consumer without remedies for real problems. Principles of contract law govern many situations where only a verbal contract, not a written contract, exists. Additionally, the legislation does not affect rights under State Uniform Commercial Code and consumer protection laws.

Punitive damage awards have been limited for small businesses, but not for large businesses, in recognition that small companies are especially vulnerable to an onslaught of litigation. No caps are applicable, however, if the defendant has intentionally caused injury, since such conduct is egregious and should not be protected. These modest limitations also prevent frivolous lawsuits. This is especially reasonable here where we have eliminated personal injury claims, thus the damages suffered are all economic in nature.

We have preserved contracts as written to ensure that preexisting contractual relationships are maintained. The parties will receive the full benefit of their bargain. When the terms of a contract are in conflict with this legislation, the contract prevails. There is no reason for attorneys to say, as some trial lawyers have, that the legislation would alter a businessman's right to sue a vendor who does not perform a contract because of a Y2K failure. He can. But the legislation provides a notice period in which the vendor can, and should, remedy the problem without the time and expense of litigation.

A critical provision of the legislation provides that where litigation is necessary, the defendants will pay for their proportionate share of the damage. This is fair. A defendant pays for the damage he caused. It also eliminates the incentive to sue the ''deep pockets'' who may not be primarily responsible for the problem. Exceptions are provided for small plaintiffs who should not be at risk for collecting a damage award, and for situations where a defendant, because of particularly egregious behavior, should bear the burden of collecting from other defendants.

Those who oppose the bill have alleged that these provisions will actually deter responsible companies from taking necessary action to prevent Y2K failures. The facts do not support this claim. All one has to do is take a quick look at the year 2000 related Internet links to see that massive efforts are already being made to make information about Y2K problems and solutions available.

A recent EDS, Electronic Data Systems, ad highlights its free of charge, on-line data base that lists over 230,000 products from more than 5,000 vendors, with links to the vendors, instructions for making products Y2K compliant, and links to other related sites. The ad claims that the site receives 56,000 hits a day.

Both the EDS site and other sites provide step-by-step checklists and resource information for solutions. Why is this information being made available? Because the United States is the

world's leader in technology. One of the reasons for the high-tech industry's success is that it has responded well to the marketplace. Preventing Y2K problems, letting other businesses and industries know about the problem and how to solve it, make good business sense.

If so much work is going into solving the Y2K problem then why do we need this legislation?

As I have stated before, the cost of solving the Y2K problem is staggering. Experts have estimated that the businesses in the United States alone will spend $50 billion in fixing affected computers, products and systems. But what experts have also concluded is that the real problems and costs associated with Y2K may not be the January 1 failures, but the lawsuits filed to create problems where none exist. An article in USA Today on April 28 by Kevin Maney sums it up:

. . . Experts have increasingly been saying the Y2K problem won't be so bad, at least relative to the catastrophe once predicted. Companies and governments have worked hard to fix the bug. Y2K-related breakdowns expected by now have been mild to nonexistent. For the lawyers, this could be like training for the Olympics, then having the games called off.

. . . The concern, though, is that this species of Y2K lawyer has proliferated, and now it's got to eat something. If there aren't enough legitimate cases to go around, they may dig their teeth into anything. . . . In other words, lawyers might make sure Y2K is really bad, even if it's not.

The sad truth is that litigation has become an industry. While many fine attorneys represent their clients ethically and in a scrupulous manner, litigation has become big business for a segment of the trial bar.

A panel of experts predicted at an American Bar Association convention last August that the legal costs associated with Y2K will exceed that of asbestos, breast implants and tobacco and Superfund combined. A reported 500 law firms across the country have put together Y2K litigation teams.

As we have already seen in the Tom Johnson case in California, where no real injury or damage exists, novel theories are pursued to divert attention from prevention and remediation to defending litigation. Time and resources that could be spent on improving technology are diverted to litigation and settlement costs and attorneys' fees.

During a hearing on this legislation in the Commerce Committee testimony was presented from two small businessmen who were concerned, legitimately, about problems they had faced with Y2K failures, or anticipated failures. The esteemed Ranking Member of the Committee has often mentioned their testimony on the floor. Both expressed concern that they would be prevented by this legislation from bringing suit, or from being compensated for their damages. In both instances, not only would this legislation not elimate their right to sue, it might help prevent the need to sue. The notice provisions and remediation period would assure prompt attention and resolution to their complaints.

We cannot lose sight of the bigger picture in terms of cost of litigation. The costs of both bringing and defending lawsuits are passed on by the businesses and industries into higher prices and cutbacks in jobs or new orders. The impact on our economy of an avalanche of frivolous lawsuits will be felt by all of us. If we do not curtail litigation costs, we will all pay a price in higher prices for computer and software goods, higher prices for every other retail good with embedded chips, higher prices for insurance, and slower, more expensive increases in technological advances. Money that is spent on litigation is money that is not spent on creating new jobs, providing better incomes, retaining our nation's competitive edge.

Mr. President, in closing, let me urge my colleagues to support this legislation. It is bipartisan, and again I want to thank Senators WYDEN and DODD for all they have done to make it so. It is reasonable and practical. It presents a good balance between the interests of plaintiffs and defendants and will prevent needless and costly litigation. It will assist in preserving the best economy our country has ever enjoyed. I will encourage the continued prosperity and leadership of our nations' technology industries as we enter the new millennium. It will prevent our nation's courts from being clogged for years with litigation that offers no one prosperity except for the lawyers. The emphasis in approaching the Y2K problem must be on prevention, remediation and prompt resolution of Y2K problems. This legislation meets those goals.

The coalition of support for this bill is compelling. This legislation is important not only to big business and high tech, but to small businesses, retailers, wholesalers, insurance, consultants—virtually every segment of the business community.

Time is of the essence. For this legislation to provide the direction and impetus desired to assure prevention and remediation of Y2K problems, it must be passed now. We have spent several months getting to this point. Let me be clear. This legislation will make a difference. If we don't pass it, we will be failing to provide leadership for our country. I fear that a year from now we will again turn to this issue, but only after an avalanche of lawsuits has stymied the economy. Support this legislation and be part of the Y2K solution.

I again thank Senators DODD and WYDEN and many others for all of their efforts. I also want to congratulate Senator HOLLINGS, my friend from South Carolina, for an impassioned and very compelling argument in opposition to this legislation. I have always enjoyed debating him on a variety of issues, and I know no one who is better informed.

I reserve the remainder of my time.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from South Carolina.

Mr. HOLLINGS. I thank the Chair, and I thank the distinguished chairman of the committee.

He and I work very closely together. The chairman of our committee has gained a reputation against charades and frauds and make-believes and pork and all these things. That is why it doesn't please this particular Senator that he would take this one on.

The truth of the matter is that, generally speaking, it is a nonproblem. If there is a problem, the best of the best, Intel, has a web page we lifted just yesterday afternoon entitled ''Updating Your Components, Updating Your PC Hardware.''

''If you have determined that your PC hardware is not capable of handling the century rollover''—so forth and so on, about how to manually reset and install a BIOS upgrade or patch, if available.

1. Manually reset the date after December 31, 1999, the first time you turn on your PC or laptop after December 31, 1999, and before you use any software applications, simply reset the operating system date on the computer. For nearly all PCs and laptops, this is the easiest and safest way to ensure the computer will handle dates properly in the year 2000. Once reset, the PC hardware clock will maintain the correct date when powered off and on or rebooted.

2. Install a BIOS upgrade or ''patch,'' if available if you wish to ensure that your PC hardware is capable before the new millennium begins. You may want to install a BIOS upgrade or software ''patch'' before the end of 1999. Some PC hardware manufacturers and BIOS and software vendors are offering free BIOS upgrades.

I was wondering, Mr. President, about the time, the minimum amount of time, as I understand, and the cost.

I lifted, again, in searching back in 1998, an article entitled, ''Tool fixes PC Y2K glitch,'' priced at $94.95.

We are hearing millions and billions and everything else, Chick Little, the sky is falling.

A lot of people still don't seem to realize that even though they purchase their PC in 1998, it doesn't mean that the system is compliant. There are still PCs out there that are not fully compliant. Tools like the [PCfix2000] provide users with a solution for addressing this.

Then they go on to describe this $94.95 fix.

I noticed in the month of March, on March 10 of this year:

The easiest way to prepare your PCs for the new millennium is with Y2K diagnostic software. We chose five sub-$50 programs that both check your computer for year 2000

compliance and solve any problems they find: Check 2000 PC Deluxe, IntelliFix 2000, Know2000, Norton 2000, and 2000 Toolbox. We scrutinized each program and, finally, chose a winner. (Mac owners: Your machines are, and always have been, free of the Y2K bug.)

That interested me, because we only just last week had Michael Dell of Dell Computers, the largest producers of computers in the United States, and he had advertised with the Securities and Exchange Commission that all Dell computers were Y2K compliant.

I ask unanimous consent, once again, to print this March issue of Business Week in the RECORD.

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

[From Business Week, Mar. 1, 1999]

BE BUG-FREE OR GET SQUASHED

(By Marcia Stepanek, Ann Therese Palmer, and Michael Shari)

Lloyd Davis is feeling squeezed. In 1998, his $2 million, 25-employee fertilizer-equipment business was buffeted by the harsh winds that swept the farm economy. This year, his Golden Plains Agricultural Technologies Inc. in Colby, Kan., is getting slammed by Y2K. Davis needs $71,000 to make his computer systems bug-free by Jan. 1. But he has been able to rustle up only $39,000. His bank has denied him a loan because—ironically—he's not Y2K-ready. But Davis knows he must make the fixes or lose business. ''Our big customers aren't going to wait much longer,'' he frets.

Golden Plains and thousands of other small businesses are getting a dire ultimatum from the big corporations they sell to: Get ready for Y2K, or get lost. Multinationals such as General Motors, McDonald's, Nike, and Deere are making the first quarter—or the second at the latest—the deadline for partners and vendors to prove they're bug-free. A recent survey by consultants Cap Gemini America says 69% of the 2,000 largest companies will stop doing business with companies that can't pass muster. The National Federation of Independent Business figures more than 1 million companies with 100 workers or less won't make the cut and as many as half could lose big chunks of business or even fail.

WEAK LINKS

Cutting thousands of companies out of the supply chain might strain supply lines and could even crimp output. But most CEOs figure it'll be cheaper in the long run to avoid bugs in the first place.

Some small outfits are already losing key customers. In the past year, Prudential Insurance Co. has cut nine suppliers from its ''critical'' list of more than 3,000 core vendors, and it continues to look for weak links, says Irene Dec, vice-president for information systems at the company. At Citibank, says Vice-President Ravi Apte, ''cuts have already been made.''

Suppliers around the world are feeling the pinch. Nike Inc. has warned its Hong Kong vendors that they must prove the're Y2K ready by Apr. 1. In India, Kishore Padmanabhan, vice-president of Bombay's Tata Consultancy Services, says repairs are running 6 to 12 months behind. In Japan, ''small firms are having a tough time making fixes and are likely to be the main source of any Y2K problems,'' says Akira Ogata, general research manager for Japan Information Service Users Assn. Foreign companies operating in emerging economies such as China, Malaysia, and Russia are particularly hard-pressed to make Y2K fixes. In Indonesia, where the currency has plummeted to 27% of its 1977 value, many companies still don't consider Y2K a priority.

A December, 1998 World Bank survey shows that only 54 of 139 developing countries have begun planning for Y2K. Of those, 21 are taking steps to fix problems, but 33 have yet to take action. Indeed, the Global 2000 Coordinating Group, an international group of more than 230 institutions in 46 countries, has reconsidered its December, 1998 promise to the U.N. to publish its country-by-country Y2K-readiness ratings. The problem: A peek at the preliminary list has convinced some group members that its release could cause massive capital flight from some developing countries.

Big U.S. companies are not sugarcoating the problem. According to Sun Microsystems CEO Scott G. McNealy, Asia is ''anywhere from 6 to 24 months behind'' in fixing the Y2K problem—one he says could lead to shortages of core computers and disk drives early next year. Unresolved, says Guy Rabbat, corporate vice-president for Y2K at Solectron Corp. in San Jose, Calif., the problem could lead to price hikes and costly delivery delays.

Thanks to federal legislation passed last fall allowing companies to share Y2K data to speed fixes, Sun and other tech companies, including Cisco Systems, Dell Computer, Hewlett-Packard, IBM, Intel, and Motorola, are teaming up to put pressure on the suppliers they judge to be least Y2K-ready. Their new High-Technology Consortium on Year 2000 and Beyond is building a private database of suppliers of everything from disk drives to computer-mouse housings. He says the group will offer technical help to laggard firms—partly to show good faith if the industry is challenged later in court. But ''if a vendor's not up to speed by April or May,'' Rabbat says, ''it's serious crunch time.''

WARNINGS

Other industries are following suit. Through the Automotive Industry Action Group, GM and other carmakers have set Mar. 31 deadlines for vendors to become Y2K-compliant. In March, members of the Grocery Manufacturers of America will meet with their counterparts from the Food Marketing Institute to launch similar efforts. Other companies are sending a warning to laggards—and shifting business to the tech-savvy. ''Y2K can be a great opportunity to clean up and modernize the supply chain,'' says Roland S. Boreham, Jr., chairman of the board of Baldor Electric Co. in Fort Smith, Ark.

In Washington, Senators Christopher S. Bond (R-Mo.) and Robert F. Bennett (R-Utah) have introduced separate bills to make it easier for small companies like Davis' to get loans and stay in business. And the World Bank has shelled out $72 million in loans and grants to Y2K-stressed nations, including Argentina and Sri Lanka. But it may be too little too late: AT&T alone has spent $900 million fixing its systems.

Davis, for one, is not ready to quit. ''I've survived tornadoes, windstorms, and drought,'' he says. ''We'll be damaged, yes, but we'll survive.'' Sadly, not everyone will be able to make that claim.

WHY BIG BUSINESS MAY HAVE A SMALL-BUSINESS Y2K PROBLEM

[A January survey of small-business owners]

	Percent
Aware of the Y2K problem	55

WHY BIG BUSINESS MAY HAVE A SMALL-BUSINESS Y2K PROBLEM—Continued

[A January survey of small-business owners]

	Percent
Are taking action to fix it	38
Plan to take action but haven't yet	19
No action taken and none planned	18

Data: National Federation of Independent Business.

Mr. HOLLINGS. It is very short.

Multinationals such as General Motors, MacDonald's, Nike, and Deere, are making the first quarter—or the second at the latest—the deadline for partners and vendors to prove they're bug free. A recent survey by consultants Cap Gemini America says that 69% of the 2,000 largest companies will stop doing business with companies that can't pass muster. The National Federation of Independent Business figures more than 1 million companies with 100 workers or less won't make the cut and as many as half could lose big chunks of business or even fail.

Some small outfits are already losing key customers. In the past year, Prudential Insurance has cut 9 suppliers from its critical list of 3,000 core vendors.

Citibank has already cut. Cuts have already been made.

I read further down:

If a vendor is not up to speed by April or May, it is a serious crunch problem. Through the Automotive Industry Action Group, General Motors and other car makers have set a March 31 deadline for vendors to become Y2K compliant. In March, members of the Grocery Manufacturers of America will meet with their counterparts from food marketing to launch similar efforts. Other companies are sending a warning to laggards and shifting business to the tech-savvy.

Now I quote:

''Y2K can be a great opportunity to clean up and modernize the supply chain,'' says Ronald S. Boreham, Jr., chairman of the board of Baldor Electric Co. in Fort Smith, Ark.

The World Bank shelled out millions in loans and grants to Y2K-stressed nations.

On and on, Mr. President. Here is another article that the banks now, by June 30, will have all of their Y2K customers and everything else compliant, or they will have cancellations.

Otherwise, Paul Gillin said in Computer World earlier this year:

Vendors have had plenty of time to prepare for 2000. The fact that some were more preoccupied with quarterly earnings and stock options than in protecting their customers is no excuse for giving them a get-out-of-jail-free card now.

That is what Computer World has called the Y2K bill, I say to the distinguished Senator from Arizona—a get-out-of-jail-free card—which is why I am surprised by my colleague, because he is usually on the other side. I quote again from Computer World:

The problem belongs—hook, line, and sinker—to the vendors that capriciously ignored warnings from as long ago as the late '70s. . . . It has been five years since year 2000 awareness washed over the computer industry [and everyone should now be compliant].

I was interested that Boeing, for example—and the Senator from Washington was here debating it—started

back in 1993. Everyone has done that. This is a political fix—and I will get to that in just a little while. I want to just bring you really up to date with respect to the number of cases.

We had a witness, Ronald Weikers, who has written Litigating Year 2000 Cases, published by the West Group. I can tell you, the West Group is not going to publish anything partisan. They have a wonderful reputation for objectivity and reliability of their reports. He says:

> I frequently write and speak about the subject. I do not represent any clients that have any interest in the passage or defeat of any proposed Y2K legislation.

Then he goes on to state:

> Thirteen of the 44 Y2K lawsuits that have been filed to date have been dismissed almost entirely.

I brought that 44 figure up to date because that was the end of April, just a little over a month and a half ago. It is now 50 cases. Twelve cases have been settled for moderate sums of money, or no money. The legal system is weeding out frivolous claims. They act as if the courts just love to see a frivolous claim come into the court that doesn't have any substance. All you have to do is get 12 people and, whoopee, you've got money. You race to the courthouse, see the 12 people, and you get your money. It is a total fanciful picture that is being painted with respect to this legislation.

> The legal system is weeding out frivolous claims and Y2K legislation is therefore unnecessary.

So says, of course, the Washington Post; they editorialized. We included that particular item in the RECORD, with others.

The most recent one is by Institutional Investor, a magazine from Wall Street. They had a survey taken, and this was just this month:

> Do you feel your company's internal computer systems are prepared to make the year 2000 transition without problems?

Mr. President, 88.1 percent said yes; 6 percent said no. Here we are, 5 and a half months, and now the bill. This is a wonderful problem here, and we have to give it time. In January, under the McCain bill, you get 3 months. I am giving them 5 and a half months, the operation, right now, to that 6 percent. Get with it.

> Have you done a dry run of your computer problems for the year 2000 transition?

Twelve percent said no problems. Few problems: 86.4 percent.

Then they asked:

> Do you expect Y2K transition problems to have a material impact on your company's business or financial performance next year?

Three point six percent, and we have this wonderful Federal legislation. Of course, States haven't asked for that. No attorney general has ever come up here. In fact, the Conference of State Legislatures has resolved against this political fix. That is all it is, political. We will get to that in just a few minutes.

Only 3.6 percent said yes; 89.2 percent said no. And then 95.2 percent say they have worked with their suppliers and cleaned up the problem.

So here we are in June, 5 and a half months ahead of time, and we still are insisting, if you please, on the Y2K fix.

Let me divert for a second and get right into the matter of safety. I know it is difficult with the matter of gun violence in the schools, and everything else, for us politicians to think in terms of a safe America. But that is the fact. We have the safest society with respect to product liability. That is what this is about, the Y2K problem with your computer, a product liability.

Since 1963 in the McPherson case, under the common law, when the courts came in and enunciated the doctrine of strict liability, the State legislatures thereupon have followed suit, enunciating strict liability, joint and several liability, all over the land. When you buy a product, it is not caveat emptor, the buyer beware, but caveat venditor, the seller beware. They have to be responsible right down the line, because the proponents of this bill said they are going to go way down and find somebody with fat pockets, or high pockets.

That is total nonsense. I have a glitch on my computer now, and I know they are like fleas on a dog, and they are all rich; it is the richest crowd the world has ever produced, way better than any oil millionaires. I know they have deep pockets, but I am not racing to the courthouse. I told my secretary to get this blooming thing fixed. I have no time to run around to the courthouse. If I went to the courthouse at 12 noon, it would take until the year 2000 to get into the courthouse. File your pleadings and see how it happens.

The total unreality of the picture described here for the need of this particular legislation—it has worked and, yes, and the Europeans are following us, incidentally. I have the record here where they are coming along with strict liability and joint and several liability. I only mention that because they come in and say we are losing business to the Europeans. The Europeans are following America. We are setting the example for safe products in America.

The conference board has found that. The Rand study has found that. I could go to various others—232 risk managers; the conference board reports that the companies responded to product liability by ''making their products safer.'' So we know the effect it has had.

But to emphasize it, yes. Mothers Against Drunk Drivers has done a wonderful job with respect to consumers demanding a safe product, checking it out and understanding it—and various other things. The National Safety Transportation Board has come forth with various regulations, but it is really all prompted, if you please, I say to the Senator from Utah, by the trial lawyers. This town loves lawyers. That is all about lawyers. There are 60,000 of them. This town just loves lawyers. There are 60,000 to fix you and to fix me—not to get to the court. The lawyers are racing to the court around this place. I can tell you. I have been here 32 years now, and I know them. They are delightful folks. They are highly intelligent. I enjoy them. But one thing is that they have started advertising against working lawyers and the trial lawyers.

The lawyer that has to come in, if you please, and when he has a client that comes to him, he says first I have got to investigate and make sure the facts are as you say they are and you have been wronged. He has to pay for all the expenses of that investigation—the interrogatories, the discoveries, having to file the different pleadings, the trial of the case itself, and on appeal taking care of the briefs on appeal, the costs thereof, making of appeal and waiting for the court. And all along that so-called talented trial lawyer is rushing to the courtroom. He has to get all 12 jurors—not 11 but all 12 jurors. He has to get a majority opinion from the court. Then he gets his 20 percent or 30 percent, and these Senators run all around and saying they have a lottery, and ''strike it rich,'' and some kind of atmosphere.

The consumer has never been mentioned here. That is what trial lawyers represent. They do not represent themselves. They represent a wronged consumer. Ask the Consumer Federation of America. Ask Public Citizen. Ask anybody who represents consumers if they thought that this bill was appropriate. They are absolutely opposed to it, but we have them. They have been very clever in the way that they have postured this particular measure. It isn't about consumers. It isn't about wrongdoing. It isn't about need.

This is a measure—sooey, pig. All you computer folks come into town—you millionaires—falling over each other. Billionaires, excuse me. I don't mean to hurt their feelings. Billionaires are falling over each other because we are going to fix it for you, which reminds me; that is some crowd, isn't it? That is some crowd. They are highly intelligent. Bless their success, but that is the crowd now that wants estate tax cuts. That is the crowd that wants capital gains tax cuts. That is the crowd that wants no tax on the Internet. What Wal-Mart has started cleaning up is Main Street. Now we are going to clean up the rest of it, because Main Street in the States and the municipalities is not going to be able to tax businesses as normal businesses on

Main Street. In fact, the merchant on Main Street will say: Tell me. Yes. You want siding 42 feet long. That is fine. Let me order it. I will have it delivered tomorrow. I will order it on the Internet, and you won't have to pay the 8 percent sales tax.

There is the agent sitting up there in a little cubicle on Main Street, and all we have is the wig shops run up and down Main Street of America.

But that is the crowd that says get rid of the immigration laws. They have been spoiled. They have been told that money can buy anything. Get rid of the estate taxes, capital gains taxes, the immigration laws, and now get rid of the liability laws—200 years of State liability laws for wrongdoers—and instead they are saying the wronged injured party now has to pay for the misdeeds of the wrongdoer.

I go back to placing emphasis on the point: I want to join on the issue about these lawyers. It was Mark Robinson back in the 1970s who brought the Pinto case wherein the gasoline tank exploded. It was negligently and willfully proved that they knew it was unsafe, but they figured that the extra little cost from a market cost-benefit analysis that they weren't going to put in the safe gas tank.

He got a verdict in that death case of $3½ million and $125 million punitive damages 20 years ago. He collected zero of his punitive damages. He never got a red cent. But pick up the morning paper or yesterday's paper, pick up any news edition and you will find recalls.

I went to the National Transportation Safety Board. As of 1994—in the last 4 years—there have been 73 million recalls on account of the Pinto case, on account of trial lawyers. You break that down to $1.8 million, or $18 million each year, $50,000 a day, and 5 percent of the $50,000 would be death, the other 95 percent in injury, and Mark Robinson saved 2,500 people from being killed as of today. He ought to be proud of it. Every trial lawyer who works that hard knows he is taking a risk, and he has to convince by the greater weight of the preponderance of evidence all 12 jurors. He has to be studied and careful and legally sound and prevail on appeal. He is taking care of all the costs, and out of it the average American gets a good lawyer. They do not like good lawyers. They like office lawyers that fix you and me. They don't like working lawyers.

So all of us, this thing about running to the courthouse, race to the courthouse, and everything else, we put it to bed.

Under our system, torts have been relegated to the States. I would think the contract crowd would understand that. If I remember it, they came to town in 1995 and said the best government is the least government; the best government is closest to the people—the 10th amendment, the rights of the States. Even then the first thing they passed was to make sure the States were made whole. What did they call that thing? Unfunded mandates. That was it. Yes. Unfunded mandates. They wanted to make sure they would take care of the State communities. The States have been administering. They have been doing it on Y2K. Everyone is taking up the Y2K. They don't live in an isolation booth. The people are close to their government at the local level, and all of them have been hearing about this particular problem. It has been advertised.

Incidentally, my distinguished friends, the Senator from Utah, Mr. BENNETT, and the Senator from Connecticut, Mr. DODD, have performed yeomen service in bringing attention to this particular problem. But the States have been administering this, whereby you have to be a accountable for your wrongful acts. Having done so, we have a safe America with the States having administered properly their product liability law. They have refused every time—and this has been going on for 20 years—to get the Federals to come in.

Here were the States asking not to do it. No State attorney general has come up and asked for it. No State Governor has said it is inadequate, and we need a Federal statute. Here they want to do away with 200 years of liability law at the State level. Why? Why? Why? Why? Why? Look here. All we have to do is get yesterday's New York Times, June 14. On the front, left-hand column, ''Congress Chasing Campaign Donors Early and Often.'' The money chase. If you have any doubt about that, just the day before, on Sunday in the Washington Post, a two-column story appears on two pages, ''GOP Vies for Backing of High-Tech Leaders.'' ''Party aims to exploit Y2K vote at CEO summit.''

That is why they have all of them in town. This is a disgrace. This crowd has gone so political about message, message, message, they got the message together, but they say: Now, wait a minute. Senator MCCAIN and Senator HOLLINGS were ready for a final vote at 12:30 last Thursday, but we have to wait 5 days because you have to have a message but you have to have it timely.

Guess who is in town this afternoon when we vote. Bill Gates of Microsoft. You want me to call the roll? Want to hear a bird call? Here we go.

John Warnock of Adobe system, Carol Bartz of Autodesk, Greg Bentley of Bentley Systems, Michael Cowpland of Corel Corporation, Dominique Goupil of FileMaker, Bill Harris of Intuit, Jeff Papows of Lotus Development, Bill Gates of Microsoft, William Larson of Network Associates, Eric Schmidt of Novell, John Chen of Sybase, John Thompson of Symantec Corporation, and Jeremy Jaech of Visio Corporation.

Of course, we have some that we could not get to meet with us, I guess—like Netscape.

I saw Barksdale on TV, and I saw the head of IBM, Gerstner. They were on my morning TV. They are all in town.

I thought this was the most amusing thing I had ever seen. I lifted this—I had to scroll it down word for word. Turn on channel 2, the TV here, which is the Republican screen of what is going on. I read it word for word: Senate again attempts to end minority stranglehold—the great Y2K money chase.

That is the first time an outreach, bag in hand, has ever been called a ''stranglehold.'' We have been begging, trying to get a little bit of the crumbs from Silicon Valley. We have to run, too. We have never been against technology. I am the author of the Advanced Technology Program. I am the author of the Manufacturers Extension Partnership Program. It all works. It was supported by the electronics industry, the technology industry. It is working extremely well. We are trying to expand it.

I would love to get Mr. Gates and Microsoft to South Carolina. I don't speak in a disparaging way. I speak in an adoring way. But don't come here with the screen about stranglehold.

We have the Federal Election Campaign Commission. Last year, according to their records:

Intel, Andy Grove, hard money, the Democrats got $16,000; the Republicans got $64,000.

Microsoft, the Democrats got $71,000, and the Republicans got $143,000.

Soft money, Microsoft, the Democrats got $135,000; the Republicans got $629,000.

This is usually a performance of my distinguished chairman from Arizona, because I have heard him and he is very effective. I am just shocked he is not doing this and I am forced to do it.

I could go down the list here. Computer Services Corporation, the Democrats, $25,000; the Republicans, $53,000.

Microtech, Democrats, soft money, zero; Republicans, $16,000.

Advanced Micro Devices, soft money, the Democrats got $1,000; the Republicans, $95,000.

I have the list. You can go over there.

Stranglehold? Come on, give me a break.

Here is what they are doing. They come here. We all have to run. So we create a problem. We raise a straw man of trial lawyers. We don't talk about consumers. We don't talk about the wrongdoing. We don't talk about trial lawyers representing wrongdoers. They are not just running around with frivolous cases. That is an imaginary thing that could be brought at the political level but not at our level, I can tell you that. Trial lawyers worth their salt are not fooling around. They have to make

a living. They don't run up and down and ruin their reputation. You know they are not getting anywhere. The courts take care of the frivolous charges. They raise that thing and they are saying: Here is what we are going to do; we are going to get rid of the lawyer.

It was very obvious in the debate how they are going to get rid of the lawyer. They said get rid of economic damages. If you come in with a $10,000 or $20,000 computer and that is all you are limited to, that is all you can recover.

What I have just described—for the investigation, the pleadings, the interrogatories, the depositions, the trial, the appeal, the cost, the time—as a lawyer, I would tell my secretary up front, if they come in, tell them those are very complicated cases and there are a lot of legal loopholes to go through and delays, and we are just not in a position to handle those cases.

That is the way to get rid of the lawyer. They know exactly what they are doing.

When Senator EDWARDS of North Carolina came up and said, wait a minute, you can't do that, the Senator from Oregon said, we will give you exactly whatever the contract. You don't contract for torts. You don't say, we are going to contract for the wrongdoing; the contract is complied with.

If they defraud you, if they engage in wrongdoing, while the computer is down you are losing your customers to your competition, you are losing your business, you may have to let go of some of your good employees to tide yourself over.

All the time that business has to wait—and a small business at that—I can tell you right now, there will be serious economic damages.

If there is any doubt about it—because that is what small business wants. They don't want a law case; they want it fixed—up comes the Senator from California, Senator BOXER. She said: Don't give us trials, don't give us lawyers; just get a fix.

They denied that in an up-and-down vote. They said instead of fixing the computer, we are going to fix the lawyers; we are going to fix the system.

Just like any car dealer who comes around, what we are going to do is take your junk off the shelves and sell it; don't worry about it, because the law will protect you for 3 years. You can get rid of all your old models. Don't worry about it. Get rid of the junk. We will repeal the liability bill. We will say that fraud pays for the first time in America.

No one is going to get these cases. That is what they will do. I can see exactly what was happening with that particular witness from New Jersey who came before the committee. He bought an update that was represented to last for 10 years. Within a year he found out it wasn't Y2K compliant. He paid $13,000. He called them twice and nothing ever happened. He wrote a letter. They finally came back and said they would make it Y2K compliant, for $25,000. That was after he got a lawyer and it went on the Internet and some 17,000 similarly situated people filed, and that particular manufacturer, supplier, came back and said they would fix it for nothing and pay legal fees.

You can see the game that business will play on a cost-benefit basis. We live in a rough world, but we have a responsibility in American society. It is done well at the State level and has worked well at the State level. No State has asked for this particular measure. Instead, the Association of State Legislatures has resolved against the Federal Y2K bill.

But they have the audacity to come up here and raise a straw man of lawyers running to the courthouse, in a litigious society and all of that nonsense, 5½ months ahead of time, and insisting on passing this particular measure, and insisting on the time of its passage is when the computer folks are in town so they will know who delivered the goods.

I yield the floor, and I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I yield 10 minutes to the Senator from Utah, followed by 10 minutes to the Senator from Connecticut, if that is agreeable to the distinguished Senator from South Carolina.

Mr. HOLLINGS. Yes, it is.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I have enjoyed the remarks of my colleague, my dear friend. In this body, he is certainly a champion for the trial lawyers, and certainly I have been as well. I intend to continue to stand up for trial lawyers, who do a great job for consumers in this country, but we are talking about a little bit of a different problem.

Mr. President, I rise to express my support for the final passage of S. 96, the Y2K Act, as modified by S. 1138, the bipartisan Dodd-McCain-Hatch-Feinstein-Wyden-Gorton-Lieberman-Bennett amendment. This bill effectively addresses the very serious problems associated with the Y2K computer problem.

As you know, Mr. President, what is now known as the Y2K problem arises from the inability of computers to correctly process the date after December 31, 1999. When January 1, 2000 arrives, the computers that cannot process that date will have a variety of problems, ranging from very mild glitches to severe breakdowns. In the technologically dependent world we live in, this creates obvious problems for both individuals and for any business that relies on computer technology at any point in its business.

As a result of this problem, we face the threat of an avalanche of Y2K-related lawsuits that will be filed on or about January 3, 2000. Such an unprecedented wave of litigation will overwhelm the computer industry's ability to correct the problem. As I have said before, this super-litigation threat is real, and the consequences for America could be disastrous. Already, there have been more than 66 lawsuits, including 31 class actions, filed based on the Y2K problem. These suits are the beginning of a tsunami of litigation that could drown America.

As a Senator from the State of Utah, I am extremely aware of the impact this problem will have on the economy of the United States, as well as that of the entire world. Utah stands with a number of other states as a leader in the technological boom that has fueled America's economic progress in recent decades. The future of Utah, and of all America, relies on our ability to continue in our role as the global technological leader. As I have said before, if we fail to counteract the negative effects of the Y2K problem, we will be killing the goose that lays the golden egg.

Every dollar that industry has to spend defending itself from frivolous litigation is a dollar that cannot be spent on fixing the problem. The way to minimize the hardships caused by the problem on January 1st is to encourage remediation by the technology industry and to encourage mitigation by would-be plaintiffs, both before and after January 1st. This bill does precisely that.

The Y2K bill provides powerful incentives for industry to fix the Y2K problem before it happens and to remedy problems once they occur. Contrary to what some opponents of the bill have alleged, there is absolutely nothing in the bill that would deny any aggrieved party the right to sue. Let me repeat this. There is nothing in the bill that would prohibit anyone from bringing a lawsuit. What the bill does is to create powerful incentives to fix problems before resort to the courts is necessary. It encourages remediation through the requirement of pre-litigation notice and by providing opportunities for alternative dispute resolution. The pre-litigation notice and pleading requirements also assist industry in fixing Y2K problems by requiring that prospective plaintiffs provide the information necessary for the defendant to understand and remedy the problem during the cure period.

In addition to encouraging the computer industry to remediate the problem, this bill fosters action by both industry and consumers to avoid the problems caused by Y2K failures. This bill preserves contracts and State contract law, encouraging contracting parties to anticipate the possibilities of Y2K failure and to do all they can to

avoid them. The bill also imposes a duty to mitigate, requiring prospective plaintiffs to do what they reasonably can to avoid damages occurring because of a Y2K failure.

Some Senators have raised concerns about some of the provisions of the Y2K Act. Let me address some of these concerns.

Specifically, some Senators have opposed to the punitive damages provision, the proportional liability provision, and the section dealing with the economic loss rule. In the past several days, however, we have also heard many of my colleagues set forth the reasons why these provisions are central to the effective operation of the bill in preventing the disaster that is imminent in the wake of extensive frivolous Y2K litigation.

The punitive damages provision of the Y2K Act is essential in order to prevent the destruction of America' small businesses by excessive punitive damage awards. This section of the bill is extremely limited, as it applies only to small businesses. The bill simply does not impose a cap on punitive damages for any defendants other than small businesses. Opponents of this provision argue that punitive damages serve as a deterrent to misconduct, and that placing a cap on them will remove that deterrent. The punitive damage cap created by this bill does not remove any deterrent to misconduct.

Punitive damage awards against small businesses will be limited to three times the amount awarded for compensatory damages or $250,000, whichever is less. FOr small businesses consisting of an individual whose net worth does not exceed $500,000 or a company with less than 50 employees, this is a significant deterrent of misconduct. In addition, there is no cap at all if the plaintiff establishes by clear and convincing evidence that the defendant acted with specific intent to injure the plaintiff. I cannot take seriously the argument that this formulation of punitive damages is too small to act as a deterrent. Treble damages or $250,000 is a significant piece of change to pay for a small business.

In fact, I supported a similar cap for all businesses. But, in the spirit of bipartisan compromise, we agreed to limit the caps to small businesses. I understand that even the White House supported a similar small business cap provision in the products liability bill of two years ago. So what's the big deal?

What the small business punitive damages cap does do is to protect our small businesses from utter destruction by excessive punitive damage awards. As last year's Rand Corporation study of punitive damages concluded, the United States has witnessed a substantial increase in the amount of punitive damage awards. Witness the recent May 10 punitive damage award by an Alabama jury of $581 million to a family that complained they were overcharged $1,200 for two satellite dishes. According to Rand, although punitive damages amounts to a minority of all damages awarded, the very size of these awards skewers the civil justice system. Even frivolous lawsuits are settled for fear of large judgments. This has led to what is termed ''jackpot justice.'' Lawsuits have been grossly transformed from a search of justice to a search of deep pockets. We have tried to counter this trend—at least for small businesses—in the Y2K Act.

Speaking about ''jackpot justice''—the proportionate liability provision is intended to mitigate the quest for deep pockets by assuring fairness in the award of damages. Punishment must fit the crime and it is only fair that defendants should be liable only for the part of the damage that they cause. In an attempt to forge a bipartisan compromise, Senators McCAIN, DODD, WYDEN, LIEBERMAN, FEINSTEIN, GORTON, BENNETT, and myself, agreed to the formulation of proportionate liability found in the Federal Private Securities Litigation Reform Act of 1995. This act was signed into law by the President several years ago—so it should be acceptable to the administration.

Yet some opponents to this bill have spoken out against this provision. Opponents of this section of the bill apparently want some defendants to be liable for all damages, even if they were responsible only for a tiny fraction of the damage. That is the very definition of ''deep pockets.'' The Y2K Act would prevent this and that is why it is opposed by the trial attorneys. The act ensures that a defendant's liability in a Y2K action will be for the damage that they caused, and not for the damages caused by other defendants.

Another section of the bill that is under attack is the class action section. Opponents of the bill say that this provision would federalize all State actions. This is a gross exaggeration. Let me explain.

The class action provision is vital to the effective operation of the bill. Class actions are a significant source of abuse. I have seen this as chairman of the Judiciary Committee. Far too often, Federal jurisdiction is defeated by joining just one nondiverse class plaintiff—even if the overwhelming number of parties are from differing States. This wrecks the clear purpose of Federal Rule of Civil Procedure 23—to provide for a Federal forum ameliorates myriad state judicial decisions that are conflicting in scope and onerous to enforce.

Now, as I stated before in this debate, I am a great proponent of federalism and the right of our States to act as what Justice Brandeis termed national laboratories of change. But it is axiomatic that a national problem needs an uniform solution. That is the justification for Congress' commerce clause power and its consequent promulgation of rule 23. That is the justification for the Y2K Act itself, in which the Y2K defect is clearly a national problem in need of a Federal answer.

The economic loss section of the Y2K Act has also been the subject of some contention. Let me reiterate some of the arguments I made last Thursday on the Senate floor in opposition to the Edwards amendment which if passed would have weakened this section. The economic loss rule is already widely accepted and has been adopted by both the U.S. Supreme Court and by a majority of States. The rule basically mandates that when parties have entered into contracts and the contract is silent as to consequential damages—which is the contract term for economic losses—the aggrieved party may not turn around and sue in tort for economic losses. Under the rule, the party may only sue under tort for economic losses. Under the rule, the party may only sue under tort law when they have suffered personal injury or damage to property other than the property in dispute.

In short, the Y2K Act's economic loss section ensures fairness in contract law by applying the rule already in use in most states to Y2K lawsuits. It prevents ''tortification'' of contract law by flagging an end run against terms of a contract agreed to by the parties.

Let me also remind the critics of this bill that it is of limited duration. This bill is designed to specifically address the problems related to Y2K computer failures that will occur around the turn of the millennium. In keeping with this purpose, the bill has a sunset period, which means that the entire bill will only be in effect until January 1, 2003.

Let me also make a variant of Pascal's wager. If these disputed provisions are harmful, as some critics contend, enacting them will do little harm because the bill will expire in 3 years. But if, as the supporters of this bill believe, these provisions are critical, not including them in the final bill could greatly harm the economy and our high tech industries. The choice is obvious. Both reason and equity require that these provisions remain in the bill.

Some have expressed concern that President Clinton will veto this bill. I don't think he will. This bill can only solve the problems created by the Y2K problem. Its provisions encourage remediation and mitigation, and encourage solutions to problems. The President knows this. He knows that to sign the bill can only help our nation and the world. He knows that by vetoing the bill he will, at best, be doing nothing to solve the Y2K problem, and that at worst he will be contributing to it.

If we are to be successful in solving this great problem before us, we must overcome our fear and pass the Y2K bill as a strong and effective piece of legislation.

Again, I emphasize the importance of this bill to our nation's future. Without meaningful legislation addressing the Y2K problem and the deluge of litigation that will surely follow, our nation may suffer devastating consequences. The Y2K Act before the Senate today is that meaningful legislation. This is a bipartisan bill, created and shaped through cooperation on both sides of the aisle. I urge my colleagues to vote for its final passage.

The PRESIDING OFFICER. The Chair recognizes the Senator from Connecticut.

Mr. DODD. Mr. President, very briefly, I want to once again commend my colleague from Utah. He has given a very insightful legal analysis of what the implications of this proposal are, what the authors of this bill are attempting to do. I will restate, not as eloquently as he has, the fact that the trial bar performs a very valuable service in this country.

There is no way in the world the Justice Department, and others, could do all the work the private litigators achieve on behalf of all citizens. But to listen to some talk about this bill, you would think we had just voided all litigation when it came to the Y2K issue. Nothing could be further from the truth. In fact, quite to the contrary, it provides for a systematic way for laws to be filed should there be no other means of resolving the difficulties.

I commend my colleague from Utah. I also commend Senator MCCAIN, the chairman of the committee and the principal author of this legislation, my colleague from Oregon, Senator WYDEN, and the many others who have been involved in putting this piece of legislation together. I also wish to commend the hard work of Senator MCCAIN's staff, Senator WYDEN's staff and I wish to particularly recognize my own staff and all the work that they have done.

We have now resolved most of the outstanding issues, or we have had votes on a number of them. I understand we will have a final passage vote sometime early this afternoon.

We, as a nation, and the world at large are going to meet the new millennium 199 days from today. That is when the clock turns. As many of my colleagues know, Senator BENNETT of Utah and I were asked by the leadership of this body—the majority and the minority—to head up a special committee, if you will, to take a good, hard look at the Y2K issue and the full ramifications of it on our National Government, State and local governments, private industry, nonprofits, and the world.

We have held, over the last year and several months, some 22 hearings; we have had site visits to nuclear power plants, hospitals, and financial services sectors; we have had staff who have gone overseas to meet with leaders of other countries—all of this, as quickly as we could, to give our colleagues and the country the benefit of an analysis of where we stand with this issue of the year 2000 millennium bug.

I am not going to go into all the details of the work. We have had a good committee. I commend my colleague from Utah, Senator BENNETT, who has done a very fine job chairing this committee. We think—we hope—we have provided a valuable service in highlighting and pushing and using the forum of that special committee to urge a greater sense of urgency on the part of the various sectors of our society to get ready for this problem.

I think it is fair to say we believe we are in fairly good shape on this issue. Again, I will not go through all the details, but, by and large, most sectors in our society—government at all levels—are doing a good job of remediating the problem, taking the steps that are necessary to fix these computers and to eliminate the potential hazards and harm. There are larger problems offshore. I am not going to go into that at this point. But there has been a lot of work up to this point.

One of the things we concluded, in part, is that we ought to come up with some sort of a means by which, if problems do emerge after January 1, we ought to try to fix the problem before we litigate the problem.

This is an outrageous thought, but maybe Congress might actually do something in anticipation of a potential problem. We do not normally do that around here. We wait for the problem to hit us. We wait for catastrophes to occur, many of which we cannot predict, obviously, because in many cases we talk about natural disasters or unanticipated events.

However, in 199 days, we have a very anticipated event. We have been told by experts, knowledgeable people, during the last 2 years in our hearing cycle—one expert after another—that we have a very serious problem hanging over us potentially, come the change in the millennium date.

You could go the traditional route and rush to the courthouse every time a problem emerges—with a handful of law firms, by the way. To speak about the trial bar on this issue, you can count the law firms on one hand, almost, that are involved in this kind of litigation. Let there be no illusion, this isn't your fender-bender, your product liability case, your personal injury case. This is a very specialized area. They would prefer to run to the courthouse for the problem.

Those of us who have offered this bill do not rule out the courthouse at all, but we say: Why not a 90-day cooling off period? How about saying you have to take some time to try to fix the problem? As much as we try to anticipate the problem, we cannot guarantee that we have done so. If a problem emerges, why not try to fix the problem? If you cannot fix it, then go to the courthouse. It is not much more complicated than that.

This bill lasts 36 months. You would think, to listen to some of my colleagues, we were amending the Constitution of the United States, the Bill of Rights, that we were changing the Ten Commandments. This is a 36-month bill for one short window in time, for us to say we want to try to solve the problem and not run to the courthouse for 36 months.

Can the trial bar bear that for 36 months? To see if we can't come to some conclusion and avoid the tremendous cost, the business to consumers, and others, as they spend weeks and months, if not years, litigating these problems instead of trying to fix them? That is really what this is all about.

We came to some significant compromises here. In fact, this bill ought to have been done on a consent calendar, in my view. It should not have taken a week's time in the Senate to deal with this issue. It is not that complicated.

What we have done here is, we have put caps on punitive damages for small business. We do not think you ought to wipe out a small business because you file a lawsuit against them, because they have a computer glitch problem. These punitive damage caps apply only to businesses that employ 50 people or less. We have directors' and officers' liabilities—again, no ceilings here on punitive damages at all. The trial bar begged for those things. That is included. That is in our bill.

We have proportionate liability here. This is the great stumbling block, I guess, for some in this 36-month bill. For 36 months we are going to have proportional liability—this cataclysmic event that is occurring here for 36 months—where we say that if, in a normal case, you are guilty of involvement in some problem, you are responsible for that percentage of the problem you caused—that is a radical idea—except, however, that is not the case if in fact you had an intentional, willful action on the part of the defendant. Under those circumstances, there is no proportional liability; it is joint and several. So we protect the plaintiff that may have been severely hurt as a result of this problem.

That is basically the sum and substance of this legislation—for 36 months.

This is an important industry, the high-technology community. It is changing the economy of our Nation and the world in which we live. The United States is on the cutting edge. We are leading the world. Ten or fifteen years ago, all we talked about was

the Japanese and the Pacific rim. The United States could not compete in high technology. We had lost it forever. Well, there were bright people in this country who had other thoughts. As a result of their ingenuity and hard work, they changed the nature of how the world looks to leadership in high technology. Today the United States is the leader. These leaders champion ideas that are incubated in basements and garages, these technology leaders are often young people who are coming out with little or no money in their own pockets but a good idea. They are changing how you and I live.

Mr. President, I ask unanimous consent for 30 additional seconds to wrap up.

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

Mr. DODD. These industries are critical to the 21st century economy of this country. I do not think we ought to allow some big appetites and a handful of law firms to go out there and try and do damage unnecessarily to these people. If you have to get to a courthouse, you get to the courthouse. But, for 36 months in this country, let us take time out and try and solve the problem.

This bill that Senator MCCAIN, Senator WYDEN, myself and others have authored, we think buys us this short window of time to resolve these difficulties. I hope this afternoon, when final passage occurs, my colleagues will vote for the 21st century future and not for a handful of law firms that want to litigate forever.

Mr. MOYNIHAN. Mr. President, I rise to congratulate Senators MCCAIN, DODD, BENNETT, and HATCH for all the work they have done on S. 96, the Y2K Act. The bill will help protect against frivolous Y2K lawsuits. With just 199 days until 2000, the focus must remain on fixing the computer problem, not on litigating it.

The Y2K computer problem has been with us for some while, and it would be derelict of me not to mention that it was brought to my attention by a dear friend from New York, a financial analyst, John Westergaard, who began talking to me about the matter in 1995. On February 13, 1996, I wrote to the Congressional Research Service to say: Well, now, what about this? Richard Nunno authored a report which the CRS sent to me on June 7, 1996, saying that, ''the Y2K problem is indeed serious and that fixing it will be costly and time-consuming. The problem deserves the careful and coordinated attention of the Federal Government, as well as the private sector, in order to avert major disruptions on January 1, 2000.''

I wrote the President, on July 31 of that year, to relay the findings of the CRS report and raise the issue generally. In time, a Presidential appointment was made to deal with this in the executive branch. And last spring—less than 1 year ago—the majority and minority leaders had the perception to appoint the Senate Special Committee on the Year 2000 Technology Problem.

We have done a fine job preparing for the Year 2000. It took some cajoling, but people finally began to listen. The Federal Government should make it. The securities industry has been out on front on this. Their tests went very well this past March and April. When Senator BENNETT and I held a field hearing last summer—July 6—in the ceremonial chamber of the U.S. Federal Court House for the Southern District of New York, we found the big, large international banks in the City advanced in their preparations regarding this matter.

But much work still remains to be done. Testing and contingency plans are still being addressed. Last year, Senators BENNETT, DODD, and I introduced the Y2K Disclosure Act. This act, which the President signed on October 19, 1999, has been very successful in getting businesses to work together and share information on Y2K. S. 96 builds on the Disclosure Act and encourages remediation and information sharing. It is a good short-term fix for a once-in-a-modern-civilization problem, and I encourage the Senate to pass it forthwith.

The PRESIDING OFFICER. Who yields time?

Mr. MCCAIN. Does the Senator from North Carolina want to use his time?

Mr. HOLLINGS. I thank the distinguished Senator. Mr. President, I yield 10 minutes to the distinguished Senator from North Carolina.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Carolina.

Mr. EDWARDS. I thank the Chair.

Mr. President, we have a bill before us today that has had a great deal of discussion. I just listened to my friend, the distinguished Senator from Connecticut, discuss it. He and I agree about a great many things. We agree about a great many things with respect to this bill.

I think it makes great sense to pass a moderate, thoughtful bill that provides protection for the computer industry. I think it makes sense to create incentives for consumers, buyers of computer products and those people who sell those products to, No. 1, try to remedy any Y2K problems that might exist with the computers they purchase and, No. 2, to work together to solve any problem that either of them may have, either the seller or the purchaser.

I think it makes a great deal of sense, as a result of that, to have a cooling off period. I think the 90-day cooling off period is something I strongly support. I add to that, I strongly support the idea of alternative dispute resolution which has been discussed at great length on the floor of the Senate. I think all those things accomplish positive things. They accomplish the goal of providing some legitimate protection for the computer industry. They accomplish the goal of having folks work together to try to avoid lawsuits. I think those are things that we ought to support.

There is a fundamental problem with this particular bill. The problem is this: There are going to be cases where purchasers of computers, whether they be consumers or small businesspeople, are going to suffer legitimate losses. They are going to have a Y2K problem. Their business is going to get shut down. They are going to have to continue to make payroll. All of us who grew up with small businesses understand that proposition. They are going to have to keep paying their employees, keep having overhead. But as a result of a Y2K problem, they do not keep generating revenue.

They are going to have a real and substantial loss. The computer company or salespeople who sold them the computer may well be responsible for that loss. In those cases where the computer company or the manufacturer acted in a reckless or irresponsible way on one hand, and in addition to that, we have a purchaser who suffered a real substantial and legitimate loss—I am not talking about something frivolous, not talking about their VCR won't work; I am talking about their family-run and family-owned business has been put out of business—that loss exists as a result of a Y2K problem clearly caused by somebody's irresponsibility, what we have to recognize is that loss will not go away. It exists. It exists in reality. It exists in the pocketbook of this small businessman.

The question is really very simple. Who will bear that real and legitimate loss when it occurs?

There are two problems in this bill. One has to do with the issue of joint and several liability. The other has to do with economic loss. They are both devastating in how they deal with that issue.

If you start with the basic premise that that loss which has been suffered by the consumer or a small businessperson is a real loss that is not going to go away, then the question becomes, who is going to pay for it? By eliminating joint and several liability, what we have said by law is if there are multiple parties who may be responsible, but for some reason one of those parties can't be reached, that we are going to shift that part of the responsibility, whatever, because it is an offshore company, if it is a company going bankrupt, out of business, whatever, and that company was 20 percent responsible, that loss gets shifted to the innocent consumer, the businessman, under this law. That is exactly what this law does.

Joint and several liability has existed in this country for 200 years. It

exists for a simple reason—because it is fair and it is equitable.

What we say in the law of the United States is that we always want the guilty to pay and not the innocent. What this law does is, it changes that fundamental premise. If a Y2K problem exists and an innocent consumer or businessman suffers as a result, that share of the loss that can't be recovered will be borne not by those who participated in the loss, the guilty, but will be borne by the innocent. That is one problem.

There is a second problem that is even more devastating. This bill essentially eliminates the right to recover economic losses, which means, in my example, a small businessman whose family-run-and-owned business has been put out of business, as between him or her and a computer company or computer sales business that has sold the computer to him knowing it was non-Y2K compliant, as between those two, what we say in this law is, the innocent purchaser will bear the loss.

It is so important for all of my colleagues and the American people to recognize that there has been a lot of rhetoric on the floor about lawsuits and lawyers and the trial bar I heard Senator DODD talking about a few minutes ago. This has nothing to do with lawyers. What we are taking about and what we ought to be talking about is who is going to be protected by this bill and who is going to be hurt by it.

We know who is going to be protected. The big computer companies will be protected. Now the question is, Who will be hurt? It is not lawyers that will be hurt. The people who will be hurt are consumers and small businessmen. It really becomes a very simple proposition. We are protecting the big guy, and we are shifting that injury and damage to the little guy. It is the little guy that gets hurt by this bill.

In my example where a computer has been sold that is non-Y2K compliant, the people who sold it did it absolutely intentionally. They knew exactly what they were doing and some innocent businessman in a small town in North Carolina gets put out of business. If this law passes, this is what he can recover; he can recover the cost of his computer.

Well, he is going to have a great time explaining to his family, to his mother and father, who spent their life building up his business, that they have been put out of business and they can identify who caused it and they did it intentionally and willfully and they were irresponsible, but all they can ever get back is the cost of their computer.

It is fundamentally wrong. It is inequitable and it is unfair. That is what is wrong with this bill.

I want to mention three specific examples that I think show the American people what a problem we have. Example No. 1, let's suppose we have a businessman who runs his assembly line with a computer system. On November 15, 1999, this year, the computer salesman comes to him and sells him a new system. Let's assume that computer salesman knows the system is not Y2K compliant. On January 2, 2000, his assembly line comes to a grinding halt. It does so because of this Y2K problem. The people who sold it to him were reckless and irresponsible in doing so. He has lost all of his sales. He can't produce a product.

Let's assume that some of his customers will void their contracts, which they would. He doesn't have what they need and they have to get their product somewhere. They void their contract because he doesn't have anything to sell them. He can't meet payroll. For about 3 weeks, he is able to pay his people, but he can't meet payroll now because he has nothing to sell anymore. He goes out of business. Under section 12 of this bill, under that example, this is what this manufacturer can recover: The cost of the computer. He may have lost thousands and thousands of dollars. He has been put out of business, and what he can get back is the $5,000 cost of the computer. That is one example.

Let me give a second example. Suppose a businessman buys a computer program that manages his billings, his promotional mailing, and his data bases. On January 1, 2000, the program fails and renders the computer unworkable. The business can't send out its bills and loses the use of its mailing list and data base for more than 2 months; as a result, it goes under. Under this bill, he has been run out of business—clearly a Y2K problem, clearly the responsibility of the people who sold him the computer system. But all he can recover is the cost of his computer.

Finally, assume that we have a doctor who buys an infusion pump which is run by a computer, which is done all over the country in doctors' offices, and he uses it for a surgical procedure in his office. Because of a Y2K problem, it fails during surgery and a patient he cares about is severely injured as a result. They sue him for malpractice. He has to pay some huge judgment. He doesn't have enough insurance to cover it, so he loses thousands and thousands of dollars and his business is ruined. What that doctor who is operating in small town North Carolina is allowed to recover is the cost of his computer.

The problem is—and all three of these examples show it—it is very fundamental to the problem existing in this bill. We are going to have real and legitimate losses that are caused by irresponsible conduct. The vast majority of computer companies in this country will act responsibly, but the reality is, as we all know, there will be a minority of those companies that do not act responsibly. We are going to have small businesspeople and consumers all across the United States who have real losses. I think my colleagues, Senator MCCAIN, Senator WYDEN, and Senator DODD, would all recognize that is true. That is reality.

What we do when we pass this bill is we take that real, legitimate loss that has to be borne by somebody—it doesn't disappear into thin air because the Congress of the United States passes a law. These folks who run small businesses and these consumers are going to have some real losses. It is a simple question: Who pays for those losses?

What I propose is that we have a bill that creates every conceivable incentive to cure Y2K problems, to cause these people who have legitimate complaints to work to solve those problems; that makes the purchaser do everything in his power to reduce his losses, to act in a very responsible way; that we streamline the process; that we find a way to have alternative dispute resolution; that we make the court procedure as simple as it can possibly be. All of those things would go to help with any litigation that might occur, or any day in court that may occur.

The problem is that this bill takes that loss that is real and legitimate and says we are going to go a step further; we are going to say when somebody suffers a real and meaningful loss, we are going to make the innocent consumer and the small businessman bear that loss. It is fundamentally wrong. It is inequitable. It violates every principle of law that exists in this country.

The American people absolutely do not believe in this and would not support it. They don't want frivolous lawsuits. None of us do. We ought to cut those off. They want people to use alternative dispute resolution. They don't want people going to the courthouse the first time they have a problem. We ought to do something about that. But what we should not do is throw the baby out with the bath water. There are going to be real people out there who have real losses, and it is simply not right—and the American people in their gut know it is not right—to take that loss and shift it from the people who are responsible to the innocent people who have suffered.

I will make one last comment and I will be finished. I have heard Senator DODD and Senator WYDEN talk at great length about the sunset nature of this bill, that this is a 3-year bill. With all due respect to those arguments, I think they are a smokescreen. This bill will cover virtually every Y2K problem that exists, because by the very nature of the problem, it is going to come into existence in the year 2000. So it doesn't make any difference. They could cut it off in 2 years, or in a year and a half. It would not make any difference whatsoever. It could be 20 years. It is going

to cover exactly the same losses—those losses that rear their ugly heads in the year 2000 because of a Y2K problem.

So what I say to my colleagues and to the American people is that, being from a State where we are very proud of our technology industry and believing that the great majority of technology companies act in a very responsible way, I think it makes a lot of sense to provide some thoughtful protection for those folks and to provide the kind of incentives we have talked about today. But I don't think we should go so far and be so drastic and so dramatic as to take away a real and legitimate loss and to take that loss, which is not going to disappear, and shift it from the people who are responsible for it to the innocent consumers and to innocent small businesspeople. I think that is wrong. I think it is protecting the big guy against the little guy. For that reason, I oppose this bill and will vote against it.

I yield the remainder of my time.

Mr. WYDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. WYDEN. Mr. President, I want to respond to some of the points made by the distinguished Senator from North Carolina. But before I do that, I want to talk about what a vote against this legislation means today.

A vote against this legislation today means that the high-technology sector, which is driving this Nation's economic prosperity, doesn't deserve the same kind of treatment afforded the airline manufacturers; the high-technology sector doesn't deserve the same kind of treatment afforded the securities industry; the high-technology sector doesn't deserve the same kind of treatment afforded the financial services sector. I just don't think that makes sense, when it is so clear that we are going to have problems in the next century with respect to Y2K, that we would compound those problems by not giving high technology the same sort of protection that we have given to a variety of other industries.

Second, it seems to me that a vote against this legislation is a vote against the Nation's risk-takers, and it is a vote against the Nation's entrepreneurs who are working their heads off today to make their systems Y2K-compliant but are legitimately concerned about frivolous lawsuits. I don't think the Senate ought to be voting today against those risk-takers and entrepreneurs.

Third, it seems to me that a vote against this bill fails to recognize how dramatic the bipartisan changes have been to this legislation since it came out of the Senate Commerce Committee. The Senate Commerce Committee bill, as far as I am concerned, was a nonstarter. The House bill is a nonstarter. But this bill puts tough pressure on business and directs systems to cure problems, as well as those who might want to bring suits to mitigate damages.

Now, my friend from North Carolina has said repeatedly for days that if you have a problem and you are a small businessperson, you are not going to get to recover anything except the cost of the computer.

My question, colleagues, is, Why in the world would the overwhelming majority of the Nation's small businesses be calling for passage of this bill if all they got when there was a problem was the cost of a computer?

I agree with the Senator from North Carolina. These are dedicated, thoughtful people. Why in the world would they be in support of a bill if all they got was the cost of the computer?

The reason they are for the bill is they get all the rights that are prescribed in the contract that a majority of them signed when they purchased a computer. They get the damages that are the foreseeable consequence of a Y2K problem. They get economic losses as prescribed by State contract law. That is the reason why the overwhelming number of small businesses in this country are for this legislation.

The fact of the matter is, colleagues, that the so-called culprits who are behind the Y2K problem are folks who didn't really realize decades ago what we would be faced with at the end of the century.

Let me tell you what Alan Greenspan had to say recently on this issue. Alan Greenspan said, ''I am one of the culprits who created the problem. I used to write those programs back in the 1960s and 1970s, and was so proud of the fact that I was able to squeeze a few elements of space by not having to put 19 before the year.''

That is what Alan Greenspan said. He said he was one of the culprits behind the problem. In the infancy of the information age when every byte of memory cost about $1 million, he saved his company a lot of money. Today a million bytes of memory can be bought for less than a penny.

This problem was a result of an engineering tradeoff, not some kind of conspiracy of computer geeks. I doubt that any computer programmer ever dreamed that programs written in the 1960s and 1970s would still be running today.

But the point of this legislation is to keep the heat on all of our Nation's companies to do everything they can to make the chips and the computers and all of our systems Y2K compliant. Let's get the problem fixed. But let's also have a safety net in order to ensure justice for those who have problems.

I want to say to my friend from North Carolina, the distinguished Senator, that he talked about how companies that are big and bad are going to get off the hook; they are going to get a free ride, and, again, you are not going to get anything except the cost of the computer.

Let me tell you what the hooks are for those that are big and bad. If you are ripping people off, you are going to get stuck with joint and several liability. You are going to get stuck with punitive damages. That is what happens under this legislation when you are big and bad.

But what we say in the many cases where we don't have that kind of conduct—the Senator from North Carolina and I certainly agree on this point—is you will be liable for the proportion of the problem that you caused. We say that the small businesses deserve a break on punitive damages.

But let's make no mistake about it, colleagues. If you are big and bad, the hooks in this bill are clear. Nobody is getting off the hook. You get stuck with joint and several liability. You can be held for punitive damages. That is in the text of this legislation.

There is a reason, colleagues, why the little guy is for this bill. There is a reason why the overwhelming number of small businesses in this Nation are for the bill. It is that those risk takers, those entrepreneurs, those innovators are saying, as we take the steps to make our systems Y2K compliant, let's also have a safety net so if there are frivolous lawsuits that we aren't going to lose everything as a result.

This bill has seen 11 major changes to favor the consumer, the plaintiff, and small businessperson since the legislation left the Senate Commerce Committee. I particularly want to credit the chairman of the committee, Senator MCCAIN, and the Democratic leader on the technology issue, Senator DODD, who have worked so hard to help fashion this proposal.

I hope today when we vote that we will not send a message that high technology doesn't deserve the same kind of treatment that airlines get, that the securities industry gets, that the financial services sector gets. Let's pass this bill. Let's send it to the conference with a resounding vote.

I yield the floor.

UNANIMOUS CONSENT AGREEMENT—H.R. 1664

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I ask unanimous consent that prior to the cloture vote on the motion to proceed to H.R. 1664 there be 10 minutes of debate equally divided between Senators NICKLES and BYRD.

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

Mr. MCCAIN. Mr. President, I ask unanimous consent that the agreement regarding H.R. 1664 be amended to add 5 minutes for Senator DOMENICI.

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

Mr. McCAIN. Mr. President, I yield the floor.

Y2K ACT

The Senate continued with the consideration of the bill.

Mr. HOLLINGS. I yield 2 minutes to the distinguished Senator from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. EDWARDS. Mr. President, I would like to respond very briefly to my colleague from Oregon, Senator WYDEN.

First, I point out that based on my study of the issue it appears to me that virtually every consumer group which is composed of, among others, small businesspeople around this country is opposed to this bill.

Second, and more importantly, Senator WYDEN said—I am quoting him—that the ''bill permits recovery of damages for foreseeable consequences.''

I say with all due respect to my colleagues that is exactly what the bill does not permit. That language appears nowhere in this bill. I challenge him, since he has made that statement, to find the language in the bill that says ''damages for foreseeable consequences.''

Mr. WYDEN. Will my colleague yield?

Mr. EDWARDS. I will.

Mr. WYDEN. I appreciate that. Of course, that is what many contracts say. That is the economic loss rule. We say that the rights that apply are the rights of contracts, which most small businesses enter into when they buy the system. It is the State economic loss rule. State contract law with respect to economic loss covers those issues.

I appreciate him yielding.

Mr. EDWARDS. My response to that is, first of all, the vast majority of the computers are not bought pursuant to a written law in contract, because most folks are not able to hire a team of lawyers to draft a contract on their behalf. So the contracting is a meaningless concept, except as between one big company buying the computer system from another big company. Otherwise, contracts don't exist. In the absence of a contract, this bill eliminates recovery of economic losses.

It is that simple. They do not allow for the recovery of damages that are the result of foreseeable consequences.

It is a huge, fundamental problem with this bill. It will not allow people to recover anything but the cost of their computer. That is what the bill says.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HOLLINGS. I yield 5 minutes to the distinguished Senator from California.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I say thanks to my friends, Senator HOLLINGS and Senator McCAIN. They worked very hard on moving this piece of legislation through.

I really like the premise of this bill. As a matter of fact, when I saw there was a bill introduced, and there were several that gave a 90-day cooling off period where we can fix the Y2K problem, I thought, there is a great idea. But the more I got into it, the more I saw the consumers being trampled on.

That is not the way my friend from Oregon sees it. I have the utmost respect for him. We just simply disagree. I say: How do you know who is right? I harken to what Senator EDWARDS said. Every consumer group is against it. They don't like taking on lost causes that they are going to lose.

This bill is going to pass overwhelmingly. Why would consumer groups step up to the plate and say it is wrong? Because in their heart they know the bill goes too far.

I am just going to give you three examples of what happened to this bill when it came to the floor. I am going to pick out three amendments as examples as to why this bill moved over so far to the anticonsumer.

Take one of the amendments of Senator EDWARDS. My friend offered an amendment that simply said that if you sell a computer in the year of 1999, or you sell software, and it is supposed to be Y2K compliant and something happens, you should get the protection of the underlying bill.

Why should we protect people who sell a computer to an ordinary person, or a small business, or sell software in the year of 1999, I say to my friend, as late as November of 1999, and then, whoops, it goes wrong, and in the year 2000 you still get the protection of this bill? I don't get it. It goes too far.

Then we have the Boxer amendment supported by a number of my friends.

What did that say? In the remediation period of that 60 days after you have notified the computer company or the software company that you have a failed product, they have to fix it, if they have a fix.

We had 31 votes or something like that. Where are the voices of the consumer in this Senate? It is perplexing to me. We showed at that time the law of the State of Arizona, a law on Y2K protecting their computer people, as well. Guess what. It said in the remediation period, you must offer a fix to the people.

If this is supposed to cure the problem, how are we curing it when we vote down the Boxer amendment, which said if there is a fix, fix the computer, fix the problem?

Today, we have the Gregg amendment. If I am correct, it is my understanding that the Gregg amendment will be accepted; is that correct?

Mr. HOLLINGS. I don't know. I had not discussed it with the distinguished Senator.

Mrs. BOXER. If it is accepted or we know they will pass because they all are passing, what does the Gregg amendment do? Under the Gregg amendment, if your small business makes a certain chemical and has to live by the rules of the Environmental Protection Agency regarding dumping of that chemical, but your computer goes on the fritz—I don't mean that in a derogatory way—your computer breaks down, guess what. Under the Gregg amendment you don't have to live by the environmental laws. Dump that stuff anywhere, because you will get a waiver which says the problem was my computer went down and, therefore, I can't live within the environmental laws.

This is amazing.

I have given the Senator three examples of how every proconsumer amendment has been voted down and every amendment that flies in the face of good government has moved forward. I am totally shocked and chagrined that we could not even pass the simplest amendments.

I see my friend from Vermont is here. I yield the floor.

Mr. HOLLINGS. I yield the remainder of my time to the Senator from Vermont.

Mr. LEAHY. Mr. President, earlier I came to the floor to show what happens in an actual case today under the law.

In a case in Warren, MI, a man bought a $100,000 computer system and it was not Y2K compliant. He almost lost his business. However, he was able to follow the State laws we have today. He was able to use State law, enforce it, and save going into bankruptcy, save being out of business.

Under the law before the Senate today, instead, here is what would happen. Rather than a straight line of protection for that small businessperson, here is the way it goes: dead end, dead end, roadblock, roadblock, dead end, dead end, roadblock.

Now they say they have cured it. What did they do? They took off one of the roadblocks.

Look at this chart. The roads in Kosovo are easier to drive through than the roads on this so-called Y2K ''correction'' bill.

I wish we did what we did last year. We had a good Y2K bill. The information-sharing law, S. 96, was done in a truly bipartisan way. It passed virtually unanimously. It was signed into law.

Now we have a bill, instead of making efforts to bring all parties together to have a bill the President could sign, we have something we know the President will veto, and he will veto it because of these dead ends, because of these detours, because of these roadblocks, because the court door is slammed, and because it wipes out every single State law in this country—all 50.

Mr. President, a few months ago, I came to the Senate floor to take a look at what this Y2K liability bill will actually do in a real life situation. I had a similar chart with me at that time.

Since then, we have heard some of my colleagues praise the so-called compromise on the Y2K liability protection bill. I have adjusted my chart to take into account the changes made to S. 96. You can see that this new so-called compromise eliminated only one road block on the road to justice. The ''compromise'' dropped liability protection for officers and directors of corporations that have Y2K computer problems. All these other special legal protections are still in S. 96.

Let's take a closer look at my chart under the modified S. 96. The chart still illustrates the many detours, roadblocks and dead ends that this bill would impose on a innocent plaintiff in our state-based legal system. Let's take a real life example of a Y2K problem and see what would happen under the sweeping terms of this new bill.

A small business owner from Warren, Michigan, Mark Yarsike, testified this year before the Commerce and Judiciary Committees about his Y2K problems. In 1997, he brought a new computer cash register system for his small business, Produce Palace, that was not Y2K compliant. Naturally, he assumed his new cash register system would be Y2K compliant. But it was not.

His brand new high-tech cash register system, which cost almost $100,000, kept crashing. After more than 200 service calls, it was finally discovered that his computer cash register system kept breaking down because it could not read credit cards with an expiration date in the year 2000. A Y2K computer defect that would be covered under this so-called ''compromise'' bill.

At the top of this chart is how the state-based court system works today for Mark Yarsike. His business buys a new computerized cash register system and a Y2K defect crashes the system. He then asks the cash register company to fix the system. If Congress rejects current Y2K liability legislation, a small business owner has two options under traditional state law.

The cash register company agrees to solve the Y2K problem and the small business owner has a quick and fair settlement.

If the company fails to fix the cash register system with the Y2K defect, then a small business owner has the option to have his day in court and proceed with a fair trial. That is what Mark Yarsike did. He was forced to buy a new computer cash register system from another company and sued the first company that sold him the non-Y2K compliant system. He was able to recoup his losses through a fair settlement.

Today's court system worked for him.

Now what happens to that same small business owner who brought a Y2K defective computer cash register system under the bill before us. Well, the current ''compromise'' bill overrides the 50 state laws and places new Federal detours, roadblocks, and dead ends from justice for that small business owner. Let's take another look at the chart.

If Congress enacts this Y2K liability protection legislation that overrides state law, the small business owner faces all these special legal protections on his road to justice.

The bill's sweeping legal restrictions include—90 day waiting period, preservation of unconscionable contracts' terms, heightened pleading requirements, new class action requirements, duty to anticipate and avoid Y2K damages, override of implied warranties under state law, caps on punitive damages, limits on joint and several liability, and bystander liability protection. All these special legal protections still apply to small business owners and consumers under this so-called ''compromise.''

All these dead ends on the road to justice may force a small business owner, like Mark Yarsike, to file for bankruptcy or lay off employees.

The bill contains severe limits on recovery by capping punitive damages to 3 times the amount of compensatory damages or $250,000, whichever is less, for medium-sized and small businesses. The sponsors of this ''compromise'' have touted the fact that they struck the looser punitive damages cap for larger businesses that was in the bill. I agree that this is an improvement, but it comes with another troubling compromise.

The bill now defines small businesses as firms with fewer than 50 employees, instead of firms with fewer than 25 employees, which was the definition in the original bill. As a result, the absolute cap of $250,000 on punitive damages now applies to many more businesses without any justification. Never before in any product liability tort ''reform'' bill has a small business been defined so broadly.

An exception to this punitive damages cap has been added if a plaintiff can prove that the defendant intentionally defrauded the plaintiff. Of course, the plaintiff must prove this by a higher standard of proof than normal—by clear and convincing evidence. Even the legal standard to prove an exception is stacked against the plaintiff under this bill.

This exception will prove meaningless in the real world because no one will be able to meet this exception for proving the injury was specifically intended. How in the world is our small business owner going to prove that the cash register company intentionally tried to injury him by selling a Y2K defective cash register system? How in the world is our small business owner going to prove this specific intent by clear and convincing evidence? Get real.

As a result, the small business owner who is harmed by the Y2K defective cash register system may be forced into bankruptcy or lay off employees.

To the credit of the sponsors of this ''compromise,'' they have struck the last road block in the original bill—special liability protection to directors and officers of companies involved in Y2K disputes. I commend them for striking this section. Providing special Y2K liability protection to the key company decision makers would hinder Y2K remediation efforts. Instead, we want to encourage these key decision makers to be overseeing aggressive year 2000 compliance measures.

I hope special legal protections for corporate officers and directors does not resurface in the final bill after conference with the House.

A few of these detours, roadblocks and dead ends in this so-called ''compromise'' may be justified to prevent frivolous Y2K litigation. But certainly not all of them.

This bill makes seeking justice for the harm caused by a Y2K computer problem into a game of chutes and ladders—but there are only chutes for plaintiffs and no ladders. The defendant wins every time under the rigged rules of this game.

Unfortunately, this so-called compromise bill still overreaches again and again. It is not close to being balanced.

During Senate consideration of S. 96 last week, some of my colleagues and I offered amendments to add some balance to this bill. But the majority defeated every one.

Senator JOHN KERRY offered an alternative, which was endorsed by the White House. The President would sign Senator KERRY's bill tomorrow, but the majority voted it down.

I offered a consumer protection amendment to exclude ordinary consumers from the bill's legal detours, road blocks and dead ends. My amendment would have granted relief from the bill's broad Federal preemption for ordinary consumers to access their home state consumer protection laws. But the majority voted it down.

Senator EDWARDS offered two amendments to add balance to the bill. The first clarified the bill's economic loss section to ensure that recovery would be permitted only for claims allowed under applicable state or Federal law effective on January 1, 1999. The second excluded bad actors from the bill's special legal protections if they sold non-Y2K compliant products in 1999. But again the majority voted down these amendments.

Senator BOXER offered an amendment for computer manufacturers to offer free or at-cost fixes to small businesses and consumers who had purchased Y2K defective products as a requirement for these same computer

manufacturers to be protected under S. 96. This amendment would have added real balance to the bill. But the majority voted it down.

The prospect of Y2K computer problems requires remedial efforts and increased compliance. But as last week's delay in voting on final passage of S. 96 made clear, this bill is not about promoting Y2K compliance; it is about sweeping liability protection and partisan politics.

I fear that all the special legal protections for Y2K problems in S. 96 will hinder serious Y2K remediation efforts in 1999. Instead of passing protections against future lawsuits, Congress should be encouraging Y2K remediation efforts during the last six months of 1999. We have to fix as many of these problems ahead of time as we can. Ultimately, the best business policy and the best defense against Y2K-based lawsuits is to be Y2K compliant.

That is why I hosted a Y2K conference in Vermont to help small businesses prepare for 2000. That is why I taped a Y2K public service announcement in my home state. That is why I cosponsored Senator BOND and Senator KERRY's new law, the ''Small Business Year 2000 Readiness Act,'' to create SBA loans for small businesses to eliminate their Y2K computer problems now. That is why I introduced, with Senator DODD as the lead cosponsor, the ''Small Business Y2K Compliance Act,'' S. 962, to offer new tax incentives for purchasing Y2K compliant hardware and software.

These real measures will avoid future Y2K lawsuits by encouraging Y2K compliance now.

Last year, I joined with Senator HATCH to pass into law a consensus bill known as ''The Year 2000 Information and Readiness Disclosure Act.'' We worked on a bipartisan basis with Senator BENNETT, Senator DODD, the Administration, industry representatives and others to reach agreement on a bill to facilitate information sharing to encourage Y2K compliance.

The new law, enacted less than nine months ago, is working to encourage companies to work together and share Y2K solutions and test results. It promotes company-to-company information sharing while not limiting rights of consumers. That is the model we should use to enact balanced and narrow legislation to deter frivolous Y2K litigation while encouraging responsible Y2K compliance.

Unlike last year's Y2K information sharing law, S. 96 is not narrow or balanced. Instead it is a wish list for special interests that are or might become involved in Y2K litigation.

This bill sends the wrong signal to the business community about its Y2K remediaton efforts. It is telling them; ''Don't worry, be happy.'' That will only make Y2K computer problems worse next year, instead of fixing them this year.

The coming of the millennium should not be an excuse for cutting off the rights of those who will be harmed, turning our States' civil justice system upside down, or immunizing those who recklessly disregard the coming problem to the detriment of American consumers.

I remain open to continuing to work with interested members of the Senate on bipartisan, consensus legislation that would protect consumers, deter frivolous Y2K lawsuits and encourage responsible Y2K compliance. S. 96 is not that bill.

The President will veto S. 96 in its present form, as he should. Then perhaps we can sit down with all interested parties and craft a truly balanced bill.

Those of us in Congress who have been active on technology-related issues have struggled mightily, and successfully, to act in a bipartisan way. It would be unfortunate, and it would be harmful to the technology industry, technology users and to all consumers, if that pattern is broken over this bill.

Mr. MCCAIN. I yield 8 minutes to the Senator from Alabama, Senator SESSIONS.

Mr. SESSIONS. Mr. President, I am pleased to have the opportunity to comment on this extremely important bill. I congratulate Senator MCCAIN for his leadership. I am confident it will pass with a strong vote.

This morning we completed our second day of a joint economic committee on the high-tech national summit. We have heard some of the leading practitioners of computer business in America, including Alan Greenspan and the president of MIT, and we have discussed the tremendous role computers and high-tech equipment have played in the economic growth of this country.

Most people may not know that for a number of years the average wage of Americans has been increasing twice as fast as the cost of living. That is exactly what we want in America. We want productivity. That occurs because of an increase in the productivity of our workforce.

Mr. Greenspan, who everybody recognizes is such a knowledgeable person about our economy, attributes that primarily to the increased productivity that has come from being on line with our computer systems.

Experts, including Bill Gates of Microsoft, talked about the leading exports from the United States being computer related.

This is good for America. We are buying more than we take in. We are selling less than we buy. We need to change that. We need to increase our exports. The one industry that is strong in that record is the computer industry.

Craig Barrett of Intel testified yesterday. I asked him about the Y2K bill. He said it was critical for their industry to maintain economic growth.

Some say they can pay, and we can sue and sue. I know one Senator mentioned a case, and I believe it was the same case, in which a man testified before the Senate Judiciary Committee. He had filed a lawsuit over the computers in his company. He eventually won. I asked him how long it took. The litigation took 2 years.

With regard to asbestos, we have 200,000 lawsuits completed, 200,000 pending, with another 200,000 expected. They are filed all over this country. Do we want hundreds of thousands, perhaps even a million or more, lawsuits filed in every court in America, with every single case clogging those courts, distracting the computer companies from fixing the problem, trying to defend against the litigation with punitive damages and other unexpected costs that somebody might claim in a lawsuit?

We need to act. It is the responsibility of Congress to set the standards for lawsuits. We have every right to do that. That is what the legislative branch does.

We have an industry that deals throughout the United States. It deals throughout the world. We need to make sure it fixes the problem—and focuses on fixing the problem, not on draining its resources.

With regard to asbestos, 70 percent of the asbestos companies are now in bankruptcy, and of the money they paid out through this litigation onslaught, only 40 percent actually got to the victims.

What I think this bill is intended to do, with strong bipartisan support, is to make sure the moneys these companies spend are spent on fixing the problem. The idea that somehow joint and several liability is horrible is not so. Many States already have joint and several liability in every aspect of their legal system. We are simply saying for this one problem we will have joint and several liability. Frankly, I think that is the better way to go. Why should a company that is not responsible but for 10 percent of the problem pay the whole cost of the problem? What is just about that? I don't think that is a good argument.

We have a potential crisis in our country. We have the potential, make no mistake about it, to significantly damage our highest and most productive industry, the industry that has led to our economic growth and increased wages for American workers. We are endangering that community. If anyone thinks hundreds of thousands of lawsuits filed against all our computer companies in every county in America will not drain them of creativity, will not drain them of research and development, will not reduce their ability to be competitive in the world, I suggest that person is clearly wrong.

I thank Senator WYDEN and Senator DODD, on that side, and Senators MCCAIN and HATCH, who have worked on this bill. They have done a good job, and I am pleased to support it.

I yield the floor.

Mr. KYL. Mr. President, I support S. 96, the Y2K Act of 1999. The subject of Y2K liability is an important and timely issue for the Senate to address. As you know, I serve on the Senate Special Committee on the Year 2000 Technology Problem. Earlier this year, the Committee held a hearing examining Y2K litigation and its potential effect on the courts. A study by the Gartner Group estimated that the cost of Y2K-related litigation could reach $1 trillion.

The issue of liability is especially important to me. Last Congress, I sponsored the Year 2000 Information and Readiness Disclosure Act, which became law. That legislation encouraged companies to disclose and exchange information about computer processing problems, solutions, test practices, and test results that have to do with preparing for the year 2000. The goal of the bill was to encourage information sharing, which would in turn lead to remediation, which would in turn lead to greater Y2K compliance. Unfortunately, many companies still fear liability, and it is that fear of lawsuits that is inhibiting them from getting done what is needed—which is remediation. The goal of S. 96, like that of the Year 2000 Information and Readiness and Disclosure Act, is to ease the fear of lawsuits so businesses can focus on remediation rather than litigation.

S. 96 is the second major Y2K bill passed by the Congress. Earlier this year, the Senate passed (by a vote of 99 to 0) the Small Business Y2K Readiness Act, which became law on April 2. The bill directed the Small Business Administration to establish a loan guarantee program to guarantee loans of up to $1 million for small businesses to fix their computers or tackle other Y2K-related problems.

S. 96 enjoys bipartisan support and the backing of a broad coalition of business groups—large and small—including the U.S. Chamber of Commerce, the Information Technology Association of America, the National Retail Federation, the National Association of Independent Business, the Semiconductor Industry Association, to name a few. The bill provides incentives for fixing Y2K problems before failures occur and it encourages the prompt resolution of Y2K problems if they do occur.

Finally, I commend my colleague from Arizona, JOHN MCCAIN, for his tireless efforts in navigating this bill through the Commerce Committee and for his repeated attempts to secure its passage on the Senate floor. S. 96 will provide much needed protection against a potential flood of lawsuits against the nation's business community and I look forward to its prompt signature by the President.

Mr. THOMPSON. Mr. President, I rise in opposition to S. 96, the Year 2000 liability legislation. The problems caused by faulty computer software on January 1, 2000 may be severe, and some legislation addressing that problem may be warranted. Although I had concerns about S. 96 as it was originally offered, I supported invoking cloture on the bill because I wanted to see the compromise process continue so as to possibly improve the legislation. But even the modified bill would cause the litigation nightmare that it ostensibly seeks to avoid.

Were this bill to become law, both State and Federal courts would be required to resolve disputes resulting from Year 2000 failures not under familiar legal standards developed over 200 years, but by applying new legal terms and definitions, or terms never before applied to this context. As a result, vast amounts of litigation will be required to establish the meaning of those terms, and various State and Federal courts are certain to adopt different views of the same language.

For instance, the bill applies to injuries that result ''directly or indirectly from an actual or potential Y2K failure.'' Because it would be in the interest of defendants to apply the liability shields contained in this bill as widely as possible, many types of cases certainly will be characterized as ''result[ing] directly or indirectly from an actual or potential Y2K failure.'' Pre-trial motions, trial court rulings, appellate court decisions, and ultimately, appellate court rulings to resolve conflicting appellate court rulings will be necessary before the scope of cases actually covered by the bill is finally determined. Courts will consume years determining the meaning of other operative terms, such as ''material defect,'' or deciding precisely what factors are relevant in assessing ''the nature of the conduct.''

Although punitive damages have been a staple of the common law, this bill would impose a punitive damages regime never before adopted in any jurisdiction. While some States have adopted caps on punitive damages for noneconomic damages in personal injury cases, this bill represents the first time that a law would cap punitive damages with respect to property damage. No one has offered a compelling reason for this course. And no one can predict what the consequence will be of a blanket Federal rule on this subject in the absence of any State experiences with this approach.

The bill's effects on the procedures for resolving cases are equally serious. It would permit a defendant to respond to a complaint by indicating a willingness to engage in alternative dispute resolution. But the bill makes no provision for the actual availability of alternative dispute resolution in federal courts that lack them, nor does it ensure the use of State ADR procedures. And federal law would control the pleading requirements even of State law causes of action brought in state courts.

Additionally, I am concerned about the effect this bill would have on small businesses. Unless a small business is in the computer business, its exclusive role in Year 2000 litigation will be as a plaintiff, not a defendant. But this bill provides benefits only to defendants, benefits that would be of no use to most small businesses. At the same time, it denies otherwise available legal rights to small business plaintiffs. Apart from restricting their right to recover punitive damages, small businesses who currently could bring an action against a landlord who fails to provide working elevators so that customers and employees can reach their offices would not be able under this bill to sue the landlord if he for failed to take action now to make sure that those elevators will work on January 1, 2000. The landlord's relief from liability will both increase the chances that a small business' elevator will not work and decrease the recovery that the small business can obtain if in fact the elevator does not work.

Similarly, a small business that bought a computer that did not work now has the right to obtain consequential damages from that failure. If the business had to shut down because of the failure, the business owner could recover the lost profits for the period that the defective computer caused the shutdown. But under this legislation, all that the business owner who files a tort and contract lawsuit could obtain is recovery for damage to the computer itself. No compensation would be permitted for real injuries that the owner faces. There is no reason to impose this hardship on a small business that bought a product that it had every reason to believe would work. There is no reason to increase the protection of the company that did not take the appropriate steps to ensure Y2K compliance as against the workers who will be laid off because the small business cannot continue to operate.

Even though the bill does preempt state law in a number of areas, federal action might be appropriate to address a unique event such as the Year 2000 problem. There could in fact be a large volume of litigation that could overwhelm courts. But this bill is not an effective means of addressing that possible calamity. Reducing in advance the exposure of people who made non-Y2K compliant products will reduce neither the scope of the computer malfunctions nor the number of lawsuits. Restrictions only on the ability of plaintiffs, such as individuals and small businesses, to recover damages,

no matter how meritorious their cases, is not warranted. S. 96 will create many new issues to litigate, increase the likelihood that the Year 2000 problem will be great rather than small, and harm the ability of innocent persons to recover that which their states legally entitle them to retain. These are not desirable objectives, and for these reasons I oppose this bill.

Mr. KERREY. Mr. President, the debate surrounding Y2K Liability is a very important one. The estimated cost associated with Y2K issues vary greatly, ranging from $600 billion to $1.6 trillion worldwide. The amount of litigation that will result from Y2K-related failures is uncertain, but at least one study has guestimated the costs for Y2K related litigation and damages to be at $300 billion.

With that in mind, several bills have been drafted which encourage companies to prevent Y2K failures and to remedy problems quickly if they occur, and to deter frivolous lawsuits. It has essentially boiled down to 2 bills: the McCain-Wyden-Dodd bill, and the Kerry bill. Many of the provisions within the bills are the same; however, there are a couple of issues that warrant discussion.

I have studied these bills closely. And for me, what it all comes down to is two simple questions: Which bill provides more of an incentive for computer companies to identify and remedy potential Y2K problems? And, second, what effect will this legislation have on consumers?

First. Which bill provides more of an incentive for computer companies to identify and remedy potential Y2K problems? To answer that question, one needs to understand what the backers of this bill are so concerned about. The people that are pushing for this bill, namely, some of the computer companies and big business, are not afraid of me. They are not afraid of what Congress might do to them. What they are concerned about, and what they are afraid of, is 12 men and women on a jury. They are afraid of what a jury might do to them if they are sued and their case ends up in court before a jury.

Let me be clear: I do think this Y2K liability is a special situation and believe that we should provide computer companies with some type of certainty and protection from these lawsuits. That is why I want to pass one of these bills. However, I think we need to be careful that the protections we provide aren't so great that companies no longer have an incentive to fix their Y2K problems.

So, when I hear people asking to ''cap'' the amount of punitive damages that can be imposed against them, I can't help but to wonder, ''Why do you need to worry about that? The only time punitive damages are awarded is if the person has done something flagrantly wrong.''

Similarly, proportionate liability, which provides assurances to the defendant on how much money he would have to pay the plaintiff, is fair and reasonable for most defendants, but not all defendants. Under the Kerry bill, only good corporate citizens will have the benefit of proportionate liability. Under the McCain bill, all corporate citizens, no matter whether they act in good faith or bad faith, will be rewarded with proportionate liability.

Computer companies must have an incentive to identify and remedy potential Y2K problems. If we pass the McCain bill, which both caps punitive damages, and rewards all corporate citizens, both good and bad, with proportionate liability, I believe that would provide a disincentive to remedy potential Y2K problems.

Therefore, the answer to the first question is clear: the Kerry bill provides more incentive for computer companies to identify and remedy potential Y2K problems.

Second. The second question I had to answer is what effect will this legislation have on consumers? To answer that question, we need to look at one provision in particular: the economic loss provision. The economic loss provision has to do with whether a small business owner or the consumer is allowed to recover for lost profits, lost overhead, and out-of-pocket costs.

The McCain bill bars the recovery of economic losses for businesses in all Y2K contexts. The economic loss rule that I support, and the rule followed in most jurisdictions, says that if the parties have agreed by contract about the allocation of loss, then that agreement should govern. If there is no contract, then state law would apply.

What does this mean? It means that under the McCain bill, consumers and small businesses are going to be at a disadvantage. To illustrate, let's look at a very practical example that would apply to many small businesses in Nebraska. A businessman wants to open a flower shop. He goes into a computer store and talks to a computer salesman. That salesman tells the businessman that the computer is Y2K compliant and that come January 1, 2000, the computer will be fine. The businessman buys the computer for $5,000. The flower shop opens and is doing great. On January 1, 2000, the computer crashes and can not be fixed for four weeks. The businessman relies on his computer for almost everything, including as a cash register, a client database, and record keeping. As a result of the computer crash, his business is severely affected—he pays bills late, he can't meet payroll, and he loses customers, costing him a total of $75,000. Under the McCain bill, the only damages the businessman can recover are the cost of the computer, $5,000. The economic loss rule I support, the Edwards amendment, would allow the businessman to make a case as to why he should be able to recover at least some of his lost profit. Thus, to answer to the second question, the McCain bill would unfairly place small businesses and consumers at a disadvantage to computer companies.

Because of these reasons, I will cast a vote against the McCain Y2K Liability bill. I want to reiterate that I support the goals of this legislation—I want computer companies to have an incentive to identify and remedy potential Y2K problems, and I don't want there to be an onslaught of frivolous lawsuits beginning on January 2, 2000. Unfortunately, I do not believe the McCain bill in its current form is the proper way to address these issues.

If these issues are properly addressed in conference, I will support the conference report. Until that happens, although the McCain bill may achieve its goal of eliminating frivolous lawsuits, I believe this comes at too high a price to our small businesses and consumers.

Mr. ROCKEFELLER. Mr. President, the overriding point to be made today is that the vast majority of the Senate, Democrats and Republicans, and the White House, agree on the need for legislation to encourage Y2K readiness and to prevent frivolous litigation.

We all agree that there is likely to be a surge in Y2K related complaints and lawsuits and that everyone will benefit if many of those cases can be dealt with outside the courtroom. We agree on the need to encourage consumers and businesses to use remediation to fix Y2K problems and to use negotiation to settle disputes.

Where we differ is on the details of how to get there. And let me assure you from my 11 years of experience as a proponent of product liability reform—the details matter.

And the details should matter. In liability reforms, and especially tort reforms, what's at stake is the basic balance between plaintiffs and defendants, consumers and business, injured and responsible parties. Our state courts and legislatures have struggled for several hundred years to get that balance right. If we're going to change their work then we have a responsibility to work hard at getting the details right, too.

Senators KERRY and DASCHLE deserve a great deal of credit for wading into the middle of the Y2K liability reform issue. I've been in their shoes before, and I know how hard it is to try to find the middle ground. It is no easy feat to craft a bill that protects consumers, gives business the predictability and relief from frivolous suits they deserve, wins the support of the majority in Congress, and would secure a presidential signature.

Senators KERRY and DASCHLE came up with a bill that gives the high-tech community about 80 percent of what

they want, that meets every one of the objections outlined by the White House, and that won 41 votes in the Senate last week. I voted for that bill.

Forty-one votes, including the votes of many Senators who hold strong reservations about federalizing any part of our tort liability system at all. Forty-one votes shows us in plain terms that there is obvious overlap on the core issues and principals of this bill, and on a good many of the details.

What is so regrettable is that even after our negotiating a bill that gives most stakeholders most of what they say they need, my Republican colleagues and much of the business community would rather have an issue than a bill. A negotiated compromise that gives them 80 percent of what they want but also keep the courts open to legitimate claims apparently isn't enough.

So rather than achieve a major portion of their goals for the year 2000, they've decided to put all of us through an exercise that will result in nothing. Believe me, I've been down this road before. I know these issues, I know these stakeholders, I know the vote counts, and I know this White House on liability reforms. And I know what the outcome will be if we continue down this dead-end path.

What baffles me is to see the business community, once again, choose nothing. Haven't we learned from years of legislating on liability reforms that purists come away emptyhanded?

The bottom line is that the bill before us today is simply too far afield of what's doable. And the best way to get back on course for enacting a Y2K law is to vote against this bill and sit down at the negotiating table.

Unlike the never-ending products liability debate the opportunity to deal with Y2K suits won't last long. We can't afford to get it wrong. And we don't have time to pass a bill that we know will be vetoed and then come back to the drawing board.

I urge my colleagues not to squander this opportunity.

Mr. WYDEN. Mr. President, I rise today to ask my colleague, the Senator from Oklahoma, Senator INHOFE, a few questions regarding his amendment Thursday to the Y2K Bill.

Mr. INHOFE. I thank my colleague from Oregon, Senator WYDEN, and I am pleased to answer any questions he might have.

Mr. WYDEN. The Senator's amendment refers to temporary non-compliance with ''federally enforceable requirements'' because of factors related to a Y2K failure beyond the control of the party charged with compliance. Could the Senator provide an example of such a federally enforceable requirement so that this Body can understand the practical scope of the Senator's amendment, especially what would and would not be an imminent threat to health, safety or the environment that would bar the use of the defense?

Mr. INHOFE. I would be pleased to. An example of a use of the defense that this amendment would provide would be a federally enforceable reporting requirement on an energy facility. Suppose a plant operator is vigilant at the controls of a conventional power plant. At the stroke of midnight New Year's the plant is operating smoothly, and power is being transmitted to homes, hospitals, and nursing homes right on schedule. Further, the operator can see clearly that the environmental machinery that cleans emissions such as sulfur dioxide (an acid rain precursor) or nitrogen oxides (a contributor to smog) is operating normally in every respect save one. The computer readout from the continuous emissions monitor at the top of the smoke stack does not seem to be transmitting or storing the emission data verifying that equipment is otherwise in normal function. Repairing the bug in the monitor transmitter may take a few days over the holiday weekend.

Without my amendment the plant operator faces a terrible choice. Does he shut down the whole plant and let the people in the nursing homes freeze in the dark, or does he run the risk of severe sanctions for disregarding a requirement that he provide government agencies an unbroken chain of emission monitor print-outs? Mind you, he knows the pollution is being controlled as usual because he or she has hands on the equipment. With my amendment, the plant could keep operating, nobody's lights would have to go out unless—and this is key—doing so does not threaten public health, safety, or the environment. This is not a holiday from environmental quality laws.

Mr. WYDEN. Could the Senator also provide an example of when the defense would not apply?

Mr. INHOFE. Certainly, suppose the power plant were nuclear and—this time—a temperature gauge is broken and the operator does not really know whether the plant is operating in safe mode or not. In such a case, the operator could not, under my amendment, ''drive in the dark with no lights on.'' Clearly operating in such a fashion that could pose a risk to health, safety, or the environment would receive no protection under my amendment, and no sympathy from me.

Mr. WYDEN. What does the phrase ''federally enforceable requirements'' mean? Is it broader than federal requirements?

Mr. INHOFE. It is broader only in the following respect. Many federal standards are actually implemented in collaboration with states. For example, it could technically be a state-issued monitoring and data recordation and reporting program that is enforceable federally.

Mr. WYDEN. I thank the Senator from Oklahoma for clarifying his amendment and I thank him for his work on this issue.

Mr. INHOFE. I appreciate the Senator from Oregon's interest in my amendment and I thank him for his support and assistance in getting my amendment accepted.

Mr. BYRD. Mr. President, in little more that six months time, each and every American is going to be impacted by one of the simplest, yet most complex technological problems we have ever faced. The so-called Y2K computer problem—simple to understand, but enormously complex in terms of its solution—has the potential to adversely affect every facet of our lives. Yet, while no one can say with absolute certainty what consequences will flow from the new year, there is one thing our litigious nation can be sure of: Come January 1st, many Americans will seek redress in our nation's courtrooms.

At the very time when businesses will need to focus their attention on mending computer problems and helping others deal with service disruptions, too many companies will, unfortunately, find themselves distracted from that important task by the threat of legal action. Equally troubling is the possibility of hundreds of thousands of law suits being brought in a matter of weeks or months; a situation which could simply overwhelm our judicial system.

Consequently, I am concerned that, unless we act now, our legal system may not be able to adequately address the ramifications of the new year in an efficient, fair, and effective manner. But beyond the courthouse doors, I am also deeply concerned about the potential long-term effect on our nation's computer industry.

Mr. President, a generation ago, the United States was the world's preeminent producer of manufactured goods. At one time, we were unrivaled in our construction of automobiles, aircraft, consumer electronics, communications equipment including satellite technology, and steel, to name but a few. For various reasons, though, we have lost our dominant position in each of these important areas. No longer do foreign companies immediately look to the U.S. when seeking to purchase an airplane or a roll of steel. And no longer do consumers around the world automatically purchase an American-made television, an American-made radio or an American-made camera. Those days are gone.

Yet, despite that circumstance, unsettling as it may be, the fact remains that the United States is predominate in the world of computers and computer technology. Companies such as IBM, Microsoft, Intel, and Compaq, are household names around the world, and for good reason. They, among many others, are American success stories that have produced enormous benefits

to our nation's economy and provided our workers with good, high-paying jobs.

Like many of my colleagues, I am troubled by the fact that some small businesses may suffer as a result of a Y2K failure. But it also troubles me to think that we may be on the verge of litigating our computer industry into submission. Where are we if, in our zeal to place blame, we cripple these corporate entities, some of which may be big and rich, but most of which are small? And how do we preserve what may be our last industrial stronghold if we are willing to treat the overwhelming majority of these companies, which have worked diligently and in good faith, the same way we treat those few unscrupulous firms that do not wish to accept their responsibilities? I believe that the protections afforded small business in the bill, while not as I would have written them, are adequate.

We must acknowledge that what is at stake here is of enormous long-term importance to the economic well-being of every American. Each of us has a duty to ensure that our technological and industrial base flourishes, not just in the coming months, but for decades. In weighing those factors, I sincerely hope that my colleagues will come to the same conclusion as I and support this legislation for the good of our economy, our workers, and our nation.

Mr. KOHL. Mr. President, we should act both to deter frivolous litigation over Y2K defects and to encourage Y2K fixes, but this bill will create as many problems as it solves. Instead of merely establishing incentives to address Y2K defects, several provisions in this bill could, perversely, discourage companies from acting responsibly and reward those who silently —and inexcusably—wait for defects to happen rather than cure them before disaster strikes. In short, I will oppose this measure because it fails to strike the right balance.

To be sure, the bill has improved from earlier versions, and some sections—like class action reform to curtail frivolous lawsuits and a 90-day waiting period to promote remediation instead of litigation—are steps in the right direction. Still, provisions like limits on punitive damages and a one-sided duty on consumers to anticipate all Y2K defects give businesses an excuse to continue doing nothing because even the bad actors end up with a lower risk for liability. And provisions like the elimination of ''joint and several'' liability, which I have supported in other contexts, seem out of place here where remediation is the heart of the matter. In other words, if a company isn't fixing a defect when it could be 100 percent liable, why should limiting its liability to a fraction of that be anything but a disincentive to take corrective steps?

While this issue has become a political football here in Washington, it doesn't play the same way in Wisconsin, where we know how to play football. Our home State businesses are concerned about the potential for wasteful litigation, and they want to see fixes rather than breakdowns. Like me, they do want Y2K liability reform. That is why I supported the Kerry/Robb substitute. But the Wisconsin businesses who've contacted me don't have very strong feelings about any of the provisions unique to the McCain/Wyden bill. And it is not surprising because, unlike as with product liability reform, here they are more likely to be plaintiffs than defendants, making them weary of measures that discourage remedial action.

I continue to believe that we should generally reform litigation. But if we are going to start doing it piecemeal, the place to start is probably in the product liability context, where 90-year-old products, still in use, are being judged by today's standards. The place not to start with sweeping reform is here—especially when it would benefit a software manufacturer who produces a product in 1998 that becomes dysfunctional just two years later and did nothing at all to try to prevent the defect from happening.

That said, there are moderate steps we have taken, and can take, to help address the Y2K issue. For example, last year I cosponsored and Congress passed the Year 2000 Information Disclosure Act. This law encourages the disclosure and exchange of information about computer processing problems by raising the standard regarding when companies can be liable for releasing false information. I also cosponsored the Small Business Year 2000 Readiness Act, which was signed into law earlier this year. It expands the Small Business Administration's lending program to provide companies with assistance as they work to become Y2K compliant. The Kerry/Robb substitute is a reasonable measure that can make a difference and, indeed, that the President can sign.

When all is said and done, I suspect we will enact a law this year and before the Year 2000, and that it will look a lot more like the Kerry/Robb substitute than the unbalanced bill before the Senate today. That would be fair to the high tech world and it would be in the best interests of consumers and small businesses in Wisconsin.

Mr. BURNS. Mr. President, today I rise to highlight the hypocrisy that I have heard during this debate on S. 96, the Y2K legislation admirably led by my friend, Senator JOHN MCCAIN. I have heard a number of Senators up here saying they would not do anything to hurt the high-tech industry. Those same Senators then turn around and offer an amendment or voice their support for an amendment that no one in the high-tech industry supports, but there is one group who supports their amendments, the American Trial Lawyers.

As Chairman of the Senate Subcommittee on Communications, I work with leaders from the high-tech industry on a daily basis. I sit back in amazement when I watch the economic success of our nation, which is largely driven by the high-tech industry. In fact, yesterday, June 14, Alan Greenspan testified in front of Chairman MACK's Joint Economic Committee and placed strong emphasis on the fact that the high-tech industry is driving our current economic boom. It is creating an economy like we have never seen before. I am working toward the goal of bringing high-tech jobs to Montana, my home state. I believe in my heart that the day will come when the high-tech economy delivers more good paying jobs to my fellow Montanans. I do not want anything to get in the way of this possibility. Let me give you a few amazing statistics that outline the success and tremendous growth opportunities in this industry. In 1998, there was anywhere from $32 billion to $50 billion in electronic commerce done worldwide depending on which research firm you listen to. The Gartner Group projects that in 2003 there will be $3.2 trillion in electronic commerce done worldwide. Think about that, $32 billion in 1998 and over $3.2 trillion in 2003 or 100 times as much electronic commerce in five years. Friends, we have never seen growth like this in an economic sector in American history. Further, in 2010, 20 percent of worldwide commerce will be done online. I ask myself, ''What can the Government do to make sure these numbers become a reality?''

We need to stay out of the way. What can the Government do that could stop this unprecedented growth? I can tell you what we could do to stop the growth of the industry, we could listen to our colleagues who are up here carrying the water of the trial lawyers.

Let me show you exactly why the American trial lawyers do not want to see this legislation pass. The Gartner Group estimates that the cost of dealing with the Y2K bug worldwide will run in excess of $600 billion. Yet, we continuously hear that class action lawsuits and other suits are being filed or are being written for later filing that may reach past the $1 trillion mark. Do you know any industry in the world that is so resilient that it can easily take a $1 trillion hit without being slowed down in its growth? I don't. As a matter of fact, as big as the Y2K problem is, the biggest problem our high-tech industry faces is from the trial lawyers. We cannot stand by and let this happen.

I want the American people to see why many Senators are carrying Amendments that are supported by the American trial lawyers. In the 1998

election cycle, nearly 90 percent of the roughly $2.4 million given to federal candidates by the American Trial Lawyers Association was given to Democrats. Every single one of the Amendments offered here on the Senate floor that the American Trial Lawyers Association backed has been offered by Democrats. It is not hard to see the correlation and draw conclusions. President Clinton has threatened to veto S. 96 if passed in its current form. Sure enough, if you look back to his election in 1996, you find that over 90 percent of the money given by the American Trial Lawyers Association was given to President Clinton over former Majority Leader Bob Dole.

The Democrats stand on the Senate floor and say that their proposed amendments to S. 96 are proconsumer. I am here to highlight the hypocrisy in that statement. Is it proconsumer to slow the growth of our Nation's economy because of frivolous legislation? What the amendments do and President Clinton's threatened veto stand to do are to slow one of the most outstanding eras of economic growth this country has ever seen. And they say this is proconsumer? As voices for the people, we are elected to do what is best for the citizens of America. The high tech industry, which is carrying us into an unprecedented era of economic strength, wants to see this bill passed so that the $1 trillion plus in threatened lawsuits by the American trial lawyers never become a reality.

The Democrats are again threatening to play politics with a matter of grave danger and utmost importance to the American economy. I want to say to my colleagues, stand firm. Push this bill through unchanged, and send it to President Clinton.

The growth of the high-tech industry is absolutely critical to the continued growth of our Nation's economy. Make President Clinton tell the American people that he would rather see the trial lawyers have their day and pay rather than see one of the most exciting industries in American history continue its rise to the top of our Nation's economy. Do not let the American trial lawyers dictate our economy, stand in support of Senator MCCAIN's bill, S. 96.

Mr. DOMENICI. Mr. President, I rise in support of the compromise Y2K liability bill before the Senate today.

I want to commend my colleagues who have worked hard to put the Senate in position to pass this important legislation.

After working for years to enact securities litigation reform, I know how tough it is to battle the trial lawyers. In fact, many of the same entrepreneurial lawyers who specialize in securities class actions have already begun to file Y2K class actions.

Let there be no doubt that being a trial lawyer is big business. In anticipation of the problems associated with Y2K, lawyers have been putting on seminars on how to plead, try and negotiate Y2K lawsuits. Nearly 80 companies have already been hit by Y2K lawsuits.

Y2K offers these enterprising lawyers a new litigation gold mine. If we do not pass this bill, estimates are that the litigation costs from the Y2K problem will be as much as $1.5 trillion. That exceeds the cost of the asbestos, breast implant, tobacco and Superfund lawsuits combined.

Our economy is the envy of the world. High technology companies have done much to fuel the growth of the stock market in recent years, and they have provided millions of Americans high paying and rewarding jobs. The average high-tech wage is nearly 75% higher than the average private sector wage in the United States. These companies spend nearly $40 billion per year in research and development. I would rather see high-tech firms continue to spend their resources on their employees and on improving their products, rather than spend money on lawyers.

And there is no doubt that deep-pocketed technology companies will be the most attractive potential defendants in abusive Y2K litigation. These companies proved to be the most attractive for entrepreneurial securities class action lawyers, and I have every reason to believe that they will find themselves in the lawyers' cross hairs once again if we don't enact this bill.

Rather than turn our booming high tech economy over to the trial lawyers, this bill seeks to place some reasonable restraints on Y2K litigation. The focus of this bill is to encourage potential litigants to fix their Y2K problems without having to resort to the courts, and the lawyers.

The bill would require a 90-day cooling off period to allow potential plaintiffs to offer a way to cure any Y2K defects which arise in their products. This is a reasonable alternative to the ''rush to the courthouse'' atmosphere which might prevail without this legislation.

I am also pleased to see that the drafters of this bill have chosen to include the proportionate liability provisions from the Private Securities Litigation Reform Act of 1995 in this bill. These provisions, taken from the bill Senators DODD, D'Amato and I passed into law, are the essence of fairness in tort reform. Who can argue with the concept that defendants should only be responsible for the portion of damages corresponding to their actual fault in any given case? I guess the trial lawyers might argue with that idea, but few others would.

Finally, I want to say a word about punitive damages. I think the drafters of this bill have done all they can, and compromised as much as possible on the issue of punitive damages. At this point, unless you are a small business, there is no limit in this bill on punitive damages, if the plaintiff can prove by clear and convincing evidence that the applicable standard for punitives has been met.

In my view, I would have liked to see this bill further cap punitive damages. Punitive damages are designed to deter future wrongful conduct, but it has been shown that they serve relatively little deterrent purpose. This is particularly true in Y2K cases, where the problem is one that is fixable the first time it is discovered. Since we cannot have another ''millennium problem'' for another thousand years, I fail to see how punitive damages should apply in any Y2K case.

Former Supreme Court Justice Lewis Powell, in describing punitive damages generally many years ago, noted that they invited ''punishment so arbitrary as to be virtually random.'' Justice Powell wisely has commented that because juries can impose virtually limitless punitive damages, they act as ''legislator and judge, without the training, experience, or guidance of either.'' Justice Powell didn't know about the Y2K problem when he wrote these words, but they still ring true in this debate here today.

While many of us would have liked to see this bill go farther in a few areas, I believe that some lawsuit reform is better than no reform at all. Rather than let the trial lawyers run out the clock, the drafters have done a fine job reaching a compromise. This bill is a reasoned approach to the problem- one that emphasizes cooperation, not litigation and puts our economic growth and our high-tech businesses ahead of greedy trial lawyers. I am happy to support it.

I thank my colleagues for yielding me time, I again commend the drafters of this bill, and I yield the floor.

Mr. ROBB. Mr. President, while most people think of divisions in this body as divisions of party, there are other divisions as well. Increasingly, I'm becoming concerned about the division between those who want to create political issues and those who want to solve problems.

From the start of this debate, I realized that the crushing wave of litigation which could accompany the new year threatens to hinder our efforts to achieve Y2K readiness and exacerbate the damage done by the Y2K bug. The prospect of litigation enormously complicates an already complex problem. I have worked with others to try to move all interested parties toward enough of a consensus that we could get a bill that would be signed into law.

This effort to develop a consensus bill led to the development of the alternative offered by Senator KERRY. That substitute had the benefit of both addressing the legitimate needs of the high tech community and satisfying

the concerns expressed by the Administration. Instead we have voted out legislation which, if unchanged in conference, is heading toward a veto.

I have said from the outset that I believe we ought to pass a bill to address this real—and unique—problem. So today I voted for S. 96, to move it to the next stage in the legislative process. But I caution my colleagues that if this bill is not modified—if the conferees are not willing to address the remaining concerns in the upcoming conference—then we're still faced with a veto, we'll end up where we began, and we'll have wasted valuable time in reaching our goal.

With regard to the conference, I have heard that the House may simply adopt the Senate language, sending this bill directly to the White House knowing it would be vetoed. That's pure politics and it's counter-productive. From my negotiations with the White House, I know that they too want to find consensus, but at this point, the only way to find this consensus is to sit down with them in a conference setting.

If a conference does not take place, if this bill is sent to the President with the explicit knowledge that it will draw a veto, then the reports on Capitol Hill that some would rather have a Y2K issue than a Y2K solution will be obvious for one and all to see, because there is consensus to be found on this issue, if all parties are willing to negotiate in good faith.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I think we have had a very excellent debate. I yield the remainder of my time.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Democratic leader.

Mr. DASCHLE. Mr. President, I appreciate the opportunity to say just a couple of words about the pending bill. I will use my leader time, because I know we are out of time under the unanimous consent agreement.

Let me begin by saying I do not think there is disagreement at all among most of our colleagues about the importance of stopping frivolous Y2K lawsuits. We recognize that high technology is now the driving engine of our economy and will become an even more important part of our economy in the years ahead. We recognize that businesses need to focus on fixing the problem, not defending against lawsuits.

So we want a bill. We hope to have a bill the President will sign. I am disappointed we are not there yet. The White House has made it very clear the pending bill will be vetoed even with the changes that have been made so far. So we have gridlock. We have gridlock in large measure because we have not been able to resolve the remaining differences on this important legislation.

I think it is very important we balance the legitimate needs of industry to be protected from frivolous attacks and the rights of consumers. We differ on very critical legislative details that were the focus of a substitute Senator KERRY offered some time ago. We recognize that consumers and small businesses will face real problems. We need to protect their rights in court. That is one of our fundamental concerns about the passage of the current legislation.

We want a bill. We do not want frivolous lawsuits. But we also want to ensure that people have some protection.

Let me just give one example of what will happen if this bill is passed and signed into law. This is just one example.

The pending bill only allows small businesses to recover economic losses for tangible property damage. That is a phrase we are going to hear a lot more in the future, ''tangible'' property damage. This does not include the loss of business information, such as that contained in computer databases. So such losses, including billing records or customer lists, property that is critical to a business owner but which is not tangible, is not covered under the bill we are passing. Amazingly, the pending bill would even protect defendants from liability for fraud or misrepresentation.

If you are a small businessman watching C-SPAN right now, you are on Main Street and you are wondering what this bill is all about, under this bill, in those cases where you do not have a tangible property matter at stake, you have absolutely no protection. If you lose your database, if you lose that so-called nontangible property, you have no recourse. That is unacceptable.

I know we are going to get all kinds of debate, and I will probably get calls this afternoon: Yes, we do. The fact is, we have had analysis after analysis. The bottom line is that there is no protection for intangible property. That is not protected.

Defendants are even protected from liability for economic losses if they engaged in fraud or misrepresentation under the current legislation.

Our alternative, by contrast, only protects responsible companies. The biggest difference between our approach and theirs is that we protect only companies that have acted responsibly. We require companies to demonstrate that they have taken steps to clear up the Y2K problems.

For example, the pending bill provides blanket proportional liability. The Kerry amendment merely requires companies to have identified and warned potential victims of problems to get proportional liability.

The pending bill caps punitive damages for small companies. Punitive damages punish egregious conduct. We provide no such protection for irresponsible behavior in the alternative we offer.

The pending bill sets up roadblocks for consumers suffering from real Y2K-related problems. Our amendment lets them in the courthouse door to at least have the opportunity for redress their damages in a court of law.

This area of law traditionally falls under State jurisdiction. But this legislation, the pending bill, preempts State law. We acknowledge the need to do so because of unique circumstances, but we also recognize the need to be careful.

The pending bill virtually shifts all Y2K suits into Federal court. It makes it harder for consumers to bring a suit. It increases the strain on an already backlogged Federal court system. Chief Justice Rehnquist and the Judicial Conference oppose such federalization. Our bill places limits on class actions but does not federalize them.

In some ways our bill is very similar. Our version addresses all the basic concerns raised by the high-tech industry. Our plan is identical to the pending bill in many ways. Both give defendants 60 days to fix a Y2K problem. Both allow either party to request alternative dispute resolution. Both require anyone seeking damages to have the opportunity to offer reasonable proof—including the nature and amount of the damages—before a class action suit could proceed.

But while we recognize the need for a bill, we must carefully write it. Evidence is yet unclear as to the extent of this problem. Evidence is yet unclear about how much frivolous litigation will result from the Y2K bug.

We should not grant sweeping legal immunity to those who have caused but not corrected problems. Those who have not tried to address problems deserve no special protection. Yet, this bill provides them that protection.

Our approaches are identical in every important, necessary way. But they differ in critical ways for consumers and for our court system.

Our approach is the only one the President will sign, so it is the only one that has hope of becoming law.

The year 2000 is fast approaching. We cannot waste time debating a bill we know will be vetoed only to have to start all over again. It is senseless to do that.

If enough of our colleagues vote against this legislation, it sends a message to fix it in conference. If conferees fail to fix it, I will make every effort to pass another bill that addresses the problem, that the President can sign.

In fact, I will present again, as clearly as I can, an articulated, very understandable version of what the President will sign. I want to make it very clear what it is the President will sign and what he will not. We owe it to all of our colleagues to reiterate one more time just what it is that he finds so offensive about this.

Let's go back one more time, because I think it is so incredible an issue. If you are affected tangibly, if your property is somehow tangibly affected, you have redress, you can be compensated for economic losses; but if your database, if your mailing list, or if anything else in the computer is adversely affected, is lost, is destroyed as a result of an advertent or inadvertent error on the part of technology—you lose everything—you have no recourse. You cannot recover economic losses that result.

Is that really what we want to do? Do we want to destroy your opportunity for recourse when you have lost your database? When you have lost your mailing list? Do we really want that to be the law of the land overriding State law? That is exactly what we are voting on.

The answer is, I will bet you this afternoon a majority of our colleagues are going to say: Yes, that is what I am voting on. I will support taking away the right of a small businessman to go to court if he has lost his database. I will support the right of an errant computer salesman or somebody else to take away a small business's opportunity to go to court.

I do not believe we want to do that. That is why the President said he will veto this bill. We can do better than that. Nobody can plead ignorance. I am saying it this afternoon. I want everybody to understand it. Nobody can say, ''I didn't know that's what the bill did,'' because I am telling you right now, that is what it does.

So before you vote, my colleagues, understand, ignorance is not bliss here. Ignorance is no excuse. When they come back and say, ''I didn't know,'' we can say, ''I told you before the vote.''

If you want to take away a small businessman's right to go to court because he has lost everything, you go ahead and vote for this bill. If you want a bill that works, work with us, work with the President; let's get one approved by the Senate he can sign.

I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate now stands in recess until the hour of 2:15.

Thereupon, the Senate, at 1:16 p.m., recessed until 2:14 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. INHOFE).

Y2K ACT

The Senate resumed the consideration of the bill.

AMENDMENT NO. 623 TO AMENDMENT NO. 608

Mr. MCCAIN. Mr. President, it is my understanding that there is a Sessions amendment at the desk, No. 623, and I ask for its immediate consideration.

It is also my understanding, with the agreement of the Senator from South Carolina, that the amendment is acceptable to both sides. Therefore, I believe there is no further debate on the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 623) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 624 TO AMENDMENT NO. 608

Mr. MCCAIN. The next item of business is the amendment that was offered by Senator GREGG.

The PRESIDING OFFICER. The Senator is correct.

Mr. MCCAIN. Mr. President, the amendment is very well intentioned. I believe we more appropriately sought to deal with this matter when we adopted the Inhofe amendment. I come to the conclusion that the Gregg amendment could possibly have an adverse affect on the bill and lead to more litigation, when certain individuals use this legislation as an excuse to avoid legitimate regulation.

I also believe that the adoption of this amendment might further increase the risk of veto of the bill. I want to assure the Senator from New Hampshire that we will deal with this matter in a thoughtful manner in conference, but I am very concerned about the impact of this amendment.

I believe that under the previous order, unless the Senator from New Hampshire requests unanimous consent to speak on the amendment, we should move forward.

The PRESIDING OFFICER. There are 2 minutes equally divided.

The Senator from New Hampshire.

AMENDMENT NO. 624 TO AMENDMENT NO. 608, AS MODIFIED

Mr. GREGG. Mr. President, I ask unanimous consent to modify the amendment.

The PRESIDING OFFICER. Without objection, the amendment is modified.

The amendment (No. 624), as modified, is as follows:

At the appropriate place, insert the following:

SEC. ___. SUSPENSION OF PENALTIES FOR CERTAIN YEAR 2000 FAILURES BY SMALL BUSINESS CONCERNS.

(a) DEFINITIONS.—In this section—

(1) the term ''agency'' means any executive agency, as defined in section 105 of title 5, United States Code, that has the authority to impose civil penalties on small business concerns;

(2) the term ''first-time violation'' means a violation by a small business concern of a Federal rule or regulation (other than a Federal rule or regulation that relates to the safety and soundness of the banking or monetary system, including protection of depositors) resulting from a Y2K failure if that Federal rule or regulation had not been violated by that small business concern within the preceding 3 years; and

(3) the term ''small business concern'' has the same meaning as a defendant described in section 5(b)(2)(B).

(b) ESTABLISHMENT OF LIAISONS.—Not later than 30 days after the date of enactment of this section each agency shall—

(1) establish a point of contact within the agency to act as a liaison between the agency and small business concerns with respect to problems arising out of Y2K failures and compliance with Federal rules or regulations; and

(2) publish the name and phone number of the point of contact for the agency in the Federal Register.

(c) GENERAL RULE.—Subject to subsections (d) and (e), no agency shall impose any civil money penalty on a small business concern for a first-time violation.

(d) STANDARDS FOR WAIVER.—In order to receive a waiver of civil money penalties from an agency for a first-time violation, a small business concern shall demonstrate that—

(1) the small business concern previously made a good faith effort to effectively remediate Y2K problems;

(2) a first-time violation occurred as a result of the Y2K system failure of the small business concern or other entity, which affected the small business concern's ability to comply with a federal rule or regulation;

(3) the first-time violation was unavoidable in the face of a Y2K system failure or occurred as a result of efforts to prevent the disruption of critical functions or services that could result in harm to life or property;

(4) upon identification of a first-time violation, the small business concern initiated reasonable and timely measures to remediate the violation; and

(5) the small business concern submitted notice to the appropriate agency of the first-time violation within a reasonable time not to exceed 7 business days from the time that the small business concern became aware that a first-time violation had occurred.

(e) EXCEPTIONS.—An agency may impose civil money penalties authorized under Federal law on a small business concern for a first-time violation if—

(1) the small business concern's failure to comply with Federal rules or regulations constitutes or creates an imminent threat to public health, safety, or the environment; or

(2) the small business concern fails to correct the violation not later than 1 month after initial notification to the agency.

Mr. GREGG. Mr. President, is the precedent that the presenter of the amendment has the last minute?

The PRESIDING OFFICER. The time is equally divided.

The Senator from New Hampshire.

Mr. GREGG. This amendment is really fairly simple. Essentially, it is an attempt to give the middle person, the small businessperson in this country who may, through no fault of their own, be subject to a Federal fine because they didn't comply with some Federal law as a result of the failure of their computer system, some protection from that fine. It says that this can only occur in instances where it is the first time it has happened. In other words, you can't have a bad actor trying to use this to try and get out from underneath the fines.

It says that the small business may have a legitimate, provable effort that they tried to protect the computer problem and that they notified the Federal agency they had the computer problem. So there is ample protection to be sure that the system can't be gamed. The purpose of this amendment is simply to protect the small businessperson. This will be rated by the NFIB, I understand.

Mr. LOTT. Mr. President, I would like to express my strong support for the Gregg-Bond amendment that was adopted as part of this Y2K bill. I know that the small business community in Mississippi and nationwide must appreciate our removing the potential for yet another millennium headache.

Almost every federal agency requires small businesses to comply with a number of paperwork requirements. That is a fact that is unlikely to change with the new century. It is likely, however, that an unanticipated Y2K failure could prevent a small business from meeting these federal paperwork deadlines on time.

The Gregg-Bond amendment will provide relief to small businesses by waiving civil penalties in this type of case. Let me remind my colleagues that this is not an amendment that will reward those who misbehave or who fail to prepare themselves for Y2K. As the Senator from New Hampshire stated earlier, in order to take advantage of this one-time penalty waiver, a small business owner must first prove that he or she took prudent steps to prevent the Y2K failure in the first place. Let me give you an example of how the amendment will work.

Let's say a shoe repair shop owner in Inverness, Mississippi, does her best to make her computer system Y2K compliant, only to find that the New Year brings total system failure. Because of this computer crash, the store owner is unable to access her payroll records and cannot submit her payroll taxes on time. The Gregg-Bond amendment gives the business owner a reasonable amount of time to get her system running and pay her taxes—without the IRS slapping huge fines on her.

Mr. President, this amendment does not say that small businesses do not have to comply with the law. It does not say that small businesses do not have to meet their paperwork requirements. It simply says that if a small business has a legitimate Y2K failure that causes a hiccup in its paperwork flow, its federal fines can be waived.

As we enter the new century, I ask my colleagues: Do we want to start the millennium by fining small businesses for unpredictable and unintentional first-time paperwork violations?

Fortunately, the answer is no.

I would like to thank Senator GREGG and Senator BOND for offering this amendment, and my colleagues for adopting it. I would also like to thank the National Federation of Independent Business for its hard work on this amendment and this bill. The ''Voice of Small Business'' was heard loud and clear in this Chamber today. Thank you.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HOLLINGS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back.

Mr. GREGG. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 624, as modified. The yeas and nays are ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Rhode Island (Mr. CHAFEE) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 71, nays 28, as follows:

[Rollcall Vote No. 164 Leg.]

YEAS—71

Abraham	Frist	McCain
Allard	Gorton	McConnell
Ashcroft	Graham	Moynihan
Baucus	Gramm	Murkowski
Bayh	Grams	Nickles
Bennett	Grassley	Robb
Bingaman	Gregg	Roberts
Bond	Hagel	Rockefeller
Brownback	Harkin	Roth
Bunning	Hatch	Santorum
Burns	Helms	Schumer
Campbell	Hutchinson	Sessions
Cochran	Hutchison	Shelby
Collins	Inhofe	Smith (NH)
Conrad	Jeffords	Smith (OR)
Coverdell	Kerrey	Snowe
Craig	Kerry	Specter
Crapo	Kohl	Stevens
DeWine	Kyl	Thomas
Dodd	Landrieu	Thompson
Domenici	Leahy	Thurmond
Dorgan	Lott	Voinovich
Enzi	Lugar	Warner
Fitzgerald	Mack	

NAYS—28

Akaka	Feingold	Mikulski
Biden	Feinstein	Murray
Boxer	Hollings	Reed
Breaux	Inouye	Reid
Bryan	Johnson	Sarbanes
Byrd	Kennedy	Torricelli
Cleland	Lautenberg	Wellstone
Daschle	Levin	Wyden
Durbin	Lieberman	
Edwards	Lincoln	

NOT VOTING—1

Chafee

The amendment (No. 624), as modified, was agreed to.

Mr. MCCAIN. I move to reconsider the vote.

Mr. HOLLINGS. I move to table the motion.

The motion to lay on the table was agreed to.

Mr. MCCAIN. Mr. President, I ask unanimous consent that the remaining votes in this series be limited to 10 minutes in length.

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

Mr. MCCAIN. Mr. President, I will take 2 of my minutes, and the Senator from Oregon will take the remaining 2 minutes.

The PRESIDING OFFICER. It is 2 minutes equally divided.

Mr. MCCAIN. Under a previous unanimous consent agreement, I requested 4 minutes on each side.

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

Mr. MCCAIN. Mr. President, let's be clear about the importance of the bill and what is at stake. The bill is supported by virtually every segment of our economy. It is important not only to the high-tech industry or big business but carries strong support from small business, retailers and wholesalers, and the insurance industry.

On one side of the issue we have the American economy, arguably the strongest our Nation has ever enjoyed. It is driven in large measure by the technological leadership our companies have and are providing to the rest of the world, the resulting revolution in productivity for other industries. On the other side, we have those who, for whatever reason, desire encouraging disputes rather than solving problems.

The Y2K situation presents an unparalleled opportunity to tie up the country's judicial system and the economy's resources in litigation, which only profits the legal profession. Opportunistic litigation costs the Nation's economy time and resources which then cannot be spent on value-added productivity.

This is a very important piece of legislation. It is important to the future of the economy. It is important to the future development of this technology, and it is of great importance to the future of average American citizens.

I yield back the balance of my time.

Mr. WYDEN. Mr. President, Senator DODD is the Democratic technology leader. I join him now in saying that a vote against this bill is a vote against the entrepreneurs and risk-takers of this Nation who are working their heads off to make their systems Y2K compliant but are legitimately fearful of frivolous lawsuits.

Some have said that small businesses cannot recover their economic losses under this bill. If that were the case, why would the Nation's small businesses overwhelmingly support the legislation?

The fact is, small businesses can recover economic losses just as they do under the status quo. Specifically, a small business plaintiff can recover whatever economic losses are allowed under State contract law. Many of these State laws say that if profits are lost as a consequence of a Y2K failure, the small business plaintiff can recover their economic losses.

Failure to pass this bill would be similar to lobbing a monkey wrench into the high-tech engine that is driving the Nation's economic prosperity. I join with Senator DODD, our technology leader, in urging Democrats to support the legislation.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, this is a very serious moment for the Senate in that we now are going to legalize negligence and legalize fraud. How does this come about? It is very interesting that the industry itself says 90 percent have no Y2K problems at all. Only 6 percent here, in this month's Investors Business Daily, said that 5½ months ahead of that they could possibly have any problem. Straussman of Xerox said it is managerial incompetence not to have it fixed by now. We still have 5½ months.

We are acting in spite of the fact that the States have been not only doing an outstanding job with respect to product liability but also with respect to Y2K, and in spite of the Conference of Chief Justices' resolve against this measure.

I ask unanimous consent to have printed in the RECORD a letter from the Conference of Chief Justices of the State Supreme Courts.

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

CONFERENCE OF CHIEF JUSTICES, OFFICE OF GOVERNMENT RELATIONS, NATIONAL CENTER FOR STATE COURTS,

Arlington, VA, May 25, 1999.

Hon. TOM DASCHLE,
Minority Leader, U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR DASCHLE: I am writing on behalf of the Conference of Chief Justices (CCJ), to express our concern with S. 96 and H.R. 775 in their present form. We understand that S. 96 and H.R. 775 are attempts to address the serious problem of potential litigation surrounding the Y2K issue. However, in part, the bills pose a direct challenge to the principles of federalism underlying our system of government. We are particularly concerned that each bill would in effect replace established state class action procedures in favor of removal to the Federal courts in most cases. The members of CCJ seriously question the wisdom of such an action.

In this regard, CCJ agrees with the position of the U.S. Judicial Conference as submitted by Judge Walter Stapleton to the House Judiciary Committee on April 13, 1999. His testimony points out that:

''State legislatures and other rule-making bodies provide rules for aggregation of state-law claims into class-wide litigation in order to achieve certain litigation economies of scale. By providing for class treatment, state policymakers express the view that the state's own resources can be best deployed not through repetitive and potentially duplicative individual litigation, but through some form of class treatment. H.R. 775 could deprive the state courts of the power to hear much of this class litigation and might well create incentives for plaintiffs who prefer a state forum to bring a series of individual claims. Such individual litigation might place a greater burden on the state courts and thwart the states' policies of more efficient disposition.

Federal jurisdiction over class litigation is an area where change should be approached with caution and careful consideration of the underlying relationship between state and federal courts.''

We would emphasize that State courts presently handle 95 percent of the nation's judicial business. State and Federal courts have developed a complementary role in regard to our jurisprudence and these bills would radically alter this relationship. It is not enough to argue these bills affect only a segment of commerce, or that resolution of the problem on a state by state basis is inconvenient. It is a bad precedent that could have future ramifications. The founding fathers created our federal system for a reason that Congress should be extremely reticent to overturn.

If you have any questions, please feel free to contact me directly, or contact Tom Henderson or Ed O'Connell who staff our Government Relations Office. They can be reached at (703) 841–0200.

Respectfully,

DAVID A. BROCK,
Chief Justice, President,
Conference of Chief Justices.

Mr. HOLLINGS. We are acting in spite of the fact that no attorney general, no Governor, or any other entity has come up and asked for it. Then the question is, Why do we, at the Federal level, rush to suspend 200 years of State law?

Right to the headline here in the Washington Post, ''GOP Voice For Backing Of High Tech Leaders. Party Aims To Exploit Y2K Vote, CEO Summit.'' And yesterday morning's New York Times, the headline, ''Congress Chasing Campaign Donors Early And Often.''

If you look on the Republican screen, it says there:

Senate again attempts to end minority stranglehold—the great Y2K money chase.

There it is. This crowd, they want to do away with estate taxes, capital gains taxes, immigration laws, now the State liability laws. If this thing works, I am going to put in an exemption for the corporate tax.

You know, they rebuilt America—not us, who back in 1993 even taxed Social Security, cut 300,000 employees, raised taxes some $250 billion and cut spending $250 billion so the economy could recover.

In spite of all that—so the economy could recover, so you could buy these computers and everything else of that kind—what is happening here is they do not even want a fix. The Senator from California just says, ''Let's just get a fix. Get rid of the lawyers.'' They voted it down. ''Let's just help the consumers,'' said Senator LEAHY. They voted that down.

What they are trying to do is not get a fix but, rather, fix the system. They know how to do it. They suspend economic losses. I practiced law, and I can tell you here and now what will happen if all you can get is, say, two-thirds of the cost of your computer because—after I bring the investigation, the pleadings, discovery, interrogatories, trial, appeal, and convince 12 jurors—after I have done all of that, I am deserving of at least 20 or 30 percent. So I have to tell the client that is the best you can do after a year in court and everything else of that kind. I have never seen such a thing in my life.

This is a bad bill. We could have passed a good one. We could have gotten alternative dispute resolution. We could have done this in a bipartisan fashion, as we did last year. We could have done this as I did with the aircraft bill, which I voted for, or the securities bill, which I voted for. But they would not let us. They wanted that computer money.

The PRESIDING OFFICER. The time of the Senator has expired.

Without objection, the substitute amendment is agreed to.

The substitute amendment, as amended, was agreed to.

The PRESIDING OFFICER. The Senate bill will be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The clerk will report H.R. 775.

The assistant legislative clerk read as follows:

A bill (H.R. 775) to establish certain procedures for civil actions brought for damages relating to the failure of any device or system to process or otherwise deal with the transition from the year 1999 to the year 2000, and for other purposes.

The PRESIDING OFFICER. Under the previous order, H.R. 775 is amended by striking all after the enacting clause and inserting in lieu thereof the text of S. 96, as amended.

The bill will be read for the third time.

The bill was read the third time.

Mrs. HUTCHISON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Rhode Island (Mr. CHAFEE) is necessarily absent.

The result was announced—yeas 62, nays 37, as follows:

[Rollcall Vote No. 165 Leg.]

YEAS—62

Abraham	Bryan	Crapo
Allard	Bunning	DeWine
Ashcroft	Burns	Dodd
Baucus	Byrd	Domenici
Bennett	Campbell	Enzi
Bingaman	Collins	Feinstein
Bond	Coverdell	Fitzgerald
Brownback	Craig	Frist

Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Lieberman
Lincoln
Lott
Lugar
Mack
McCain
McConnell
Moynihan
Murkowski
Murray
Nickles
Robb
Roberts
Roth
Santorum
Sessions
Smith (NH)
Smith (OR)
Snowe
Stevens
Thomas
Thurmond
Voinovich
Warner
Wyden

NAYS—37

Akaka
Bayh
Biden
Boxer
Breaux
Cleland
Cochran
Conrad
Daschle
Dorgan
Durbin
Edwards
Feingold
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Mikulski
Reed
Reid
Rockefeller
Sarbanes
Schumer
Shelby
Specter
Thompson
Torricelli
Wellstone

NOT VOTING—1

Chafee

The bill (H.R. 775), as amended, was passed.

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

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

The motion to lay on the table was agreed to.

Mr. LOTT. Mr. President, I want to thank a number of Senators and members of their staffs for the hard work and diligence that has resulted in the passage of the Y2K Liability Limitation legislation. This bill was crafted through the determination of Senator MCCAIN and Senator WYDEN of the Commerce Committee, Senator BENNETT and Senator DODD of the Special Committee on the Year 2000 Technology Problem, and Senator HATCH and Senator FEINSTEIN of the Judiciary Committee. Additional help from Senator GORTON, Senator LIEBERMAN, and Senator BROWNBACK also helped to secure passage of this important legislation.

Mr. President, it is also important to recognize the work of a number of the staff members for the Senators who were instrumental in the successful efforts on this bill. We are very fortunate to have such intelligent, dedicated individuals working in the United States Senate, and the passage of meaningful legislation would not be possible without the hard work of these people. Specifically, I would like to thank Marti Allbright, Mark Buse, Carole Grunberg, Shawn Maher, Wilke Green, Larry Block, Manus Cooney, David Hantman, Tania Calhoun, Laurie Rubenstein, Karen Knutson, Brian Henneberry, and Steven Wall . The professional skills and abilities of these staff members were important in achieving this legislative success. These staff members and their colleagues ensure that the United States Senate is a responsive, effective body for the American people. On behalf of myself and my colleagues in the Senate, I again say ''thank you.''

Mr. President, the passage of Y2K liability relief provides a reasonable public policy for America as our nation enters the next millennium. It ensures that America's technology sector focuses on solutions to the Y2K problem, rather than spending limited time and resources on defending lawsuits. American ingenuity will make certain that the Year 2000 problem is solved. Great strides have already been made toward this goal, and this bill is an additional critical step in the process for America.

Mrs. MURRAY. Mr. President, just three weeks ago I joined with 12 of my Democratic colleagues to urge the leadership in both parties of the Senate to take up Y2K reform legislation as soon as possible. We got what we wanted and just completed debate. Many amendments were offered but several that would have improved the bill were defeated. Certainly the bill we passed today is much better than the proposal that passed out of the Senate Commerce Committee months ago.

Despite some reservations I voted for this bill, because potential problems associated with Y2K failures and subsequent litigation could be very harmful. Widespread litigation could harm businesses and hurt consumers through increased costs in the essential products and services we use in our information technology dependant lives. Moving the process forward is necessary if we are to adequately protect consumers and the businesses who have done all they can to ensure their products work at the turn of the century.

It is important we have mechanisms that will allow for quick remediation of Y2K problems, will encourage companies to correct their mistakes, and will fairly adjudicate cases when mediation fails. We all recognize that computer problems associated with the new millennium could be large. These problems need to be addressed.

Washington is one of the most high-tech-dependant States in the Nation. Technology companies make up the most energetic and fastest growing segment of the Washington State economy. Information technology has also become a major factor in the economic engine of the Nation. Many employees and consumers in my State depend on these companies' success. The people I represent could be negatively impacted if we fail to take action on this issue.

What we passed today could do much to encourage remediation of the problems we face in addressing the Y2K problem. The bill protects businesses that have acted responsibly and allows for consumers and businesses to punish those who have acted in bad faith. The bill is also limited in scope and time with a sunset date just three years after enactment, which focuses this bill on the unique, one time event which we are seeking to address. What we have done today is an important step toward protecting consumers and businesses from Y2K problems.

That said, I have some concerns about the bill. Individual consumers were not as well protected as they should have been. While we've been able to retain for small businesses as large as 50 employees the ability to get a broad array of damages, we were unable to get a complete exception for consumers. Individuals have less bargaining power and generally don't possess the expertise or money required to protect themselves as well as businesses. Therefore, I am hopeful in conference we will get measures that exempt consumers from certain sections of the bill and allow them greater access and bargaining power when Y2K failures harm them.

I also have concerns about the bill's preemption of State contract and tort law. The class action provisions of this bill would allow for either party to remove an action from a State proceeding to Federal court at virtually any time. This impedes State's rights and could harm individual plaintiffs by forcing them to incur more litigation costs by having to start anew in federal court. Unlike large companies, individuals often have difficulty traveling to new venues and paying additional attorney's fees. The court system should encourage individuals who are harmed to seek redress, not discourage them as this bill does. I also hope we can work on this in conference.

It is important to note that the version that passed the House of Representatives is an even worse bill for consumers. It does not seek the balance between plaintiffs and defendants, but resembles the pro-defendant bill that originally passed from the Senate Commerce Committee. The House bill is a step backward from what was achieved in the Senate. If we move at all toward the House bill in conference, I would hope and I'm confident that many of my colleagues will join me in opposing the conference report.

Overall, passing this bill helps get the process going. It certainly is not perfect and I am hopeful the problems I have outlined can be dealt with in conference. It is also my desire to see the administration get involved in the negotiations at conference.

My constituents, high-tech companies, and consumers deserve a bill that is fair and just, allows for remediation before filing suit, and protects people and companies who have acted in good faith.

MORNING BUSINESS

Ms. COLLINS. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each, to extend for 40 minutes equally divided between the two leaders.

The PRESIDING OFFICER (Mr. BUNNING). Without objection, it is so ordered.

Ms. COLLINS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

GUIDANCE FOR THE DESIGNATION OF EMERGENCIES AS A PART OF THE BUDGET PROCESS

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the pending amendment No. 297 to Calendar No. 89, S. 557, a bill to provide guidance for the designation of emergencies as a part of the budget process:

Trent Lott, Pete Domenici, Rod Grams, Mike Crapo, Bill Frist, Michael B. Enzi, Ben Nighthorse Campbell, Judd Gregg, Strom Thurmond, Chuck Hagel, Thad Cochran, Rick Santorum, Paul Coverdell, Jim Inhofe, Bob Smith of New Hampshire and Wayne Allard.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on amendment No. 297 to S. 557, a bill to provide guidance for the designation of emergencies as a part of the budget process, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Rhode Island (Mr. CHAFEE) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 53, nays 46, as follows:

[Rollcall Vote No. 166 Leg.]

YEAS—53

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

NAYS—46

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

NOT VOTING—1

Chafee

The PRESIDING OFFICER. On this vote the yeas are 53, the nays are 46. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

KOSOVO AND SOUTHWEST ASIA EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT, 1999—MOTION TO PROCEED

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, it is my understanding now we are going to have a debate on the cloture motion related to the steel loan guarantee program. It is my further understanding that there are two people in favor of it who wish to speak for it. Senator NICKLES was going to speak against it.

I ask unanimous consent I might have 5 minutes with Senator NICKLES, so we would have 10 minutes in favor of it and 10 minutes opposed to it.

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

Who yields time?

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senate is not in order. The Chair will recognize the Senator from West Virginia, but his time will not start until the Senate is in order.

The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the Chair for his insistence upon order.

I urge my colleagues to vote for cloture on this bill and to vote for the bill. I am going to direct my remarks to that portion of the bill, insofar as I can in this brief period, that deals with the steel loan guarantee. Mr. DOMENICI and others will speak about the similar oil and gas loan guarantee.

There is a real need for this legislation, for this assistance to American firms and to American workers, and that need is now. A crisis does exist in our own steel industry. The illegal dumping of below-cost steel into our country is real.

Our domestic steel industry has been seeking remedy through antidumping and countervailing trade cases. The Commerce Department tells us these cases are being considered, but it takes time. Opponents of this loan guarantee program would have us believe this is an excessively costly solution to a nonexistent problem. It is neither. The loan guarantee program outlined in this bill would provide qualified steel producers access to loans through the private market that are guaranteed by the Federal Government in the same way the Federal Government now guarantees loans made to homebuilders, farmers, even foreign nations such as Mexico, Israel, and Russia. It sets no precedent. Similar programs have been successfully implemented for New York City, Lockheed, and Chrysler.

Both the Congressional Budget Office and the Office of Management and Budget have calculated the budget authority estimates of this program at $140 million, reflective of the fairly low risk of default and the value of the potential collateral to be offered. This cost is fully offset. I want to stress that. This cost is fully offset. The total amount of all guarantees will not exceed $1 billion. All loans must be repaid within 6 years with interest. The program also contains a funding mechanism for the borrowers to pay for the cost of administering the program. Importantly, this loan guarantee program is GATT legal. We are still playing fair. We are not subsidizing our steel industry.

I respect those who will oppose this measure. But let me ask this question: Are we going to ship another U.S. industry overseas? We have already shipped the shoe industry, the leather industry, the pottery industry, the textile industry and other industries. Are we going to ship another U.S. industry overseas, the steel industry this time? Are we going to allow foreign entities to make ghost towns of our steel-dependent communities?

These are loan guarantees, similar to the guarantees we have provided for all manner of national endeavors in the past whenever it was in our national interests to do so. We have provided such guarantees to foreign nations as well whenever we deemed it to be necessary and beneficial to our international interests. I am not against doing that, if it is in our national interests. This bill is a short-term helping hand to a vital American industry which is being severely damaged by illegal—illegal—foreign dumping. Can we not act here to stand up for American businesses and for American workers? This is a pro-American-business vote as well as a pro-American-jobs vote.

We have already lost 10,000 jobs in the U.S. steel industry since last November. How many more must we lose before we act? When we continue to lose these industries and these jobs, are you going to explain it on the basis

that you voted against cloture? Good luck!

Mr. SPECTER. Mr. President, I have sought recognition to speak briefly on the emergency steel and emergency oil and gas guarantee program.

Before discussing the merits of the pending issue—which I believe is a very meritorious bill—I think it appropriate to comment on the very unique procedural status of this measure, and it is this:

This provision was in the emergency appropriations bill passed by the Senate, which went to conference with the House last month, on the so-called ''Kosovo emergency'' where we provided funding for the military action in Kosovo. The House of Representatives during the conference receded to the Senate position, so this bill was accepted by both the Senate—where it passed—and by the House on the rescission.

On the next day, since the conference did not end that day, where the House receded, the House of Representatives changed its position, because the Speaker of the House took up the matter where two of the three key voters in the House changed their vote. The House then changed its position to be opposed to this guarantee loan program.

Then we had the controversy continuing, with the Senate including the program in its bill. The House, having first receded and adopting the program, then said it would oppose the program.

There was very considerable debate. One of our sessions lasted past midnight. The conferees, of which I was one on the Appropriations Committee, were trying to get this bill concluded so we could fund the Kosovo military operations.

There were very considerable discussions. Finally, a small group went to Senate Room 128, the appropriations room. Senator BYRD was present, Senator STEVENS was present, and I was present, all representing the Senate. There were just a few of the House Members present at that time.

We finally agreed upon an approach where the sponsors of this measure—the principal sponsors being Senator BYRD and Senator DOMENICI, and I was a sponsor as well—agreed to have it removed from the emergency supplemental to be attached to another supplemental, which was available.

The understanding was reached that the provision would be on the Senate bill going back to the House in an identical position, that the provision was on the Senate bill, the emergency supplemental passed by the Senate, and then up for consideration by the House. Senator STEVENS, as the chairman of the committee, made a commitment on behalf of the Senate that that would happen.

In order to comply with that arrangement, it would be necessary for this bill to pass the Senate and then to go back to conference with the House—where, candidly, its fate is uncertain—because the House Members, after the position taken by the Speaker of the House, appeared during our conference as being unlikely to accept the bill. Presumptively, that position would continue. That, of course, would await the events of the conference. But, that arrangement was made.

I think that is a strong point that ought to be considered by the Senate to put this provision in the same position it was in when approved by the Senate, with disagreement by the House after they had earlier agreed, so there would not be a procedural loss.

That was the essence that finally persuaded Senator BYRD to agree to take it off of the earlier bill. So much for the procedure, which I think speaks very strongly for having this measure enacted by the Senate.

On the merits, I submit there are very sound reasons for this loan guarantee program. We have seen the steel industry really decimate in the recent past by dumped steel imports from many countries including Japan, Brazil, Korea, and Russia. In Russia there is a very great demand for the dollar so the Russians are selling steel for any price they can get for it.

The International Trade Commission, backed by the Commerce Department, recently confirmed the very high level of dumping.

We have had a very serious problem with thousands of layoffs in an industry which had slipped down from some 500,000 steelworkers to about 150,000 even while some $50 billion in capital had been put into the steel industry. There is no way to compete with dumping. Dumping is when foreign exporters bring imports into the United States below the cost of production—below the cost they are selling it in other places. Dumping is in violation of U.S. trade laws and is in violation of GATT.

Over the years, I have urged the adoption of legislation which would provide for a private right of action. That was introduced early in the 1980s to have injunctive relief granted to stop dumped and subsidized steel coming into the country in violation of U.S. trade laws.

I introduced legislation, which is pending at the present time, which would modify the injunctive relief but would provide for equitable relief with duties imposed. This would be GATT consistent. Anybody who dumped steel in the United States would have a duty imposed equal to the legitimate price minus the dumped price. With this legislation, there would be no advantage to dumping steel in the United States.

The House of Representatives passed a very strong bill on quotas, by 289 to about 141. It is veto proof, at least on that state of the record. That matter may be headed for debate on the Senate floor—but in the interim—I think this program for emergency steel and loan guarantees is very appropriate. It provides for a $1 billion revolving fund for steel companies, and a two-year, $500 million revolving fund for oil and gas companies.

The bill would require commitment of collateral, which would be a guarantee that the loan would be repaid and have a fee to be paid by the borrower to cover the cost of administering the program with all loans to be paid in full within 6 years.

The package has been estimated to cost $270 million which is offset by the executive travel budget. On the merits, it is a solid program and it does have an appropriate offset.

I speak with grave concern about the issue of steel—from the point of view of our Nation—because steel is essential for national security purposes. If an emergency were to arise, we would not be able to buy steel presumptively from the Russians or probably from the Japanese, or who knows, from the Brazilians. We ought to be independent and have a strong steel industry.

In my capacity as chairman of the Senate Steel Caucus, I have grave concern about the loss of jobs, which have been very heavy in my State, Pennsylvania, but very heavy in other States as well. Three medium-sized companies have recently gone into bankruptcy: Acme Steel, Laclede Steel, and Geneva Steel. Others may be in the offing with the tremendous impact of the dumping of steel.

With respect to the problems in the so-called ''oil patch,'' Senator DOMENICI has spoken at some length. We are not talking about the big oil companies. From my background years ago when my family owned a used oil field equipment company—really, a junkyard in Russell, KS—I became familiar with the problems of the small oil dealers in the so-called ''oil patch.'' Senator DOMENICI will address that issue in somewhat greater detail.

My familiarity at the moment is more intensive and extensive on steel, but I do believe that the problems which have been faced by the small oil producers are extensive and warrant this kind of a loan guarantee program. With the provisions of collateral security, safeguards, fees to be paid and with the offset present, this program is one which is structurally sound to have the loans repaid.

Accordingly, I urge my colleagues to vote for cloture so we can consider this matter on the merits, both because of the understanding—really, commitment—reached as I earlier described and the merits of the substantive program.

Mr. DEWINE. Mr. President, I rise today to express my strong support for the bill before us today, and specifically the ''Emergency Steel Loan Guarantee Program'' provision authored by our distinguished colleague

Senator ROBERT BYRD. I would like to take this opportunity to express my gratitude to Senator BYRD for his hard work, determination, and persistence in bringing this important measure to the floor.

Our steel industry is in trouble. Since last year, U.S. steel producers have had to withstand an onslaught of illegally imported steel. In 1998, 41 million tons were dumped—an 83 percent increase over the amounts imported for the previous eight years. Many steel companies are reporting financial losses, most attributed to the high levels of illegal steel imports. It is estimated that approximately 10,000 steelworkers have lost their jobs. The Independent Steel Workers predict job losses of as many as 165,000 if steel dumping is not stopped. I, along with many of my Senate colleagues like Senators BYRD, ROCKEFELLER, and SPECTER, have introduced legislation to help our steel industry. It is time for action. All eyes are on the U.S. Senate to respond to the crisis.

A good first step would be the adoption of Senator BYRD's Steel Emergency Loan Guarantee Program. This loan program is designed to help troubled steel producers who have been hurt by the record levels of illegally imported steel. For many companies, this program is the only hope they have to keep their mills alive. Specifically, the program would provide qualified U.S. producers with access to a two-year, $1 billion revolving guaranteed loan fund. In order to qualify, steel producers would be required to give substantive assurances that they will repay the loans. A board chaired by the Secretary of Commerce would oversee the program. The program will cost $140 million, all of which has been fully offset with other reductions in spending.

A strong and healthy domestic steel industry is vital to our nation. Fortunately, our steel industry is a highly efficient and globally competitive industry. Yet, despite this modernization, our steel producers face a number of unfair trade practices and market distortions that are having a devastating impact in Ohio and other steel-producing states. I have heard firsthand from industry and labor leaders about the crisis. Many steel companies are in serious trouble and are in desperate need of immediate assistance. The short term loans that would be provided under Senator BYRD's program will provide that assistance without burdening taxpayers. If steel plants close, taxpayers will be forced to pay for unemployment compensation, food stamps, Medicaid, housing assistance, child care, community adjustment assistance, and worker retraining—all of which will exceed the total cost of this program. Again, the steel companies are required to repay the loan within six years, provide collateral, and pay a fee to cover the costs of administering the program. The Commerce Department has identified 10 companies that may qualify for the program.

I am a free trader. And I believe free trade does not exist without fair trade. Free trade does not mean free to subsidize, free to dump, free to distort the market. Our trade laws are designed to enforce those principles. However, the current steel crisis underscores flaws and weaknesses in those laws. I am pleased that the Majority Leader has scheduled time next week to deal with the issue of steel dumping. The House has already acted. It is time for us to act.

Today, we have an opportunity to help an industry that throughout its long and illustrious history has been there for our country. Let us pass this bill and commit to adopting meaningful legislation to deal with the steel import crisis.

I thank Senator BYRD for his tireless efforts in standing up for Steel. I cannot think of a more dedicated champion on this issue. I know my colleagues in the Steel Caucus as well as the hard-working steel producers and steel workers across America are very proud of his efforts.

The PRESIDING OFFICER. Who yields time?

The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I compliment my friend from West Virginia, because he is tenacious. He is a very good legislator. I am afraid he is going to win on this vote on the motion to proceed. I hope he does not, because I think we are making a serious mistake if we vote for this, but I compliment him for his persistence in pushing this proposal. I am opposed to it. This proposal is a $1.5 billion loan guarantee, $1 billion for steel, $500 million for oil and gas. Senator DOMENICI added the oil and gas provision, because the oil and gas industry is probably going through a greater economic crisis than even the steel industry.

The Senator from West Virginia said steel has lost 10,000 jobs. The oil and gas industry probably lost 40,000 jobs, and I will tell you, a good percentage of those are in my State. So I am sympathetic with the objectives they are trying to accomplish. I just disagree with the idea of having the Federal Government come in and make Federal loan guarantees.

We tried it before. The Carter administration did this in 1978. In 1978, they came up with a loan guarantee proposal for steel. They ended up making 290 million dollars' worth of loans, net contingent liability. The steel industry defaulted on $222 million. That is a 77-percent default rate. I will read a couple of comments that were made in the CRS report, dated March 17, 1994.

Although only five loan guarantees were obligated to steel companies. . .77 percent of the dollar value of these guarantees were defaulted. Although the sample size is very small, hindsight suggests that as a group, steel loans represented a very high level of risk, which may account for the lack of interest in the private markets to take these debt obligations without a guarantee.

I also will read for the RECORD from a Washington Post article dated February 28, 1988, just a couple of comments talking about the loan guarantees.

Less than a decade later, all five loans are in default, and the Commerce Department's Economic Development Administration, in an internal memorandum, notes that ''by any measurement, EDA's steel loan program would have to be considered a failure. The program is an excellent example of the folly inherent in industrial policy programs,'' the memo added. The companies that received the guaranteed loans are either in bankruptcy, out of business or no longer own the facility in which the money was invested.

This is a news report that analyzed the loan guarantee program that was initiated in the Carter administration back in 1978–1979.

I ask unanimous consent to have printed in the RECORD the article from which I just quoted.

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

[From the Washington Post, Feb. 28, 1988]

STEEL LOAN DEFAULTS PROVIDE HARD LESSON IN GOVERNMENT POLICY

(By Cindy Skrzycki)

For sale by government, the most modern steel rail mill in the country. Like new. Capable of turning out 360,000 tons of rail. Not far from Pittsburgh.

With a slick marketing campaign, the U.S. government is attempting to recover a portion of the $100 million it lent Wheeling-Pittsburgh Corp. in 1979 to build a steel rail mill in Monessen, Pa. But it appears that its investment may be as shabby as many of the abandoned mills that litter America's industrial landscape.

The Monessen mill is an example of ill-fated government intervention in an industry that is but a shadow of its old self. Under a special loan-guarantee program put in place by the Carter administration to help the ailing steel industry, a total of five loans worth $365 million were approved, backed by a 90 percent government guarantee.

Less than a decade later, all five loans are in default, and the Commerce Department's Economic Development Administration, in an internal memorandum, notes that ''by any measurement, EDA's steel loan program would have to be considered a failure.''

''The program is an excellent example of the folly inherent in industrial policy programs,'' the memo added.

The companies that received the guaranteed loans are either in bankruptcy, out of business or no longer own the facility in which the money was invested.

Carried on the ledgers of the EDA, which administered the program in the late 1970s, the steel loan-guarantee program is evidence that politically influenced government investment decisions can result in unprofitable, if not disastrous, results, many analysts say.

''It says that in cases like these there is no reason for the government to get involved and second-guess the private capital markets,'' said Robert Crandall, an economist

with the Brookings Institution. ''The argument for government intervention may be to develop seed technology with other applications. . . . But these were investments in rather rudimentary technology in a declining industry.''

Walter Adams, a steel expert at Michigan State University, called the loan program ''another goodie, a lollipop thrown to the industry to assuage complaints about unfair competition and satisfy their demands for government assistance.''

At the time the loans were approved, some of them whipped up a storm of controversy in Congress.

At the time, the steel industry was being increasingly pinched by imports and a dramatic falloff in demand for steel. In an effort to save jobs and encourage investment, the industry pressured the Carter administration to provide some relief. Carter's response was to form a special steel task force under the guidance of Anthony Solomon, the Treasury's undersecretary for monetary affairs. One recommendation was to provide industrial loan guarantees for the industry.

Some of the loans, and the criteria under which they were made, proved to be troublesome. For example, a $42 million loan—which was never closed—was to go to a French-controlled company called Phoenix Steel. Critics pointed out that the loan not only encouraged overcapacity, but was a subsidy to a foreign producer.

The government has written off the $19.6 million it paid on a $21 million loan to Korf Industries, but hopes to recover the $94.2 million it already has paid bond holders on a $111 million loan to LTV Corp., which has filed for bankruptcy reorganization. It has recovered about $16 million of a total of $63 million it lent to the defunct Wisconsin Steel Co.

But the real eye of the storm has centered on the ill-fated Wheeling-Pittsburgh deal—a facility that was up and running barely six years.

''Once you're in bankruptcy, you're just looking for ways to eliminate unprofitable operations,'' said Raymond A. Johnson, spokesman for Wheeling-Pittsburgh, which filed for bankruptcy in 1985.

Though Wheeling-Pittsburgh's competitors in the rail business—Bethlehem Steel Corp. and CF&I Steel Corp—insisted in the late 1970s that there was not enough demand to support another mill, officials at EDA and the company dismissed the objections not only of the companies but of several members of Congress, such as Sen. Lowell P. Weicker (R–Conn.)

Robert Hall, who was then assistant secretary for economic development, called criticism of the new facility ''misplaced.'' Dennis Carney, former chairman of Wheeling-Pittsburgh, said at the groundbreaking of the Monessen mill that ''a new rail mill was vitally needed.'' He also said he felt sure that the company could repay the loan, which was supplemented by yet another $50 million guaranteed loan from the Farmers Home Administration for pollution control equipment.

But demand has fallen far below the levels foreseen in 1979, when Bethlehem projected that the railroads would need about 1.2 million tons per year of rail. Since the mid-1980s, demand declined as the railroad industry shrank and turned to recycling rail.

''It's not a booming market,'' said Bob Matthews, president of the Railway Progress Institute, an association of railroad equipment manufacturers. He predicted that demand will be only 500,000 tons, on average, over the next decade while capacity—if Monessen is factored in—is at least double that. Also, imports account for some 30 percent of the market.

Last year, according to Bethlehem, industry shipments—counting imports—were only 540,000 tons. The industry is down to two producers: Bethlehem's unprofitable plant at Steelton, Pa., and CF&I in Pueblo, Colo.

Left to mop up the loan mess is the current crop of EDA officials, some appointed by the Reagan administration, which itself has come under pressure to provide special help for the steel industry such as import quotas.

''We have vivid proof that federal government intervention in the markets has disastrous results,'' said Orson Swindle, assistant secretary for economic development at Commerce. ''The taxpyer will take a bath.''

Just how big will the bath be?

In the case of the Monessen mill, the EDA, as instructed by the bankruptcy court, is taking bids and hopes to cover its share of the $63.5 million loan that financed the mill. The chances of recovering the rest of the $100 million loan, which went to finance pollution controls, are not good, said Michael Oberlitner, director of EDA's liquidation division.

The government made good on its part of the deal after Wheeling-Pittsburgh filed for bankruptcy in April 1985, paying bond holders some $90 million.

To try to recoup its investment, the government has undertaken a $110,000 marketing and advertising campaign that includes having a public relations firm churn out press releases and field inquiries. A brochure touts the Monessen property as ''the most advanced rail rolling and finishing facility in America.''

Most of the budget, said Oberlitner, has gone to placing promotional ads in newspapers such as the Wall Street Journal and the Financial Times of London.

''We've had tremendous response to the advertising,'' said Oberlitner, adding that some 130 inquiries have come from domestic and foreign companies and investors.

But the most interesting—if not ironic—bid for the Monessen mill has come from Wheeling-Pittsburgh's old nemesis, Bethlehem Steel, which has offered $60 million for the facility.

Although Bethlehem's own rail mill at Steelton is not profitable and faces a soft market, the company thinks it can combine the mills, rolling steel at Monessen that has been shipped from Steelton's underutilized facilities.

''We believe the acquisition of Monessen is vital,'' said Tim Lewis, Steelton's plant manager.

In the end, which comes on April 7 when a buyer will be chosen, the modern Monessen rail mill may run again. But as it stands now, Monessen is an example of a failure of industrial policy.

''In cases like this, there is no penalty for failure,'' Michigan State's Adams said, commenting on the lack of corporate accountability for bad decisions. ''This was largely a political phenomenon.''

Mr. NICKLES. We have tried it. It didn't work before. I am afraid it won't work again, because it is basically saying we don't believe the marketplace can make loans; we want the Federal Government to do it. We want to set up a board of politicians that will make loan guarantees, and not only guarantee 70 or 80 percent of the loan but the bill that is before us says they can guarantee 100 percent of the loan.

I find that to be very irresponsible. We are saying the Secretaries of Labor and Commerce and Treasury have better wisdom on whether or not to be making loans than bankers throughout the country. I think that is a serious mistake.

I also have objections because of the way this bill is drafted. It says this is an emergency. We just voted on lockbox. We are going to vote on lockbox again later this week. We do not want to spend any of the surplus of Social Security money on anything but Social Security.

This bill takes a bunch of that money, up to $270 million estimated by CBO, and says: Let's spend that on loan guarantees. Let's spend Social Security money. Let's move the caps. Let's adjust the caps.

We are violating the so-called lockbox which we say we do not want to spend. As a matter of fact, President Clinton said it in the State of the Union Address 2 years ago: We won't spend one dime of this Social Security money on anything else. This bill would say, let's spend $270 million of it. I think that is a mistake.

I urge my colleagues, we shouldn't be declaring an emergency this week. We just did it 2 weeks ago. We did it 2 weeks ago as Kosovo money, $13 billion net for Kosovo. We declared that an emergency. We are declaring this an emergency; that is a $270 million cost. That shouldn't be counted. Even though it may have offsets on budget authority, it is not offset in outlays. It does move the caps up. It does violate the budget. I think it would be a serious mistake.

What about dumping? The Commerce Department has already taken action against Japan and against Brazil to stop illegal dumping. That is the proper avenue to be moving if there is illegal dumping. It is not to have the Federal Government come in and say: Let's make loan guarantees. Let's have the Federal Government underwrite it. Politicians know best. We don't think the marketplace can work. We think bureaucrats in three Departments should be making these loans.

I urge my colleagues to vote no on the cloture vote.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The time of the Senator from Oklahoma has expired. Who yields time?

Mr. DOMENICI. Mr. President, I will reserve the remainder of my time for closing. Since we are trying to defend against an assault here, we want to speak last.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, out of courtesy for our colleague from New Mexico, I will go ahead and speak now.

First of all, let me make a couple of things clear. No. 1, this bill contains an emergency designation so that not one penny of the funds expended under these loan guarantees will count toward the spending caps.

What that means is that in the next 2 years alone, in the years 2000 and 2001, that is $270 million, over a quarter of a billion dollars, if optimistic assumptions about defaults contained in this bill hold up, $270 million, over a quarter of a billion dollars will come directly out of the Social Security surplus.

Supposedly, there are offsets for cutting travel and furniture, but the spending caps are not reduced by that amount. So that money, if in fact those cuts were ever made, would end up being spent on something else. The spending in this bill is designated as an emergency, which means every penny of it will come out of the Social Security surplus.

We just had a vote about an hour ago where we said we want to stop the plundering of the Social Security trust fund. We do not think Congress ought to be taking Social Security money and spending it on other things. In fact, Republicans have been pretty self-righteous about it. We have held up our little lockboxes, and we have had press conferences. The problem is we hold these lockboxes up, but we keep supporting measures that knock the doors off, springs go flying, the combination thing goes rolling across the room. You cannot have it both ways. You either want to spend money or you don't want to spend money.

Nobody should be confused about the fact that this is paid for. The cuts don't lower the spending caps. There is an emergency designation; $270 million minimum in 2 years will come right out of Social Security.

We are turning the clock back. The last time we had the Government making loans to business, engaging in industrial policy, was when Jimmy Carter was President. Someone earlier today tried to make an argument that we were doing all of these things because the inflation rate was double digit at the time. Did anybody ever think the inflation rate got to be double digit because we did all of these things?

In a period of record prosperity, what are we doing having the Government override the decisions of the marketplace?

We do have laws against dumping, and those laws are being vigorously enforced by this administration. Some would say overly enforced. But there are avenues to deal with dumping, and those avenues are being addressed.

The last time we guaranteed loans to American industry and to the steel industry in particular, 77 percent of those loans were defaulted. If that happens here, every penny of that is coming right out of the Social Security surplus.

This is popular. I am from an oil State. There are going to be people who say $500 million of loans could just do wonders for us. But we are not paying for this. You take out the emergency designation, you change this bill, because then you get cuts in other spending to pay for it.

I think we have to make a decision. We have to decide which side we are on. You cannot be for not plundering the Social Security trust fund and be for this bill. So while obviously my State, and the State of the Senator from Oklahoma, would be beneficiaries from some of these loans, we can't have it both ways. We can't stand up an hour ago and say: Don't plunder Social Security, and then an hour later say: Well, if it is for a good reason such as providing loan guarantees for steel and oil, it is OK to plunder Social Security, but it is not OK in the abstract.

I can't turn corners that quickly. I can't change sides on an issue in an hour.

I do not want people to be confused. This bill has an emergency designation. It will waive the cap for the spending. There are offsets in budget authority, but they do not match up with the spending. There is no lowering of the spending cap to enforce the savings. The truth is, every penny spent from the year 2000 when this program starts until it ends will come directly out of the surplus and, for the next few years, every penny of it will come directly out of the Social Security surplus.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. GRAMM. If you are going to lock it up, you cannot spend it.

Mr. DOMENICI. Mr. President, parliamentary inquiry. All the time has expired except for 5 minutes for the Senator from New Mexico; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. DOMENICI. Then we will vote?

The PRESIDING OFFICER. The cloture vote, yes.

Mr. DOMENICI. Mr. President, let me remind everyone that this would have been a great argument 3 weeks ago when the Senate passed, with an overwhelming vote, a supplemental appropriations bill that had this precise bill in it. A vast majority of Senators voted in favor of the Emergency Supplemental bill. So we already passed it.

All of a sudden, steel and oil and gas become a very bad thing. But we already passed it overwhelmingly. We sent it over to the House to go to conference. The Senate Conferees wanted their loan programs. The House was dead set against it. Because of these loan programs the Emergency Supplemental for Kosovo and Hurricane Mitch was deadlocked. The Senate conferees said, all right, let's pass the Emergency bill without the loan provisions but let's take it back to the Senate, and when it gets back to the Senate, let's vote it out and take it to conference with the House so we can finally resolve the debate that started weeks ago in conference.

Frankly, the air tight lockbox that everybody thinks will really tie up Social Security forever—I want to confess, I invented it, I dreamt it up. But, you know, every time we turn around now for the next 6 or 8 months, as we work our way through, where is the lockbox? Do we really have one, or don't we?

We will hear this ''plundering'' heard—led by the Senator from Texas—that we are plundering. If you divide $270 million by 10 years, we are plundering it to the extent of $27 million a year.

If you want to look at the reality of things, in order to say to the oil patch in the United States, which already has lost over 56,400 jobs out of an estimated 340,700 jobs just since October 1997. With oil patch in crisis our rural communities are dying on the vine. Those who service the oil industry in the field—not the Exxons and the Texacos—going broke or belly up because they can't get loans, we are not going to fix that.

But I submit that if you are worried about making loans, we make hundreds of millions in loans for agriculture. We voted $6 billion or $8 billion in supplemental emergency funds for agriculture. If you don't think the U.S. Government lends money to business, just go look at the Small Business Administration, where hundreds of thousands of dollars are loaned to small business on 90 percent guarantees. Guess what. They are making it. There is no gigantic default rate. They are being helped to get into business and succeed.

Frankly, from my standpoint, it just appeared to me, as a Senator from oil patch, that essentially if we are going to help other people, then I just want to try to see in the Senate if you would like to help the industry that is a core fundamental of any industrialized economy—the production of oil and gas in the United States, which is withering on the vine, and dependence is going through the roof. Our foreign oil dependence is now 57 percent.

Senator NICKLES mentioned the steel program of the late 1970's. It was a small, unstructured, ad hoc program. I believe there were a grand total of five loans made. We sit here tonight and equate this to an era in American corporate history when inflation was 18 percent, interest rates were 20 percent, and my friend from Texas says because that program didn't work very well we shouldn't try again.

That experience is a lesson, but frankly, it is irrelevant. The steel industry of today bears no resemblance

to the steel industry of the 1970s. Our economy today, bears no resemblance to the economy then. Interest rates and default rates by American companies are nowhere near what they were then. The failure of business to default is all over the guarantee program in America. The failure is very small, because the economy is strong and they are able to pay their loans back.

So Senators on my side of the aisle can feel free to vote against this measure as a matter of substance. But I believe in fairness to having passed these bills already—we committed to go to conference with the House to see what they would do—we ought to invoke cloture so as to delay this bill for the shortest period of time possible. It could be amended post cloture, but at least we won't be here killing the bill that is exactly what I have outlined—a revote on something we already voted for.

I am not going to argue the economic condition of oil patch, because some of the Senators on my side of the aisle, and a few on that side of the aisle, already know that the United States, in terms of oil patch, those people who service oil wells, they are experiencing a total economic collapse. If we can't see fit to put $500 million on the books that can be loaned to them, and have to argue about the philosophy of loans by the Federal Government and the default rate of 25 year ago, then, frankly, I believe oil patch has the right to conclude that we just don't care.

I yield the floor.

CLOTURE MOTION

The PRESIDING OFFICER. All time has expired.

Under the previous order, the clerk will report the motion to invoke cloture.

The legislative assistant read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 121, H.R. 1664, the steel, oil and gas loan guarantee program legislation:

Trent Lott, Pete Domenici, Rick Santorum, Mike DeWine, Ted Stevens, Kent Conrad, Joe Lieberman, Robert C. Byrd, Byron L. Dorgan, Jay Rockefeller, Tom Daschle, Harry Reid, Paul Wellstone, Tom Harkin, Fritz Hollings, Robert J. Kerrey, and Tim Johnson.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to H.R. 1664, an act making emergency supplemental appropriations for military operations, refugee relief, and humanitarian assistance relating to the conflict in Kosovo, and for military operations in Southwest Asia for the fiscal year ending September 30, 1999, and for other purposes, shall be brought to a close?

The yeas and nays are required under the rules.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Rhode Island (Mr. CHAFEE) is necessarily absent.

The yeas and nays resulted—yeas 71, nays 28, as follows:

[Rollcall Vote No. 167 Leg.]

YEAS—71

Abraham	Edwards	Lugar
Akaka	Feingold	McConnell
Baucus	Feinstein	Mikulski
Bayh	Gorton	Moynihan
Bennett	Graham	Murkowski
Biden	Harkin	Murray
Bingaman	Hatch	Reed
Bond	Helms	Reid
Boxer	Hollings	Robb
Breaux	Hutchison	Roberts
Bryan	Inhofe	Rockefeller
Burns	Inouye	Santorum
Byrd	Jeffords	Sarbanes
Campbell	Johnson	Schumer
Cleland	Kennedy	Sessions
Cochran	Kerrey	Shelby
Conrad	Kerry	Specter
Craig	Kohl	Stevens
Daschle	Landrieu	Thompson
DeWine	Lautenberg	Thurmond
Dodd	Leahy	Torricelli
Domenici	Levin	Wellstone
Dorgan	Lieberman	Wyden
Durbin	Lincoln	

NAYS—28

Allard	Gramm	Nickles
Ashcroft	Grams	Roth
Brownback	Grassley	Smith (NH)
Bunning	Gregg	Smith (OR)
Collins	Hagel	Snowe
Coverdell	Hutchinson	Thomas
Crapo	Kyl	Voinovich
Enzi	Lott	Warner
Fitzgerald	Mack	
Frist	McCain	

NOT VOTING—1

Chafee

The PRESIDING OFFICER. On this vote the yeas are 70, the nays are 29. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed. Without objection, the motion is agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the motion to proceed was agreed to.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

A bill (H.R. 1664) making emergency supplemental appropriations for military operations, refugee relief, and humanitarian assistance relating to the conflict in Kosovo, and for military operations in Southwest Asia for the fiscal year ending September 30, 1999, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

H.R. 1664

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, 1999, and for other purposes, namely:

CHAPTER 1

[DEPARTMENT OF STATE

[ADMINISTRATION OF FOREIGN AFFAIRS

[DIPLOMATIC AND CONSULAR PROGRAMS

[Notwithstanding section 15 of the State Department Basic Authorities Act of 1956, an additional amount for ''Diplomatic and Consular Programs'', $17,071,000, to remain available until expended: *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.

[SECURITY AND MAINTENANCE OF UNITED STATES MISSIONS

[Notwithstanding section 15 of the State Department Basic Authorities Act of 1956, an additional amount for ''Security and Maintenance of United States Missions'', $50,500,000, to remain available until expended, of which $45,500,000 shall be available only to the extent that an official budget request for a specific dollar amount that includes the 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 the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

[EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

[Notwithstanding section 15 of the State Department Basic Authorities Act of 1956, an additional amount for ''Emergencies in the Diplomatic and Consular Service'', $2,929,000, to remain available until expended, of which $500,000 shall be transferred to the Peace Corps and $450,000 shall be transferred to the United States Information Agency, for evacuation and related costs: *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.**]**

SEC. 101. EMERGENCY STEEL LOAN GUARANTEE PROGRAM.

(a) SHORT TITLE.—This chapter may be cited as the ''Emergency Steel Loan Guarantee Act of 1999''.

(b) CONGRESSIONAL FINDINGS.—Congress finds that—

(1) the United States steel industry has been severely harmed by a record surge of more than 40,000,000 tons of steel imports into the United States in 1998, caused by the world financial crisis;

(2) this surge in imports resulted in the loss of more than 10,000 steel worker jobs in 1998, and was the imminent cause of 3 bankruptcies by medium-sized steel companies, Acme Steel, Laclede Steel, and Geneva Steel;

(3) the crisis also forced almost all United States steel companies into—

(A) reduced volume, lower prices, and financial losses; and

(B) an inability to obtain credit for continued operations and reinvestment in facilities;

(4) the crisis also has affected the willingness of private banks and investment institutions to make loans to the United States steel industry for continued operation and reinvestment in facilities;

(5) these steel bankruptcies, job losses, and financial losses are also having serious negative effects on the tax base of cities, counties, and States, and on the essential health, education, and municipal services that these government entities provide to their citizens; and

(6) a strong steel industry is necessary to the adequate defense preparedness of the United States in order to have sufficient steel available to build the ships, tanks, planes, and armaments necessary for the national defense.

(c) DEFINITIONS.—For purposes of this section:

(1) BOARD.—The term ''Board'' means the Loan Guarantee Board established under subsection (e).

(2) PROGRAM.—The term ''Program'' means the Emergency Steel Guarantee Loan Program established under subsection (d).

(3) QUALIFIED STEEL COMPANY.—The term ''qualified steel company'' means any company that—

(A) is incorporated under the laws of any State;

(B) is engaged in the production and manufacture of a product defined by the American Iron and Steel Institute as a basic steel mill product, including ingots, slab and billets, plates, flat-rolled steel, sections and structural products, bars, rail type products, pipe and tube, and wire rod; and

(C) has experienced layoffs, production losses, or financial losses since the beginning of the steel import crisis, in January 1998 or that operates substantial assets of a company that meets these qualifications.

(d) ESTABLISHMENT OF EMERGENCY STEEL GUARANTEE LOAN PROGRAM.—There is established the Emergency Steel Guarantee Loan Program, to be administered by the Board, the purpose of which is to provide loan guarantees to qualified steel companies in accordance with this section.

(e) LOAN GUARANTEE BOARD MEMBERSHIP.—There is established a Loan Guarantee Board, which shall be composed of—

(1) the Secretary of Commerce, who shall serve as Chairman of the Board;

(2) the Secretary of Labor; and

(3) the Secretary of the Treasury.

(f) LOAN GUARANTEE PROGRAM.—

(1) AUTHORITY.—The Program may guarantee loans provided to qualified steel companies by private banking and investment institutions in accordance with the procedures, rules, and regulations established by the Board.

(2) TOTAL GUARANTEE LIMIT.—The aggregate amount of loans guaranteed and outstanding at any one time under this section may not exceed $1,000,000,000.

(3) INDIVIDUAL GUARANTEE LIMIT.—The aggregate amount of loans guaranteed under this section with respect to a single qualified steel company may not exceed $250,000,000.

(4) MINIMUM GUARANTEE AMOUNT.—No single loan in an amount that is less than $25,000,000 may be guaranteed under this section, except that the Board may in exceptional circumstances guarantee smaller loans.

(5) TIMELINES.—The Board shall approve or deny each application for a guarantee under this section as soon as possible after receipt of such application.

(6) ADDITIONAL COSTS.—For the additional cost of the loans guaranteed under this subsection, including the costs of modifying the loans as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a), there is appropriated $140,000,000 to remain available until expended.

(g) REQUIREMENTS FOR LOAN GUARANTEES.—A loan guarantee may be issued under this section upon application to the Board by a qualified steel company pursuant to an agreement to provide a loan to that qualified steel company by a private bank or investment company, if the Board determines that—

(1) credit is not otherwise available to that company under reasonable terms or conditions sufficient to meet its financing needs, as reflected in the financial and business plans of that company;

(2) the prospective earning power of that company, together with the character and value of the security pledged, furnish reasonable assurance of repayment of the loan to be guaranteed in accordance with its terms;

(3) the loan to be guaranteed bears interest at a rate determined by the Board to be reasonable, taking into account the current average yield on outstanding obligations of the United States with remaining periods of maturity comparable to the maturity of such loan;

(4) the company has agreed to an audit by the General Accounting Office prior to the issuance of the loan guarantee and annually thereafter while any such guaranteed loan is outstanding; and

(5) In the case of a purchaser of substantial assets of a qualified steel company, the qualified steel company establishes that it is unable to reorganize itself.

(h) TERMS AND CONDITIONS OF LOAN GUARANTEES.—

(1) LOAN DURATION.—All loans guaranteed under this section shall be payable in full not later than December 31, 2005, and the terms and conditions of each such loan shall provide that the loan may not be amended, or any provision thereof waived, without the consent of the Board.

(2) LOAN SECURITY.—Any commitment to issue a loan guarantee under this section shall contain such affirmative and negative covenants and other protective provisions that the Board determines are appropriate. The Board shall require security for the loans to be guaranteed under this section at the time at which the commitment is made.

(3) FEES.—A qualified steel company receiving a guarantee under this section shall pay a fee to the Department of the Treasury to cover costs of the program, but in no event shall such fee exceed an amount equal to 0.5 percent of the outstanding principal balance of the guaranteed loan.

(i) REPORTS TO CONGRESS.—The Secretary of Commerce shall submit to Congress a full report of the activities of the Board under this section during each of fiscal years 1999 and 2000, and annually thereafter, during such period as any loan guaranteed under this section is outstanding.

(j) SALARIES AND ADMINISTRATIVE EXPENSES.—For necessary expenses to administer the Program, $5,000,000 is appropriated to the Department of Commerce, to remain available until expended, which may be transferred to the Office of the Assistant Secretary for Trade Development of the International Trade Administration.

(k) TERMINATION OF GUARANTEE AUTHORITY.—The authority of the Board to make commitments to guarantee any loan under this section shall terminate on December 31, 2001.

(l) REGULATORY ACTION.—The Board shall issue such final procedures, rules, and regulations as may be necessary to carry out this section not later than 60 days after the date of enactment of this Act.

(m) IRON ORE COMPANIES.—

(1) IN GENERAL.—Subject to the requirements of this subsection, an iron ore company incorporated under the laws of any State shall be treated as a qualified steel company for purposes of the Program.

(2) TOTAL GUARANTEE LIMIT FOR IRON ORE COMPANY.—Of the aggregate amount of loans authorized to be guaranteed and outstanding at any one time under subsection (f)(2), an amount not to exceed $30,000,000 shall be loans with respect to iron ore companies.

(3) MINIMUM IRON ORE COMPANY GUARANTEE AMOUNT.—Notwithstanding subsection (f)(4), a single loan to an iron ore company in an amount of not less than $6,000,000 may be guaranteed under this section.

FEDERAL ADMINISTRATIVE AND TRAVEL EXPENSES

(RESCISSIONS)

SEC. 102. (a) Of the funds available in the nondefense category to the agencies of the Federal Government, $145,000,000 are hereby rescinded: Provided, That rescissions pursuant to this subsection shall be taken only from administrative and travel accounts: Provided further, That rescissions shall be taken on a pro rata basis from funds available to every Federal agency, department, and office in the Executive Branch, including the Office of the President.

(b) Within 30 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit to the Committees on Appropriations of the House of Representatives and the Senate a listing of the amounts by account of the reductions made pursuant to the provisions of subsection (a) of this section.

CHAPTER 2

[DEPARTMENT OF DEFENSE—MILITARY

[MILITARY PERSONNEL

[MILITARY PERSONNEL, ARMY

[For an additional amount for ''Military Personnel, Army'', $2,920,000: *Provided*, That such 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.

[MILITARY PERSONNEL, NAVY

[For an additional amount for ''Military Personnel, Navy'', $7,660,000: *Provided*, That such 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.

[MILITARY PERSONNEL, MARINE CORPS

[For an additional amount for ''Military Personnel, Marine Corps'', $1,586,000: *Provided*, That such 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.

[MILITARY PERSONNEL, AIR FORCE

[For an additional amount for ''Military Personnel, Air Force'', $4,303,000: *Provided*, That such 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.

[OPERATION AND MAINTENANCE

[OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND

[(INCLUDING TRANSFER OF FUNDS)

[For an additional amount for ''Overseas Contingency Operations Transfer Fund'', $5,219,100,000, to remain available until expended: *Provided*, That the entire amount made available under this heading 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 of such amount, $1,311,800,000 shall be available only to the extent that the President transmits to the Congress an official budget request for a specific dollar amount that: (1) specifies items which meet a critical readiness or sustainability need, to include replacement of expended munitions to maintain adequate inventories for future operations; and (2) 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 the Secretary of Defense may transfer these funds only to military personnel accounts; operation and maintenance accounts, including Overseas Humanitarian, Disaster, and Civic Aid; procurement accounts; research, development, test and evaluation accounts; military construction; the Defense Health Program appropriation; the National Defense Sealift Fund; and working capital fund accounts: *Provided further*, That the funds transferred shall be merged with and shall 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 under this heading is in addition to any other transfer authority available to the Department of Defense: *Provided further*, That such funds may be used to execute projects or programs that were deferred in order to carry out military operations in and around Kosovo and in Southwest Asia, including efforts associated with the displaced Kosovar population: *Provided further*, That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation.

[PROCUREMENT

[WEAPONS POCUREMENT, NAVY

[For an additional amount for ''Weapons Procurement, Navy'', $431,100,000, to remain available for obligation until September 30, 2000: *Provided*, That such 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.

[AIRCRAFT PROCUREMENT, AIR FORCE

[For an additional amount for ''Aircraft Procurement, Air Force'', $40,000,000, to remain available for obligation until September 30, 2000: *Provided*, That such 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.

[MISSILE PROCUREMENT, AIR FORCE

[For an additional amount for ''Missile Procurement, Air Force'', $178,200,000, to remain available for obligation until September 30, 2000: *Provided*, That such 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.

[PROCUREMENT OF AMMUNITION, AIR FORCE

[For an additional amount for ''Procurement of Ammunition, Air Force'', $35,000,000, to remain available for obligation until September 30, 2000: *Provided*, That such 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.

[OPERATIONAL RAPID RESPONSE TRANSFER FUND

[(INCLUDING TRANSFER OF FUNDS)

[In addition to the amounts appropriated or otherwise made available in this Act and the Department of Defense Appropriations Act, 1999 (Public Law 105–262), $400,000,000, to remain available for obligation until September 30, 2000, is hereby made available only for the accelerated acquisition and deployment of military technologies and systems needed for the conduct of Operation Allied Force, or to provide accelerated acquisition and deployment of military technologies and systems as substitute or replacement systems for other U.S. regional commands which have had assets diverted as a result of Operation Allied Force: *Provided*, That funds under this heading may only be obligated in response to a specific request from a U.S. regional command and upon approval of the Secretary of Defense, or his designate: *Provided further*, That the Secretary of Defense shall provide written notification to the congressional defense committees prior to the transfer of any amount in excess of $10,000,000 to a specific program or project: *Provided further*, That the Secretary of Defense may transfer funds made available under this heading only to operation and maintenance accounts, procurement accounts, and research, development, test and evaluation accounts: *Provided further*, That the transfer authority provided under this section shall be in addition to the transfer authority provided to the Department of Defense in this Act or any other Act: *Provided further*, That the entire amount made available in 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, as amended: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for $400,000,000, 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.

[GENERAL PROVISIONS—THIS CHAPTER

[(TRANSFER OF FUNDS)

[SEC. 201. Section 8005 of the Department of Defense Appropriations Act, 1999 (Public Law 105–262), is amended by striking out ''$1,650,000,000'' and inserting in lieu thereof ''$2,450,000,000''.

[SEC. 202. Notwithstanding the limitations set forth in section 1006 of Public Law 105–261, not to exceed $10,000,000 of funds appropriated by this Act may be available for contributions to the common funded budgets of NATO (as defined in section 1006(c)(1) of Public Law 105–261) for costs related to NATO operations in and around Kosovo.

[SEC. 203. Funds appropriated by this Act, or made available by the transfer of funds in this Act, for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414).

[SEC. 204. Notwithstanding section 5064(d) of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355), the special authorities provided under section 5064(c) of such Act shall continue to apply with respect to contracts awarded or modified for the Joint Direct Attack Munition (JDAM) program until June 30, 2000: *Provided*, That a contract or modification to a contract for the JDAM program may be awarded or executed notwithstanding any advance notification requirements that would otherwise apply.

[SEC. 205. (a) EFFORTS TO INCREASE BURDENSHARING.—The President shall seek equitable reimbursement from the North Atlantic Treaty Organization (NATO), member nations of NATO, and other appropriate organizations and nations for the costs incurred by the United States government in connection with Operation Allied Force.

[(b) REPORT.—Not later than September 30, 1999, the President shall prepare and submit to the Congress a report on—

[(1) All measures taken by the President pursuant to subsection (a);

[(2) The amount of reimbursement received to date from each organization and nation pursuant to subsection (a), including a description of any commitments made by such organization or nation to provide reimbursement; and

[(3) In the case of an organization or nation that has refused to provide, or to commit to provide, reimbursement pursuant to subsection (a), an explanation of the reasons therefor.

[(c) OPERATION ALLIED FORCE.—In this section, the term ''Operation Allied Force'' means operations of the North Atlantic Treaty Organization (NATO) conducted against the Federal Republic of Yugoslavia (Serbia and Montenegro) during the period beginning on March 24, 1999, and ending on such date as NATO may designate, to resolve the conflict with respect to Kosovo.

[SEC. 206. (a) Not more than thirty days after the enactment of this Act, the President shall transmit to Congress a report, in both classified and unclassified form, on current United States participation in Operation Allied Force. The report should include information on the following matters:

[(1) A statement of the national security objectives involved in U.S. participation in Operation Allied Force;

[(2) An accounting of all current active duty personnel assigned to support Operation Allied Force and related humanitarian operations around Kosovo to include total number, service component and area of deployment (such accounting should also include total number of personnel from other NATO countries participating in the action);

[(3) Additional planned deployment of active duty units in the European Command area of operations to support Operation Allied Force, between the date of enactment of this Act and the end of fiscal year 1999;

[(4) Additional planned Reserve component mobilization, including specific units to be called up between the date of enactment of this Act and the end of fiscal year 1999, to support Operation Allied Force;

[(5) An accounting by the Joint Chiefs of Staff on the transfer of personnel and materiel from other regional commands to the United States European Command to support Operation Allied Force and related humanitarian operations around Kosovo, and an assessment by the Joint Chiefs of Staff of the impact any such loss of assets has had on the war-fighting capabilities and deterrence value of these other commands;

[(6) Levels of humanitarian aid provided to the displaced Kosovar community from the United States, NATO member nations, and other nations (figures should be provided by country and type of assistance provided whether financial or in-kind); and

[(7) Any significant revisions to the total cost estimate for the deployment of United States forces involved in Operation Allied Force through the end of fiscal year 1999.

[(b) OPERATION ALLIED FORCE.—In this section, the term ''Operation Allied Force'' means operations of the North Atlantic Treaty Organization (NATO) conducted against the Federal Republic of Yugoslavia (Serbia and Montenegro) during the period beginning on March 24, 1999, and ending on such date as NATO may designate, to resolve the conflict with respect to Kosovo.

[SEC. 207. In addition to amounts appropriated or otherwise made available elsewhere in this Act for the Department of Defense or in the Department of Defense Appropriations Act, 1999, $1,339,200,000, to remain available for obligation until September 30, 2000, is hereby appropriated to the Department of Defense only for spare and repair parts and associated logistical support necessary for the maintenance of weapons systems and equipment, as follows:

[''Operation and Maintenance, Navy'', $457,000,000;

[''Operation and Maintenance, Air Force'', $676,800,000;

[''Operation and Maintenance, Air Force Reserve'', $24,000,000;

[''Operation and Maintenance, Air National Guard'', $26,000,000;

[''Aircraft Procurement, Navy'', $118,000,000;

[''Aircraft Procurement, Air Force'', $31,300,000; and

[''Missile Procurement, Air Force'', $6,100,000:

[*Provided*, That the entire amount made available in 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, as amended: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for $1,339,200,000, 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.

[SEC. 208. In addition to amounts appropriated or otherwise made available elsewhere in this Act for the Department of Defense or in the Department of Defense Appropriations Act, 1999, $927,300,000, to remain available for obligation until September 30, 2000, is hereby appropriated to the Department of Defense only for depot level maintenance and repair, as follows:

[''Operation and Maintenance, Army'', $87,000,000;

[''Operation and Maintenance, Navy'', $428,700,000;

[''Operation and Maintenance, Marine Corps'', $58,000,000;

[''Operation and Maintenance, Air Force'', $314,300,000;

[''Operation and Maintenance, Marine Corps Reserve'', $3,000,000;

[''Operation and Maintenance, Air Force Reserve'', $6,800,000; and

[''Operation and Maintenance, Air National Guard'', $29,500,000:

[*Provided*, That the entire amount made available in 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, as amended: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for $927,300,000, 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.

[SEC. 209. In addition to amounts appropriated or otherwise made available elsewhere in this Act for the Department of Defense or in the Department of Defense Appropriations Act, 1999, $156,400,000, to remain available for obligation until September 30, 2000, is hereby appropriated to the Department of Defense only for military recruiting and advertising initiatives, as follows:

[''Operation and Maintenance, Army'', $48,600,000;

[''Operation and Maintenance, Navy'', $20,000,000;

[''Operation and Maintenance, Air Force'', $37,000,000;

[''Operation and Maintenance, Army Reserve'', $29,800,000;

[''Operation and Maintenance, Navy Reserve'', $1,000,000; and

[''Operation and Maintenance, Army National Guard'', $20,000,000:

[*Provided*, That the entire amount made available in 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, as amended: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for $156,400,000, 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.

[SEC. 210. In addition to amounts appropriated or otherwise made available elsewhere in this Act for the Department of Defense or in the Department of Defense Appropriations Act, 1999, $307,300,000, to remain available for obligation until September 30, 2000, is hereby appropriated to the Department of Defense only for military training, equipment maintenance and associated support costs required to meet assigned readiness levels of United States military forces, as follows:

[''Operation and Maintenance, Army'', $113,200,000;

[''Operation and Maintenance, Marine Corps'', $15,200,000;

[''Operation and Maintenance, Air Force'', $28,000,000;

[''Operation and Maintenance, Army Reserve'', $88,400,000;

[''Operation and Maintenance, Navy Reserve'', $600,000;

[''Operation and Maintenance, Air Force Reserve'', $11,900,000;

[''Operation and Maintenance, Army National Guard'', $23,000,000; and

[''Operation and Maintenance, Air National Guard'', $27,000,000:

[*Provided*, That the entire amount made available in 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, as amended: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for $307,300,000, 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.

[SEC. 211. In addition to amounts appropriated or otherwise made available elsewhere in this Act for the Department of Defense or in the Department of Defense Appropriations Act, 1999, $351,500,000, to remain available for obligation until September 30, 2000, is hereby appropriated to the Department of Defense only for base operations support costs at Department of Defense facilities, as follows:

[''Operation and Maintenance, Army'', $116,200,000;

[''Operation and Maintenance, Navy'', $45,900,000;

[''Operation and Maintenance, Marine Corps'', $53,000,000;

[''Operation and Maintenance, Air Force'', $91,900,000;

[''Operation and Maintenance, Army Reserve'', $18,700,000;

[''Operation and Maintenance, Navy Reserve'', $13,800,000;

[''Operation and Maintenance, Marine Corps Reserve'', $300,000; and

[''Operation and Maintenance, Army National Guard'', $11,700,000:

[*Provided*, That the entire amount made available in 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, as amended: *Provided further*, That the entire amount shall be available only to the extent that an official budget request for $351,500,000, 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.

[SEC. 212. (a) In addition to amounts appropriated or otherwise made available to the Department of Defense in other provisions of this Act, there is appropriated to the Department of Defense, to remain available for obligation until September 30, 2000, and to be used only for increases during fiscal year 2000 in rates of military basic pay and for increased payments during fiscal year 2000 to the Department of Defense Military Retirement Fund, $1,838,426,000, to be available as follows:

[''Military Personnel, Army'', $559,533,000;

[''Military Personnel, Navy'', $436,773,000;

[''Military Personnel, Marine Corps'', $177,980,000;

[''Military Personnel, Air Force'', $471,892,000;

[''Reserve Personnel, Army'', $40,574,000;

[''Reserve Personnel, Navy'', $29,833,000;

[''Reserve Personnel, Marine Corps'', $7,820,000;

[''Reserve Personnel, Air Force'', $13,143,000;

[''National Guard Personnel, Army'', $70,416,000; and

[''National Guard Personnel, Air Force'', $30,462,000.

[(b) The entire amount made available in this section—

[(1) 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 (2 U.S.C. 901(b)(2)(A)); and

[(2) shall be available only if the President transmits to the Congress an official budget request for $1,838,426,000, 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.

[(c) The amounts provided in this section may be obligated only to the extent required for increases in rates of military basic pay, and for increased payments to the Department of Defense Military Retirement Fund, that become effective during fiscal year 2000 pursuant to provisions of law subsequently enacted in authorizing legislation.]

SEC. 201. PETROLEUM DEVELOPMENT MANAGEMENT.

(a) SHORT TITLE.—This chapter may be cited as the ''Emergency Oil and Gas Guaranteed Loan Program Act''.

(b) FINDINGS.—Congress finds that—

(1) consumption of foreign oil in the United States is estimated to equal 56 percent of all oil consumed, and that percentage could reach 68 percent by 2010 if current prices prevail;

(2) the number of oil and gas rigs operating in the United States is at its lowest since 1944, when records of this tally began;

(3) if prices do not increase soon, the United States could lose at least half its marginal wells, which in aggregate produce as much oil as the United States imports from Saudi Arabia;

(4) oil and gas prices are unlikely to increase for at least several years;

(5) declining production, well abandonment, and greatly reduced exploration and development are shrinking the domestic oil and gas industry;

(6) the world's richest oil producing regions in the Middle East are experiencing increasingly greater political instability;

(7) United Nations policy may make Iraq the swing oil producing nation, thereby granting Saddam Hussein tremendous power;

(8) reliance on foreign oil for more than 60 percent of our daily oil and gas consumption is a national security threat;

(9) the level of United States oil security is directly related to the level of domestic production of oil, natural gas liquids, and natural gas; and

(10) a national security policy should be developed that ensures that adequate supplies of oil are available at all times free of the threat of embargo or other foreign hostile acts.

(c) DEFINITIONS.—In this section:

(1) BOARD.—The term ''Board'' means the Loan Guarantee Board established by subsection (e).

(2) PROGRAM.—The term ''Program'' means the Emergency Oil and Gas Guaranteed Loan Program established by subsection (d).

(3) QUALIFIED OIL AND GAS COMPANY.—The term ''qualified oil and gas company'' means a company that—

(A) is incorporated under the laws of any State;

(B) is—

(i) an independent oil and gas company (within the meaning of section 57(a)(2)(B)(i) of the Internal Revenue Code of 1986); or

(ii) a small business concern under section 3 of the Small Business Act (15 U.S.C. 632) (or a company based in Alaska, including an Alaska Native Corporation created pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.)) that is an oil field service company whose main business is providing tools, products, personnel, and technical solutions on a contractual basis to exploration and production operators that drill, complete wells, and produce, transport, refine, and sell hydrocarbons and their byproducts as the main commercial business of the concern or company; and

(C) has experienced layoffs, production losses, or financial losses since the beginning of the oil import crisis, after January 1, 1997.

(d) EMERGENCY OIL AND GAS GUARANTEED LOAN PROGRAM.—

(1) IN GENERAL.—There is established the Emergency Oil and Gas Guaranteed Loan Program, the purpose of which shall be to provide loan guarantees to qualified oil and gas companies in accordance with this section.

(2) LOAN GUARANTEE BOARD.—There is established to administer the Program a Loan Guarantee Board, to be composed of—

(A) the Secretary of Commerce, who shall serve as Chairperson of the Board;

(B) the Secretary of Labor; and

(C) the Secretary of the Treasury.

(e) AUTHORITY.—

(1) IN GENERAL.—The Program may guarantee loans provided to qualified oil and gas companies by private banking and investment institutions in accordance with procedures, rules, and regulations established by the Board.

(2) TOTAL GUARANTEE LIMIT.—The aggregate amount of loans guaranteed and outstanding at any 1 time under this section shall not exceed $500,000,000.

(3) INDIVIDUAL GUARANTEE LIMIT.—The aggregate amount of loans guaranteed under this section with respect to a single qualified oil and gas company shall not exceed $10,000,000.

(4) MINIMUM GUARANTEE AMOUNT.—No single loan in an amount that is less than $250,000 may be guaranteed under this section.

(5) EXPEDITIOUS ACTION ON APPLICATIONS.—The Board shall approve or deny an application for a guarantee under this section as soon as practicable after receipt of an application.

(6) ADDITIONAL COSTS.—For the additional cost of the loans guaranteed under this subsection, including the costs of modifying the loans as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a), there is appropriated $122,500,000 to remain available until expended.

(f) REQUIREMENTS FOR LOAN GUARANTEES.—The Board may issue a loan guarantee on application by a qualified oil and gas company under an agreement by a private bank or investment company to provide a loan to the qualified oil and gas company, if the Board determines that—

(1) credit is not otherwise available to the company under reasonable terms or conditions sufficient to meet its financing needs, as reflected in the financial and business plans of the company;

(2) the prospective earning power of the company, together with the character and value of the security pledged, provide a reasonable assurance of repayment of the loan to be guaranteed in accordance with its terms;

(3) the loan to be guaranteed bears interest at a rate determined by the Board to be reasonable, taking into account the current average yield on outstanding obligations of the United States with remaining periods of maturity comparable to the maturity of the loan; and

(4) the company has agreed to an audit by the General Accounting Office before issuance of the loan guarantee and annually while the guaranteed loan is outstanding.

(g) TERMS AND CONDITIONS OF LOAN GUARANTEES.—

(1) LOAN DURATION.—All loans guaranteed under this section shall be repayable in full not later than December 31, 2010, and the terms and conditions of each such loan shall provide that the loan agreement may not be amended, or any provision of the loan agreement waived, without the consent of the Board.

(2) LOAN SECURITY.—A commitment to issue a loan guarantee under this section shall contain such affirmative and negative covenants and other protective provisions as the Board determines are appropriate. The Board shall require security for the loans to be guaranteed under this section at the time at which the commitment is made.

(3) FEES.—A qualified oil and gas company receiving a loan guarantee under this section shall pay a fee to the Department of the Treasury to cover costs of the program, but in no event shall such fee exceed an amount equal to 0.5 percent of the outstanding principal balance of the guaranteed loan.

(h) REPORTS.—During fiscal year 1999 and each fiscal year thereafter until each guaranteed loan has been repaid in full, the Secretary of Commerce shall submit to Congress a report on the activities of the Board.

(i) SALARIES AND ADMINISTRATIVE EXPENSES.—For necessary expenses to administer the Program, $2,500,000 is appropriated to the Department of Commerce, to remain available until expended, which may be transferred to the Office of the Assistant Secretary for Trade Development of the International Trade Administration.

(j) TERMINATION OF GUARANTEE AUTHORITY.—The authority of the Board to make commitments to guarantee any loan under this section shall terminate on December 31, 2001.

(k) REGULATORY ACTION.—Not later than 60 days after the date of enactment of this Act, the Board shall issue such final procedures, rules, and regulations as are necessary to carry out this section.

FEDERAL ADMINISTRATIVE AND TRAVEL EXPENSES (RESCISSIONS)

SEC. 202. (a) Of the funds available in the nondefense category to the agencies of the Federal Government, $125,000,000 are hereby rescinded: Provided, That rescissions pursuant to this subsection shall be taken only from administrative and travel accounts: Provided further, That rescissions shall be taken on a pro rata basis from funds available to every Federal agency, department, and office in the Executive Branch, including the Office of the President.

(b) Within 30 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit to the Committees on Appropriations of the House of Representatives and the Senate a listing of the amounts by account of the reductions made pursuant to the provisions of subsection (a) of this section.

CHAPTER 3

[BILATERAL ECONOMIC ASSISTANCE

[FUNDS APPROPRIATED TO THE PRESIDENT

[AGENCY FOR INTERNATIONAL DEVELOPMENT

[INTERNATIONAL DISASTER ASSISTANCE

[For an additional amount for ''International Disaster Assistance'', $96,000,000 (increased by $67,000,000), to remain available until expended: *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 shall be available only to the extent that 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.

[OTHER BILATERAL ECONOMIC ASSISTANCE

[ECONOMIC SUPPORT FUND

[For an additional amount for ''Economic Support Fund'', $105,000,000, to remain available until September 30, 2000, for assistance for Albania, Macedonia, Bulgaria, Bosnia-Herzegovina, Montenegro, and Romania, and for investigations and related activities in Kosovo and in adjacent entities and countries regarding war crimes; *Provided*, That these funds shall be available notwithstanding any other provision of law except section 533 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1999 (as contained in division A, section 101(d) of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277)): *Provided further*, That the requirement for a notification through the regular notification procedures of the Committees on Appropriations contained in subsection (b)(3) of section 533 shall be deemed to be satisfied if the Committees on Appropriations are notified at

least 5 days prior to the obligation of such funds: *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.

[ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

[For an additional amount for ''Assistance for Eastern Europe and the Baltic States'', $75,000,000, to remain available until September 30, 2000, of which up to $1,000,000 may be used for administrative costs of the U.S. Agency for International Development: *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 funds appropriated under this heading shall be obligated and expended subject to the regular notification procedures of the Committees on Appropriations.

[DEPARTMENT OF STATE

[MIGRATION AND REFUGEE ASSISTANCE

[For an additional amount for ''Migration and Refugee Assistance'', $195,000,000, to remain available until September 30, 2000, of which not more than $500,000 is for administrative expenses: *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 shall be available only to the extent that 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.

[UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

[For an additional amount for the ''United States Emergency Refugee and Migration Assistance Fund'', and subject to the terms and conditions under that head, $95,000,000, to remain available until expended: *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.

[GENERAL PROVISION—THIS CHAPTER

[SEC. 301. The value of commodities and services authorized by the President through March 31, 1999, to be drawn down under the authority of section 552(c)(2) of the Foreign Assistance Act of 1961 to support international relief efforts relating to the Kosovo conflict shall not be counted against the ceiling limitation of that section: *Provided*, That such assistance relating to the Kosovo conflict provided pursuant to section 552(a)(2) may be made available notwithstanding any other provision of law.

[CHAPTER 4

[DEPARTMENT OF DEFENSE

[MILITARY CONSTRUCTION

[NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

[For an additional amount for ''North Atlantic Treaty Organization Security Investment Program'', $240,000,000, to remain available until expended: *Provided*, That the Secretary of Defense may make additional contributions for the North Atlantic Treaty Organization, as provided in section 2806 of title 10, United States Code: *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 shall be available only to the extent that an official budget request for $240,000,000, 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.

[GENERAL PROVISION—THIS CHAPTER

[SEC. 401. In addition to amounts appropriated or otherwise made available in the Military Construction Appropriations Act, 1999, $831,000,000 is hereby appropriated to the Department of Defense, to remain available until September 30, 2003, as follows:

[''Military Construction, Army'', $295,800,000;

[''Military Construction, Navy'', $166,270,000;

[''Military Construction, Air Force'', $333,430,000; and

[''Military Construction, Defense-wide'', $35,500,000:

[*Provided*, That notwithstanding any other provision of law, such funds may be obligated or expended to carry out military construction projects not otherwise authorized by law: *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 shall be available only to the extent that an official budget request for $831,000,000, 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.

[CHAPTER 5

[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, $1,095,000,000, as follows: $350,000,000 for guaranteed farm ownership loans; $200,000,000 for direct farm ownership loans; $185,000,000 for direct farm operating loans; $185,000,000 for subsidized guaranteed farm operating loans; and $175,000,000 for emergency farm loans.

[For the additional cost of direct and guaranteed farm loans, including the cost of modifying such loans as defined in section 502 of the Congressional Budget Act of 1974, to remain available until September 30, 2000: farm operating loans, $28,804,000, of which $12,635,000 shall be for direct loans and $16,169,000 shall be for guaranteed subsidized loans; farm ownership loans, $35,505,000, of which $29,940,000 shall be for direct loans and $5,565,000 shall be for guaranteed loans; emergency loans, $41,300,000; and administrative expenses to carry out the loan programs, $4,000,000: *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.

[OFFSETS—THIS CHAPTER

[BILATERAL ECONOMIC ASSISTANCE

[FUNDS APPROPRIATED TO THE PRESIDENT

[AGENCY FOR INTERNATIONAL DEVELOPMENT

[DEVELOPMENT ASSISTANCE

[(RESCISSION)

[Of the funds appropriated under this heading in Public Law 105–118 and in prior acts making appropriations for foreign operations, export financing, and related programs, $40,000,000 are rescinded.

[OTHER BILATERAL ECONOMIC ASSISTANCE

[ECONOMIC SUPPORT FUND

[(RESCISSION)

[Of the funds appropriated under this heading in Public Law 105–277 and in prior acts making appropriations for foreign operations, export financing, and related programs, $17,000,000 are rescinded.

[DEPARTMENT OF HEALTH AND HUMAN SERVICES

[HEALTH RESOURCES AND SERVICES ADMINISTRATION

[FEDERAL CAPITAL LOAN PROGRAM FOR NURSING

[(RESCISSION)

[Of the funds made available under the Federal Capital Loan Program for Nursing appropriation account, $2,800,000 are rescinded.

[DEPARTMENT OF EDUCATION

[EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT

[(RESCISSION)

[Of the funds made available under this heading in section 101(f) of Public Law 105–277, $6,800,000 are rescinded.

[MILITARY ASSISTANCE

[FUNDS APPROPRIATED TO THE PRESIDENT

[PEACEKEEPING OPERATIONS

[(RESCISSION)

[Of the funds appropriated under this heading in Public Law 105–277, $10,000,000 are rescinded.

[MULTILATERAL ECONOMIC ASSISTANCE

[FUNDS APPROPRIATED TO THE PRESIDENT

[INTERNATIONAL FINANCIAL INSTITUTIONS

[CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

[GLOBAL ENVIRONMENT FACILITY

[(RESCISSION)

[Of the funds appropriated under this heading in Public Law 105–277, $25,000,000 are rescinded.

[EXECUTIVE OFFICE OF THE PRESIDENT

[FUNDS APPROPRIATED TO THE PRESIDENT

[UNANTICIPATED NEEDS

[(RESCISSION)

[Of the funds made available under this heading in Public Law 101–130, the Fiscal Year 1990 Dire Emergency Supplemental to Meet the Needs of Natural Disasters of National Significance, $10,000,000 are rescinded.

[CHAPTER 6

[GENERAL PROVISION

[SEC. 601. No part of any appropriation contained in the Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

[SEC. 602. It is the sense of the Congress that there should continue to be parity between the adjustments in the compensation of members of the uniformed services and

the adjustments in the compensation of civilian employees of the United States.

[This Act may be cited as the ''Kosovo and Southwest Asia Emergency Supplemental Appropriations Act, 1999''.]

GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in the Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 302. (a) Amounts appropriated or otherwise made available in chapters 1 and 2 of this Act are 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 (2 U.S.C. 901(b)(2)(A)), as amended.

(b) The amounts referred to in subsection (a) shall be available only to the extent that the President makes an emergency designation pursuant to that Act.

This Act may be cited as the ''Emergency Steel Loan Guarantee and Emergency Oil and Gas Guaranteed Loan Act of 1999''.

Amend the title so as to read: ''An Act providing emergency authority for guarantees of loans to qualified steel and iron ore companies and to qualified oil and gas companies, and for other purposes.''.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2000

Mr. LOTT. Mr. President, I ask unanimous consent the Senate resume consideration of the energy and water appropriations bill.

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

The Senate resumed the consideration of the bill.

Pending:

Domenici amendment No. 628, of a technical nature.

Mr. LOTT. 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. DURBIN. 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. BINGAMAN. Mr. President, I am aware of the very tight budgetary constraints under which this bill is being considered and I commend the chairman and ranking member for their good, hard work. One concern I have, however, is that the fiscal year 2000 Energy and Water Appropriations bill does not fund the Department of Energy's Scientific Simulation Initiative (SSI). The SSI is not only an integral part of the President's Information Technology Initiative for the 21st Century, but also a key element in the Department's effort to keep the United States at the leading edge of scientific discovery. It is only through scientific modeling on computers 10–100 times more powerful than those now available to civilian scientists that we can address many scientific problems with an enormous potential payoff for the Nation. The SSI will build on DOE's successful history of making leading edge computers available for scientific modeling to provide us with reliable, quantitative and regional information about changes in climate, and help us design more efficient internal combustion engines. It will also help us create more effective drugs and materials, and contribute to our understanding of basic scientific problems in a wide range of disciplines. I hope that, should more funding become available during this year's congressional appropriations process, the Senate will work with the House of Representatives to fully fund this important program.

Mr. LEVIN. Mr. President, I am pleased the managers have accepted the amendment that I introduced along with Senators DEWINE, VOINOVICH, MOYNIHAN and AKAKA, adding funds to help combat zebra mussels and other invasive species which infest U.S. waterways. The funds provided will allow the Army Corps of Engineers (USACE) to meet its responsibilities under the National Invasive Species Act of 1996 to research, develop and demonstrate environmentally sound techniques for managing and removing aquatic nuisance species that threaten public infrastructure in U.S. waters. The Corps' efforts complement the work of other agencies to limit the introduction and spread of new species, providing a desperately needed aquatic invasive species control program.

Mr. President, Zebra mussels in the Great Lakes degrade and disrupt the ecosystem; they endanger other indigenous species, either by consuming their food supply or smothering them, and zebra mussels cause grave economic impacts as they damage public infrastructure. Similar nonindigenous species infestations harm virtually every U.S. waterway and coastal area. Over the years, legislation to prevent and control these invasive species has received strong bipartisan, multi-regional support as a testimony to the serious threat they pose.

The Committee bill includes some other important items for Michigan and the Great Lakes. These include:

$400,000 for preconstruction, engineering and designing improvements to the locks in Sault Ste. Marie.

$1.7 million to repair the north and south piers and revetments at Pentwater Harbor.

$100,000 to complete a study on Environmental Dredging in Detroit River.

$250,000 for corrections to deficiencies associated with the Clinton River Spillway.

$100,000 to complete seawall construction, dredging and other work associated with the establishment of the Robert V. Annis Water Resource Institute at Grand Valley State University.

$200,000 for planning and design of sea lamprey barriers at sites throughout the Great Lakes basin. As my colleagues may know, the sea lamprey is a devastating invasive species that has plagued the Great Lakes since it first appeared and these barriers play an important role in preventing this species spread and population growth.

Funding for the Partnership for a New Generation of Vehicles (PNGV)

Mr. President, on balance, this is a good bill, despite the budget constraints that the managers faced in putting it together.

Mr. DEWINE. Mr. President, I rise today to make a few remarks about a serious threat to my home state of Ohio and to thank the honorable chairman and ranking member of the Energy and Water Appropriations Subcommittee and Senator LEVIN for helping me to address this threat.

Mr. President, sometimes big problems come in small packages. Today, Lake Erie—and just about every other body of water in the Midwest—are threatened by a very small and unwanted intruder, the zebra mussel. This small but prodigious mussel is just one of the many invasive species that have entered this country and which threaten to degrade the natural resource capital of virtually every U.S. waterway and coastal area. Free of their natural predators and other limiting environmental factors, alien species like the zebra mussel often cause grave economic harm as they foul or otherwise damage public infrastructure.

In the late 1980s, the zebra mussel was discovered in Lake St. Clair, having arrived from eastern Europe through the discharge of ballast water from European freighters. The species spread rapidly to 20 states and as far as the mouth of the Mississippi River. U.S. expenditures to control zebra mussels and clean water intake pipes, water filtration equipment, and electric generating plants and other damages are estimated at $3.1 billion over 10 years.

In Ohio, the zebra mussel poses a particular threat to public water intake systems. Ohio has more than 1,900 facilities that collectively withdraw over 10 billion gallons of water per day. The costs to remove or prevent infestations of zebra mussels in large surface water intakes can exceed $350,000 annually.

The mussels threaten native wildlife in Ohio by competing for the food of native fish by filtering algae and other plankton from the water. They have also been shown to accumulate contaminants which can be passed up the food chain. During the summer of 1995, they were implicated as the probable cause of a large bloom of toxic algae in the Western Basin of Lake Erie. The frequency of these large and destructive blooms has increased as the mussels spread through the lake. Since 1988, zebra mussels in Ohio have spread to 10 inland lakes and 6 streams.

Mr. President, along with my esteemed colleague and co-chairman of the Great Lakes Task Force, Senator LEVIN, I urged funding for the effective implementation of a program to help mitigate the impact of zebra mussels in United States waters. Today, I want to thank Senator DOMENICI and Senator REID for continuing to fund important research to control the damage caused by the zebra mussel.

While other agencies work to limit the introduction of new species into U.S. waters, the Army Corps of Engineers has the responsibility under the National Invasive Species Act (NISA) of developing better means for managing those pest species already established. NISA expands existing authority for the Army Corps to research, develop and demonstrate environmentally sound techniques for removing zebra mussels and other aquatic nuisance species from public facilities, such as municipal water works.

As the range of the zebra mussel expands, control is being undertaken by more and more raw water users. Without the benefit of this research, the control methods chosen may be less efficient, and less environmentally sound than necessary. With the help of Senators DOMENICI and REID and LEVIN I am glad to say that this bill will provide $1.5 million to continue this important work.

The National Invasive Species Act of 1996, which I cosponsored and which reauthorized and expanded the Nonindigenous Aquatic Nuisance Prevention and Control Act, received strong bipartisan and multi-regional support in both chambers, and the full support of the administration, the maritime industry and environmental community. Funding for NISA programs is essential if the benefits of the law are to be realized.

Mr. President, again I want to thank Senator DOMENICI and Senator REID for their attention to this matter.

Mr. TORRICELLI. Mr. President, I rise today out of concern for a provision in the Fiscal Year 2000 Energy and Water Development bill that rescinds funding for a critical flood control project being sponsored by the Hackensack Meadowlands Development Commission (HMDC) in Lyndhurst, NJ. This project first began receiving Federal funds in FY 1995, while I was still a U.S. Congressman, and is necessary to reduce damage to local areas caused by Hackensack River flooding.

Nearly 10 years ago, the HMDC analyzed a number of local areas which experience frequent flooding, and developed a list of improvements designed to reduce damage to the region. At my request, in FY 1995, the HMDC received $2.5 million to make this flood control project a reality, and the agency began to develop a plan to restore several drainage ditches in the area, install tidal gates and reconstruct a major dike system along the Hackensack River.

Regrettably, because of the Army Corps' difficulties in reaching an agreement with the local sponsor on the scope of the work, and with finding a source for the cost-share, only about $100,000 has been spent to date on this project. I understand that this year the subcommittee has targeted projects with unspent balances, and, as a result, the FY 2000 Energy and Water bill contains a rescission of $1.641 million for this initiative.

However, I have been informed that the local sponsor is now ready to sign a Project Cooperation Agreement and that the local cost-share is now available. As a result, I want to work closely with Chairman DOMENICI and Ranking Member REID to address the concerns about the unspent balance while ensuring that this project remains ready to move forward.

Again, I would like to thank Chairman DOMENICI and Ranking Member REID for their consideration and assistance with this initiative. I appreciate their personal involvement in trying to reach agreement on funding for this project, and am hopeful that by working together we can move forward in the effort to reduce flooding damage caused by the Hackensack River.

LEGISLATIVE ACTION IN THE SENATE

Mr. DURBIN. Mr. President, I think most of those who are following the activities on Capitol Hill understand that we are awaiting action in the other body, the House of Representatives, on a measure that was passed here several weeks ago concerning gun safety. This is a measure which received a bipartisan vote, a tie vote on the floor of the Senate, a tie that was broken by Vice President GORE. That issue, which reached, I guess, the highest level of national consciousness, came in the wake of the Littleton, CO, tragedy.

I think most Members of Congress thought we on Capitol Hill had to listen to the families across America who were asking us to do something to make life safer for our school children. The Senate responded. After a weeklong debate, we passed legislation and sent it to the House of Representatives—modest steps but important steps in sensible gun control.

It is our hope that the House meets its obligation, passes legislation, and we can achieve something this year on the important issue of safety in our schools. This respite that we currently enjoy, because of summer vacation, should not lull us into a false sense of security about school safety.

Sadly, the names of towns across America remind us that we have a national problem: Conyers, GA; Littleton, CO; Jonesboro, AR; West Paducah, KY; Pearl, MS; Springfield, OR. The list goes on, sadly, to include too many towns, many of which I am sure we would never have guessed would be the site or scene of violence in a school. It has become a national problem.

I hope this Congress, which has done precious little in the last few months, can respond to this issue of school safety and do it quickly. We would be remiss to believe the response to that issue satisfies the needs of the American people as they look to Congress for leadership.

There is an area which most Americans understand and appreciate that, frankly, we have failed to address over the last several years. I refer, of course, to the whole question of the Patients' Bill of Rights and whether or not we, as a Congress, will respond to the need to do something about the state of health insurance in America.

We all know what has happened. There was a debate several years ago, when the Clinton administration first came in, over whether we would do health care reform. That debate broke down on Capitol Hill when the insurance industry spent literally millions of dollars in advertising against any kind of reform. We stopped in place. We did nothing on Capitol Hill.

Families across America, as they look at the changing landscape of health insurance, might assume we passed some sweeping Federal legislation. We did not. What happened was, there were dramatic changes in the private sector without any impetus from legislation on Capitol Hill. Those changes started moving more and more Americans into what is now euphemistically called managed care. Managed care, of course, is a health insurance approach that is designed to bring down costs. I do not argue with the fact that it has brought down costs in some areas. What I argue with is whether or not we have paid too high a price for those costs to be brought down and whether there is a more sensible way to address it.

It is estimated that by 1996, 75 percent of employees with employer-provided health insurance were covered by managed care.

I have traveled around Illinois. I will bet Senators visiting their home States would find the same thing that I did. I visited hospitals in cities and rural areas. I invited doctors and medical professionals to come to the cafeteria and sit around a table and talk about health insurance. I didn't know if any doctors would take time out of their busy day for that purpose, but they did.

In fact, in one hospital, as we were sitting in a cafeteria discussing the issue, all of the doctors' beepers went off. There was a crisis in the emergency room, and they all left. They returned about 45 minutes later, still anxious to carry on the conversation. What these doctors talked to me about

was the changing environment in medical care in this country and their concern as to whether or not they could do the right job professionally.

And it wasn't just the doctor's concern. I have heard the same thing from families all across Illinois, and we have heard it across the Nation.

Too many people worry that when they go into a doctor's office with a medical problem, or with a member of their family who is ill, they aren't getting straight talk. They expect doctors to tell them honestly what the options are, the best course of treatment, the best hospital, the best specialist. Unfortunately, because of managed care, there is another party involved in this conversation. It is no longer just the doctor and the patient, or the doctor and the parent of an ailing child; there is also some clerk at an insurance company who is party to that conversation. They might not be sitting at the examining table, but most doctors, before they can recommend anything for a patient, have to get on a phone and call some invisible clerk hundreds, if not thousands, of miles away for approval.

Let me tell you a real life story by a doctor. The doctor said that a mother came in with a young boy and said, ''My son has complained of headaches for months.'' The doctor said, ''Are they in one particular part of his head?'' She said, ''Yes; on the left side. He always complains about headaches on the left side of his head.''

The doctor thought to himself that there was a possibility that this could be a tumor if the child continued to complain about headaches on one side of his head. So he thought that perhaps he needed some diagnostic treatment—an MRI, CAT scan, or something to tell him whether or not there was the presence of a tumor.

Before he said those words to the mother, he excused himself. He took a copy of her chart and looked up the insurance company and had his secretary call so he could ask the clerk at the insurance company whether or not he could tell this mother they could go ahead with this diagnostic treatment to determine the nature of the child's problem.

The clerk on the other side of the telephone said, ''No, it is not covered; you can't do that.'' The doctor said to the clerk, ''What am I supposed to do?'' The clerk said, ''Tell the mother to go home and wait and come back at a later time if the problem is still there.''

That doctor walked back into the room with the mother present and said, ''I think you should go home and wait and call me in a few weeks if things have not changed.'' He could not, under his contract with the insurance company, even tell the mother why he had been overruled on his course of treatment. That is what is known as a ''physician's gag rule.''

What that means for too many Americans is that when you sit across the table from a doctor, you are never certain whether that doctor is telling you everything you ought to know. When we erode the basic confidence in the relationship between a doctor and a patient, we have gone a long way in this country in undermining quality health care, which has been one of the hallmarks of America. The physician-patient relationship is so sacred under the law that it is recognized in court as a special, confidential relationship. Yet that very relationship is being undermined because of this fact.

Managed care restricts a doctor's right to decide and his or her right to even tell you why he has made a certain decision.

That is not the end of it by a long shot. In addition, many managed care policies restrict the hospitals to which patients can go. I belong to a managed care plan in Springfield, IL. We have two excellent hospitals, but my plan really focuses on one hospital and says, you will go to this hospital to the exclusion of the other hospital, or it will cost you. It is not a big problem where I live, because the hospitals are a few blocks from one another. But in some areas of urban America, and in rural America, it can be a problem.

In what way? Well, consider this. You are in your backyard at a family picnic for the Fourth of July, and the kids are playing around, as I just went through with Memorial Day at a family get-together. They are climbing trees, and a child falls out of a tree and starts crying, and there is fear that he might have broken his arm, or worse. They take off for the emergency room.

But wait. Before you take off for the nearest emergency room, you had better ask yourself: Does my health insurance policy cover emergency care at that hospital? Do I have to drive across town or to some other hospital under the terms of my policy? It makes no sense. If there is a situation of medical necessity to protect your child or a member of your family, you should not have to fumble around and try to remember which hospital is covered by your plan. Instead, you should do what is right for your family. That is one of the elements I think many people are concerned about when it comes to this whole question of managed care.

There is also a question about the cost of this managed care and the accessibility of this care for many employees. It is a fact of life in America that each year fewer and fewer working families in America have the benefit of health insurance protection. Fewer and fewer employers are offering it. We are drifting away from our goal of universal health coverage and leaving more and more Americans vulnerable. That is a classic example of what is wrong with our system today, an instance of what we need to do in order to make certain that every American has the peace of mind to know they have health insurance coverage.

(Mr. BROWNBACK assumed the Chair.)

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

Mr. DURBIN. Yes.

Mr. SCHUMER. I thank the Senator from Illinois. I am in complete sympathy with the remarks he has made.

Everywhere I have gone in my State, people have brought up one horror story after the next, whereby, say, accountants are making medical decisions instead of doctors. I would like to relate to the Senator an instance that I heard about, which was really frightening to me, and see if the kind of proposal we are talking about might deal with that issue.

There was a young woman on Long Island, 24 years old and beautiful, who had just got out of nursing school. She was an athletic individual. She went to a physician because her upper leg was hurting. She went to the physician, who determined that she had a tumor on the bone. The physician recommended and told her privately that she ought to go to an orthopedic oncologist because they had to take the tumor off. She went to her HMO. The HMO said: No, no, no. All you need is a regular orthopedic surgeon.

Well, this was not a well-to-do family. She had her health plan because her father had retired as a lineman for the phone company. She figured she would go along. She went to where the HMO recommended—to a regular orthopedic surgeon. The operation was had, and he said it was a success.

Two months later, the tumor grew back. She called the HMO and said, ''I really need an orthopedic oncologist.'' They said no. She then paid something like $45,000 or $50,000; she went into hock with loans to get the operation done, which was a success. A day after the operation occurred, the HMO wrote her a letter saying, ''All right, you are right; we will give you an orthopedic oncologist.'' But it was too late. She said, ''Why don't you reimburse me?'' They said no way. After a lot of intervention from my office and others, they have finally reimbursed her.

One of the things that has been mentioned as part of the Patients' Bill of Rights is guaranteed access to appropriate specialists. I was just wondering if the Senator from Illinois could enlighten us as to—in that type of situation, which I am sure is repeated time and time again—how the Patients' Bill of Rights might rectify that situation.

Mr. DURBIN. I thank the Senator for that question.

Sadly, the Senator's experience can be repeated in almost every State under managed care plans. What we are trying to provide in the Patients' Bill of Rights, supported by the Democratic side, is a continuity of care and access

to specialists when needed. I think that just makes common sense. I can't imagine anyone, such as this lady the Senator mentioned, or others, who would want to compromise the best care possible to make sure they are taken care of.

Here is another example you are probably aware of. Many times, companies will change managed care plans. Someone who, for example, is going through cancer therapy and believes they have good, quality care that is very promising in terms of full recovery may find a change in managed care plans which makes that doctor, that clinic, or that hospital ineligible. So that is another area where, frankly, we want to restore peace of mind among the people across America—that they would have this kind of access, access with continuity—even if a change in plan has taken place through the employer.

This access to needed specialists becomes equally important, because most managed care plans have what they call gatekeepers. These gatekeepers are general practitioners, family internists, and the like who try to decide whether or not you need a specialist. Many specialists have come to me and said they have limited training, but they have specialized training. And they are encouraged to pass them along the chain to a specialist who might be initially more expensive but, frankly, might save that patient a lot of worry, perhaps suffering, and perhaps provide a cure that might not otherwise be available.

That is the kind of thing that I think families across America are concerned about.

They look at Capitol Hill and say: Do you get it up there? Do you understand? These are things our families worry about when we think we have the protection of health insurance, and, yet, we are so vulnerable. What are you doing about it in Washington?

The honest answer is, we have done nothing.

The question is, before we leave town this year, perhaps even this month, whether or not we can bring up this bill, the Patients' Bill of Rights, and address some of the real family concerns we have run into.

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

Mr. DURBIN. I am happy to yield.

Mr. SCHUMER. Again, I couldn't agree more with the Senator. These are the kinds of things, it seems to me, that our constituents sent us to Washington to do—not to spend all day debating all sorts of things that have very little relevance to their lives but to try to solve the problems that families face.

I find families from one end of my State to the other are just totally frightened about the ability to pay for health care and are frightened that the HMO that they have is really not giving them good medical care, that it is putting dollars above health care.

There is nothing wrong with HMOs. In fact, a lot of them have done a good job in terms of reducing costs. But the pendulum has swung, it seems to me, too far.

When physicians who spend years and years of training, and whom this country subsidizes to train, are no longer making the decision, it seems to me the Senator has made a great point: It not only hurts health care but it actually costs more money. The example I gave is an example where the operation has to be gone through twice because it was done so poorly the first time.

My issue is, from what I understand, oftentimes, in access to specialists as well as access to procedures, the gatekeeper is not even a physician; some HMO is the gatekeeper. Someone who is an actuary is looking at tables and statistics, and things like that, and overrules the actual decisions of the medical doctor or the specialist.

Is that true in the Senator's State as well?

Mr. DURBIN. It is. I was in Joliet, IL, at a hospital cafeteria, sitting at a table full of doctors. One of the doctors was so angry because he kept getting this clerk on the phone: No, that patient can't be admitted. He finally said to the voice on the other end of the phone: Are you a doctor? The employee of the insurance company said no. Well, are you a nurse? No. Well, are you a college graduate? No. How can you possibly overrule my decision on treating a patient? She said: I am going by the book.

She had a book in front of her that had the complaints that a person might register and whether or not a treatment was warranted.

That medical care has now been reduced to the level that we have people who are reading books and overruling doctors who have been trained gives everyone concern.

One of the reasons we need to bring up this Patients' Bill of Rights is to make sure that doctors and medical care personnel across the country can make the best professional decision for the people they treat—a decision based on a person's health and their well-being as opposed to the bottom line profit margin of the insurance company that is involved in it.

Mr. SCHUMER. If the Senator will yield, I have one final question. This is not a new issue. In other words, I think we have heard about the Patients' Bill of Rights for at least a year or two. I am new to this body.

Have there be any attempts to deal with this issue in the past? What has happened? What is stopping us from just voting on this right now? I am sure it is a measure that the American people in every one of our States want us to discuss. What has been the history of this legislation?

Mr. DURBIN. I thank the Senator from New York. The history of the legislation has been frustrating, because we came close to debating it last year, then it fell apart.

There are two different points of view: The Republican side of the aisle, not exclusively but by and large, has their own approach. The Democratic side of the aisle has its own approach on the Patients' Bill of Rights.

We would like to bring this out for a debate. Let's have a debate. Let's act as a legislative body, as we did during the gun debate. Let's let the American people in on it. Let's let them hear arguments over the amendments on one side and then the other, and let them join us in this decision-making process. Unfortunately, that broke down last year and there has been no evidence of an effort to revive it this year.

We need to remember that in a few weeks, literally, we will all be heading home for the 4th of July recess, then for the August recess, and many people will say to us: Incidentally, what have you done? What is happening in Washington? If we can't point to real-life issues that families care about, they have a right to be upset and wonder if we are doing our job.

So I say to the Senator from New York, precious little has been done on this subject. But we are prepared to go forward with debate. I think that is what this body is supposed to be all about—the world's most deliberative body, the Senate.

Let's not be afraid of amendments. Let's not be afraid of votes. I invite the Members on the other side of the aisle to join us. Let's put the issue on the floor. Let's come to some conclusion, send the bill on to the House and challenge them to do the same thing, bring the President into the conversation, and say to the American people that we are doing what you sent us to Washington to do—to respond to things that people really care about.

Mr. SCHUMER. If the Senator will yield once more, it seems to me that, again, if there is anything we should be doing, it is things such as this. There are lots of important issues. This is a big country. We debate all sorts of things.

But, again, I go around my State. I can't think of anything that people care more about, that we can do something concrete about, that is not a radical solution. This is not something that says scrap the whole system and start from the beginning; this is simply something that redresses the balances so people can have faith in their physician.

This is an amazing thing to me. I don't know if the Senator has found this. But as I go around the State, perhaps the most frustrated group is the doctors themselves. They are hardly a group of wide-eyed crazy radicals. The doctors come to me in place after place

with anguish in their eyes, and they say: You know, I have spent so many years, I went to college and took all of the courses, I went to medical school, I performed a residency, and I practiced medicine in the way I chose, in the best I way I know how, for 30 years, and now, all of a sudden, because of these changes in health care, I can't deliver the quality health care that I want for my patients, whom I care about, many of whom have been my patients for decades.

I would join my colleague in urging that we in this body debate and debate rather quickly a Patients' Bill of Rights. We don't have the only approach. Let every approach be aired. Let us have a real debate on the issue. But let's not walk away from here before the July 4th break without having a Patients' Bill of Rights.

I am wondering if the Senator thinks that is within the timeframe of possibility that we could get such a Patients' Bill of Rights.

Mr. DURBIN. I thank the Senator from New York.

We just spent 5 days debating whether or not certain computer companies should be protected from liability on Y2K problems. That is a serious issue. It is a bill that we passed today. We spent 5 days debating it. I think we owe the American people to spend at least 5 days, if not more, debating the Patients' Bill of Rights. We have the time to do it. We don't have an overload of activity in the Senate, but we have an overload of responsibility when it comes to the health care issue.

The last point I will make before giving up the floor is on the question of liability. Remember the example I used earlier about the doctor who couldn't tell the mother that it wasn't his decision that her son couldn't have an MRI or CAT scan. He couldn't tell her. It was the insurance company's decision.

Let's assume for a minute that something terrible occurred, and that child didn't have a brain tumor, and in fact suffered some long illness, or recuperation, or maybe worse. Do you know that under current law, as written, in many of these managed care plans, even though the insurance company made the bad decision, the insurance company overruled the doctor, the insurance company could not be held accountable for its wrongdoing in America?

There are very few groups that are immune from liability. I think foreign diplomats are one. When it comes to this issue of managed care and insurance companies, many doctors are saying: That is not fair; we want to make the right medical decision, and we are overruled by the insurance company. The doctors get sued. The insurance companies are off the hook.

That is not what this system or what this Government is all about. It is about accountability. I am held accountable for my actions as the driver of a car, as the owner of a home—all sorts of different things. Why should we exempt health insurance companies and say they are not going to be held liable for bad decisions—decisions not to refer you to the right specialist, decisions not to allow you to stay in a hospital, decisions not to allow you the kind of care you need? That, to me, is the bottom line in this debate.

I see Senator KENNEDY on the floor. He has been a leader on this issue. I thank him for joining in this discussion. I hope he can give Members some instruction.

I yield to the Senator for a question.

Mr. KENNEDY. Mr. President, I want to join my friend, the Senator from Illinois, in his presentation, as well as the Senator from New York, and urge that Members in this body begin debate on one of the most important pieces of legislation that we, hopefully, will have an opportunity to consider; that is, how we will ensure that medical decisions are made by those in the medical profession, rather than the accountants and the insurance companies.

The Senator has made that case with an excellent example this afternoon. I wonder whether the Senator realizes it has been over 2 years we have had legislation pending before the Senate. The Human Resources Committee has the jurisdiction, and we were effectively denied—I know the people who are watching or listening are not really interested in these kinds of activities. We have to have the hearings in the committee. Then we have to try to work the will of the committee and report it out to the Senate.

This legislation has been before the Senate for 2 years, but we were not even permitted to have a hearing under the leadership of our friends on the other side, the Republican leadership. We were denied the opportunity to debate these questions when we tried to bring this up in the last Congress.

I gather from what both Senators have said, they believe, as I do, that this is one of the fundamental and basic issues of central concern to families all over this country. If we can spend 5 days dealing with the Y2K issue, we can certainly afford to spend a few days—perhaps not even the 5 days, 4 days—on an issue that is so important to families, families who may have an emergency, families who may want to have clinical trials for the mother, the grandmother, or the daughter, to deal with problems of cancer. Or the whole issue of specialty care, to make sure those who need the kinds of prescription drugs necessary to deal with a particular illness and sickness would be able to get them.

I wonder if the Senator would agree with me that included in Senator DASCHLE's legislation is a series of recommendations that were made by a bipartisan panel to the President, with Members who were nominated by the leaders of both parties and by the President of the United States. It had to be unanimous. They made a series of recommendations. Those recommendations have been included in Senator DASCHLE's Patients' Bill of Rights. The only difference was the panel recommended they be voluntarily accepted. We have seen that the companies are unwilling to accept those. The leader has said if they are not going to accept them voluntarily, we will include them, but they reflect a bipartisan panel.

Secondly, they include some other recommendations that have been recommended by the insurance commissioners. They are not a notorious group favoring the Democrats or Republicans. I imagine, if you looked over the field, most of them are actually Republicans. They made some recommendations. Those effectively have been included.

Finally, there are the kinds of protections that have been included in the Medicare and Medicaid programs. We don't hear a murmur from the other side about those protections not being effective.

If that is the basis of this legislation, and it has the support of 130 groups that have responsibility for treating the American families in this country, why in the world shouldn't we have an opportunity to debate it?

On the other hand, our Republican friends haven't a single group, not one, that represents parents, children, women, or disabled that support their program. Can the Senator explain to me why, if that is the case, we are being denied? Does the Senator agree it is completely irresponsible to deny the Senate the full opportunity to debate these measures?

Mr. DURBIN. I am happy to respond.

I think the Senator's question is rhetorical. But if we can spend 5 days debating protection for computer companies, can't we spend 5 days debating protection for America's families concerned about the quality of the health care available to them and their children?

I think that is obvious. I think the Senator has clearly made the point about the number of groups that endorse the Democratic approach to that, that they could and should have that kind of debate.

I see the minority leader on the floor, and I am happy to yield.

Mr. DASCHLE. I congratulate the Senator from Illinois and the Senator from New York for beginning this colloquy this afternoon. Certainly, the Senator from Massachusetts is a leader on health issues. This is, without a doubt, the single most important health issue facing this Congress this year, next year, and for however long it takes to pass.

Senator KENNEDY's question is right on the mark: Why is it, with all of these groups that are urging the Senate to act, that are waiting for the Senate to act, that cannot understand why we have not acted, why is it we cannot schedule legislation this week to get this bill passed?

If we can do Y2K, if we can do the array of other matters that have come before this Congress this year, for heaven's sake, why, with 115 million people already detrimentally affected, can't we do it this week? There isn't an answer to that question.

I ask the Senator from Illinois if, from the experiences he has had in his own State, he has heard any other issue having the resonance, having the depth of feeling and meaning to the families of America that this issue does; whether or not he ever had the kind of experience I have had where people come up and volunteer that there is no more important question facing this Congress than this issue, and they want Members to solve it; has the Senator had a similar experience?

Mr. DURBIN. I have had a similar experience. Not only is this an important issue, the human side is compelling. We hear the stories from the Senators from New York and Massachusetts, and we have run into these real-life stories. These are not the kinds of stories you dream up or see on television.

People worry on a day-to-day basis whether they can protect themselves and their own families under this managed care Patients' Bill of Rights, on which Senator DASCHLE is the lead sponsor. It gives a framework to give assurance to these people so they can have confidence that not only good health care will be there but quality health care that will help respond to a lot of the family tragedies which we hear over and over as we travel about our States.

The other side of the aisle makes a serious mistake if they do not understand this is a very bipartisan issue. I am just not hearing from Democrats or Independents; I am hearing from Republicans and Democrats and Independents alike. All families are in the same predicament. All families look to the Senate to focus on this issue, which means so much to the future of this country.

Mr. DASCHLE. I thank the Senator for his leadership and comments he has made.

Obviously, time is running out. We have 6 weeks left before the summer recess begins in August. We have a few weeks left in September and October, and then we are at the end of the session already.

We have very little time to address an issue of this importance. That is why we have indicated we will find a way to ensure this issue is addressed in June. We cannot wait any longer. We waited last Congress. We waited and came up with as many different ways with which to approach this issue procedurally as we knew how. We failed to convince our Republican colleagues to join this side of the aisle in passing it last year. We will not fail this year. We will get this legislation passed. It has to happen this month.

I thank the Senator for his leadership and for cooperating and making this a part of our schedule this afternoon.

Mr. KENNEDY. Will the Senator yield?

Mr. DURBIN. I am happy to yield to the Senator.

Mr. KENNEDY. I express appreciation for the very excellent commitment of our leader on this issue. He has been tireless in the pursuit of the protections of our fellow citizens in the health area.

I see the Senator from New York on his feet. I will ask one or two questions and then I will yield. Is one of the points the Senator from Illinois thinks worth debating, with the approach that has been taken by our Republican friends, the limited number of people who are actually being covered? As one who was the author of the HMO legislation in the 1970s, we passed it five times here in the Senate before we finally got the House to pass it.

Then it was passed and it was on a pilot program. But the concept at that time was we were going to change the financial incentives from having more and more tests and more and more treatment to having a capitation payment that said to the health delivery system you have this amount of money to take care of this patient, so they have an incentive to work for preventive health care, keep the person healthy. They get more resources the healthier the person is and the longer the person stays healthy. But we have seen abuses where they have cut back on more and more of the coverage. That has stimulated this whole program.

The fact remains, under the Republican proposal we find out that somewhere above a quarter, about 30 percent of all of those who are covered, and even a lesser percent of HMOs, which is really the problem, are actually covered. Would this not be an issue that ought to be debated out here, that the Members of this body ought to be able to make some call about? I do not think that is a very complex issue. Do we want to cover 30 percent or do we want to cover 100 percent? How long do you think that issue would really take, for people to understand it and be able to express a view? It does not seem to me that would take a very long time. People can make that judgment. People ought to be able to make that judgment. Does the Senator agree?

Mr. DURBIN. I agree with the Senator from Massachusetts. Isn't it an interesting analogy to the debate we had on guns, where we had amendments coming before us, and when the public had a chance to take a look at it they were satisfied that amendment does not achieve the result we want, keeping schools safer and guns out of the hands of children and criminals? The debate ensued for the week we were on it, and when it was all over the public prevailed. They passed a real sensible gun control bill as opposed to one that did not do the job.

I think what the Senator from Massachusetts says is let's let the American public in on this debate, too. Do they think covering one out of three families is enough, or do we want to make sure we have a bill similar to the Democrats' Patients' Bill of Rights which really provides protection and assurance of quality health care for the vast majority of families under managed care plans? I think the Senator is right. That deserves to be debated on the floor of the Senate.

Mr. KENNEDY. Just a final point. Does the Senator agree with me that now the insurance industry has spent somewhere around $15 million to misrepresent and distort the Patients' Bill of Rights, which has been introduced by our leader, Senator DASCHLE, and of which many of us are cosponsors? They have spent that last year doing that, when people thought we were supposed to take it up. If you ask across the spectrum of America about the importance of this issue, the American people still want action taken. They still want to have these protections for themselves and for their families. I think this is a clear indication.

I think our friends on the other side ought to understand that Americans understand this issue. I think parents understand it. I think mothers and grandparents understand it best. Those who are opposed to it can distort and misrepresent and advertise, as they have done in the past, but American people know what this issue is all about.

Does the Senator not agree with me on that, and that the American people want action by this body?

Mr. DURBIN. I agree and I think we have precious little time left to respond.

I yield to the Senator from New York.

Mr. SCHUMER. Just one final question to the Senator. I first thank the Senator from Massachusetts for the eloquence and passion and intelligence that he brings to these issues, and our leader, Senator DASCHLE, for sponsoring this legislation and leading us in this regard.

When you walk into an emergency room, the first question you should be asked is not: What is your coverage? It should be: Where does it hurt? Yet, these days, the way our system is working, the first question that often has to be asked is: What is your coverage? That is so totally wrong.

One of the reasons I ran for the Senate was so I would have the opportunity to debate these bills, because the procedures in the Senate allow the American people, through their elected Representatives, to debate in a much wider way than the process in the House. Yet we are not being allowed to debate this, even though we have wished to do it.

I ask my senior colleague, what holds us back? I mean, why can we not debate this issue? Not everyone is going to have the same view, but I think everyone would agree this is an issue on the very top of the list of things that most Americans care about. What can hold us back? What is holding us back from debating an issue as important as the Patients' Bill of Rights?

Mr. DURBIN. I think it is a matter of political will and it is a question of whether the leadership on both sides of the aisle can agree on a schedule.

I see on the floor the majority leader, Senator LOTT. For the purpose of answering a question, I yield to the majority leader. Will he tell us whether or not we plan on scheduling this Patients' Bill of Rights for consideration in the next several weeks?

Mr. LOTT. Mr. President, the Senator asked a question and yielded to me for a response. First of all, I am standing so we can make an announcement about what the schedule will be for the remainder of the night and to get an agreement about how we will proceed during the day tomorrow. As soon as this 15-minute block of time that was agreed to is exhausted, I will be prepared to go to this.

In answer to the Senator's question, I will be delighted to go to this Patients' Bill of Rights very soon. We could even do it next week if we could get an agreement that we will vote on your version of the Patients' Bill of Rights and we will vote on our version of the Patients' Bill of Rights. We have a good bill. We are ready to go. We think there are important things that need to be done in this area, and we are prepared to debate the issue and vote on the two different approaches. So we can do that.

Or we can work together and see if there would be a limited number of amendments that could be agreed to that would be offered on both sides. The problem we ran into last year is somebody said we will need 100 amendments. Please. We have lots of other work. If the Senator has a perfect product and we have a perfect product, why do we need 100 amendments? Then it got down to 20 amendments on each side.

But I have designated Senator NICKLES to work with the designee from the Democratic side of the aisle. I believe Senator DASCHLE has indicated Senator KENNEDY will do that. They are going to try to get some agreement on exactly how to proceed. We will be glad to vote on the two versions any time Senators are ready, because we think this is important. We have a bill that was developed by a task force that had broad involvement. Senator JEFFORDS was involved, as were Senator COLLINS, Senator GRAMM, Senator NICKLES, Senator SANTORUM—really a good group. So we are ready to go. It is just a question of getting an agreement on how the procedure will be worked out.

Mr. DURBIN. If I might, without yielding the floor, say first to the majority leader, I was told Senator DOMENICI was going to come forward to urge a vote or something of that nature. I have not seen him at his desk, but I am happy to yield the floor.

But I ask the Senate majority leader one last question: If we could reach an agreement that we would limit the length of debate on Patients' Bill of Rights to the same period of time, the 5 days we spent on the Y2K, would that be a sound basis for agreeing that next week we would take up the Patients' Bill of Rights?

Mr. LOTT. I would have to take a look at that. First of all, I think 5 days is probably excessive. There was no need to take up 5 days on the Y2K bill. We could have done that in 2 days very easily, but there were a lot of obstruction tactics and delays—having to vote on cloture. Finally, we came to a conclusion and 62 Senators voted for it. I am not prepared now to say we want to go that long or limit it. I think we need to look at what we need, have a fair debate, and get votes on the substitute. We do not have a list of the amendments. We have asked for a list of the amendments so we are in the process of trying to get an understanding of what is going on here.

I want to reemphasize we are aware that there needs to be some things done in terms of patients' rights. We have a good bill. We do not think the solution to the problem is lawsuits. Some people seem to think what we need to solve the problems of managed care is more lawsuits. No. If I have a problem with a HMO in my family, I would prefer to have a process to solve the problem, either internally or an external appeal. I would prefer not to be the beneficiary of inheritance as a result of a lawsuit 3 years later. So that is kind of the crux of it.

We have Dr. BILL FRIST who has worked on this, I mean a doctor, somebody who understands what it is like to have your heart replaced, someone who understands the need for managed care. We want to do this, so we will be glad to work with all the Senators who are interested. We would like to get a list of amendments. I think it would be fair for the other side, Senator KENNEDY, to want to look at our amendments. I hope that process is underway.

Senator NICKLES has been designated to work on this issue on our behalf, and he might want to respond to your question, if you would yield to him for that.

Mr. DURBIN. I ask you or Senator NICKLES one last question, brought on by what you just said.

Can we then agree we will bring this up for debate before we break for the Fourth of July recess so we can say to the American people we understand the importance of this issue? We have a difference of opinion on liability and other questions. Before we leave for the Fourth of July recess, we will have a vote on final passage on the Patients' Bill of Rights?

Mr. LOTT. As soon as we get agreement on how to proceed, we will take it up. We will be glad to vote on your substitute and our substitute. We could do that this week, but if it is going to be that you have some amendments or you want more debate, then we have to work through when that is going to be. I was ready to do this bill last year, and we could not get a reasonable agreement on how to handle it. If we get that worked out, we will be glad to do it.

Mr. NICKLES. Will the leader yield?

Mr. LOTT. I do not have the floor.

Mr. DURBIN. I will be happy to yield to the Senator from Oklahoma.

Mr. NICKLES. I will make a couple comments. The leader said we would be happy to vote on the Democrat bill, and we would be happy to vote on our bill. We made that offer last year, I might mention. We asked unanimous consent to do that on two or three occasions last year. We also made a unanimous consent request last year a couple of times to have a limited number of amendments. That was not agreed upon.

I will inform my colleagues, I did discuss this last Wednesday with Senator DASCHLE and Senator KENNEDY. They expressed a desire to bring it forward. I said I think we have to have some kind of time constraints and limit on amendments. I did request that. They said they would be forthcoming in giving me that list. We have yet to receive it. Our staff requested it from them as late as Friday. We have yet to receive that list. Once we receive that list, we will try to see if we cannot negotiate some reasonable time agreement to get this thing resolved.

Mr. DURBIN. I say, reclaiming my time, one of my colleagues and friends from the home State of the Senator from Oklahoma, the late Congressman Mike Synar, used to say: If you don't want to fight fires, don't be a fireman. If you don't want to cast tough votes, don't be a Member of Congress.

I think we ought to welcome the possibility of having some tough votes on amendments. Let the Democrats squirm, let the Republicans squirm, and let the body work its will. Don't be afraid of some amendments. Let's bring out the best ideas on both sides and see if we can craft it together in a bipartisan bill.

If we limit this debate to a few days or a certain number of amendments,

there is no reason why we should not be able to accomplish this in the next week or two. Insulating Members from casting a tough vote on what might be a difficult amendment really should not be our goal. The goal should be the very best legislation and the body working its will. If we have an up-or-down vote, take it or leave it, that is an odd way for the Senate to view this issue.

Mr. DASCHLE. Will the Senator yield?

Mr. DURBIN. I yield to the Democratic leader.

Mr. DASCHLE. We still have not seen the text of whatever it is we are supposed to be amending. The Senator from Oklahoma and I talked about that last week. He indicated it is going to be roughly the bill that passed out of the Labor Committee with some changes, as I understand it, but we have not seen the changes.

I must say, it would not be in keeping with the traditions in the Senate that we need approval from the majority with regard to amendments before we can move to a bill. We are determined to be as cooperative as we can, but at the same time, we certainly do not seek our Republican colleagues' approval on a list of amendments. That should not be our requirement.

We want to offer amendments that we expect to be debated and considered and hopefully voted on. As the Senator from Illinois has said, there are going to be tough votes on all sides on this issue, but they are issues that have to be addressed. If we are going to deal with a Republican bill that was passed out of the committee with an expectation that, obviously, that may be the bill that passes, we are going to have to try to amend it.

We do not have any expectation necessarily that our bill can pass without some Republican support. We hope it will be, and we will work with our Republican colleagues to support the Democratic bill. But we have to have an opportunity to offer amendments, and we will protect our Senators' rights to offer those amendments, and hopefully we can work through this.

We are prepared to come up with a reasonable list. I have suggested 20 amendments, which is probably a third of what our colleagues would like to offer on this side alone. But we will come up with a list. I certainly do not expect that we will need to seek approval, however, from our Republican colleagues before we offer them.

I thank the Senator from Illinois.

Mr. DURBIN. I yield to the Senator from New York, and then I will yield the floor.

Mr. SCHUMER. Briefly, because I know we want to move on.

Just as an example, I ask the Senator this question: Our bill, it is correct, has the right to sue, and I respect the view of many on the other side. Our bill, for instance, has a far more ample provision about having access to specialists. There might be a good number of Members in this body who want to see greater access to specialists but not support the right to sue, and conversely. Giving us the right to do some amendments might perfect a bill that can pass. I ask the Senator, my being new here, if that would be sort of an ideal way that could work?

Mr. DURBIN. That is the way a deliberative body works. It deliberates and makes choices. It is important to make our views known on the Patients' Bill of Rights and helping millions of American families concerned about the adequacy of their health insurance and whether they have guarantees to quality care.

I yield the floor.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2000

The Senate continued with the consideration of the bill.

Mr. LOTT. Mr. President, for the information of all Senators, the Senate is presently considering the energy and water appropriations bill. There are now, and have been, negotiations taking place in the Cloakrooms to put the finishing touches on the managers' amendment which will encompass most, if not all, of the remaining amendments.

While progress is being made, final passage on that vote is not anticipated this evening. Therefore, I do want to get a unanimous consent agreement about how we will proceed tomorrow. If we get that entered into, then we will not expect further votes tonight. The managers will remain tonight to complete action on the appropriations bill, and final passage will occur tomorrow, hopefully in a stacked sequence, beginning at approximately 10:45.

Once again, if we get this unanimous consent agreement, then there will be no more votes tonight, and the first votes will occur in the morning at 10:45.

UNANIMOUS CONSENT AGREEMENT—S. 331 AND S. 1205

Mr. LOTT. Mr. President, I ask unanimous consent that at 10 a.m. on Wednesday, June 16, the Senate proceed to the consideration of S. 1205, the military construction appropriations bill; that there be 10 minutes for debate, equally divided in the usual form, with an additional 5 minutes for Senator MCCAIN, with no amendments in order to the bill. I further ask unanimous consent that there be 20 minutes, equally divided in the usual form, relative to S. 331; that is the work incentives bill. I finally ask unanimous consent that following the expiration of all debate time, the Senate proceed to vote on final passage of S. 1205, the MILCON appropriations bill, to be immediately followed by a vote on passage of S. 331, the work incentives legislation, with no intervening action or debate.

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

Mr. LOTT. Therefore, all Senators should be aware, there will be at least two stacked votes occurring at 10:45. In addition, there may be another vote or two on or in relation to amendments on the energy and water appropriations bill and final passage of the appropriations bill. All Senators will be notified when those agreements are reached.

I now ask unanimous consent that with respect to S. 1205, when the Senate receives from the House the companion measure to this bill, the Senate immediately proceed to the consideration thereof; that all after the enacting clause be stricken and the text of the Senate-passed bill be inserted in lieu thereof; that the House bill, as amended, be read a third time and passed; that the Senate then insist on its amendment, request a conference with the House on the disagreeing votes of the two Houses and the Chair be authorized to appoint conferees on the part of the Senate, with the foregoing occurring without any intervening action or debate. I further ask unanimous consent that with respect to S. 1205, the bill not be engrossed and that it remain at the desk pending receipt of the House companion bill; and that upon passage of the House bill, the passage of S. 1205 be vitiated and the bill be indefinitely postponed.

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

UNANIMOUS CONSENT AGREEMENT—HOUSE LOCKBOX SOCIAL SECURITY LEGISLATION

Mr. LOTT. Mr. President, I ask unanimous consent that immediately following the stacked votes on Wednesday, there be 1 hour for debate, equally divided in the usual form, prior to the vote on a cloture motion involving the House lockbox Social Security legislation.

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

Mr. LOTT. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

CHANGE OF VOTE

Mr. INHOFE. Mr. President, I ask unanimous consent that I be recorded as voting ''aye'' on vote No. 167, a vote today on the cloture motion. It would not have changed 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.)

Mr. INHOFE. I yield the floor.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business with Senators permitted to speak for up to 10 minutes each.

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

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, June 14, 1999, the federal debt stood at $5,608,264,664,474.06 (Five trillion, six hundred eight billion, two hundred sixty-four million, six hundred sixty-four thousand, four hundred seventy-four dollars and six cents).

Five years ago, June 14, 1994, the federal debt stood at $4,605,762,000,000 (Four trillion, six hundred five billion, seven hundred sixty-two million).

Ten years ago, June 14, 1989, the federal debt stood at $2,784,398,000,000 (Two trillion, seven hundred eighty-four billion, three hundred ninety-eight million).

Fifteen years ago, June 14, 1984, the federal debt stood at $1,519,266,000,000 (One trillion, five hundred nineteen billion, two hundred sixty-six million).

Twenty-five years ago, June 14, 1974, the federal debt stood at $473,308,000,000 (Four hundred seventy-three billion, three hundred eight million) which reflects a debt increase of more than $5 trillion—$5,134,956,664,474.06 (Five trillion, one hundred thirty-four billion, nine hundred fifty-six million, six hundred sixty-four thousand, four hundred seventy-four dollars and six cents) during the past 25 years.

HAWTHORNE ARMY DEPOT

Mr. REID. Mr. President, today—for the first time in many months—there is peace in Kosovo.

Like all Americans, I hope with all my heart that the peace will be both lasting and just.

I rise today not to discus the war—or the way it was conducted—or the terms on which it was ended.

Many Americans risked their lives in the air over Kosovo in the bombers and helicopters flying over the front lines. Every night, America watched the heroism and skill of those pilots as they braved anti-aircraft fire to drop laser-guided bombs and missiles and other ordnance onto targets with amazing accuracy.

But what we often forget is that those heroics were made possible by the efforts of thousands of Americans working behind the lines, off-camera, in a variety of roles—maintaining the planes, feeding the pilots, shipping supplies, performing countless other functions critical to men and women in combat.

Now that the war is over, I think that we owe all of those countless Americans, who helped in ways both large and small, a nod of thanks for their sacrifice and for their effort.

Today, I particularly want to acknowledge the unique contribution of several hundred men and women from my home state of Nevada.

The war in Kosovo was the first successful large-scale campaign waged exclusively by air. Much more than other wars, that kind of war relies heavily upon specialized ordnance—the laser-guided smart bombs and precision rockets that were so effective in destroying Slobodan Milosevic's infrastructure and weapons of war.

Many of those weapons were supplied by the hardworking men and women of Hawthorne Army Depot in Nevada.

Hawthorne Army Depot in Nevada is the largest ammunition storage facility in the world. It employs about 500 people in the state of Nevada, and stores munitions of all kinds for our Armed Forces.

For the past several weeks, many of those 500 men and women worked overtime—sometimes working 12 to 16 hour days, for days on end—to supply many of the bombs, rockets, shells, and missiles used to such devastating effect in Kosovo.

During the course of the war, Hawthorne Army Depot shipped about 10,000 tons of munitions to our troops in Kosovo, including hundreds of the 750-pound bombs used to destroy Slobodan Milosevic's infrastructure.

And even though the war is over, their job is not. They still have a long, tough job ahead of them to replenish the weapons and munitions expended during the closing days of the conflict, to supply the peacekeeping forces now entering Kosovo, and to return to storage the thousands of bombs and munitions being shipped back now that the fighting is over.

I take this opportunity to say to those hardworking men and women at Hawthorne, thank you for a job well done.

DRUG PROBLEM IN RIO ARRIBA COUNTY, NEW MEXICO

Mr. DOMENICI. Mr. President, I rise today to talk about the drug problem which is plaguing the northern part of my home state—a problem which has had particularly profound effects on the quality of life and the health of the citizens in an area known as Rio Arriba County, New Mexico.

Simply put, Rio Arriba County faces one of the most severe black tar heroin epidemics this nation has ever seen. In recent years, there have been 44 heroin overdose deaths in this small county—more per capita than any other area of the country. Last year, New Mexico led the nation in per capita heroin overdose deaths, and Rio Arriba County led New Mexico.

Just this weekend, one of the local papers printed a story about the black tar heroin epidemic in northern New Mexico, and the reporter interviewed several heroin addicts. Two of these addicts died of overdoses between the time they were interviewed and the time the story was printed. That is how acute the problem is.

Rio Arriba County is a rural community with close to 40,000 inhabitants. Many of those who reside in this small county have family who have lived there for several generations. Neighbors don't just know each other—they know each other's entire families and their family's history in the area.

This is a close-knit community, one which recognizes that it must band together to beat this problem. Families, political leaders, community institutions and public safety and heath experts must work together in cooperative fashion to rid this area of the scourge of heroin.

Earlier this year, I mentioned this problem to Attorney General Janet Reno, and she committed to help coordinate the federal response to the heroin epidemic in northern New Mexico.

After speaking with Attorney General Reno, I later convened a field hearing in Espanola, New Mexico in Rio Arriba County to begin to bring people together at the local, state and federal levels to see what could be done. The hearing was held under the auspices of the Commerce, State, Justice subcommittee of the Senate Appropriations Committee, chaired by Senator GREGG. I want to thank Senator GREGG for agreeing to the hearing, and for his commitment to providing the necessary federal resources to begin to address the problem.

At the field hearing, we heard from Laurie Robinson, Associate Attorney General for Justice Programs, who has since sent a technical assistance team to the area to meet with state and local officials, treatment providers, and community groups in order to begin to formulate a comprehensive plan to attack the problem. This technical assistance team returns to the county this week to continue its efforts, and I expect them to issue an action plan by mid-July.

This plan will include recommendations on how the county can best coordinate local drug treatment and

intervention efforts, and take advantage of new federal resources made available in recent months.

I want to commend the Department of Justice, Attorney General Reno, and her partners in this effort—the National Institute on Drug Abuse (NIDA) and the Substance Abuse and Mental Health Services Administration (SAMHSA), as well as New Mexico's Department of Health and Human Services, which has worked closely with the federal team.

Their comprehensive effort will ensure that we don't simply throw money at this problem and hope that it goes away. I believe that the strategy they produce will have a lasting, positive impact on the substance abuse problem in Rio Arriba County.

The strategy will include new federal resources for prevention, treatment and law enforcement, and I want to outline federal efforts to date to combat this problem.

In addition to bringing in the Department of Justice team to coordinate federal resources, in April, I convinced the Senate to include $750,000 in the emergency supplemental appropriations bill to allow Rio Arriba, Santa Fe and San Juan counties to participate in the New Mexico High Intensity Drug Trafficking Area (HIDTA).

Expanding the New Mexico HIDTA will allow state and local law enforcement officials to enhance their efforts to rid northern New Mexico of drug traffickers, many of whom are Mexican nationals who bring the heroin to New Mexico through the crime corridor between the southwest border and Rio Arriba County.

Because a crime corridor exists in New Mexico, with the help of Senator GREGG, the Committee also included $5 million in this year's Commerce, State, Justice appropriations bill for a pilot project through the United States Attorney's office in New Mexico.

Much of the heroin brought into northern New Mexico comes up Interstate 10 from Mexico between Las Cruces and Albuquerque. This pilot project will allow the U.S. Attorney to undertake federal prosecutions of illegal immigration and drug trafficking along that corridor. It is patterned after a similar successful initiative, called Project Exile, which significantly reduced illegal gun smuggling and violent crime in the corridor between Camden, New Jersey and Philadelphia.

Solving this problem will take more than just increased law enforcement. It also is critically important that we give children healthy and safe alternatives to drugs and crime.

With Chairman GREGG's help, the Senate Appropriations Committee has provided $750,000 for an after-school program in Rio Arriba, and increased funding for the Boys' and Girls' Clubs nationwide. Northern New Mexico has long faced a true shortage of worthwhile crime and drug abuse prevention programs, particularly for children.

We need to provide kids with constructive outlets for their time and energy, so they do not become the next generation of addicts. I think that our efforts here recently are going to change that for the better.

Finally, let me talk a little bit about treatment, because that is the most difficult problem the county faces. Currently, there are 66 treatment beds in Rio Arriba County. Yet, all but six of them are reserved for alcoholics. There is no in-patient treatment for heroin addicted kids and no detox facility in Rio Arriba. So the county has a long way to go in dealing with the special health care needs of heroin addicts.

To assist with the efforts, I have requested $2 million from the budget of the Department of Health and Human Services to help expand drug treatment and prevention services in the county. Also, the state of New Mexico has provided $500,000 for increased drug treatment in the area.

Successful treatment programs require more than a one-time infusion of federal or state funds. Communities, state and local governments and treatment providers must work together to keep them viable and operational once facilities are established. Federal dollars can help, but the bulk of the effort must come at the state and local level.

A big part of what the technical assistance team I have sent to Rio Arriba County is doing is figuring out how to coordinate federal, state and local treatment resources, and how to make these treatment options available for many years to come. This is a critical component in the strategy we have begun to develop.

As I see it, the federal response to the drug problem in Rio Arriba County has been swift and comprehensive. We have done much more in a short amount of time than simply throw money at the problem. We have begun to build upon the three main components of any successful anti-drug strategy: law enforcement, treatment and prevention, and the Department of Justice and other federal agencies have begun the process of working with the local community to improve in all three areas in Rio Arriba County.

It is my hope that in a few years, after our efforts and ideas have been implemented, we will look to northern New Mexico as an example of how small rural communities can overcome big drug problems. We have a long way to go, but I look forward to continuing my efforts to defeat the heroin problem in Rio Arriba County and help this proud community get it back on its feet.

Thank you, Mr. President.

TAIWAN'S HUMANITARIAN AID TO KOSOVO

Mr. JOHNSON. Mr. President, I would like to recognize the important contribution Taiwan has made to the international effort to provide humanitarian assistance to the refugees of Kosovo. Taiwan recently announced that it will grant $300 million in an aid package to the Kosovars. The aid package will include emergency support for food, shelters, medical care, and education for Kosovar refugees who were driven from their homes and forced to live in exile. In addition, I am pleased that Taiwan has offered short-term accommodations for Kosovar refugees in Taiwan along with technical training in Taiwan to help the refugees be better equipped for the restoration of their homeland upon their return.

Slobadan Milosevic initiated a brutal and calculated effort to rid Kosovo of ethnic Albanians and fracture Europe. The United States and its NATO allies moved quickly and decisively to stop the massacres of innocent women and children inside Kosovo, and the international community joined the effort to provide relief to the hundreds of thousands of refugees who fled homes burned by Yugoslav police.

Over two months of NATO bombings resulted in the withdrawal of all Yugoslav military and police from Kosovo and Milosevic's acceptance of a NATO-led peacekeeping force to secure Kosovo for the refugees return. The rebuilding and recovery efforts that are now beginning in Kosovo will take many years and many resources. Taiwan has contributed significant financial and technical resources to this effort. However, more importantly, Taiwan's generous actions should give comfort to the people of Kosovo that the world's leaders will help them through this difficult time.

CHALLENGE OF THE BALKANS

Mr. MCCAIN. Mr. President, as we have learned repeatedly over the last three months, few things seem to go as planned in the Balkans. In fact, I think the warning ''expect the unexpected'' is quickly becoming the first rule of statecraft in the post-cold-war world.

The provocative and disturbing occupation of the airport in Pristina by 200 Russian paratroopers has surely complicated our peacekeeping mission in Kosovo. Even more importantly, it exemplifies the huge challenge confronting us as we seek to build a relationship with a former superpower adversary that works to out mutual benefit and that of the world's.

I do not know if this action is evidence of a growing breach between Russia's political and military leadership or if Russia's political leaders sanctioned it. I don't pretend to be a scholar of Russian politics. I do know, however, that Russia's continued refusal to accept NATO's command over

the entire peacekeeping effort in Kosovo, whether the Russian government or some independent-minded Russian generals issue that refusal, challenges the viability of the fragile peace we are committing 50,000 NATO troops to enforce. It is a challenge we must overcome immediately, with steady nerve and firm resolve.

Even though, NATO obviously has the power and authority to work its will in Pristina, overcoming the challenge should not require us to forcibly evict the Russians from the airport. But neither does it require us to pretend that the challenge is so insignificant that it doesn't merit our notice. It is a problem, although not yet a disaster, and it requires our swift and sure-footed response to resolve it as quickly as possible.

We must take the necessary steps to prevent the reinforcement of those troops. But, more importantly, we must make abundantly clear to Moscow that we consider this action to be evidence that Russia cannot yet be trusted as good faith partners in preserving European stability. It even casts doubt on their efforts to convince Mr. Milosevic to accept NATO's terms for a settlement, raising the suspicion that there were hidden commitments to secure a de facto partition of Kosovo.

Until those suspicions can be allayed—which would require, of course, Russian troops to accede to NATO's authority at the airport—progress in constructing a new and mutually beneficial relationship between the United States and its allies and Russia will suffer. The coming G–7 meeting in Germany, which was intended to consider efforts to assist the collapsed Russian economy, must now result in a clear, unequivocal statement that no such assistance will be forthcoming while Russian leaders either tolerate or are unable to stop attempts by their forces to undermine our efforts in Kosovo.

Moreover, we should exact some specific and public assurance from the putative leader of Russia, Boris Yeltsin—since the word of his ministers is no longer credible—that Russia will play either a constructive role or no further role in Kosovo. A constructive role will entail, of course, Russia's acquiescence in the unified NATO command of the entire operation.

There must be no Russian sector in Kosovo even if we select some other euphemism to describe it because most Kosovars believe, quite understandably, it is a pseudonym for the partition of Kosovo. Few if any ethnic Albanians will return unarmed to an area where their security is the responsibility of troops whose loyalties were demonstratively pledged to the Serb persecutors.

The United States recognizes the importance of achieving stable, mutually beneficial relations with Russia. We expect Russia to recognize that its best interests lie in friendship with NATO and not in old hostilities that stretch back to the cold war and beyond. The Russian military should be capable of recognizing that its interests are best served by better relations as well. An army that cannot adequately feed and fuel itself, or that is unable to offer a minimum standard of life to its soldiers should see the error in nursing old enmities at the expense of progress toward the common goal of a more secure world.

The United States expects nothing more of Russia than that it acts in its own best interests, for its best interests are compatible with the cause for peace and justice in Kosovo, and everywhere else for that matter.

THE SOCIAL SECURITY LOCK BOX

Mr. GRASSLEY. Mr. President, I rise today to express my support for the Social Security ''lock box.'' This legislation is vital to the future of the Social Security program. I commend my colleagues, Senators DOMENICI, ABRAHAM, and ASHCROFT on their leadership and dedication to the fiscal year 2000 budget resolution which establishes goals for the next ten years by setting aside projected Social Security surpluses of $1.8 trillion.

The unified budget system created during President Lyndon Johnson's administration allows the government to account for non-Social Security programs using Social Security funds. For years it masked the size of the federal deficit. When it comes to Social Security, this accounting method has fanned unfavorable public sentiment. According to a survey conducted by the National Public Radio, the Kaiser Foundation, and the Kennedy School of Government, Americans believe that the Social Security trust fund is somehow being misused. Asked why the system is in trouble, more people (65%) selected ''money in the Social Security trust fund is being spent on programs other than Social Security'' than any other reason. It's time to change the system. The lock box legislation would help restore the public's trust in the system and ensure Congress and the President don't squander the surpluses accumulating in the Social Security trust fund.

The surplus could be very tempting to the President and Congress to spend. The Social Security ''lock box'' would institute a 60-vote budget point of order in the Senate which would limit Congress's ability to pass a budget resolution which uses a portion of the Social Security trust fund for non-Social Security purposes. In addition, this legislation would institute a limit on the debt held by the public.

Passing this legislation demonstrates Congress's ability and discipline to save money. Taxpayers and beneficiaries believe ''reform'' will translate into higher taxes and lower benefits. One way to quell public concern is by starting out on the right foot. We can protect the Social Security trust fund from being drained for non-Social Security purposes. As Members of Congress, we owe this to the future generations of America. As Senators, we should understand the dynamics of saving the Social Security trust funds because we all have constituents in our home states who have doubts about Social Security money being there for them when they retire. That is why this legislation is so important: it will help restore the confidence of the American people in their government. Locking away the Social Security trust fund is a key way to secure the public's peace of mind. Wage earners who contribute a sizable percentage of their paycheck every week to the public retirement system have grown leery about the Federal Government using their Social Security taxes for other purposes.

President Clinton, pledged in his 1998 State of the Union Address, to ''save every cent of the Social Security Surplus.'' Some Members of Congress including myself along with Senators GREGG, BREAUX, and KERREY have put forth proposals to save Social Security. However, if Congress and the White House reach a Social Security stalemate this year, the lock box legislation offers a bonus economic benefit. It would ensure the public debt is reduced. That's because the Social Security lock box effectively would limit the amount of public debt, which would prevent Social Security revenue from being used for other programs.

Some have expressed concern that passing this legislation would stifle Congress's ability to address emergency situations such as economic recession or war. Those situations were anticipated in the development of the lock box legislation. This bill would allow the flexibility necessary to address such situations by suspending the public debt limit in specific instances such as recession or a declaration of war.

We are at a point in time where talk is cheap and execution is everything. At one time or another we all learned the steps of first aid and the first step that is taken is to stop the bleeding. We need to stop the bleeding of the trust fund dollars from the Social Security trust fund.

I ask my colleagues to demonstrate the courage necessary to pass this bill and preserve the future of our great Nation.

I yield the floor.

SECTION 201 DECISIONS

Mr. BURNS. Mr. President I rise today to discuss my grave concern regarding the Section 201 petition

brought forward by America's domestic lamb industry. This case has been sitting on President Clinton's desk for more than 2 months. He has had more than ample time to make a decision. Furthermore, the decision was slated for June 5. For 10 days, America's sheep producers have been waiting, wondering what is going to happen to their livelihood.

On February 9, 1999, the International Trade Commission voted unanimously that lamb imports are a threat to our industry. On March 26, the sheep industry scored another victory with the decision by the International Trade Commission to support 4 years of market stability. Several remedies have been offered, including tariff rate quotas and ad-valorem tariffs. Now a decision by President Clinton to approve, deny, or modify those remedies has been expected since June 5.

This administration has virtually ignored the request by America's sheep producers to solve the issue of excessive imports. While these producers are suffering, the President continues to deal with any and all other issues but this important agriculture case. While I understand that Kosovo and other world issues require much time and consideration, domestic policy cannot stand still during international situations.

The agricultural producers of this country that provide food and fiber for the rest of the Nation, warrant more time and attention than this administration has paid them. I feel as though the crisis facing the sheep producers of this country is receiving about the same consideration from this administration as agriculture received 5 months ago in the State of the Union Address. Agriculture received a mere thirty seconds during that address and is receiving even less time in this important case.

The domestic lamb industry has every reason to believe their market has been substantially undercut by these countries. Imports now make up nearly one-third of the domestic market, and comparisons of imported and domestic lamb meat have found that imports undercut domestic products nearly 80 percent of the time. Between 1993 and 1997 imports increased 47 percent. The problems of imports are very real and have had a substantial impact on sheep producers.

Furthermore, the domestic industry has followed the legal process for trade action that is available to all industries under our trade agreements. The unanimous ruling of the ITC during the injury phase of this 201 case, followed by the entire Commission's recommendation to impose trade relief, clearly shows U.S. sheep producers have a viable case.

I urge my fellow colleagues to join me in urging the president to make an extremely timely decision in support of the section 201 petition and the recommendations made by the domestic sheep industry for strong and effective trade relief.

WORK INCENTIVES IMPROVEMENT ACT OF 1999

Mr. JEFFORDS. Mr. President, the time has come. Our friends with disabilities have waited patiently. Our bipartisan coalition has remained united. The last obstacles have been resolved. Assurances have been given. I am referring to our pending consideration of the landmark legislation, S.331, the Work Incentives Improvement Act of 1999.

When I came to Congress in January 1975, one of my legislative priorities was to provide access to the American dream for individuals with disabilities. It was not an easy task. I learned quickly that providing access for Americans with disabilities was complicated.

It involved providing access to education, it involved removing physical barriers, and it involved ensuring access to rehabilitation, job training, and job placement assistance.

It required obtaining access to assistive technology and health care. Most importantly, access to the American dream for people with disabilities meant gaining the opportunity to choose and to participate in the full range of community activities. Moreover, it involved making sure that the Federal Government, along with other entities, be made to comply with laws affecting access for people with disabilities. We have made tremendous progress in the last 24 years.

The Individuals with Disabilities Education Act, the Rehabilitation Act, the Americans with Disabilities Act, and the Assistive Technology Act have changed, and will continue to change lives. Children with disabilities are being educated with their peers. No agency or individual, including the Federal Government, can discriminate against individuals on the basis of disability in employment, transportation, public accommodations, public services, or telecommunications.

Job training and placement opportunities for individuals with disabilities are ever expanding because of the reforms we achieved in the Work Force Investment Act of 1998 and because of low unemployment rates. I am proud of these accomplishments.

Today we will address the biggest remaining barrier to the American dream for individuals with disabilities—access to health care if they work.

I began work on the Work Incentives Improvement Act more than 2 years ago. Since then, I have learned a great deal. I suspect the same holds true for the 77 other co-sponsors of this bill. People with disabilities want to work, and will work, if they are given access to health care. This bill does just that—it gives workers with disabilities access to appropriate health care—health care that is not readily available or affordable from the private sector.

People with disabilities want to work, and will work, given access to job training and job placement assistance. This bill does just that—it gives individuals with disabilities training and help securing a job.

The Work Incentives Improvement Act gives people with disabilities the power to control their own destiny, the power to pay taxes and return the investment that society has made in them, and most of all the power to go to work.

First, I must thank my bipartisan co-sponsors Senators KENNEDY, ROTH, and MOYNIHAN the original co-sponsors of this bill who made a commitment many months ago to work together to create a sound piece of legislation to address this real problem for millions of Americans with disabilities. Such commitment represents the best of what the Senate can accomplish when sound policy is placed above partisanship.

I also thank the additional, original 35 co-sponsors of this bill and the subsequent 45 co-sponsors who represent a total of over three quarters of this body, perhaps a Senate record on health care legislation.

Over the last two weeks, the Majority Leader has been the driving force who urged us to work out policy differences that were delaying Floor consideration. We did so through good faith efforts that broadened support for the bill and reduced its overall modest cost.

In particular, I want to recognize Senators NICKLES, BUNNING, and GRAMM for their willingness to reach consensus with us on policy without compromising the integrity of the legislation, thus, allowing S. 331 to move forward.

I especially thank the over two hundred national organizations that offered time, energy, and ideas to create and support a bill that will improve the quality of life for millions of Americans with disabilities who want to work.

One at a time, we each have come to understand the importance of health care and a job to individuals with disabilities. Sometimes the power of common sense and the voices of reason transcend politics and help us to forge new policy that will make America a better place for all of its citizens. The Work Incentives Improvement Act is the right policy at the right time, and we all know it.

Ms. COLLINS. Mr. President, I am pleased to be an original cosponsor of S. 331, the Work Incentives Improvement Act of 1999.

This historic initiative, which Republicans have been working on for many years now, has strong bipartisan support and will help tear down the barriers that prevent disabled Americans who want to work from reaching their full potential and achieving economic independence.

Approximately 8 million American adults receive more than $73 billion a year in cash benefits under the Supplemental Security Income and the Social Security Disability programs, making these disability programs the fourth largest entitlement expenditure in the Federal budget. In Maine, there are close to 55,000 people receiving more than $335 million each year in cash disability benefits under these two programs. If only 1 percent, or 75,000, of these disabled Americans were to enter the workplace, Federal savings in cash benefits would total $3.5 billion over the worklife of these individuals.

While surveys show that the overwhelming majority of adults with disabilities want to work, fewer than one half of 1 percent of them actually do. The reason is very simple: The current law contains disincentives that prevent these people with disabilities from going into the workforce. I know that the Presiding Officer has been working on this issue for several years and shares our concern.

Removing the barriers that prevent Americans with disabilities from working will not only assist these individuals in their pursuit of self-sufficiency, but it will also contribute to preserving the Social Security trust fund.

Advances in medicine and technology, coupled with civil rights laws, have made it possible for more and more people with physical and mental disabilities to enter the workforce. These are people who genuinely want to work. They have the skills and the talents necessary to contribute greatly to the American economy, but they currently face a Catch-22. If they leave the disability rolls for a job, they risk losing essential Medicare and Medicaid benefits that made it possible for them to overcome the obstacles that prevented them from entering or reentering the workforce in the first place. Moreover, many of these individuals' lives depend on the prescription drugs, the technology, the personal assistant services and the medical care that they receive.

Let me put a human face on this problem which is facing too many Americans with disabilities. In Bangor, ME, I know a young man in his 20s who unfortunately suffers from a severe mental illness. The good news is that if he takes his medicine, which is very expensive and is now covered by Medicaid, he can hold down a part-time job. He very much enjoys working. He enjoys the skills he is learning. He enjoys the companionship. He enjoys the sense of pride he feels when he works. Unfortunately, if he goes to work, he loses the very Medicaid coverage that provides the essential prescription drug that he needs to enable him to work. He should not face that kind of dilemma.

The truth is that no one should have to make the choice between a job and essential health care. The Work Incentives Improvement Act of 1999 will create and fund new options for States, to encourage them to allow people with disabilities who enter into the workforce to buy into the Medicare program and the Medicaid program so that they can continue to receive the essential prescription drugs they need which enable them to work, and the personal assistant services and the medical care upon which they depend. It will also allow workers who leave the Social Security Disability Insurance program to extend their Medicare coverage for 10 years.

This is tremendously important since many people returning to work after having been on SSDI either work part-time and, therefore, are not eligible for most employer-based insurance, or they work in jobs that simply do not offer health insurance. Allowing these disabled Americans to maintain their Medicare coverage, and to maintain their Medicaid coverage in some cases, will serve as a tremendous incentive for them to return to or to enter the workforce.

Other provisions of this legislation incorporate a more user-friendly approach in programs, providing job training and placement assistance to individuals with disabilities who want to and are able to work.

Our legislation gives disabled SSI and SSDI beneficiaries greater consumer choice by creating essentially a ticket that enables them to choose whether they want to go to a public or a private provider of vocational rehabilitation services. The bill also provides grants to States and organizations to help connect people with disabilities with the appropriate services, and it funds demonstration projects and studies to better understand and identify the policies that will encourage and enable work.

Mr. President, this legislation is an investment in human potential that promises tremendous returns. By ensuring that Americans with disabilities have access to affordable health insurance, we are removing a major barrier, a significant disincentive that too often keeps them out of the workplace.

The Work Incentives Improvement Act of 1999 will both encourage and enable Americans with disabilities to be full participants in our Nation's workforce and growing economy and, equally important, it will allow them to reach their full potential. It deserves our strong support and the President's signature. I am very proud to be an original cosponsor of this landmark legislation.

Mr. HARKIN. Mr. President, I rise in support of the Work Incentives Improvement Act of 1999. I was an original cosponsor of the Work Incentives bill when we introduced it last year, and again this year, and was at the White House when the President endorsed the bill.

Almost nine years ago, the Americans With Disabilities Act became law. On that day, we told Americans with disabilities that the door to equal opportunity was finally open.

And the ADA has opened the doors of opportunity—plenty of them. Americans with disabilities now expect to be treated as full citizens, with all the rights and responsibilities that entails. And they are participating in American life like never before in our Nation's history.

But we have not been as successful in employment. Far too many people with disabilities who want to work are unemployed. More than eight million people between 18 and 64 are on SSI and SSDI—and less than one-half of one percent of them return to work each year.

Clearly, there are barriers to be torn down.

Let me tell you the story of a young woman from Iowa named Phoebe Ball. Phoebe just graduated from the University of Iowa and she was shocked when she found that if she took an entry level job paying $18,000, she would suffer a huge loss—her health insurance.

Phoebe wrote an article for an Iowa City newspaper. Here is what she said:

> I want off SSI desperately . . . I want to work. I want to know that I have earned the money I have . . . I don't feel good about the money the government sends me each month. I don't feel entitled to it because I know what I am capable of.
>
> My parents and my society made a promise to me. They promised me that I can live with this disability, and I can. . . . What is limiting me right now is not this wheelchair, and it's not this limb that's missing. It's a system that says if I can work at all, then I'm undeserving of any assistance, I'm undeserving of the basic medical care that I need to stay alive.
>
> . . . What is needed is a government that understands its responsibility to its citizens . . . then we'll see what we are capable of, then we will be working and proving the worth of the ADA.

Mr. President, the Work Incentives Improvement Act is a well-crafted, comprehensive bill that would be the answer to Phoebe Ball's dilemma.

It provides health care and employment preparation and placement services to individuals to reduce dependency on cash assistance;

It creates new options for States to allow people with disabilities to purchase Medicaid coverage;

It lengthens the current period of extended eligibility for Medicare coverage for working disabled individuals; and

It establishes a return to work ''ticket'' program that will allow people

with disabilities to secure the best possible services they can find to get and keep jobs.

If only 1 percent—or 75,000—of the 7.5 million people with disabilities, like Phoebe, who are now on benefits were to become employed, Federal savings would total $3.5 billion over the work life of the beneficiaries. That not only makes economic sense, it also contributes to preserving the Social Security Trust fund.

Mr. President, the disability community and members from both sides of the aisle here in the Senate have wholeheartedly endorsed this bill. The Work Incentives Improvement Act has 78 cosponsors. 78! Rarely do we see in this chamber such broad bipartisan support.

The Work Incentives Act will open the door to full participation by people with disabilities in our workplaces, our economy, and our American Dream, and I urge all my colleagues to support it.

Mr. BUNNING. Mr. President, I rise to speak in support of S. 331, the Work Incentives Improvement Act of 1999.

This is the most far-reaching Social Security disability bill to come before the Senate in a generation, and it's going to give thousands of men and women who are trapped in the disability program the tools they need to return to work.

While it's not a perfect bill, it's still a significant step forward.

Right now there are over 4½ million Americans on disability. Four and a half million, Mr. President. And of this group, less than one-half of 1 percent will return to work.

Many of these folks have permanent conditions and need assistance. But, many of these people want to return to work, and can return to work. For them, the disability program has become a black hole that swallows everyone who falls in. With proper training and rehabilitation, many of these people could work. But the disability system is not working for them.

Because of problems with the current program, they face too many hurdles, too many disincentives, in trying to return to the workforce. That is a tragedy.

Some of us have been fighting for a long time to improve the Social Security Disability Program. When I chaired the House Social Security subcommittee, we held numerous hearings on disability.

And we learned there are indeed many, many disabled who want to return to work, and can work. But they're afraid to try. They're afraid to try because returning to work often means losing their health care coverage.

Many other disabled workers could return to their jobs if they had the proper training. But because of backlogs and problems in the current vocational rehabilitation system, they have not been able to get the assistance they need.

The bill before us today will change things for the better. It removes barriers that discourage the disabled from returning to work. It helps harness the power of the private sector and competition to help provide training for the disabled. And it extends basic health care coverage to help them make the difficult transition back to work.

It represents a fundamental, revolutionary change for the disabled community.

As an added benefit, this legislation will have money for Social Security—big money. For every 1% of the total number of disabled who return to work, we save $3 billion for Social Security. The legislation before the Senate today has the potential to literally save billions and billions for Social Security.

Mr. President, last year, the House did pass my disability bill by a vote of 410–1. Unfortunately, the bill was tied up in the Senate by some shenanigans and it died. That was a tremendous disappointment to me, and to be honest, I didn't think we would be back to talking about a disability bill in the Senate for a long, long time.

But we are back here today, and I am proud that the disability provisions in the bill before us largely borrows from my old legislation. The bill's sponsors did make some further changes to their bill at my request that I think improves it, and I appreciate that.

But we still have a way to go. And there are several conditions that have to be met for me to support any conference report.

The bill has to be fully paid for with other spending reductions. Under the unanimous consent agreement, the conference report has to be fully offset, and contain no new taxes. I intend to stick by that agreement.

I also want to see changes that the sponsors negotiated with me on the ticket maintained in the final conference report. I appreciate their working with me, and I think our efforts have produced a better bill. We shouldn't move backward in the conference report.

This is a good bill, but it is not perfect. And we still have to hear from the House. But we are making progress. I'm eager to move forward.

I urge support for the bill.

AGRICULTURE, RURAL DEVELOPMENT AND RELATED AGENCIES

Mr. KOHL. Mr. President, I am aware that an amendment or amendments relating to dairy policy may be offered during full committee mark-up on the fiscal year 2000 appropriations bill for Agriculture, Rural Development and Related agencies. I serve as ranking member for the Agriculture, Rural Development and Related Agencies Subcommittee and I am proud of the work I have done with Senator COCHRAN, Chairman of the Subcommittee, in preparing the bill for fiscal year 2000 and having it approved unanimously by the entire Subcommittee. I am, therefore, very distressed to learn of possible amendments that are authorizing in nature, and that would result in setting dairy policy with disastrous consequences for my State and region.

Due to my very strong commitment to keep the fiscal year 2000 appropriations bill clean of amendments of the nature suggested, I am prepared to take whatever steps possible to prevent inclusion of these amendments during consideration of the bill by the Senate Appropriations Committee. I strongly believe that the issues surrounding these amendments are of such an important nature that deliberation by the full Senate is imperative. If proponents of these amendments wish to bring them to the floor to offer and debate them, I welcome the opportunity for the discussion. However, I will do all I can to ensure that these matters are not decided by the smaller number of Senators that comprise the Appropriations Committee.

In the event an amendment or amendments relating to dairy policy, such as one establishing or extending interstate compacts, are offered for adoption by the full Appropriations Committee, I am prepared to offer, and will offer, a number of second degree amendments to eliminate the harmful policy that amendment proponents apparently seek to impose on farmers and consumers. Also, in an attempt to keep this sort of anti-consumer, anti-farmer amendment from ending up on the bill, I am prepared to offer, either as first or second degree amendments, a number of other amendments—some related to the bill and some not. If the committee chooses to enter into controversial debates that belong in authorizing committees, I too have several non-Appropriations issues that I would like considered.

I do not relish holding up the work of my Committee, and I will not if these sort of dairy amendments are not offered. But I feel it is only fair to my fellow Committee members and to the Senate to let them know how very seriously I take attempts to harm the dairy industry in the State of Wisconsin.

The amendments I may offer that are relevant to the Agriculture Appropriations bill, include, but are not limited to:

An amendment to provide additional funds for the President's Food Safety Initiative.

An amendment to provide additional funds for the WIC program.

An amendment to provide additional funds for the President's Human Nutrition Initiative.

An amendment to provide additional funds for the Wetlands Reserve Program.

An amendment to provide additional funds for the Conservation Farm Option Program.

An amendment to provide additional funds for the TEFAP program.

An amendment to provide additional funds relating to the Food Quality Protection Act.

An amendment to provide additional funds for the National Research Initiative.

An amendment to provide additional funds for the NET program.

An amendment to provide additional funds for the Food and Drug Administration.

An amendment to provide additional funds for the EQIP program.

An amendment to provide additional funds for the Fund for Rural America.

An amendment to express the sense of the Senate on the history of dairy policy.

An amendment to express the sense of the Senate on diary compacts and their harmful effects on consumers.

An amendment to express the sense of the Senate on dairy compacts and their fundamental conflict with the principles of free trade.

An amendment to express the sense of the Senate on dairy compacts and their harmful effect on the Midwestern dairy industry.

An amendment to express a sense of the Senate on the economic policy problems with dairy compacts.

In addition to these, I have at least 40 other amendments funding changes to the bill that will require votes by the full Committee.

I also have many amendments not relevant to the bill and more in the nature of authorizing legislation. However, as I said before, if the Committee is going to consider dairy legislation of an authorizing nature—legislation with a very real impact on my State—I would insist on also considering other authorizing issues of importance to my constituents. These would include:

The Patient Abuse Prevention Act: This amendment is based on my bill that establishes a national registry of abusive long-term care workers, and requires nursing homes, home health agencies and hospices to check the registry and do criminal background checks on potential employees before hiring them.

Folic Acid Promotion and Birth Defects Prevention Act: This amendment is based on a bill I will be introducing with BOND and ABRAHAM next week. It would authorize $20 million per year to provide education and training to health care providers and the public on the need for women to take folic acid to reduce birth defects.

Sense of the Senate on the nursing home bill: This amendment is based on an amendment that passed two years ago on the Budget Resolution. It is a Sense of the Senate that Congress should create a national registry system so long-term care facilities may conduct background checks on potential employees.

Organ distribution amendment: This amendment would nullify the HHS proposed rule that changes the way organs are distributed across the nation.

Class size fix: This would amend the Class Size Reduction program to ensure that smaller school districts have access to their class size funds without having to form a consortium with other districts.

National Family Caregiver Support program: This would provide support services, including respite services, to persons caring for a disabled or elderly relative.

Sodas in Schools: This is based on a bill introduced by LEAHY, JEFFORDS, KOHL, and FEINGOLD last month) This would prohibit the giveaways of free sodas during the school lunch program.

The Child Care Infrastructure Act: This amendment would establish a tax credit for employers who provided child care benefit to their employees.

Child Support Pass Through: This amendment would reform the child support collection system to provide more income support for low-income families.

Income Averaging for Farmers: This, and another amendment creating Farmer IRAs would establish more fairness for farmers.

Several foreign policy Sense of the Senates including: A sense of the Senate resolution calling for a United States effort to end restrictions on the freedoms and human rights of the enclaved people in the occupied area of Cyprus; a sense of the Senate resolution condemning Palestinian efforts to revive the original Palestine partition plan of November 29, 1947, and condemning the United Nations Commission on Human Rights for its April 27, 1999, resolution endorsing Palestinian self-determination on the basis of the original Palestine partition plan; a sense of the Senate regarding a peaceful process of self-determination in East Timor, and for other purposes.

Apostle Islands: An amendment to direct the Secretary of the Interior to study whether the Apostle Islands National Lakeshore should be protected as a wilderness area.

Zachary Baumel: An amendment to locate and secure the return of Zachary Baumel, a citizen of the United States, and other Israeli soldiers missing in action.

Women's Business center: A bill to amend the Small Business Act with respect to the women's business center program.

Arctic National Wildlife Refuge: A bill to designate a portion of the Arctic National Wildlife Refuge as wilderness.

Military Reservists: An amendment to authorize the Small Business Administration to provide financial and business development assistance to military reservists' small business, and for other purposes.

Menominee: An amendment to provide for the settlement of claims of the Menominee Indian Tribe of Wisconsin.

33RD ANNIVERSARY OF MIRANDA VERSUS ARIZONA

Mr. THURMOND. Mr. President, 33 years ago this week, the Supreme Court issued possibly its most famous and far-reaching criminal law decision of the twentieth century: Miranda v. Arizona. In response, the Congress enacted a law, codified at 18 U.S.C. section 3501, to govern the admissibility of voluntary confessions in Federal court. The Criminal Justice Oversight Subcommittee, which I chair, recently held a hearing to discuss the Clinton Justice Department's refusal to use this Federal statute to help Federal prosecutors in their work to fight crime.

Issued in 1966, the Miranda decision imposed a code-like set of interrogation rules on police officers. Essentially, the Court held that before a confession can be admitted against a defendant, regardless of whether the confession was voluntary, the police must read the defendant the now familiar Miranda warnings, and the defendant must affirmatively waive his rights. We will never know how many crimes have gone unsolved or unpunished because of Miranda.

The Miranda decision acknowledged that the warnings were not themselves constitutionally protected rights but only procedural safeguards designed to protect the Fifth Amendment right against self-incrimination. Subsequent Supreme Court opinions have repeatedly reaffirmed this conclusion. Further, the Miranda court expressly invited Congress and the States to develop legislative solutions to the problem of involuntary confessions.

In response to the Court's invitation, the Congress held extensive hearings on this issue as part of Federal criminal law reform. A bipartisan Congress with my participation and that of many others on both sides of the aisle in 1968 passed an omnibus crime bill that included a provision that eventually became law as section 3501. That statute, of which I was an original cosponsor, provides that ''In any criminal prosecution brought by the United States . . . a confession . . . shall be admissible in evidence if it is voluntarily given.'' The statute goes on to list five nonexclusive factors that a judge may consider in determining whether a confession is voluntary and, hence, admissible. One of those factors is whether the Miranda warnings were given. Thus, the statute continues to provide police with an incentive to deliver the Miranda warnings.

More than thirty years after the original hearings on § 3501, the Senate Judiciary Committee's Subcommittee on Criminal Justice Oversight, under my leadership, conducted a hearing to examine the statute's enforcement.

The history of the statute begins with the Johnson Administration. Although President Johnson signed § 3501 into law, his administration viewed the statute unfavorably and refused to enforce it. Then, in 1969, the Nixon Justice Department issued an important memorandum setting forth the Department's official policy toward section 3501. According to that policy, ''Congress has reasonably directed that an inflexible exclusionary rule be applied only where the constitutional privilege itself has been violated.'' The memorandum also concluded that ''the determination of Congress that an inflexible exclusionary rule is unnecessary is within its constitutional power.''

In 1975, the Department succeeded in enforcing the statute when the 10th Circuit in United States v. Crocker affirmed a district court's decision to apply § 3501 rather than Miranda and upheld the constitutionality of the statute.

The next significant chapter in the history of § 3501 occurred during the Reagan Administration. Judge Stephen Markman, who was then Assistant Attorney General in charge of the Justice Department's Office of Legal Policy, also testified before our Subcommittee. In response to an assignment from Attorney General Meese, Judge Markman's team issued a comprehensive report on the law of pre-trial interrogation that concluded that section 3501 represented a valid, constitutional response by the Congress to the Miranda decision. Later, as Judge Markman testified, the Reagan Justice Department continued the litigation effort to apply section 3501.

Judge Markman also testified that while he was U.S. Attorney in the Bush Administration, he and other U.S. Attorneys attempted to apply the statute, although appellate cases did not develop. Certainly, the Bush Justice Department never sought to undermine the statute's enforcement.

During the Clinton Administration, this Committee repeatedly has encouraged the Justice Department to enforce the statute. During an oversight hearing in 1997, Attorney General Reno indicated to the Committee that the Department would enforce it in an appropriate case, as did Deputy Attorney General Holder during his nomination hearing the same year. However, when such a case clearly arose in United States v. Dickerson, the Administration refused.

In that case, Charles Dickerson was suspected of committing a series of armed bank robberies in Virginia and Maryland. During questioning, he voluntarily confessed his crimes to the authorities and implicated another armed bank robber, but the Miranda warnings were not read to him beforehand. The U.S. Attorney's office in Alexandria urged the trial court to admit the confession under section 3501, but the Justice Department refused to permit the U.S. Attorney to raise it on appeal. It was only the intervention of third parties in an amicus brief of Professor Cassell and the Washington Legal Foundation, that the issue was presented to the Fourth Circuit for its consideration.

The Fourth Circuit ruled solidly in favor of § 3501's constitutionality, holding that this statute, not the Miranda decision, governs the admissibility of confessions in Federal court. The court criticized the Justice Department for its failure to enforce the statute, saying that the Department's prohibition of the U.S. Attorney from arguing section 3501 was an elevation of politics over law.

The administration's actions in the Dickerson case are part of a larger pattern by which the Clinton Justice Department has blocked opportunities for career prosecutors to raise section 3501. The Department has even gone so far as to order career Federal prosecutors to withdraw already filed briefs that contained arguments in favor of section 3501. The Supreme Court in Davis v. United States expressly made note of the Justice Department's decision not to rely on the statute in a 1994 case where it was clearly relevant. In a concurring opinion in that same case, Justice Scalia wrote that ''[t]he United States' repeated refusal to invoke § 3501 . . . may have produced—during an era of intense national concern about the problem of run-away crime—the acquittal and the non-prosecution of many dangerous felons. There is no excuse for this.''

The Executive Branch has a duty under Article II, Section 3, of the Constitution to ''take care that the laws be faithfully executed.'' Section 3501 is a law like any other. In Davis, Justice Scalia also questioned whether the refusal to invoke the statute abrogated this duty.

Our hearing also demonstrated the strong level of support that exists for the Justice Department to enforce section 3501, especially in the law enforcement community. I have received supportive letters in this regard from the Fraternal Order of Police, whose National President testified at our hearing, as well as from the National Association of Police Organizations, the Federal Law Enforcement Officers Association, the Major Cities Chiefs of Police, and others. Former Attorney General Ed Meese also expressed his support for our efforts.

If section 3501 is upheld by the Supreme Court, this will encourage the states to enact their own versions of the law in this area. Arizona already has a statute almost identical to § 3501, and the Maricopa County Attorney in Phoenix, whose predecessor prosecuted Miranda, testified at our hearing that he and others could enforce their statute in Arizona if the Supreme Court upholds section 3501.

The Justice Department will not say what position it will take if the Dickerson case is considered by the Supreme Court. Unfortunately, they refused my invitation to testify at the hearing on section 3501. I recognize the Department's reluctance to discuss specifics about pending cases, but this is no excuse for its failure to discuss in person its refusal to explain its general treatment of the law governing voluntary confessions. Even the dissenting judge in Dickerson recognized that the Congress could invoke its oversight authority and investigate why the law is being ignored. As he stated, the ''Congress . . . may legitimately investigate why the executive has ignored § 3501 and what the consequences are.''

In my view, the Administration clearly has a duty to defend § 3501 before the Supreme Court and should be enforcing it in the lower Federal courts. The Justice Department has a long-standing policy that it has a duty to defend a duly enacted Act of Congress whenever a reasonable argument can be made in support of its constitutionality. Thus far, all Federal courts that have directly considered § 3501's constitutionality have upheld it. Accordingly, reasonable arguments in defense of the statute clearly exist and have been accepted by the courts—most recently by the Fourth Circuit in Dickerson.

Indeed, before the Dickerson case, the Fourth Circuit in United States v. Leong expressly rejected the Justice Department's argument that it was not free to press § 3501 in the lower Federal courts unless and until the Supreme Court overrules Miranda. In concluding that the Government was ''mistaken'' in this regard, the Leong court stated that ''[t]he question of whether Miranda establishes a rule of constitutional dimension, and thus whether Congress acted within its authority in enacting § 3501, is easily within the compass of the authority of lower federal courts.''

Our subcommittee inquiry into section 3501 is ongoing. America does not need its Justice Department making arguments on behalf of criminals. On this the 33rd anniversary of Miranda v. Arizona, it is appropriate to note the Fourth Circuit's statement in Dickerson that ''no longer will criminals who have voluntarily confessed their crimes be released on mere technicalities.'' I hope the Clinton Justice Department will help make this promise a reality.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session the Presiding Officer laid before the Senate a message from the President of the United States submitting a withdrawal which was referred to the Committee on Finance.

(The withdrawal received today is printed at the end of the Senate proceedings.)

REPORT OF THE COMMODITY CREDIT CORPORATION FOR FISCAL YEAR 1997—MESSAGE FROM THE PRESIDENT—PM 37

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Agriculture, Nutrition, and Forestry.

To the Congress of the United States:

In accordance with the provisions of section 13, Public Law 806, 80th Congress (15 U.S.C. 714k), I transmit herewith the report of the Commodity Credit Corporation for the fiscal year ending September 30, 1997.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 15, 1999.*

REPORT RELATIVE TO THE EXCHANGE STABILIZATION FUND—MESSAGE FROM THE PRESIDENT—PM 38

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; referred jointly, pursuant to 31 United States Code 5302, to the Committee on Appropriations, to the Committee on Banking, Housing, and Urban Affairs, and to the Committee on Foreign Relations.

To the Congress of the United States:

On November 9, 1998, I approved the use of the Exchange Stabilization Fund (ESF) to provide up to $5 billion for the U.S. part of a multilateral guarantee of a credit facility for up to $13.28 billion from the Bank for International Settlements (BIS) to the Banco Central do Brazil (Banco Central). Eighteen other central banks and monetary authorities are guaranteeing portions of the BIS credit facility. In addition, through the Bank of Japan, the Government of Japan is providing a swap facility of up to $1.25 billion to Brazil under terms consistent with the terms of the BIS credit facility. Pursuant to the requirements of 31 U.S.C. 5302(b), I am hereby notifying the Congress that I have determined that unique or emergency circumstances require the ESF financing to be available for more than 6 months.

The BIS credit facility is part of a multilateral effort to support an International Monetary Fund (IMF) stand-by arrangement with Brazil that itself totals approximately $18.1 billion, which is designed to help restore financial market confidence in Brazil and its currency, and to reestablish conditions for long-term sustainable growth. The IMF is providing this package through normal credit tranches and the Supplemental Reserve Facility (SRF), which provides short-term financing at significantly higher interest rates than those for credit tranche financing. Also, the World Bank and the Inter-American Development Bank are providing up to $9 billion in support of the international financial package for Brazil.

Since December 1998, international assistance from the IMF, the BIS credit facility, and the Bank of Japan's swap facility has provided key support for Brazil's efforts to reform its economy and resolve its financial crisis. From the IMF arrangement, Brazil has purchased approximately $4.6 billion in December 1998 and approximately $4.9 billion in April 1999. On December 18, 1998, the Banco Central made a first drawing of $4.15 billion from the BIS credit facility and also drew $390 million from the Bank of Japan's swap facility. The Banco Central made a second drawing of $4.5 billion from the BIS credit facility and $423.5 million from the Bank of Japan's swap facility on April 9, 1999. The ESF's ''guarantee'' share of each of these BIS credit facility drawings is approximately 38 percent.

Each drawing from the BIS credit facility or the Bank of Japan's swap facility matures in 6 months, with an option for additional 6-month renewals. The Banco Central must therefore repay its first drawing from the BIS and Bank of Japan facilities by June 18, 1999, unless the parties agree to the roll-over. The Banco Central has informed the BIS and the Bank of Japan that it plans to request, in early June, a roll-over of 70 percent of the first drawing from each facility, and will repay 30 percent of the first drawing from each facility.

The BIS's agreement with the Banco Central contains conditions that minimize risks to the ESF. For example, the participating central banks or the BIS may accelerate repayment if the Banco Central has failed to meet any conditions of the agreement or Brazil has failed to meet any material obligation to the IMF. The Banco Central must repay the BIS no slower than, and at least in proportion to Brazil's repayments to the IMF's SRF and to the Bank of Japan's swap facility. The Government of Brazil is guaranteeing the performance of the Banco Central's obligations under its agreement with the BIS, and, pursuant to the agreement, Brazil must maintain its gross international reserves at a level no less than the sum of the principal amount outstanding under the BIS facility, the principal amount outstanding under Japan's swap facility, and a suitable margin. Also, the participating central banks and the BIS must approve any Banco Central request for a drawing or roll-over from the BIS credit facility.

Before the financial crisis that hit Brazil last fall, Brazil had made remarkable progress toward reforming its economy, including reducing inflation from more than 2000 percent 5 years ago to less than 3 percent in 1998, and successfully implementing an extensive privatization program. Nonetheless, its large fiscal deficit left it vulnerable during the recent period of global financial turbulence. Fiscal adjustment to address that deficit therefore formed the core of the stand-by arrangement that Brazil reached with the IMF last December.

Despite Brazil's initial success in implementing the fiscal reforms required by this stand-by arrangement, there were some setbacks in passing key legislation, and doubts emerged about the willingness of some key Brazilian states to adjust their finances. Ultimately, the government secured passage of virtually all the fiscal measures, or else took offsetting actions. However, the initial setbacks and delays eroded market confidence in December 1998 and January 1999, and pressure on Brazil's foreign exchange reserves intensified. Rather than further deplete its reserves, Brazil in mid-January first devalued and then floated its currency, the real, causing a steep decline of the real's value against the dollar. As a consequence, Brazil needed to prevent a spiral of depreciation and inflation that could have led to deep financial instability.

After the decision to float the real, and in close consultation with the IMF, Brazil developed a revised economic program for 1999–2001, which included deeper fiscal adjustments and transparent and prudent monetary policy designed to contain inflationary pressures. These adjustments will take some time to restore confidence fully. In the meantime, the strong support of the international community has been and will continue to be helpful in reassuring the markets that Brazil can restore sustainable financial stability.

Brazil's experience to date under its revised program with the IMF has been very encouraging. The exchange rate has strengthened from its lows of early March and has been relatively stable in recent weeks; inflation is significantly lower than expected and declining; inflows of private capital are resuming; and most analysts now believe that the economic downturn will be less severe than initially feared.

Brazil's success to date will make it possible for it to repay a 30 percent portion of its first (December) drawing from the BIS credit facility and the Bank of Japan swap facility. With continued economic improvement, Brazil is likely to be in a position to repay the remainder of its BIS and Bank of Japan obligations relatively soon. However, Brazil has indicated that it would be inadvisable to repay 100 percent of the first BIS and Bank of Japan disbursements at this point, given the persistence of risks and uncertainties in the global economy. The timing of this repayment must take into account the risk that using Brazilian reserves to repay both first drawings in their entirety could harm market confidence in Brazil's financial condition. This could undermine the purpose of our support: protecting financial stability in Brazil and in other emerging markets, which ultimately benefits U.S. exports and jobs. Given that the BIS and Bank of Japan facilities charge a substantial premium over the 6-month Eurodollar interest rate, the Banco Central has an incentive to repay them as soon as is prudent.

The IMF stand-by arrangement and the BIS and Bank of Japan facilities constitute a vital international response to Brazil's financial crisis, which threatens the economic welfare of Brazil's 160 million people and of other countries in the region and elsewhere in the world. Brazil's size and importance as the largest economy in Latin America mean that its financial and economic stability are matters of national interest to the United States. Brazil's industrial output is the largest in Latin America; it accounts for 45 percent of the region's gross domestic product, and its work force numbers approximately 85 million people. A failure to help Brazil deal with its financial crisis would increase the risk of financial instability in other Latin American countries and other emerging market economies. Such instability could damage U.S. exports, with serious repercussions for our workforce and our economy as a whole.

Therefore, the BIS credit facility is providing a crucial supplement to Brazil's IMF-supported program of economic and financial reform. I believe that strong and continued support from the United States, other governments, and multilateral institutions are crucial to enable Brazil to carry out its economic reform program. In these unique and emergency circumstances, it is both appropriate and necessary to continue to make ESF financing available as needed for more than 6 months to guarantee this BIS credit facility, including any other rollover or drawing that might be necessary in the future.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 15, 1999*.

MESSAGES FROM THE HOUSE

At 1 p.m., a message from the House of Representatives, delivered by 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. 1400. An act to amend the Securities Exchange Act of 1934 to improve collection and dissemination of information concerning bond prices and to improve price competition in bond markets, and for other purposes.

The message also announced that the House agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 91. Concurrent resolution authorizing the use of the Capitol Grounds for a clinic to be conducted by the United States Luge Association.

H. Con. Res. 105. Concurrent resolution authorizing the Law Enforcement Torch Run for the 1999 Special Olympics World Games to be run through the Capitol Grounds.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 1400. An act to amend the Securities Exchange Act of 1934 to improve collection and dissemination of information concerning bond prices and to improve price competition in bond markets, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

The following concurrent resolution was read and referred as indicated:

H. Con. Res. 91. Concurrent resolution authorizing the use of the Capitol Grounds for a clinic to be conducted by the United States Luge Association; to the Committee on Rules and Administration.

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. THOMAS (for himself and Mr. ENZI):

S. 1221. A bill for the relief of Ashley Ross Fuller; to the Committee on the Judiciary.

By Mr. CONRAD (for himself, Mr. GRASSLEY, Mr. DASCHLE, and Mr. BAUCUS):

S. 1222. A bill to amend the Trade Act of 1974 to provide trade adjustment assistance to farmers; to the Committee on Finance.

By Mr. SCHUMER:

S. 1223. A bill to provide for public library construction and technology enhancement; 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 Mr. DASCHLE:

S. Res. 123. A resolution to authorize representation of Members of the Senate in the case of Candis Ray v. John Edwards, et al; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CONRAD (for himself, Mr. GRASSLEY, Mr. DASCHLE, and Mr. BAUCUS):

S. 1222. A bill to amend the Trade Act of 1974 to provide trade adjustment assistance to farmers; to the Committee on Finance.

THE TRADE ADJUSTMENT ASSISTANCE FOR FARMERS ACT

• Mr. CONRAD. Mr. President, I rise today to introduce a bill that would amend the Trade Act of 1974 to make farmers eligible for Trade Adjustment Assistance (TAA) similar to that provided to workers in other industries who suffer when there is an increase in imported products. This bill would provide equitable treatment for farmers when imports affect the prices of the commodities they grow.

When imports cause layoffs in manufacturing industries, workers are eligible for TAA. However, when imports cause agricultural commodity prices to drop, farmers lose income but they don't lose their jobs. That means they generally don't get benefits from TAA. Let me explain why.

Farmers typically do not earn a salary check. Farmers get paid for the crops or livestock that they grow. When commodity prices are low, the check the farmers get for all the hard work of growing crops or livestock for a whole year may be so low that they cannot cover family expenses. In some cases, the payment they get for selling their crops or livestock is so low that they cannot even cover the costs necessary to produce the commodity (such as feed, seed, fertilizer, etc.), so the farmers lose money for the year. Low prices resulting from imports directly reduce farmers' incomes, but because farmers do not actually lose their jobs, they do not qualify for the TAA benefit.

For example, farmers in my state are experiencing record low prices that result, in part, from a flood of imports of wheat, barley and livestock from Canada. These imports cost North Dakota farmers hundreds of millions of dollars in lost income. But North Dakota farmers have not been able to take advantage of the TAA program. The bill that I am introducing today would provide some equity by ensuring that farmers whose income was affected by imports would be eligible for TAA benefits just like other workers.

Most of us would agree that trade is extremely important to our overall economy. International trade allows Americans to sell U.S.-made products to world markets, rather than just to those who live in this country. Trade also allows American to buy products that the rest of the world produces.

And trade is especially important to our agricultural economy. According to the U.S. Department of Agriculture, one-third of U.S. crop land produces for export.

U.S. agricultural exports are a bright spot for our nation's balance of trade. In 1999, the United States is expected to export $49 billion worth of goods, compared to agricultural imports this year of $37.5 billion. Thus, agricultural exports contribute $11.5 billion to our balance of trade with other nations.

Nonetheless, many farmers and other citizens feel that they can be hurt by free trade. When we import commodities that compete with what Americans are producing, then some American producers—whether they are workers, firms, or farmers—can be hurt by falling prices for the goods they produce.

As a result, the lack of trade adjustment assistance for farmers has undercut support for trade among many family farmers.

By giving farmers some protection against precipitous income losses from imports, the Trade Adjustment Assistance for Farmers Act can help strengthen support for trade agreements that expand agricultural export opportunities.

We need to be sure that we don't leave American farmers behind, and that we treat farmers fairly in comparison with other American workers and industries. That's why I am introducing this bill, the Trade Adjustment Assistance for Farmers Act.

This bill would amend the Trade Act of 1974 to provide trade adjustment assistance to farmers by partially compensating them for income lost due to the effect of imports. Here's how it will work.

Farmers would receive benefits that would be triggered when two conditions are met. First, the national average price for a specific commodity for the previous marketing year must have dropped more than 20 percent below the average price in the previous 5-year period. Second, increased imports—or a high level of imports—must have contributed importantly to the commodity price reduction.

A group of farmers who grow a particular commodity (or a commodity group representing them) would submit an application for trade adjustment assistance to the Labor Department. The Secretary of Labor (consulting with the Secretary of Agriculture) would determine whether the two triggers had been met.

If the commodity is determined to be eligible, then individual producers could apply for benefits. Farmers who are eligible for benefits under the program would receive a cash assistance payment equal to half the difference between the national average price for the year (as determined by USDA) and 80 percent of the average price in the previous 5 years (the price trigger level), multiplied by the number of units the farmers had produced. The maximum cash benefits available to farmers under this program would be $10,000 per year.

Training and employment benefits that are available to workers under TAA would also be available, on an optional basis, to farmers who are eligible for cash assistance benefits under the law. For example, a farm family that was suffering from low prices due to increased imports might consider retraining to learn skills in the high-tech computer industry, which they could use in an at-home business to supplement farm income.

In most years, this program would likely have a modest cost because very few commodities, if any, would be eligible for assistance. However, in a year like the last we have just been through—when hog and wheat prices dropped precipitously—this program would be one tool to provide a modest amount of support to compensate farmers for the harmful effect of imports on their commodity prices and thus their incomes. Thus the bill would treat family farmers fairly, including them in the protections available to others in our economy who are hurt by the increased trade that, in the aggregate, benefits us all.

Mr. President, I hope my colleagues will join me in supporting American family farmers as they compete in the global market place.●

By Mr. SCHUMER:

S. 1223. A bill to provide for public library construction and technology enhancement; to the Committee on Health, Education, Labor, and Pensions.

ANDREW CARNEGIE LIBRARIES FOR LIFELONG LEARNING ACT

Mr. SCHUMER. Mr. President, I rise today to introduce legislation that will prepare our nation's public libraries for the twenty-first century: the Andrew Carnegie Libraries for Lifelong Learning Act. Mr. President our nation's libraries are in crisis. Eighty-five percent of America's nearly 16,000 libraries require expansion or renovation. In New York State alone, 1.3 million citizens do not have access to free basic library services and nearly one-half of the state's libraries cannot accommodate users with disabilities.

The Andrew Carnegie Libraries for Life-Long Learning Act is designed to prepare America's libraries for the twenty-first century by providing grants of one billion dollars over five years for construction, renovation, and rehabilitation of public library facilities. The bill will also permit libraries to use grants to purchase high-tech hardware and information technology so that all citizens can take advantage of the tools of the information age. Since the funds provided through this legislation must be matched dollar for dollar by states, cities, or private sources, billions of additional dollars will be leveraged. Moreover, since the grants will be awarded competitively, areas most in need will receive much needed assistance.

At the turn of the twentieth century, steel magnate Andrew Carnegie created nearly 3,000 libraries. His impact is still being felt in places like Astoria, Queens, Harlem, and Port Richmond Staten Island, where libraries endowed by Carnegie remain in service today. Imagine how different America would be without this gift. Now, the information age is upon us and libraries must play an integral role in providing citizens the resources they need to succeed in a knowledge intensive economy. The future of America depends less on the minerals in our soil than our intellectual capital. Strong public libraries can serve as anchors in communities so that young people can receive a strong education and so that life-long learning can become a reality for every citizen. Mr. President I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1223

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 ''Andrew Carnegie Libraries for Lifelong Learning Act''.

SEC. 2. PUBLIC LIBRARY CONSTRUCTION AND TECHNOLOGY ENHANCEMENT.

The Library Services and Technology Act (20 U.S.C. 9121 et seq.) is amended—

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

(2) by inserting after chapter 2 the following:

''CHAPTER 3—PUBLIC LIBRARY CONSTRUCTION AND TECHNOLOGY ENHANCEMENT

''SEC. 241. GRANTS TO STATES FOR PUBLIC LIBRARY CONSTRUCTION AND TECHNOLOGY ENHANCEMENT.

''(a) IN GENERAL.—From amounts appropriated under section 244 the Director shall carry out a program of awarding grants to States that have a State plan approved under section 224 for the construction or technology enhancement of public libraries.

''(b) DEFINITIONS.—In this chapter:

''(1) CONSTRUCTION.—

''(A) IN GENERAL.—The term 'construction' means—

''(i) construction of new buildings;

''(ii) the acquisition, expansion, remodeling, and alteration of existing buildings;

''(iii) the purchase, lease, and installation of equipment for any new or existing buildings; or

''(iv) any combination of the activities described in clauses (i) through (iii), including architects' fees and the cost of acquisition of land.

''(B) SPECIAL RULE.—Such term includes remodeling to meet standards under the Act entitled 'An Act to insure that certain buildings financed with Federal funds are so designed and constructed as to be accessible to

the physically handicapped', approved August 12, 1968 (42 U.S.C. 4151 et seq.), commonly known as the 'Architectural Barriers Act of 1968', remodeling designed to ensure safe working environments and to conserve energy, renovation or remodeling to accommodate new technologies, and the purchase of historic buildings for conversion to public libraries.

''(2) EQUIPMENT.—The term 'equipment' means—

''(A) information and building technologies, video and telecommunications equipment, machinery, utilities, built-in equipment, and any necessary enclosures or structures to house the technologies, equipment, machinery or utilities; and

''(B) all other items necessary for the functioning of a particular facility as a facility for the provision of library services.

''(3) PUBLIC LIBRARY.—The term 'public library' means a library that serves free of charge all residents of a community, district, or region, and receives its financial support in whole or in part from public funds. Such term also includes a research library, which, for the purposes of this sentence, means a library, which—

''(A) makes its services available to the public free of charge;

''(B) has extensive collections of books, manuscripts, and other materials suitable for scholarly research which are not available to the public through public libraries;

''(C) engages in the dissemination of humanistic knowledge through services to readers, fellowships, educational and cultural programs, publication of significant research, and other activities; and

''(D) is not an integral part of an institution of higher education.

''(4) TECHNOLOGY ENHANCEMENT.—The term 'technology enhancement' means the acquisition, installation, maintenance, or replacement, of substantial technological equipment (including library bibliographic automation equipment) necessary to provide access to information in electronic and other formats made possible by new information and communications technologies.

''(c) APPLICABILITY.—Except as provided in section 243, the provisions of this subtitle (other than this chapter) shall not apply to this chapter.

''SEC. 242. USES OF FEDERAL FUNDS.

''(a) IN GENERAL.—A State shall use funds appropriated under section 244 to pay the Federal share of the cost of construction or technology enhancement of public libraries.

''(b) FEDERAL SHARE.—

''(1) IN GENERAL.—For the purposes of subsection (a), the Federal share of the cost of construction or technology enhancement of any project assisted under this chapter shall not exceed one-half of the total cost of the project.

''(2) NON-FEDERAL SHARE.—The non-Federal share of the cost of construction or technology enhancement of any project assisted under this chapter may be provided from State, local or private sources, including for-profit and nonprofit organizations.

''(c) SPECIAL RULE.—If, within 20 years after completion of construction of any public library facility that has been constructed in part with grant funds made available under this chapter—

''(1) the recipient of the grant funds (or its successor in title or possession) ceases or fails to be a public or nonprofit institution, or

''(2) the facility ceases to be used as a library facility, unless the Director determines that there is good cause for releasing the institution from its obligation, the United States shall be entitled to recover from such recipient (or successor) an amount which bears the same ratio to the value of the facility at that time (or part thereof constituting an approved project or projects) as the amount of the Federal grant bore to the cost of such facility (or part thereof). The value shall be determined by the parties or by action brought in the United States district court for the district in which the facility is located.

''SEC. 243. DESCRIPTION INCLUDED IN STATE PLAN.

''Any State desiring to receive a grant under this chapter for any fiscal year shall submit, as a part of the State plan under section 224, a description of the public library construction or technology enhancement activities to be assisted under this chapter.

''SEC. 244. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this chapter $200,000,000 for fiscal year 2000 and each of the 4 succeeding fiscal years.''.

ADDITIONAL COSPONSORS

S. 51

At the request of Mr. BIDEN, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 51, a bill to reauthorize the Federal programs to prevent violence against women, and for other purposes.

S. 172

At the request of Mr. MOYNIHAN, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 172, a bill to reduce acid deposition under the Clean Air Act, and for other purposes.

S. 285

At the request of Mr. MCCAIN, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 285, a bill to amend title II of the Social Security Act to restore the link between the maximum amount of earnings by blind individuals permitted without demonstrating ability to engage in substantial gainful activity and the exempt amount permitted in determining excess earnings under the earnings test.

S. 333

At the request of Mr. LEAHY, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 333, a bill to amend the Federal Agriculture Improvement and Reform Act of 1996 to improve the farmland protection program.

S. 427

At the request of Mr. ABRAHAM, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 427, a bill to improve congressional deliberation on proposed Federal private sector mandates, and for other purposes.

S. 459

At the request of Mr. BREAUX, the names of the Senator from Tennessee (Mr. FRIST), the Senator from Hawaii (Mr. INOUYE), the Senator from Georgia (Mr. CLELAND), and the Senator from Montana (Mr. BURNS) were added as cosponsors of S. 459, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on private activity bonds.

S. 468

At the request of Mr. THOMPSON, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 468, a bill to improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirements, and improve the delivery of services to the public.

S. 556

At the request of Mr. BAUCUS, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 556, a bill to amend title 39, United States Code, to establish guidelines for the relocation, closing, consolidation, or construction of post offices, and for other purposes.

S. 579

At the request of Mr. BROWNBACK, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 579, a bill to amend the Foreign Assistance Act of 1961 to target assistance to support the economic and political independence of the countries of the South Caucasus and Central Asia.

S. 664

At the request of Mr. CHAFEE, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 664, a bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax to individuals who rehabilitate historic homes or who are the first purchasers of rehabilitated historic homes for use as a principal residence.

S. 666

At the request of Mr. LUGAR, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 666, a bill to authorize a new trade and investment policy for sub-Saharan Africa.

S. 676

At the request of Mr. CAMPBELL, the name of the Senator from Texas (Mr. GRAMM) was added as a cosponsor of S. 676, a bill to locate and secure the return of Zachary Baumel, a citizen of the United States, and other Israeli soldiers missing in action.

S. 679

At the request of Mr. GRAMS, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 679, a bill to authorize appropriations to the Department of State for construction and security of United States diplomatic facilities, and for other purposes.

S. 692

At the request of Mr. KYL, the name of the Senator from New Jersey (Mr.

TORRICELLI) was added as a cosponsor of S. 692, a bill to prohibit Internet gambling, and for other purposes.

S. 740

At the request of Mr. CRAIG, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 740, a bill to amend the Federal Power Act to improve the hydroelectric licensing process by granting the Federal Energy Regulatory Commission statutory authority to better coordinate participation by other agencies and entities, and for other purposes.

S. 784

At the request of Mr. ROCKEFELLER, the names of the Senator from Utah (Mr. HATCH), the Senator from Connecticut (Mr. DODD), and the Senator from Louisiana (Mr. BREAUX) were added as cosponsors of S. 784, a bill to establish a demonstration project to study and provide coverage of routine patient care costs for medicare beneficiaries with cancer who are enrolled in an approved clinical trial program.

S. 789

At the request of Mr. MCCAIN, the names of the Senator from Arkansas (Mrs. LINCOLN) and the Senator from Arkansas (Mr. HUTCHINSON) were added as cosponsors of S. 789, a bill to amend title 10, United States Code, to authorize payment of special compensation to certain severely disabled uniformed services retirees.

S. 801

At the request of Mr. SANTORUM, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 801, a bill to amend the Internal Revenue Code of 1986 to reduce the tax on beer to its pre-1991 level.

S. 875

At the request of Mr. ALLARD, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 875, a bill to amend the Internal Revenue Code of 1986 to expand S corporation eligibility for banks, and for other purposes.

S. 879

At the request of Mr. CONRAD, the name of the Senator from Georgia (Mr. COVERDELL) was added as a cosponsor of S. 879, a bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period for the depreciation of certain leasehold improvements.

S. 880

At the request of Mr. INHOFE, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 880, a bill to amend the Clean Air Act to remove flammable fuels from the list of substances with respect to which reporting and other activities are required under the risk management plan program.

S. 897

At the request of Mr. BAUCUS, the names of the Senator from Colorado (Mr. ALLARD), the Senator from New Mexico (Mr. BINGAMAN), and the Senator from Nebraska (Mr. KERREY) were added as cosponsors of S. 897, a bill to provide matching grants for the construction, renovation and repair of school facilities in areas affected by Federal activities, and for other purposes.

S. 984

At the request of Ms. COLLINS, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 984, a bill to amend the Internal Revenue Code of 1986 to modify the tax credit for electricity produced from certain renewable resources.

S. 1017

At the request of Mr. GRAHAM, the names of the Senator from Hawaii (Mr. INOUYE), the Senator from Delaware (Mr. BIDEN), and the Senator from Georgia (Mr. CLELAND) were added as cosponsors of S. 1017, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on the low-income housing credit.

S. 1020

At the request of Mr. FEINGOLD, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1020, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1034

At the request of Mr. AKAKA, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 1034, a bill to amend title XVIII of the Social Security Act to increase the amount of payment under the Medicare program for pap smear laboratory tests.

S. 1042

At the request of Mrs. HUTCHISON, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 1042, a bill to amend the Internal Revenue Code of 1986 to encourage domestic oil and gas production, and for other purposes.

S. 1053

At the request of Mr. BOND, the name of the Senator from Michigan (Mr. ABRAHAM) was added as a cosponsor of S. 1053, a bill to amend the Clean Air Act to incorporate certain provisions of the transportation conformity regulations, as in effect on March 1, 1999.

S. 1070

At the request of Mr. BOND, the names of the Senator from Iowa (Mr. GRASSLEY) and the Senator from Wyoming (Mr. THOMAS) were added as cosponsors of S. 1070, a bill to require the Secretary of Labor to wait for completion of a National Academy of Sciences study before promulgating a standard, regulation or guideline on ergonomics.

S. 1124

At the request of Ms. COLLINS, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 1124, a bill to amend the Internal Revenue Code of 1986 to eliminate the 2-percent floor on miscellaneous itemized deductions for qualified professional development expenses of elementary and secondary school teachers.

SENATE CONCURRENT RESOLUTION 34

At the request of Mr. SPECTER, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of Senate Concurrent Resolution 34, a concurrent resolution relating to the observance of ''In Memory'' Day.

SENATE CONCURRENT RESOLUTION 36

At the request of Mr. SCHUMER, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of Senate Concurrent Resolution 36, a concurrent resolution condemning Palestinian efforts to revive the original Palestine partition plan of November 29, 1947, and condemning the United Nations Commission on Human Rights for its April 27, 1999, resolution endorsing Palestinian self-determination on the basis of the original Palestine partition plan.

SENATE RESOLUTION 59

At the request of Mr. LAUTENBERG, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of Senate Resolution 59, a resolution designating both July 2, 1999, and July 2, 2000, as ''National Literacy Day.''

SENATE RESOLUTION 96

At the request of Mr. LEAHY, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of Senate Resolution 96, a resolution expressing the sense of the Senate regarding a peaceful process of self-determination in East Timor, and for other purposes.

SENATE RESOLUTION 113

At the request of Mr. SMITH, the names of the Senator from South Carolina (Mr. THURMOND), the Senator from Virginia (Mr. WARNER), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Kansas (Mr. BROWNBACK), and the Senator from Oregon (Mr. SMITH) were added as cosponsors of Senate Resolution 113, a resolution to amend the Standing Rules of the Senate to require that the Pledge of Allegiance to the Flag of the United States be recited at the commencement of the daily session of the Senate.

SENATE RESOLUTION 118

At the request of Mr. REID, the names of the Senator from Louisiana (Ms. LANDRIEU), and the Senator from Louisiana (Mr. BREAUX) were added as cosponsors of Senate Resolution 118, a resolution designating December 12, 1999, as ''National Children's Memorial Day.''

AMENDMENT NO. 630

At the request of Mr. LAUTENBERG his name was added as a cosponsor of

amendment No. 630 intended to be proposed to S. 1186, an original bill making appropriations for energy and water development for the fiscal year ending September 30, 2000.

AMENDMENT NO. 631

At the request of Mr. LAUTENBERG his name was added as a cosponsor of amendment No. 631 intended to be proposed to S. 1186, an original bill making appropriations for energy and water development for the fiscal year ending September 30, 2000.

AMENDMENT NO. 637

At the request of Mr. LEVIN, the names of the Senator from Minnesota (Mr. WELLSTONE) and the Senator from Ohio (Mr. DEWINE), were added as cosponsors of amendment No. 637 proposed to S. 1186, an original bill making appropriations for energy and water development for the fiscal year ending September 30, 2000.

SENATE RESOLUTION 123—TO AUTHORIZE REPRESENTATION OF MEMBERS OF THE SENATE

Mr. DASCHLE submitted the following resolution; which was considered and agreed to:

S. RES. 123

Whereas, in the case of *Candis O. Ray* v. *John Edwards, et al.*, Case No. 99–CV–1104–EGS, pending in the United States District Court for the District of Columbia, the plaintiff has named as defendants Senator Trent Lott and Senator John Edwards;

Whereas, pursuant to sections 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(1), the Senate may direct its counsel to defend Members of the Senate in civil actions relating to their official responsibilities: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Senator Lott and Senator Edwards in the case of *Candis O. Ray* v. *John Edwards, et al.*

AMENDMENTS SUBMITTED

SOCIAL SECURITY AND MEDICARE SAFE DEPOSIT BOX ACT OF 1999

DOMENICI AMENDMENTS NOS. 663–664

(Ordered to lie on the table.)

Mr. DOMENICI submitted two amendments intended to be proposed by him to the bill (H.R. 1259) to amend the Congressional Budget Act of 1974 to protect Social Security surpluses through strengthening budgetary enforcement mechanisms; as follows:

AMENDMENT NO. 663

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Social Security Safe Deposit Box Act of 1999''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the Congress and the President joined together to enact the Balanced Budget Act of 1997 to end decades of deficit spending;

(2) strong economic growth and fiscal discipline have resulted in strong revenue growth into the Treasury;

(3) the combination of these factors is expected to enable the Government to balance its budget without the Social Security surpluses;

(4) the Congress has chosen to allocate in this Act all Social Security surpluses toward saving Social Security;

(5) amounts so allocated are even greater than those reserved for Social Security in the President's budget, will not require an increase in the statutory debt limit, and will reduce debt held by the public until Social Security reform is enacted; and

(6) this strict enforcement is needed to lock away the amounts necessary for legislation to save Social Security.

(b) PURPOSE.—It is the purpose of this Act to prohibit the use of Social Security surpluses for any purpose other than Social Security.

SEC. 3. PROTECTION OF SOCIAL SECURITY SURPLUSES.

(a) POINTS OF ORDER TO PROTECT SOCIAL SECURITY SURPLUSES.—Section 312 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:

''(g) POINTS OF ORDER TO PROTECT SOCIAL SECURITY SURPLUSES.—

''(1) CONCURRENT RESOLUTIONS ON THE BUDGET.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget, or conference report thereon or amendment thereto, that would set forth an on-budget deficit for any fiscal year.

''(2) OTHER LEGISLATION.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report if—

''(A) the enactment of that bill or resolution as reported;

''(B) the adoption and enactment of that amendment; or

''(C) the enactment of that bill or resolution in the form recommended in that conference report,

would cause or increase an on-budget deficit for any fiscal year.

''(3) EXCEPTION.—The point of order set forth in paragraph (2) shall not apply to Social Security reform legislation as defined by section 5(c) of the Social Security Safe Deposit Box Act of 1999.

''(4) DEFINITION.—For purposes of this section, the term 'on-budget deficit', when applied to a fiscal year, means the deficit in the budget as set forth in the most recently agreed to concurrent resolution on the budget pursuant to section 301(a)(3) for that fiscal year.''.

(b) CONTENT OF CONCURRENT RESOLUTION ON THE BUDGET.—Section 301(a) of the Congressional Budget Act of 1974 is amended by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively, and by inserting after paragraph (5) the following new paragraph:

''(6) the receipts, outlays, and surplus or deficit in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, combined, established by title II of the Social Security Act;''.

(c) SUPER MAJORITY REQUIREMENT.—(1) Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting ''312(g),'' after ''310(d)(2),''.

(2) Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting ''312(g),'' after ''310(d)(2),''.

SEC. 4. REMOVING SOCIAL SECURITY FROM BUDGET PRONOUNCEMENTS.

(a) IN GENERAL.—Any official statement issued by the Office of Management and Budget, the Congressional Budget Office, or any other agency or instrumentality of the Federal Government of surplus or deficit totals of the budget of the United States Government as submitted by the President or of the surplus or deficit totals of the congressional budget, and any description of, or reference to, such totals in any official publication or material issued by either of such Offices or any other such agency or instrumentality, shall exclude the outlays and receipts of the old-age, survivors, and disability insurance program under title II of the Social Security Act (including the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund) and the related provisions of the Internal Revenue Code of 1986.

(b) SEPARATE SOCIAL SECURITY BUDGET DOCUMENTS.—The excluded outlays and receipts of the old-age, survivors, and disability insurance program under title II of the Social Security Act shall be submitted in separate Social Security budget documents.

SEC. 5. EFFECTIVE DATE.

(a) IN GENERAL.—This Act shall take effect upon the date of its enactment and the amendments made by this Act shall apply only to fiscal year 2000 and subsequent fiscal years.

(b) EXPIRATION.—Sections 301(a)(6) and 312(g) of the Congressional Budget Act of 1974 shall expire upon the enactment of Social Security reform legislation that significantly extends the solvency of the Social Security trust funds.

(c) SOCIAL SECURITY REFORM LEGISLATION.—The term ''Social Security reform legislation'' means a bill or a joint resolution that—

(1) significantly extends the solvency of the Social Security trust funds; and

(2) includes a provision stating the following: ''For purposes of the Social Security Safe Deposit Box Act of 1999, this Act constitutes Social Security reform legislation.''.

AMENDMENT NO. 664

Strike all after the first word and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Social Security Safe Deposit Box Act of 1999''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the Congress and the President joined together to enact the Balanced Budget Act of 1997 to end decades of deficit spending;

(2) strong economic growth and fiscal discipline have resulted in strong revenue growth into the Treasury;

(3) the combination of these factors is expected to enable the Government to balance its budget without the Social Security surpluses;

(4) the Congress has chosen to allocate in this Act all Social Security surpluses toward saving Social Security;

(5) amounts so allocated are even greater than those reserved for Social Security in the President's budget, will not require an increase in the statutory debt limit, and will reduce debt held by the public until Social Security reform is enacted; and

(6) this strict enforcement is needed to lock away the amounts necessary for legislation to save Social Security.

(b) PURPOSE.—It is the purpose of this Act to prohibit the use of Social Security surpluses for any purpose other than Social Security.

SEC. 3. PROTECTION OF SOCIAL SECURITY SURPLUSES.

(a) POINTS OF ORDER TO PROTECT SOCIAL SECURITY SURPLUSES.—Section 312 of the Congressional Budget Act of 1974 is amended by adding at the end the following new subsection:

''(g) POINTS OF ORDER TO PROTECT SOCIAL SECURITY SURPLUSES.—

''(1) CONCURRENT RESOLUTIONS ON THE BUDGET.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget, or conference report thereon or amendment thereto, that would set forth an on-budget deficit for any fiscal year.

''(2) OTHER LEGISLATION.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report if—

''(A) the enactment of that bill or resolution as reported;

''(B) the adoption and enactment of that amendment; or

''(C) the enactment of that bill or resolution in the form recommended in that conference report,

would cause or increase an on-budget deficit for any fiscal year.

''(3) EXCEPTION.—The point of order set forth in paragraph (2) shall not apply to Social Security reform legislation as defined by section 5(c) of the Social Security Safe Deposit Box Act of 1999.

''(4) DEFINITION.—For purposes of this section, the term 'on-budget deficit', when applied to a fiscal year, means the deficit in the budget as set forth in the most recently agreed to concurrent resolution on the budget pursuant to section 301(a)(3) for that fiscal year.''.

(b) CONTENT OF CONCURRENT RESOLUTION ON THE BUDGET.—Section 301(a) of the Congressional Budget Act of 1974 is amended by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively, and by inserting after paragraph (5) the following new paragraph:

''(6) the receipts, outlays, and surplus or deficit in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, combined, established by title II of the Social Security Act;''.

(c) SUPER MAJORITY REQUIREMENT.—(1) Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting ''312(g),'' after ''310(d)(2),''.

(2) Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting ''312(g),'' after ''310(d)(2),''.

SEC. 4. REMOVING SOCIAL SECURITY FROM BUDGET PRONOUNCEMENTS.

(a) IN GENERAL.—Any official statement issued by the Office of Management and Budget, the Congressional Budget Office, or any other agency or instrumentality of the Federal Government of surplus or deficit totals of the budget of the United States Government as submitted by the President or of the surplus or deficit totals of the congressional budget, and any description of, or reference to, such totals in any official publication or material issued by either of such Offices or any other such agency or instrumentality, shall exclude the outlays and receipts of the old-age, survivors, and disability insurance program under title II of the Social Security Act (including the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund) and the related provisions of the Internal Revenue Code of 1986.

(b) SEPARATE SOCIAL SECURITY BUDGET DOCUMENTS.—The excluded outlays and receipts of the old-age, survivors, and disability insurance program under title II of the Social Security Act shall be submitted in separate Social Security budget documents.

SEC. 5. EFFECTIVE DATE.

(a) IN GENERAL.—This Act shall take effect upon the date of its enactment and the amendments made by this Act shall apply only to fiscal year 2000 and subsequent fiscal years.

(b) EXPIRATION.—Sections 301(a)(6) and 312(g) of the Congressional Budget Act of 1974 shall expire upon the enactment of Social Security reform legislation that significantly extends the solvency of the Social Security trust funds.

(c) SOCIAL SECURITY REFORM LEGISLATION.—The term ''Social Security reform legislation'' means a bill or a joint resolution that—

(1) significantly extends the solvency of the Social Security trust funds; and

(2) includes a provision stating the following: ''For purposes of the Social Security Safe Deposit Box Act of 1999, this Act constitutes Social Security reform legislation.''.

KENNEDY AMENDMENT NO. 665

(Ordered to lie on the table.)

Mr. KENNEDY submitted an amendment intended to be proposed by him to the bill, H.R. 1259, supra; as follows:

On page 4, strike lines 6 through 10.

On page 6, strike beginning with line 11 through the end of the bill.

MOYNIHAN AMENDMENT NO. 666

(Ordered to lie on the table.)

Mr. MOYNIHAN submitted an amendment intended to be proposed by him to the bill, H.R. 1259, supra; as follows:

Add the following paragraph to new section 312(g):

''(5) EXCEPTION FOR LOW ECONOMIC GROWTH AND WAR.—

''(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce's advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the points of order established by this subsection are suspended.

''(B) WAR.—If a declaration of war is in effect, the points of order established by this subsection are suspended.

MCCAIN AMENDMENTS NO. 667–668

(Ordered to lie on the table.)

Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill, H.R. 1259, supra; as follows:

AMENDMENT NO. 667

At the end of the bill, add the following:

TITLE II—PROTECTING AND PRESERVING THE SOCIAL SECURITY TRUST FUNDS

SEC. 201. SHORT TITLE.

This title may be cited as the ''Protecting and Preserving the Social Security Trust Funds Act''.

SEC. 202. FINDINGS.

Congress finds that—

(1) the $69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should not use the social security trust funds surpluses to balance the budget or fund existing or new non-social security programs;

(3) all surpluses generated by the social security trust funds must go towards saving and strengthening the social security system; and

(4) at least 62 percent of the on-budget (non-social security) surplus should be reserved and applied to the social security trust funds.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—Balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall be used solely for paying social security benefit payments as promised to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

''(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

''(k) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that would cause or increase an on-budget deficit for any fiscal year.

''(l) SUBSEQUENT LEGISLATION.—

''(1) IN GENERAL.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report if—

''(A) the enactment of the bill or resolution as reported;

''(B) the adoption and enactment of that amendment; or

''(C) the enactment of the bill or resolution in the form recommended in the conference report;

would cause or increase an on-budget deficit for any fiscal year.

''(2) EXCEPTION TO POINT OF ORDER.—This subsection shall not apply to social security reform legislation that would protect the social security system from insolvency and preserve benefits as promised to beneficiaries.''.

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking ''305(b)(2),'' and inserting ''301(j), 301(k), 301(l), 305(b)(2)''.

SEC. 204. SEPARATE BUDGET FOR SOCIAL SECURITY.

(a) EXCLUSION.—The outlays and receipts of the social security program under title II

of the Social Security Act, including the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund and the related provisions of the Internal Revenue Code of 1986, shall be excluded from—

(1) any official documents by Federal agencies regarding the surplus or deficit totals of the budget of the Federal Government as submitted by the President or of the surplus or deficit totals of the congressional budget; and

(2) any description or reference in any official publication or material issued by any other agency or instrumentality of the Federal Government.

(b) SEPARATE BUDGET.—The outlays and receipts of the social security program under title II of the Social Security Act, including the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund and the related provisions of the Internal Revenue Code of 1986, shall be submitted as a separate budget.

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking ''in a manner consistent'' and inserting ''in compliance''.

TITLE III—SAVING SOCIAL SECURITY FIRST

SEC. 301. DESIGNATION OF ON-BUDGET SURPLUS.

(a) IN GENERAL.—Notwithstanding any other provision of law, not less than the amount referred to in subsection (b) for a fiscal year shall be reserved for and applied to the social security trust funds for that fiscal year in addition to the surpluses generated by the trust funds.

(b) AMOUNT RESERVED.—The amount referred to in this subsection is—

(1) for fiscal year 2001, $6,820,000,000;
(2) for fiscal year 2002, $36,580,000,000;
(3) for fiscal year 2003, $31,620,000,000;
(4) for fiscal year 2004, $42,160,000,000;
(5) for fiscal year 2005, $48,980,000,000;
(6) for fiscal year 2006, $71,920,000,000;
(7) for fiscal year 2007, $83,080,000,000;
(8) for fiscal year 2008, $90,520,000,000; and
(9) for fiscal year 2009, $102,300,000,000.

SEC. 302. SENSE OF THE SENATE ON DEDICATING ADDITIONAL SURPLUS AMOUNTS.

It is the sense of the Senate if the budget surplus in future years is greater than the currently projected surplus, serious consideration should be given to directing more of the surplus to strengthening the social security trust funds.

AMENDMENT NO. 668

At the end of the bill, add the following:

TITLE II—ELIMINATION OF SOCIAL SECURITY EARNINGS TEST

SEC. 201. SHORT TITLE.

This title may be cited as the ''Older Americans Freedom to Work Act''.

SEC. 202. ELIMINATION OF EARNINGS TEST FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.

(a) IN GENERAL.—Section 203 of the Social Security Act (42 U.S.C. 403) is amended—

(1) in subsection (c)(1), by striking ''the age of seventy'' and inserting ''retirement age (as defined in section 216(l))'';

(2) in paragraphs (1)(A) and (2) of subsection (d), by striking ''the age of seventy'' each place it appears and inserting ''retirement age (as defined in section 216(l))'';

(3) in subsection (f)(1)(B), by striking ''was age seventy or over'' and inserting ''was at or above retirement age (as defined in section 216(l))'';

(4) in subsection (f)(3)—

(A) by striking ''33⅓ percent'' and all that follows through ''any other individual,'' and inserting ''50 percent of such individual's earnings for such year in excess of the product of the exempt amount as determined under paragraph (8),''; and

(B) by striking ''age 70'' and inserting ''retirement age (as defined in section 216(l))'';

(5) in subsection (h)(1)(A), by striking ''age 70'' each place it appears and inserting ''retirement age (as defined in section 216(l))''; and

(6) in subsection (j)—

(A) in the heading, by striking ''Age Seventy'' and inserting ''Retirement Age''; and

(B) by striking ''seventy years of age'' and inserting ''having attained retirement age (as defined in section 216(l))''.

(b) CONFORMING AMENDMENTS ELIMINATING THE SPECIAL EXEMPT AMOUNT FOR INDIVIDUALS WHO HAVE ATTAINED RETIREMENT AGE.—

(1) UNIFORM EXEMPT AMOUNT.—Section 203(f)(8)(A) of the Social Security Act (42 U.S.C. 403(f)(8)(A)) is amended by striking ''the new exempt amounts (separately stated for individuals described in subparagraph (D) and for other individuals) which are to be applicable'' and inserting ''a new exempt amount which shall be applicable''.

(2) CONFORMING AMENDMENTS.—Section 203(f)(8)(B) of the Social Security Act (42 U.S.C. 403(f)(8)(B)) is amended—

(A) in the matter preceding clause (i), by striking ''Except'' and all that follows through ''whichever'' and inserting ''The exempt amount which is applicable for each month of a particular taxable year shall be whichever'';

(B) in clauses (i) and (ii), by striking ''corresponding'' each place it appears; and

(C) in the last sentence, by striking ''an exempt amount'' and inserting ''the exempt amount''.

(3) REPEAL OF BASIS FOR COMPUTATION OF SPECIAL EXEMPT AMOUNT.—Section 203(f)(8)(D) of the Social Security Act (42 U.S.C. (f)(8)(D)) is repealed.

(c) ADDITIONAL CONFORMING AMENDMENTS.—

(1) ELIMINATION OF REDUNDANT REFERENCES TO RETIREMENT AGE.—Section 203 of the Social Security Act (42 U.S.C. 403) is amended—

(A) in subsection (c), in the last sentence, by striking ''nor shall any deduction'' and all that follows and inserting ''nor shall any deduction be made under this subsection from any widow's or widower's insurance benefit if the widow, surviving divorced wife, widower, or surviving divorced husband involved became entitled to such benefit prior to attaining age 60.''; and

(B) in subsection (f)(1), by striking clause (D) and inserting the following: ''(D) for which such individual is entitled to widow's or widower's insurance benefits if such individual became so entitled prior to attaining age 60,''.

(2) CONFORMING AMENDMENT TO PROVISIONS FOR DETERMINING AMOUNT OF INCREASE ON ACCOUNT OF DELAYED RETIREMENT.—Section 202(w)(2)(B)(ii) of the Social Security Act (42 U.S.C. 402(w)(2)(B)(ii)) is amended—

(A) by striking ''either''; and

(B) by striking ''or suffered deductions under section 203(b) or 203(c) in amounts equal to the amount of such benefit''.

(3) PROVISIONS RELATING TO EARNINGS TAKEN INTO ACCOUNT IN DETERMINING SUBSTANTIAL GAINFUL ACTIVITY OF BLIND INDIVIDUALS.—The second sentence of section 223(d)(4)(A) of the Social Security Act (42 U.S.C. 423(d)(4)(A)) is amended by striking ''if section 102 of the Senior Citizens' Right to Work Act of 1996 had not been enacted'' and inserting the following: ''if the amendments to section 203 made by section 102 of the Senior Citizens' Right to Work Act of 1996 and by the Senior Citizens' Freedom to Work Act of 1999 had not been enacted''.

(d) EFFECTIVE DATE.—The amendments and repeals made by this section shall apply with respect to taxable years ending after December 31, 1998.

TITLE III—PROTECTING AND PRESERVING THE SOCIAL SECURITY TRUST FUNDS

SEC. 301. SHORT TITLE.

This title may be cited as the ''Protecting and Preserving the Social Security Trust Funds Act''.

SEC. 302. FINDINGS.

Congress finds that—

(1) the $69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should not use the social security trust funds surpluses to balance the budget or fund existing or new non-social security programs;

(3) all surpluses generated by the social security trust funds must go towards saving and strengthening the social security system; and

(4) at least 62 percent of the on-budget (non-social security) surplus should be reserved and applied to the social security trust funds.

SEC. 303. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—Balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall be used solely for paying social security benefit payments as promised to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

''(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

''(k) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that would cause or increase an on-budget deficit for any fiscal year.

''(l) SUBSEQUENT LEGISLATION.—

''(1) IN GENERAL.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report if—

''(A) the enactment of the bill or resolution as reported;

''(B) the adoption and enactment of that amendment; or

''(C) the enactment of the bill or resolution in the form recommended in the conference report;

would cause or increase an on-budget deficit for any fiscal year.

''(2) EXCEPTION TO POINT OF ORDER.—This subsection shall not apply to social security reform legislation that would protect the social security system from insolvency and preserve benefits as promised to beneficiaries.''.

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking ''305(b)(2),'' and inserting ''301(j), 301(k), 301(l), 305(b)(2)''.

SEC. 304. SEPARATE BUDGET FOR SOCIAL SECURITY.

(a) EXCLUSION.—The outlays and receipts of the social security program under title II of the Social Security Act, including the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund and the related provisions of the Internal Revenue Code of 1986, shall be excluded from—

(1) any official documents by Federal agencies regarding the surplus or deficit totals of the budget of the Federal Government as submitted by the President or of the surplus or deficit totals of the congressional budget; and

(2) any description or reference in any official publication or material issued by any other agency or instrumentality of the Federal Government.

(b) SEPARATE BUDGET.—The outlays and receipts of the social security program under title II of the Social Security Act, including the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund and the related provisions of the Internal Revenue Code of 1986, shall be submitted as a separate budget.

SEC. 305. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking ''in a manner consistent'' and inserting ''in compliance''.

TITLE IV—SAVING SOCIAL SECURITY FIRST

SEC. 401. DESIGNATION OF ON-BUDGET SURPLUS.

(a) IN GENERAL.—Notwithstanding any other provision of law, not less than the amount referred to in subsection (b) for a fiscal year shall be reserved for and applied to the social security trust funds for that fiscal year in addition to the surpluses generated by the trust fund.

(b) AMOUNT RESERVED.—The amount referred to in this subsection is—

(1) for fiscal year 2001, $6,820,000,000;
(2) for fiscal year 2002, $36,580,000,000;
(3) for fiscal year 2003, $31,620,000,000;
(4) for fiscal year 2004, $42,160,000,000;
(5) for fiscal year 2005, $48,980,000,000;
(6) for fiscal year 2006, $71,920,000,000;
(7) for fiscal year 2007, $83,080,000,000;
(8) for fiscal year 2008, $90,520,000,000; and
(9) for fiscal year 2009, $102,300,000,000.

SEC. 402. SENSE OF THE SENATE ON DEDICATING ADDITIONAL SURPLUS AMOUNTS.

It is the sense of the Senate if the budget surplus in future years is greater than the currently projected surplus, serious consideration should be given to directing more of the surplus to strengthening the social security trust funds.

GRAMM AMENDMENT NO. 669

(Ordered to lie on the table.)

Mr. GRAMM submitted an amendment intended to be proposed by him to the bill, H.R. 1259, supra; as follows:

On page 4, line 8, strike ''or Medicare reform legislation''.

DOMENICI AMENDMENT NO. 670

(Ordered to lie on the table.)

Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill, H.R. 1259, supra; as follows:

At the appropriate place insert the following:

SEC. ___. PROTECTION OF SOCIAL SECURITY SURPLUSES IN THE PRESIDENT'S BUDGET.

(a) IN GENERAL.—Chapter 11 of subtitle II of title 31, United States Code, is amended by inserting before section 1101 the following:

''§ 1100. Protection of social security surpluses

''The budget of the United States Government submitted by the President under this chapter shall not recommend an on-budget deficit for any fiscal year covered by that budget.''.

(b) CHAPTER ANALYSIS.—The chapter analysis for chapter 11 of title 31, United States Code is amended by inserting before the item for section 1101 the following:

''1100. Protection of social security surpluses.''.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, for the information of the Senate, on Tuesday, June 22, 1999, the Committee on Energy and Natural Resources, the Committee on Armed Services, the Committee on Governmental Affairs, and the Select Committee on Intelligence will hold a joint hearing to receive testimony from the President's Foreign Intelligence Advisory Board regarding its report to the President: Science at Its Best; Security at Its Worst: A Report on Security Problems at the U.S. Department of Energy. The hearing will be held in room 106 of the Dirksen Senate Office Building, and will begin at 9:30 a.m.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Energy and Natural Resources Committee.

The purpose of the hearing is to explore the effectiveness of existing federal and industry efforts to promote distributed generating technologies, including solar, wind, fuel cells and microturbines, as well as regulatory and other barriers to their widespread use.

The hearing will take place on Tuesday, June 22, 1999, at 2:30 p.m., in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on Energy Research, Development, Production and Regulation, Committee on Energy and Natural Resources, U.S. Senate, 364 Dirksen Senate Office Building, Washington, DC, 20510–6150.

For further information, please call Katharina Kroll or Colleen Deegan, Counsel, at (202) 224–8115.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, for the information of the Senate on June 29 and July 1, 1999, the Committee on Energy and Natural Resources will hold hearings on S. 161, the Power Marketing Administration Reform Act of 1999, S. 282, the Transition to Competition in the Electric Industry Act, S. 516, the Electric Utility Restructuring Empowerment and Competitiveness Act of 1999, and S. 1047, the Comprehensive Electricity Competition Act. The hearings will be held in room 216 of the Hart Senate Office Building, and will begin at 9:30 a.m. For additional information you may write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. McCAIN. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet in executive session during the session of the Senate on Tuesday, June 15, 1999, at 9:30 a.m.

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

JOINT ECONOMIC COMMITTEE

Mr. McCAIN. Mr. President, I ask unanimous consent to conduct a hearing of the Joint Economic Committee in Hart 216 beginning at 9:35 a.m., on June 15.

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

SUBCOMMITTEE ON FOREST AND PUBLIC LAND MANAGEMENT

Mr. McCAIN. Mr. President, I ask unanimous consent that the Subcommittee on Forest and Public Land Management of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, June 15, for purposes of conducting a hearing which is scheduled to begin at 2:30 p.m. The purpose of this oversight hearing is to receive testimony on issues related to vacating the Record of Decision and denial of a plan of operations for the Crown Jewel Mine in Okanogan County, WA.

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

ADDITIONAL STATEMENTS

ADVANCED TECHNICAL CENTER, MEXICO, MISSOURI

• Mr. BOND. Mr. President, I rise today in recognition of the Advanced Technical Center in Mexico, Missouri.

Back in 1997, several community and state leaders approached me regarding funding for the Advanced Technical Center, which at that time existed only on paper and in the minds of these leaders. I immediately had a certain affection for this project. First and foremost, this project would be located in my hometown of Mexico, Missouri. Second, the local leaders came to me with one of the most comprehensive partnerships that I have ever had the pleasure to work with. The partners included Linn State Technical College, the University of Missouri, Moberly Area Community College, the Mexico Area Vocational and Technical School, the City of Mexico, and the State of Missouri. Third, the Advanced Technical Center would provide students with exceptional educational opportunities through highly specialized and advanced technical education and training at the certificate and degree levels in both emerging and traditional technologies.

In the fall of 1997, the Senate approved and the President signed the appropriation bill providing $1 million in Federal funds for the Advanced Technical Center in Mexico, Missouri. The federal support recognized that the key to staying competitive in today's global marketplace is investing in education and training of our current and future workers. The federal funds, in conjunction with the local and state funds, made this project a reality.

This Friday, June 18, 1999, the Advanced Technical Center will celebrate its Grand Opening. I am looking forward to being a part of the celebration. But, more importantly, I am proud to have been a participant in the successful partnership that has led to the creation of a model, state-of-the-art technical training and learning facility in my hometown of Mexico, MO.•

TRIBUTE TO HENRY AND MARILYN TAUB

• Mr. LAUTENBERG. Mr. President, I rise today to pay tribute to two very close friends, Henry and Marilyn Taub in honor of the June 15, 1999 dedication of the Henry and Marilyn Taub Science and Technology Center Faculty of Computer Science. This state-of-the-art facility, located at the Technion-Israel Institute of Technology in Haifa, Israel, will be one of the largest computer science facilities in the world. It is only the most recent example of the Taubs' contributions to education. They have had a long history of philanthropic activity.

As Henry Taub's long-time business associate, I witnessed the Taubs' extraordinary commitment to the Technion. They established both the Taub Loan Fund, which aids faculty members in the Electrical Engineering and Computer Science Faculties, as well as the Henry Taub Prize for excellence in research. And their support helped the Institute establish the Morris and Sylvia Taub Computer Center. These outstanding contributions to Israel's top technology institution are but one example of the Taubs' commitment to Israel's strength and independence through science and learning.

They have helped students keep pace with technological advances in this century and have helped make Technion one of the leading technology centers for the next century.

It has been one of my life's most rewarding experiences to have worked with Henry and his brother Joseph. We shared successes together but more significantly, a commitment to a strengthened Israel and world wide Jewish community.

I am honored by my friendship with Henry and Marilyn Taub. The course of my life was heavily influenced by my association with the Taubs and I am grateful for the example that Henry provided for all of us who know him.

His activities serve as an outstanding model of how to respond to success available, to those who will work for it, in this blessed America.

I ask my colleagues to join me in paying tribute to this thoughtful, selfless couple for the excellent work they have done to improve life in America and Israel.•

250TH ANNIVERSARY OF THE TOWN OF BENNINGTON, VERMONT

• Mr. JEFFORDS. Mr. President, I rise today to recognize the 250th anniversary of the Town of Bennington, Vermont. On behalf of all Vermonters, I want to wish this historical town a very happy anniversary.

In 1749, the Governor of New Hampshire, Benning Wentworth, chartered the first town in the territory that would eventually become the State of Vermont. In 1761, the town was named Bennington in his honor. With its access to the Walloomsac River as a power source, the new town quickly built up industries such as paper mills, pottery, grist mills, and the largest cotton batting mill in the United States. It became an important gateway to the region.

During the Revolutionary War, Bennington gained great notoriety with the Battle of Bennington. As the British General, John Burgoyne, marched his troops south from Canada with the plans to capture Albany, they stopped in Vermont intending to forage for supplies. However, they underestimated the strength of their enemy. On August 16, 1777, John Stark, leading a militia of 1500 men, including the Green Mountain Boys, attacked. After two days of fighting, the militia defeated the British with the first decisive victory for the Americans. This critical battle is seen as the turning point in the war because it greatly weakened the British forces, revitalized languishing spirit of the revolutionaries, and ensured another victory at Saratoga. Bennington was also the base of Ethan Allen and the Green Mountain Boys who led the taking of Fort Ticondaroga. To celebrate Bennington's vital role in the American Revolution, I've enjoyed marching in many Bennington Battle Day parades.

The Town of Bennington holds a special place in the Vermont history books. On Bennington's village green stands the meeting house where legislators in 1791 voted for the Independent Republic of Vermont to become the 14th state.

In addition to the town's historical significance, Bennington has a rich cultural heritage. The buildings found in Old Bennington form one the greatest concentrations of early Federal and Georgian architecture in the state. In North Bennington is the Park-McCullough House, built in 1865, which served as home to two Vermont governors. The Bennington Museum houses a collection of paintings by the celebrated folk artist, Grandma Moses, known for her depictions of rural life and the countryside.

Today, Bennington offers much to both its residents and to visiting tourists.

Continuing a long tradition of artistic appreciation, the new Arts Center helps promote a variety of exhibits, threatre productions, literary readings, artists' work space, and dance and musical performances. Bennington also boasts two private colleges: Bennington College, a small liberal arts school with a strong performing arts program; and Southern Vermont College, a small college that prides itself on providing resources to and giving back to the Bennington community.

But the heart of this small town has always been its indomitable people and its close-knit community. It is a community dedicated to improving the lives of all its citizens. This dedication can be seen in several innovative Bennington educational programs, in the town's collaborative approach to helping children and families, and in the significant progress made toward meeting the community's needs for affordable housing.

It gives me great pleasure to recognize the Town of Bennington's 250th anniversary, its significant role in both the history of our country and of the State of Vermont, and its strong, diverse citizens.•

A TRIBUTE TO THE ISRAELI MIA'S

• Mr. SCHUMER. Mr. President, around this time every year I deliver this speech to the House of Representatives and now I am privileged and honored to deliver it to the Senate. I rise today to pay tribute to the capture of several Israeli soldiers who were taken prisoner by the Syrians in the 1982 Israeli war with Lebanon.

On June 11, 1982, an Israeli unit battled with a Syrian armored unit in Lebanon's Bekaa Valley. The Syrians succeeded in capturing Sgt. Zachary Baumel, 1st Sgt. Zvi Feldman and Cpt. Yehudah Katz. Upon arrival in Damascus, the identified tank and crew were paraded through the streets draped in Syrian and Palestinian Flags.

Since that terrible day in 1982, the Israeli and the United States Governments have been working to obtain any possible information about the fate of these missing soldiers, joining forces with the offices of the International Committee of the Red Cross, the United Nations and other international bodies. According to the Geneva convention, the area in Lebanon where the soldiers first disappeared was continually controlled by Syria, therefore deeming her responsible for the treatment of the captured soldiers. To this day, despite the promises made by the Syrian Government and by the PLO, very little information has been forthcoming about the condition of Zachary Baumei, Zvi Feldman, and Yehudah Katz.

June 11 marks the anniversary of the day that these soldiers were reported missing in action. Sixteen pain-filled years have already passed since the families of the MIA's have last seen their sons, and yet President Assad has still not revealed their whereabouts.

One of these missing soldiers, Zachary Baumel, is an American citizen from my district in Brooklyn, N.Y. A dedicated basketball fan, Zachary began his studies at the Hebrew School in Boro Park. In 1979, he moved to Israel with other family members, and continued his education at Yeshivat Hesder, where religious studies are integrated with army service. When the war with Lebanon began, Zachary was completing his military service and was looking forward to attending Hebrew study psychology. But fate had unfortunately decreed otherwise and on June 11, 1982 he vanished.

Zachary's parents, Yonah and Miriam Baumel have been relentless in their pursuit of information about Zachary and his compatriots. I have worked closely with the Jewish Congregation of America, the American Coalition for missing Israeli Soldiers, and the MIA Task Force of the conference of Presidents of major American Jewish organizations. The Stella K. Abraham High School for Girls forged a project that has increased awareness and support for the MIA's plight for freedom. These groups have been at the forefront of this pursuit of justice. I want to recognize their devoted efforts and ask my colleagues to join me in commending their efforts. These families have been without their children for sixteen years. Answers must be found.•

50TH ANNIVERSARY OF LOS ALAMOS

• Mr. DOMENICI. Mr. President, I rise to congratulate Los Alamos County on its 50th anniversary. This small northern New Mexico county has packed an amazing number of contributions into its short history.

Los Alamos had already completed its momentous contributions during the Second World War, when it was officially created in 1949. But the work of Los Alamos and its contributions to national security were far from completed. Few might have anticipated that the nuclear stockpile created at Los Alamos would lead to an unprecedented five decades free of massive global conflict. During those five decades, the nuclear weapons of the United States have provided time for the world's leaders to strive toward global peace. Today they still serve as the ultimate guarantor of our precious freedoms.

Throughout the County's history, its support for the national security objectives of Los Alamos National Laboratory has never wavered. The success of the lab is completely intertwined with the success and history of the County. As we've advanced toward world peace, admittedly with steps far smaller than all of us would wish, the County has supported dramatic changes at the laboratory, from changing characteristics of our nuclear stockpile to new challenges that the laboratory was called upon to address. For example, in 1949, most of the non-proliferation and environmental challenges that the lab addresses today did not exist.

I believe it is also important to note on this anniversary that the time of the closed secret city has long passed, and Los Alamos County has now become a community open to scientific and economic growth and cultural diversity. Today, the lab and the surrounding County are making wonderful strides toward becoming fuller partners in the Española Valley and with all of New Mexico.

Los Alamos County and the laboratory have a wealth of challenges ahead as national priorities are modified to adapt to new global conditions. The future of Los Alamos County should be as bright as its past, and the range of its contributions will continue to be of vital importance in guaranteeing the nation's freedoms.•

CONGRATULATIONS TO BOY SCOUT TROOP 33

• Mr. WELLSTONE. Mr. President, one of the oldest boy scout troops in the country, Troop 33 of Minneapolis, Minnesota, is celebrating its eightieth anniversary with a trip to Washington, D.C. to learn about U.S. government. Founded in 1918, Boy Scout Troop 33 has served its community for three generations and produced 269 Eagle Scouts. Troop 33 has conducted extensive service projects, including: flood relief sandbagging in Fargo, North Dakota; collecting food and clothes for the poor; severe tornado damage clean-up in St. Peter, Minnesota; leading bingo games for veterans; volunteering at an AIDS house; visiting nursing home residents; entertaining disabled adults; building wheelchair ramps; serving as a color guard at the Chapel at Fort Snelling National Cemetery; and running a blood donation drive at their sponsoring church, Westminster Church of Minneapolis, Minnesota.

The troop has extraordinary long-term continuity. Three families have contributed three generations of Eagles and there are eight father-son combinations on the Eagle list. The troop has also had continuity of leadership, with only seven men serving as Scoutmaster during Thirty-Three's eighty years: Kyle Cudworth, Ted Carlsen, Rich Wheaton, Stan Moore, Bill Braddock, Karl Ostlund, and Dave Moore.

Troop 33's current Scoutmaster, Dave Moore, has served as Scoutmaster to over 1,150 scouts over the course of 33 years, representing over 3,000 boy-years in scouting. Now in his fiftieth year of scouting, Mr. Moore, who joined the Troop at age 12, has helped his boys to earn 2833 ranks, including 130 Eagles, and over 5,900 merit badges. Mr. Moore has helped thousands of young people to discover the enjoyment that comes from service and to dedicate themselves to building strong communities.

Over the years, the troop has received numerous honors and awards. Leaders have earned the prestigious Silver Beaver Award, the Eagle-to-Eagle Award, and the This-is-Your-Life Award. On the national level, their scouts have received the Whitney Young Award and the George Meany Award. Also, former Scoutmaster Ted Carlsen received the national Silver Buffalo Award in recognition of his many years of service to scouting at the Troop, council, and national levels.

The achievements and dedication of Troop 33 exemplify the value of scouting as a learning experience, aiding boys in acquiring leadership abilities, recognizing the responsibilities of citizenship, and contributing to the community.•

TRIBUTE TO CLARENCE LIEN

• Mr. GRAMS. Mr. President, I rise today to pay tribute to Clarence Lien

of Forest Lake, MN. On June 7, 1999, I had the great honor of presenting a much-belated Purple Heart to Clarence. He is most deserving of this long overdue recognition. I, therefore, take this opportunity to congratulate Clarence and thank him for his service and sacrifice. President Ronald Reagan said, ''Freedom is not something to be secured in any one moment of time. We must struggle to preserve it everyday. And freedom is never more than one generation away from extinction.'' We must always remember the great debt of gratitude we owe to those like Clarence who have served our country in the Armed Forces, protecting the freedom we all too often take for granted. Again, congratulations, Clarence. I salute you.●

TRIBUTE TO DON CHILDEARS

● Mr. ALLARD. Mr. President, I would like to join the Colorado banking industry in saluting an outstanding member of the Colorado community, Don Childears, President/CEO of the Colorado Bankers Association. Mr. Childears, a native of Colorado, born in Saguache, received his undergraduate degree from Colorado State University and his Juris Doctor from the University of Denver, College of Law.

For over 25 years, Mr. Childears has worked tirelessly building alliances between bankers, community leaders, and legislators. As the voice of commercial banking in Colorado, Don has effectively and faithfully championed the vital role of banking in our economy on both a national and state level.

As a national leader in banking, Don chaired the American Bankers Association (ABA) State Association Division in 1991–1992; he assumed the post of Vice Chairman of this division the previous year. As Chairman, he guided the representation of all state bankers associations in the United States. Don was also Chairman of the ABA Regulatory Burden Task Force from 1992–1994 and was given the honor of addressing the General Session of the ABA's Annual Convention and Banking Industry Forum in Boston during 1992. Don was the only state association executive to have done this in 17 years. This year, Don was asked by the Governor of Colorado, Bill Owens, to serve on Colorado's Task Force on Y2K Preparedness.

Don has served educational institutions as a Trustee for both the Graduate School of Banking at Colorado, University of Colorado, University of Colorado, Boulder, and the Graduate School of Banking, University of Wisconsin-Madison, since 1980. As a banking spokesman, Don has always made himself available to public speaking opportunities, which has included everything from teaching courses on government, political influence, and banking at the Graduate School of Banking at Colorado to addressing civic groups of all sizes and descriptions on a variety of topics. He has also been heavily involved in various charitable fundraising and political campaign committees across the state.

The recognitions and awards that have been bestowed upon Don are many, as you may have gathered. He is a leader in his community on many different levels. Beyond that, though, Don is an invaluable resource to the banks of our nation, and in particular in my state of Colorado. I am proud to call Don Childears my friend and to recognize his efforts.●

ORDER FOR STAR PRINT—S. 707

Mr. JEFFORDS. Mr. President, I ask unanimous consent that S. 707 be star printed with the changes that are at the desk.

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

AUTHORIZATION OF LEGAL REPRESENTATION

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of S. Res. 123, submitted earlier by Senator DASCHLE.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 123) to authorize representation of Members of the Senate in the case of Candis Ray v. John Edwards, et al.

There being no objection, the Senate proceeded to consider the resolution.

Mr. DASCHLE. Mr. President, in 1977, Candis Ray, who operated a tour business in Washington, brought an action against Senator Proxmire and Ellen Proxmire, the Senator's wife. The plaintiff claimed that Senator and Mrs. Proxmire had tortiously interfered with her business in order to favor Mrs. Proxmire's competing tour business. One of the plaintiff's claims was that Senator Proxmire had helped to arrange for Senate rooms for his wife's tours. In affirming the district court's dismissal of the complaint, the court of appeals observed that, to the extent that an issue had been raised about compliance with the Senate's rules on use of its facilities, ''[t]he judicial function is not implicated at all, for only in the Senate forum can observance of the rule be compelled.'' *Ray* v. *Proxmire*, 581 F.2d 998, 1002 (D.C. Cir.), *cert. denied*, 439 U.S. 933 (1978).

In the two decades since that decision, Ms. Ray has launched a barrage of civil lawsuits, seeking to obtain damages in connection with this matter, against the Senate, individual Senators, and Senate employees, federal judges and government attorneys who have been involved in her prior lawsuits, and the President. In 1989, Ms. Ray sought to hold Senator Heflin, Sanford, Stennis, and Wallop, as well as an employee on Senator Sanford's staff and the Senate itself, accountable for the Senate's lack of favorable action on her complaints and petitions for financial payment. The Senate Legal Counsel obtained the dismissal of that action.

The plaintiff has now filed her fifth lawsuit related to this matter, this time against Senator LOTT and Senator EDWARDS, her home-state Senator. The lawsuit again seeks to hold the Senators responsible for the lack of favorable action on her demands for payment from the Senate.

The resolution would authorize the Senate Legal Counsel to represent Senator LOTT and Senator EDWARDS and to move to dismiss the complaint.

Mr. JEFFORDS. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

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

The resolution (S. Res. 123) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 123

Whereas, in the case of *Candis O. Ray* v. *John Edwards, et al.*, Case No. 99–CV–1104–EGS, pending in the United States District Court for the District of Columbia, the plaintiff has named as defendants Senator Trent Lott and Senator John Edwards;

Whereas, pursuant to sections 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(1), the Senate may direct its counsel to defend Members of the Senate in civil actions relating to their official responsibilities: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Senator Lott and Senator Edwards in the case of *Candis O. Ray* v. *John Edwards, et al.*

ORDERS FOR WEDNESDAY, JUNE 16, 1999

Mr. JEFFORDS. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 a.m. on Wednesday, June 16. I further ask that on Wednesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day.

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

PROGRAM

Mr. JEFFORDS. For the information of all Senators, tomorrow the Senate will convene at 10 a.m. and, by previous consent, begin 15 minutes of debate on S. 1205, the military construction appropriations bill. Immediately following that debate, the Senate will

begin 20 minutes of debate on S. 331, the work incentives legislation. Upon completion of debate on these two bills, the Senate will begin a series of stacked votes. Therefore, Senators can expect the first of two votes to start at approximately 10:40 a.m. on Wednesday.

Also by previous consent, following the series of stacked votes, the Senate will debate the motion to invoke cloture on the House lockbox legislation for 1 hour, with that cloture vote to begin after all time has expired or been yielded back.

Assuming cloture is not invoked, the Senate will turn to H.R. 1664 regarding steel, oil, and gas appropriations, with amendments in order. It is also hoped that the Senate will be able to complete action on the energy and water appropriations bill during the morning session of the Senate.

If there is no further business to come before the Senate——

The PRESIDING OFFICER. There is objection heard to the motion to adjourn.

Mr. DASCHLE. Mr. President, reserving the right to object, I had intended, at the request of the Senator from Wisconsin, Mr. FEINGOLD, to object to the request earlier made by the Senator from Vermont having to do with the schedule tomorrow morning. It was the hope of the Senator from Wisconsin that he could have 30 minutes, prior to the time we begin at 10, for purposes of morning business. I would like to amend the request for that purpose and determine whether or not that could be accommodated.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. JEFFORDS. Mr. President, I amend the earlier unanimous consent request to provide that immediately following the cloture vote on the House lockbox legislation, there then be a period of morning business for 60 minutes, with Senator FEINGOLD in control of 20 minutes, 10 minutes under the control of Senator DASCHLE, and the remaining 30 minutes under the control of the majority leader or his designee.

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

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. JEFFORDS. 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 7:17 p.m., adjourned until Wednesday, June 16, 1999, at 10 a.m.

WITHDRAWAL

Executive message transmitted by the President to the Senate on June 15, 1999, withdrawing from further Senate consideration the following nomination:

SOCIAL SECURITY ADVISORY BOARD

RICHARD A. GRAFMEYER, OF MARYLAND, TO BE A MEMBER OF THE SOCIAL SECURITY ADVISORY BOARD FOR THE REMAINDER OF THE TERM EXPIRING SEPTEMBER 30, 2000, VICE HARLAN MATHEWS, RESIGNED, WHICH WAS SENT TO THE SENATE ON JANUARY 6, 1999.

HOUSE OF REPRESENTATIVES—*Tuesday, June 15, 1999*

The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mr. STEARNS).

DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
June 15, 1999.

I hereby appoint the Honorable CLIFF STEARNS to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 19, 1999, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 25 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to 5 minutes, but in no event shall debate extend beyond 9:50 a.m.

The Chair recognizes the gentleman from Arizona (Mr. HAYWORTH) for 5 minutes.

GROWING CRISIS ON THE KOREAN PENINSULA

Mr. HAYWORTH. Mr. Speaker, I wish you and my colleagues in this House a good morning, although reports that have reached us this morning from far places on the globe are not so present. We awakened today to hear of a growing crisis off the Korean Peninsula in the Yellow Sea as the respective navies of North and South Korea clash.

Mr. Speaker, I noted with interest that in the prerecorded comments that one of our government spokesmen offered dealing with this situation, this spokesman said, well, in the past when there has been this type of confrontation, the North Koreans retreat or back off, and, quite frankly, we are surprised that the North Koreans did not follow that action this morning.

Well, Mr. Speaker, let me point out to that government spokesman and to my colleagues precisely why the North Koreans failed to back off. See, Mr. Speaker, the sad fact is the outlaw nation of North Korea is now for all intents and purposes a nuclear power. That is the cold, grim, stark reality.

Proliferation of nuclear technology, technology stolen by the Chinese Government and given to other nations like North Korea, has now borne its bitter fruit. Moreover, shockingly, surprisingly, Mr. Speaker, this administration has engaged in the willful, naive transfer of technology. Indeed, Mr. Speaker, when I first arrived in the Capital City for my first term, prior to taking the oath of office I had occasion to then meet with the Secretary of Defense at that time, Secretary Perry. I asked him why this administration was so intent on giving, giving two nuclear reactors to North Korea. The Secretary responded that I needed a briefing, a briefing that, by the way, was never forthcoming, Mr. Speaker.

A couple of points that we should bring out. We do not need a briefing to know that one does not put their hand on the eye of the stove when it is turned on and not expect to get burned. Now, the sad fact is that of those two reactors which this administration supplied to North Korea, within the last 6 months the U.N. inspection teams finally went in. The first thing they found out was that one reactor was intact, but the core of the second reactor was missing. Couple that with the fact that the North Koreans have developed what they call the Taepo Dong missile, an intercontinental ballistic missile capable of reaching the continental United States, and, Mr. Speaker, we begin to understand full well why the North Koreans continue to act provocatively. Add to that the extreme famine that the North Koreans find themselves in, documented cases of cannibalism; a totalitarian Communist state that does not view peace as its logical means of existence, that will have to turn to hostilities, and we see the situation that has been set up.

How sad it is, Mr. Speaker, that there is such a radically different interpretation from my left-leaning friends in the administration when it comes to providing for the common defense. How sad it is, Mr. Speaker, that the President of the United States 2 years ago stood at the podium behind me here and said that our children no longer faced the threat of annihilation by nuclear missiles, that nuclear missiles were not targeted at the United States.

Mr. Speaker, the President was, to be diplomatic, sorely mistaken in that evaluation.

Mr. Speaker, this House and those of us who serve in the legislative branch cannot continue to allow this type of drift and uncertainty in our foreign policy and in our national security situation. We must take seriously our role to provide for the common defense. That means steps to cut off the theft of our secrets by China. That means a realistic, not a socialistic utopian view, but a realistic assessment of the threat offered by an outlaw nation like North Korea and that also entails an honest assessment of our friends, the Russians, in the Balkan theater.

CONGRESS MUST ADDRESS THE THREAT OF GUN VIOLENCE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Oregon (Mr. BLUMENAUER) is recognized during morning hour debates for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, gun violence against children in this country has reached a point where even Congress can no longer ignore its consequences. Even though there still have been the 10 to 15 children, victims of violence across the country, finally it was some very stark school shootings that focused the attention.

I sat on the floor of this Chamber and heard the Speaker articulate from this well how finally Congress and the House of Representatives would be coming forward. We could not rush to judgment before Memorial Day bringing something to the floor of the House. We had instead to take a more deliberative course of action.

Well, we have seen what has been the result of that more deliberate course of action. After the NRA has been spending hundreds of thousands of dollars per day over the last couple of weeks, even more in their fund-raising efforts, we now have coming before the House of Representatives a rather confused set of provisions, and we are poised to pull another Kosovo where we cannot go right, left, sideways or forward.

Mr. Speaker, that is unfortunate because there is, in fact, a very simple answer for the House of Representatives to move forward. First and foremost, it is to refine and pass the provisions that did secure approval in the U.S. Senate restricting the magazine clips, having child access protection and dealing with the gun show loophole to the Brady bill. These are modest steps, but the American public supports it, and it would be an opportunity for us to show that we have got the message and can work together.

The next step would be to consider Representative CAROLYN MCCARTHY's comprehensive bipartisan bill to reduce gun violence amongst our youth. The Child Gun Violence Protection Act, H.R. 1342, with bipartisan support, contains provisions that will make a difference and should be considered in short order before this Chamber.

Mr. Speaker, finally, and I think most interestingly for me, is an opportunity for us to take a step back and look at the same sort of approach that made a difference in reducing the carnage on our Nation's highways. If we would have taken a step back in history a third of a century, we would have heard the same arguments against being able to make a difference in auto safety that we hear today about gun violence. The Americans have a love affair with the automobile that, if anything, is more pervasive than the attachment to firearms. There is no single step that is going to make the total difference, that is going to solve the problem. Some of it may actually cost money investing in making things safer.

Well, we heard all of those arguments, but Congress finally was provoked to act, and it did so in a comprehensive way. It produced legislation, consumer product safety-oriented, that made automobiles safer. We had manufacturers, instead of fighting auto safety, understand that it was important to produce the safest possible product and competed in terms of providing the amenities of a safer vehicle. It was a selling point.

We found that the American people would rise to the occasion, and, even though it was inconvenient for some or perhaps a modest infringement on their lifestyle, we have seen dramatic changes take place in terms of attitudes of people; driving and alcohol, for instance. We have changed America's patterns. A third of a century later, we have cut in half the rate of death and destruction on our highways.

I am absolutely convinced that we can do the same thing dealing with the reduction of gun violence with our youth, that we can have as much consumer safety for real guns as we have for toy guns. The key will be whether or not the Members of this Chamber are willing to stand up for our families and for our children to look at the apologists for gun violence, look past their misrepresentations and political threats and do what is right. If we were able to do it to change a climate of carnage on our highways, I think we can do the same thing to reduce gun violence for our children.

Mr. Speaker, I look forward to Congress this week taking this important first step to avoid a debacle like we had, an inability to make some decisions on Kosovo, and send clear statements about our commitment to reduce gun violence for our children.

KEY TO SUCCESS OF 2000 CENSUS IS LOCAL INVOLVEMENT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Florida (Mr. MILLER) is recognized during morning hour debates for 5 minutes.

Mr. MILLER of Florida. Mr. Speaker, we are less than 10 months away from the upcoming decennial census, the 2000 census. And the magical date is April 1 of 2000 would be conducted to count all the people in this great country, and it is essential to our entire democratic process that we have the most accurate census possible and one that is trusted by the American people.

It is fundamental to our elective system of government because most elected officials in America are dependent upon the census. The key to the success of the census is local involvement; local involvement in the planning for the census, local involvement in the process of developing the addresses which is taking place today, and local involvement at the conclusion of the census to allow a quality check and verification that we have counted everybody the census.

Sadly, the administration and most of my colleagues on the other side of the aisle are opposed to local involvement at the end of the census, the quality check that was provided in 1990, and they are opposed to letting local communities, the mayors and city councils and county commissioners and city managers and such across this country, to have one last chance to check their numbers because they say we are going to allow them to be involved before the census takes place, and that will solve all the problems.

Well, Mr. Speaker, that is exactly the problem. That there are mistakes. We all make mistakes, and there are going to be errors in the census in 2000, and we need to do everything that we can to correct those.

Now, this program that they are advocating is called LUCA, Local Update of Census Addresses, is a good program because it is allowing communities that want to participate to check addresses at this early stage. Unfortunately, not enough of the communities are involved in that, and that is a problem, but those that are involved are finding major problems with the Census Bureau.

Mr. Speaker, there was an article on the AP wire service last Friday identifying exactly the type problem that we thought would happen. A lot of this is anecdotal because we are going to talk about it community by community as we go through this. This is Flathead County in Montana.

''Flathead County officials said they found errors in two-thirds of the first addresses they checked in data provided by the Census Bureau in preparation for the 2000 count. Rick Breckenridge, the head of the county computerized mapping project,'' and this is a fairly advanced community because they have computerized their records, so we should not have the type of errors that the Census Bureau has come up with, ''said of the first 100 addresses supplied by the Census Bureau, there were 67 discrepancies. In one case, the Census Bureau had one address where he had 16; apparently, the Census Bureau missed an apartment complex, he said. In other cases, the bureau had addresses where the county records showed none.

''Breckinridge said the errors could lead to a serious undercount when the 2000 Census is conducted next spring. Clerk and Recorder, Sue Haverfield, said the errors occurred although the county gave the Bureau computer maps of its roads last summer. That information was not incorporated into the Census Bureau maps returned to the county recently. She said, 'Frankly, with the technology now available, what they are providing is ridiculous.' '' Mr. Speaker, this is the type of errors we have got to catch, and thank goodness Flathead County caught it, and hopefully we can get it corrected. I encourage every community to be involved to catch these types of errors because the Census Bureau and the administration refuses for them to have a chance to look for the errors at the conclusion of the census as was provided in the 1990 census.

A program called Post Census Local Review, which the House passed, by the way, with, unfortunately, most of the Democrats opposing it because they do not want to trust the local communities to look at these numbers, I do not know what they are afraid of, but they will not allow them to look at numbers, but in 1990 it caught 400,000 errors. Four hundred thousand mistakes in the census were corrected because of Post Census Local Review, and they added 124,000 people that would not have been counted before.

Mr. Speaker, this is strongly supported by most elected officials in this country. The National Association of Towns and Townships fully supports it. The National League of Cities supports it. The National Association of Developmental Organizations supports it. The only ones that do not support it, surprisingly, are big-city mayors, who are the ones who gained the most from it the last time around. Detroit added over 40,000 people in 1990, and now their mayor is opposed to it. Explain that one to me, because that just makes no sense that he is opposed to have one last quality check. That is all it is.

Mr. Speaker, all we are asking is after the census is completed next year, end of 2000, to give them a period of time to review the numbers to see if any errors, because if those errors continue to exist, they cannot be corrected after the fact. So we need to get as

much local input as we can and get the most accurate and trusted census as possible.

NO REPEAL OF SECTION 907 WHILE AZERBAIJAN ILLEGALLY BLOCKADES ARMENIA AND NAGORNO KARABAGH

The SPEAKER pro tempore (Mr. MILLER of Florida). Under the Speaker's announced policy of January 19, 1999, the gentleman from New Jersey (Mr. PALLONE) is recognized during morning hour debates for 5 minutes.

Mr. PALLONE. Mr. Speaker, late last month Secretary of State Madeleine Albright renewed the administration's unfortunate and misguided effort to repeal Section 907 of the Freedom Support Act. Section 907 restricts direct U.S. Government assistance to the Government of Azerbaijan until the President certifies that Azerbaijan has taken demonstrable steps to lift its blockades of Armenia and Nagorno Karabagh. Azerbaijan's illegal blockades of its neighbors has resulted in the disruption of supplies of vital goods to Armenia and Nogorno Karabagh, causing severe economic hardship and real human suffering.

Mr. Speaker, Section 907 was good law when it was passed, and it remains good law 7 years later. Azerbaijan has done nothing to merit the repeal of Section 907, and despite these facts, the administration, with the strong backing of some of the major oil companies, is trying to urge Congress to repeal Section 907.

Mr. Speaker, the Caspian Sea, which Azerbaijan borders on, is believed by some to contain vast oil reserves. The tantalizing prospect of a new source of petroleum resources has caused the administration to look the other way in terms of Azerbaijan's poor human rights record, its corrupt and undemocratic government, and its pattern of regional aggression.

In written testimony submitted to the Senate Appropriations Subcommittee on Foreign Operations, Secretary Albright stated that the administration would renew its request to repeal Section 907. Presumably, the foreign operations bill which we will be debating later this summer would be the vehicle for repealing Section 907, just as was attempted last year. But, Mr. Speaker, I am proud to say that we succeeded in taking that language out of the bill on the House floor. A bipartisan coalition of Members of this House kept Section 907 as the law because it was the right thing to do.

Mr. Speaker, I would say that it would be even more imprudent and unjustified now to repeal Section 907. As I mentioned, Azerbaijan's blockade is against both the Republic of Armenia and the Republic of Nogorno Karabagh. With the breakup of the Soviet Union, as the countries of the collapsing empire attained their independence, Azerbaijan attempted to militarily crush Nogorno Karabagh and drive out the Armenian population. But the Karabagh Armenians ultimately won their war of independence, and a ceasefire was signed in 1994.

The U.S. has been one of the countries taking the lead in the peace process under the auspices of the Organization for Security and Cooperation in Europe. Late last year, the U.S. and our negotiating partners put forward a proposal known as the Common State Proposal as a basis for moving the negotiations forward.

Despite some serious reservations, the elected governments of both Nogorno Karabagh and Armenia have accepted this Common State Proposal in a spirit of good faith to get the negotiations moving forward. And what was Azerbaijan's reaction to the proposal from the United States and our negotiating partners? An unqualified no.

Yet, Mr. Speaker, unbelievable as it sounds, our State Department is trying to push Congress to reward Azerbaijan, a country that rejects our peace plan, by repealing Section 907, to the serious detriment of Armenia and Karabagh, the countries that accept our proposal. Furthermore, the administration's budget request actually proposes increasing aid to Azerbaijan and decreasing aid to Armenia. What kind of a message does that send? That rejecting peace is okay?

Current law, Section 907, makes good sense and is morally justified. Section 907 does not prevent the delivery of humanitarian aid to the people Azerbaijan; to date, well over $130 million in U.S. humanitarian and exchange assistance has been provided to Azerbaijan through NGOs, nongovernmental organizations. The blockade of Armenia and Nogorno Karabagh has cut off the transport of food, fuel, medicine, and other vital supplies, creating a humanitarian crisis requiring the U.S. to send emergency life assistance to Armenia.

The bottom line, Mr. Speaker, is that Azerbaijan has failed to live up to the basic conditions set forth in the U.S. law pursuant to Section 907, and that is: ''Taking demonstrable steps to cease all blockades and other offensive uses of force against Armenia and Nogorno Karabagh.''

Mr. Speaker, I just hope that Secretary Albright and the State Department will reconsider their plan to repeal Section 907. And if not, Mr. Speaker, I hope that Congress will reject this effort as we have done now for several years.

Mr. Speaker, late last month Secretary of State Madeleine Albright renewed the Administration's unfortunate and misguided effort to repeal Section 907 of the Freedom Support Act.

What is Section 907? And why is it so important? Section 907 restricts direct U.S. government assistance to the government of the Republic of Azerbaijan, until the President certifies that Azerbaijan has taken demonstrable steps to lift its blockades of Armenia and Nagorno Karabagh. Azerbaijan's illegal blockades of its neighbors has resulted in the disruption of supplies of vital goods to Armenia and Nagorno Karabagh, causing severe economic hardship and real human suffering.

When the Freedom Support Act was adopted in 1992, establishing our new, post-Cold War U.S. foreign policy for the newly independent states of the former Soviet Empire, Section 907 was included as a way of holding Azerbaijan accountable for its blockades of its neighbors. Ideally, it might have been hoped that the Section 907 sanctions would prompt Azerbaijan to lift the blockades. But Azerbaijan has stubbornly maintained its counterproductive strategy of trying to strangle Armenia and Karabagh.

Mr. Speaker, Section 907 was good law when it was passed, and it remains good law seven years later. Azerbaijan has done nothing to merit the repeal of Section 907.

Despite these facts, Mr. Speaker, the Administration—with the strong backing of some of the major oil companies—is trying to push Congress to repeal Section 907. You see, the Caspian Sea, which Azerbaijan borders on, is believed by some to contain vast oil reserves. Much of these reserves remain unproven, and recent disappointing test drillings have prompted several international oil consortiums to pull out of Azerbaijan. But the tantalizing prospect of a new source of petroleum resources has caused the Administration to look the other way in terms of Azerbaijan's poor human rights record, its corrupt and undemocratic government, and its pattern of regional aggression.

In written testimony submitted to the Senate Appropriations Subcommittee on Foreign Operations, Secretary Albright stated that the Administration would renew its request to repeal Section 907. Presumably the Foreign Operations bill, which we will be debating later this summer, would be the vehicle for repealing Section 907—just as was attempted last year. Last September, as we were working to finish up the appropriations bills before adjourning for the Congressional elections, a provision was included in the fiscal year 1999 Foreign Operations bill to repeal Section 907. But I'm proud to say, Mr. Speaker, that we succeeded in taking that language out of the bill on the House floor. A bipartisan coalition of Members of this House kept Section 907 as the law, because it was the right thing to do.

Mr. Speaker, I would say that it would be even more imprudent and unjustified now to repeal Section 907.

As I mentioned, Azerbaijan's blockade is against both the Republic of Armenia and the Republic of Nagorno Karabagh. Nagorno Karabagh is an historically Armenian-populated region of the Caucasus Mountains (known as Artsakh to the Armenian people) that Stalin's map-makers included as part of Azerbaijan—although even in Soviet times its distinctiveness and autonomy were officially recognized. With the break-up of the Soviet Union, as the countries of the collapsing empire attained their independence, Azerbaijan attempted to militarily crush Nagorno

Karabagh and drive out the Armenian population. But the Karabagh Armenians ultimately won their war of independence, and a ceasefire was signed in 1994.

Although the shooting war has essentially ceased—except for occasional sniper fire from Azerbaijan's soldiers against the defenders of Karabagh—a more permanent peace has been elusive. The United States has been one of the countries taking the lead in the peace process, under the auspices of the Organization for Security and Cooperation in Europe (OSCE). Late last year, the U.S. and our negotiating partners put forward a proposal, known as the "Common State" proposal, as a basis for moving the negotiations forward.

Despite some serious reservations, the elected governments of both Nagorno Karabagh and Armenia have accepted this Common State proposal in a spirit of good faith, to get the negotiations moving forward. And what was Azerbaijan's reaction to the proposal from the United States and our negotiating partners? An unqualified "no." In other words, Armenia and Karabagh have agreed to work with the U.S. for peace in this strategically vital region of the world. Azerbaijan has rejected American efforts to achieve peace and stability.

Yet, Mr. Speaker, unbelievable as it sounds our State Department is trying to push Congress to reward Azerbaijan, the country that rejects our peace plan, by repealing Section 907—to the serious detriment of Armenia and Karabagh, the countries that accept our proposal. Furthermore, the Administration's budget request actually proposes increasing aid to Azerbaijan and decreasing aid to Armenia. What message does that send? That rejecting peace is okay?

Current law, Section 907, makes good sense and is morally justified. Section 907 does NOT prevent the delivery of humanitarian aid to the people of Azerbaijan; to date, well over $130 million in U.S. humanitarian and exchange assistance has been provided to Azerbaijan through NGOs (non-governmental organizations). The blockade of Armenia and Nagorno Karabagh has cut off the transport of food, fuel, medicine and other vital supplies—creating a humanitarian crisis requiring the U.S. to send emergency life-saving assistance to Armenia. Armenia is landlocked, and the Soviet-era infrastructure routed 85 percent of Armenia's goods, as well as vital energy supplies, through Azerbaijan. That life-line is now cut off. Despite these disadvantages, Armenia has established democracy and market reforms, and is trying to integrate its economy with the West.

But the bottom line, Mr. Speaker, is that Azerbaijan has failed to live up to the basic condition set forth in U.S. law, pursuant to Section 907: "taking demonstrable steps to cease all blockades and other offensive uses of force against Armenia and Nagorno Karabagh."

I hope that Secretary Albright and the State Department will reconsider their plan to repeal Section 907. If not, I hope Congress will reject this effort, as we have done for years.

H.R. 2116, THE VETERANS' MILLENNIUM HEALTH CARE ACT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, good morning. Today I want to talk about a bill that I have sponsored, the bill is H.R. 2116, the Veterans' Millennium Health Care Act. I am pleased this is a bipartisan bill. The gentleman from Arizona (Mr. STUMP) on the Republican side and the gentleman from Illinois (Mr. EVANS) on the Democrat side, as well as the gentleman from Illinois (Mr. GUTIERREZ), the ranking member on the subcommittee, have all cosponsored this legislation.

Last week, on June 9, we held a hearing and marked up the legislation, and it was favorably reported out of the full committee.

What this legislation does is offer a blueprint to help position VA for the future, and I think it is appropriately entitled the Veterans' Millennium Health Care Act. Foremost among the VA's challenges are the long-term care of our aging veterans population. For many among the World War II population, long-term care has become just as important as acute care. However the long-term care challenge has gone unanswered for too long.

It is important, therefore, that just last month the VA committee held a hearing on long-term care. The bill I have introduced would precisely address this issue and would adopt some of the key recommendations of the blue ribbon advisory committee. But my bill goes further than that in providing VA important new tools for access to long-term care.

The bill also tackles another challenging issue. Mr. Speaker, the GAO findings showed that the VA spends billions of dollars in the next 5 years to operate unneeded buildings. They testified that one out of every four VA medical care dollars is spent in maintaining buildings rather than caring for patients. A lot of these buildings are over 40 years old. Now, this is just not an abstract concern. This could be a savings of almost $10 billion a year.

Mr. Speaker, I think it is no secret that the VA administration is talking about closing old, obsolete hospitals. In some locations, that may be appropriate. The point is that the VA has closure authority and has already used it. In fact, we could expect closures of needed facilities under the disastrous budget submitted by the President last year.

Mr. Speaker, my bill instead calls for a process, establishing a new process so that decisions on closing hospitals can only be made on a comprehensive planning basis with veterans' participation. And this is very important and very appropriate. The bill sets numerous safeguards in place and would specifically provide that VA cannot simply stop operating a hospital and walk away from its responsibilities to veterans. No, it must reinvest the savings in a new, brand new, improved treatment facility or improved services in the area.

The bill responds to pressing veterans' needs. It opens the door to expansion of long-term care, to greater access to outpatient care, and to improve benefits including emergency care coverage. In turn, it provides for reforms that would help advance these goals.

As I mentioned earlier, it is bipartisan, and we have the support of both Democrats and Republicans. I also would like to commend the gentleman from New Jersey (Mr. SMITH) for introducing H.R. 1762. This is legislation that expands the scope of VA respite care. The language in his bill has been incorporated into our bill.

My legislation also requires that the VA provide needed long-term care for 50 percent service-connected veterans and veterans needing care for service-related conditions.

H.R. 2116 would also expand access to care to two very deserving groups. It would specifically authorize priority care for veterans injured in combat and awarded the Purple Heart and provide specific authority for VA care of TRICARE-eligible military retirees not otherwise eligible for priority VA care. In such cases, DOD would reimburse the VA at the same rate payable to the TRICARE contractor.

The measure would also authorize VA to recover reasonable costs of emergency care in community hospitals for VA patients who have no health care.

In other words, this is needed. There is no other more important component in this than this long-term care I have mentioned earlier. But I think there is another segment that we are forgetting about, and that is the homeless veterans. This bill addresses that by awarding grants for building and remodeling State veterans' homes and providing grants for the homeless veterans.

To summarize, Mr. Speaker, this bill, H.R. 2116, provides new direction to address veterans' long-term care needs; expands veterans' access to care; closes gaps in eligibility laws; and establishes needed reform to improve the VA health care system. Our veterans population is in need of this reform.

"COMMUNITIES CAN!" COMMUNITIES OF EXCELLENCE AWARD WINNERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Texas (Mr. DOGGETT) is recognized during morning hour debates for 5 minutes.

Mr. DOGGETT. Mr. Speaker, I am pleased to draw the attention of the Congress to five communities that are being nationally recognized today for making particularly effective use of public dollars on behalf of families who have children with or at risk of special needs. Considering all of the different funding sources, the many different rules and regulations from various Federal departments that exist, these communities have found ways to make government more efficient, more flexible and more responsive to families with these young children.

This year, Communities Can!, a growing national network of communities dedicated to serving children and families, including children with or at risk of special needs, is announcing its 1999 Communities Can! Communities of Excellence award winners. They are: Fremont County, Colorado; Goldsboro, North Carolina; Augusta, Maine; and Mile City, Montana; as well as Livingston County, Michigan.

Communities Can! is endorsed by the Federal Interagency Coordinating Council for Early Intervention, which is cosponsoring these awards. These communities have been chosen as award winners for demonstrating exemplary efforts in meeting the following very important goals:

First, all young children and families in need of services and supports are effectively identified early and easily brought into the community's system for delivering services and supports.

All young children and families will receive regular, ongoing and comprehensive services and supports that they need.

There is a way to fund the services and supports needed by these young children and their families.

And services and supports for young children and their families are organized in the way that families can easily use them.

Finally, they ask the families what they need and involve them in the decision-making process at all levels and determine the specific services that will be most beneficial to their real-world concerns.

These communities are being honored for their accomplishments this morning here in the Capitol Building, and I know that many of my colleagues will be participating to celebrate this very important event.

Congratulations to each of these communities, and congratulations to Communities Can!, because it is demonstrating that every community in this country can make a difference in the lives of young children with or at risk of special needs. It can assure that each of them is able to achieve to the full extent of their potential.

ELIMINATION OF THE MARRIAGE TAX PENALTY

The SPEAKER pro tempore (Mr. STEARNS). Under the Speaker's announced policy of January 19, 1999, the gentleman from Illinois (Mr. WELLER) is recognized during morning hour debates for 5 minutes.

Mr. WELLER. Mr. Speaker, this year House Republicans have several goals. We want to strengthen and make our schools safer. We want to strengthen Social Security by locking away 100 percent of Social Security revenues and surpluses for retirement security. Republicans want to pay down the national debt, and Republicans also want to lower the tax burden for middle-class working families.

I believe this year, as we work to lower the tax burden for middle-class families, that we should focus on making our Tax Code simpler and making our Tax Code fairer to families. And let me raise a series of questions today that really illustrate what I believe is the most unfair tax, and that is the tax on marriage.

The marriage tax is not only unfair, it is wrong. Is it right that under our Tax Code, married working couples pay higher taxes than two single people living together outside of marriage? Do Americans feel that it is fair that 28 million married working couples pay on average $1,400 more in higher taxes just because they are married? That is right. Under our Tax Code today, a husband and wife who both are in the work force pay higher taxes than two single people living together with identical incomes. Mr. Speaker, that is wrong.

Let me give an example here of what it means. As I pointed out earlier, there are 28 million married working couples paying on average $1,400 more in higher taxes. Here is an example of a South Chicago suburban couple. I represent the south suburbs of Chicago. If we take a machinist who works for Caterpillar in Joliet and a schoolteacher in the local public schools of Joliet, and they have a combined income of $62,000, the machinist makes $35,500 and as a single individual when he files his taxes, if we subtract the personal exemption and the standard deduction, he pays a certain amount of taxes. But if he chooses to marry, and his schoolteacher wife with an identical income, and when they are married they file their taxes jointly, their combined income of $62,000, when he subtracts the standard deductions and exemptions under our current Tax Code, this machinist and his schoolteacher wife making $62,000 a year pay the average marriage tax penalty of $1,400.

Now, there are those, particularly on that side of the aisle, who believe that this is no big deal. That is money that we have to spend in Washington. Back in Joliet, $1,400 is 1 year's tuition in Joliet Community College; 3 months of day care in the local child care center; and, also several months' worth of car payments.

The Marriage Tax Elimination Act, which I am proud to say has 230 cosponsors, a bipartisan majority of this House, we propose to eliminate the marriage tax penalty for all Americans. Under our legislation, we double the standard deduction for joint filers to twice that for single filers. We double the brackets so that those who are married filing jointly can earn exactly twice what a single filer can make and be treated fairly under taxes.

Mr. Speaker, the bottom line is the Marriage Tax Elimination Act would eliminate the marriage tax penalty for this machinist and this schoolteacher wife who are married in Joliet, Illinois. Eliminating the marriage tax penalty is really an issue of fairness and will help simplify the Tax Code.

What is the bottom line? The Marriage Tax Elimination Act puts two married people on equal footing with two single people. That is fair, and that simplifies the Tax Code. I am proud to say I was part of this Congress when Republicans succeeded in passing into law the Adoption Tax Credit to help loving families find a home for a child in need of adoption. We accomplished that as part of the Contract With America in 1996. And we followed up in 1997 by enacting into law the centerpiece of the Contract with America, the $500 per child tax credit, which benefits 3 million Illinois children. That is $1.5 billion that will stay in Illinois rather than coming to Washington. And, of course, I believe the folks back home can better spend their hard-earned dollars back home than we can here in Washington.

Mr. Speaker, we can build on that helping working families by working to simplify our Code, by working to bring fairness to our Tax Code, by eliminating what is the most unfair tax of all, and that is the tax on marriage.

Let us stop taxing marriage. Let us pass into law the Marriage Tax Elimination Act and eliminate the marriage tax penalty once and for all. Let us make the elimination of the marriage tax penalty the centerpiece of this year's tax cut.

HOPE FOR PEACE IN ERITREA AND ETHIOPIA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Arkansas (Mr. SNYDER) is recognized during morning hour debates for 3 minutes.

Mr. SNYDER. Mr. Speaker, while the world watches, the events of peace unfold in the Balkans, the violence of a land war raging in Africa between the nations of Eritrea and Ethiopia. As a family doctor who worked in refugee camps in Sudan in 1985 and cared for refugees from both great nations, I can only feel sadness as massive military confrontation continues with large numbers of casualties on both sides.

Since this war began a year ago, I have asked a number of wise people to

share with me the causes of this war. But, frankly, it appears to be a war that serves no purpose and seems to offer no hope but only destruction for the two countries. I commend the OAU for their continued efforts to find peace, but ultimately the decision to stop warring comes down to individual decisions by each great nation, Eritrea and Ethiopia.

Mr. Speaker, it is the hope of the world, at least of those that are watching, that these decisions are made soon.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 10 a.m.

Accordingly (at 9 o'clock and 38 minutes a.m.), the House stood in recess until 10 a.m.

□ 1000

AFTER RECESS

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

PRAYER

The Reverend Dr. Craig Barnes, Senior Pastor, National Presbyterian Church, Washington D.C., offered the following prayer:

Let us pray:

O God, we ask that You would be gracious to the leadership of our land this day. Give them the wisdom of Your spirit that they may find their way through the complex issues we now confront. Give them the courage to hold to what they believe to be right, and the humility to discover more truth than they have.

But most of all, O God, we pray that You will give these leaders Your own great dreams for the future of our people, that we may participate in the kingdom You would build here.

All this we ask in the name of the Lord, whose way we prepare. 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 Tennessee (Mr. DUNCAN) come forward and lead the House in the Pledge of Allegiance.

Mr. DUNCAN led the Pledge of Allegiance as follows:

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 322. An Act to amend title 4, United States Code, to add the Martin Luther King Jr. holiday to the list of days on which the flag should especially be displayed.

DISPENSING WITH CALL OF PRIVATE CALENDAR ON TODAY

Mr. COMBEST. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar be dispensed with today.

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

There was no objection.

WELCOMING THE REVEREND DR. CRAIG BARNES OF NATIONAL PRESBYTERIAN CHURCH

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

Mr. NETHERCUTT. Mr. Speaker, I am delighted to welcome to the House today Dr. Craig Barnes, the pastor of National Presbyterian Church, a church with a long and grand history in Washington, D.C.

Dr. Barnes is not only a friend but serves as the pastor for me and my family here in the Nation's Capital.

For those of us who come to Congress to serve for a time, to be able to find a church home away from home is indeed a blessing. In his worship commitment Craig Barnes brings to all who have the opportunity to hear him, or read his books, by the way, not only a thoughtful and wonderful message of faith but true belief in the grace of God. He has a unique way of clearing the fog away from confusion, despair and uncertainty that sometimes touches all of us in life and preach a message of hope as he ministers to those in need.

Mr. Speaker, I am especially delighted that Dr. Barnes is here today and grateful that he would address the House.

KHATAMI HAS THE WHITE HOUSE BUFFALOED

(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, the Khatami regime in Iran has arrested 13 Iranian Jews. They were accused of spying for Israel and the United States of America. The regime is supposedly seeking the death penalty.

Unbelievable, Mr. Speaker. The White House supports Khatami; the State Department supports Khatami; in fact, the White House said, and I quote: ''Khatami is a welcome voice of moderation.''

Moderation, my ascot.

Beam me up.

Khatami is a brutal killer, a fanatic, a bold-faced liar.

It is time to recognize the Resistance, the National Council of Resistance in Iran, fighting for democracy, and it is time to set the record straight. Khatami has the White House buffaloed. He should not buffalo this Congress.

CONGRESSIONAL GOLD MEDAL TO ROSA PARKS, A TRUE AMERICAN LEGEND

(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, today Congress will honor a true American legend with the Congressional Gold Medal. Many refer to Rosa Parks as the First Lady of Civil Rights and the Mother of the Freedom Movement because she refused to yield her bus seat in Montgomery, Alabama, in 1955 and was arrested. That silent protest by Parks, who is now 86 years old, set in motion a year-long bus boycott by African Americans and a rethinking and elimination of Alabama's segregation law.

On November 13, 1956, the Supreme Court ruled that the law in Alabama was unconstitutional; and the buses were desegregated. As an original cosponsor of the legislation awarding the Gold Medal to Mrs. Parks, I feel that this is a distinct honor and privilege to participate in the process to bestow one of the Nation's highest tributes upon this courageous lady. Her contribution to the Freedom Movement helped pave the way for civil rights and equal treatment in America.

To Mrs. Parks:

I salute you and the significant contributions you have made to this great country. Thank you.

REPUBLICANS PUT NRA-BACKED POLITICS ABOVE OUR CHILDREN

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

Mr. MENENDEZ. Mr. Speaker, Republicans need to decide who is more important to them, our children or their politics. Because if they want to play politics with the issue of gun safety, they should explain why to the parents of Sean Harvey of West Paterson in my home State of New Jersey. Sean did not live to see his 17th birthday because he was shot by a man who mistakenly thought he was stealing a

neighbor's car. Well, the car belonged to a friend of Sean's, and the gun used to kill him was unlicensed by a man with a list of prior offenses.

This Congress has a responsibility to get these guns off the street and to make sure that everyone who buys a gun is subject to a background check. When it comes to keeping our children safe in their schools and in our neighborhoods, there should be no loopholes and no exceptions.

There is nothing more important than the safety of our children, and it is a sad day in this House and this Nation when the Republican leadership gives the NRA all of the time necessary before the Memorial Day break to be able to work over Members and to create a process that is destined to failure, destined to fail our children in terms of safety, destined to fail the citizens of this country in terms of safety and destined to ensure the NRA's victory.

WANT TO SEE A LIBERAL BECOME HYSTERICAL?

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

Mr. HEFLEY. Mr. Speaker, if you think it is fun to watch a liberal become hysterical, then here is a fun trick that you might want to try. Next time you are in the company of liberals, especially the kind who make a big deal about how compassionate they are with other people's money, mention that you heard that the Republicans in Congress are going to do away with the income tax withholding. In other words, mention that you heard a rumor, and it is apparently true, that conservative Republicans are going to get rid of income tax withholding and make everyone send in one big check to Uncle Sam at the end of each year for their income tax. The reaction you will get cannot be expressed in words.

First, there is silence, dead silence, and then we will see an expression of sheer panic and terror on their face. The liberal knows that if we are forced to see in one lump sum just how much money is forked over to the Federal Government every year we would revolt, and the liberals would never win another election.

Try that sometime on liberal friends, and enjoy the show.

EPA UNDERMINING EFFORTS TO REVITALIZE ECONOMIES OF OUR INNER CITIES

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

Mr. KNOLLENBERG. Mr. Speaker, the EPA is the gang that cannot shoot straight. This Agency's mishandling of the so-called environmental justice issue has undermined the efforts to revitalize the economies of our inner cities and hurt the very people it intended to help.

Last year, I included language in the budget that forced the EPA to go back to the drawing board to formulate a more workable policy that addresses the concerns expressed by State and local officials and business leaders from across this country. Mr. Speaker, the EPA has still not come forward with its new proposal. This, I believe, is inexcusable, and it is time for this arrogant, heavy-handed Agency to get its act together. Further delays and additional foot-dragging will only hinder the efforts to redevelop brownfields and create good-paying jobs in minority communities.

Mr. Speaker, it is time the EPA finally gets its act together and comes to a final resolution on this issue.

KYLE HIRONS WOULD BE ALIVE TODAY IF A GUN HAD BEEN EQUIPPED WITH A SAFETY LOCK

(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, not long ago a 15-year-old boy from Glastonbury, Connecticut, found a loaded .357 magnum in the bedroom drawer of one of his parents. In the midst of playing, the gun accidentally went off, shooting the boy in the face and killing him. The boy's name was Kyle Hirons. Today is the last day Kyle's death will remain anonymous.

I invoke the Kyle Hirons because he is one of the 13 children who die every day because of guns. These are not nameless, faceless statistics. They are real people. They are our children. In this case, one more child would be alive today if the gun had been equipped with a safety lock. And yet there are forces in this country, in this very body, who would undermine modest gun safety legislation that would protect our children.

This week, we can take steps. We can pass the Senate provisions and require gun child safety locks and devices. We can close the loophole at gun shows, and we can eliminate high-capacity, human-hunting ammunition clips.

Our kids are dying of an epidemic. The epidemic is unsafe guns. Let us pass sensible measures that make guns as safe as possible.

THE AMERICAN PEOPLE DESERVE SOME ANSWERS

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

Mr. DUNCAN. Mr. Speaker, the American people need to ask many questions about our relationship with China. Why did the President approve the sale of missile technology to the Chinese against the objection of his own Defense Department, his own State Department and his own Justice Department? Was it because of the millions of dollars of campaign contributions from the Chinese military and top executives of the Hughes Electronics Corporation? Why over the last 5 years have there been 3,567 requests for wiretaps and search warrants under the Foreign Intelligence Surveillance Act and only one turned down, and that one involving Mr. Lee and the spying at Los Alamos?

There are many other questions exactly like these. The American people deserve some answers.

The Cox report says the Chinese espionage goes on even to this day. Things are going on today that have never happened before in the history of this Nation, Mr. Speaker, and the American people deserve to know why.

THE GREATEST GENERATION

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

Mr. LUCAS of Oklahoma. Mr. Speaker, I rise today to honor one of the many brave soldiers who risked their lives during World War II to preserve the freedoms we enjoy today. In his book, Tom Brokaw dubbed them The Greatest Generation. It is hard to dispute this description. Many of these soldiers walked off farms or out of shops and factories to fight for the country they love dearly.

One of these men was Mr. Garland Ward of Del City, Oklahoma. As a 22-year-old, he left a secure job as a grocery clerk to answer the call of duty to his country. As an enlistee of the 45th Infantry Division, Private Ward was sent to fight in North Africa. From there his unit made its way across Europe. After fighting in the Battle of the Bulge, they made their way to Germany where he and other members of his unit were captured. After spending 4 days as a POW, American forces recaptured the village and freed these brave men. Upon freedom, Private Ward rearmed himself and continued his fight towards victory across Europe.

Our country owes a great deal to these brave soldiers, like Mr. Ward, who fought so valiantly.

GUN CONTROL POLITICS

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

Mr. EWING. Mr. Speaker, we have and are hearing so much about gun control. First of all, let me say that the legislation and the push behind this legislation is political, political,

political. The reason, because the other party thinks they will get a political advantage out of it. The truth is, the truth is we have many, many gun laws on the books, passed by this Congress, signed by this President and other Presidents, and they are unenforced by this administration. Unenforced, and we do nothing about the media and the violence which they penetrate into our society because they are the friends of those who promote gun control legislation.

□ 1015

Let us be reasonable. Let us do what is right for America, not what is political. Let us pass reasonable gun legislation, when needed, and enforce that which is on the books.

ERODING THE SECOND AMENDMENT

(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, when the President says put people first, what he means, particularly this week, is put politicians first, put political people first, because this week, as we further erode the second amendment, we are not putting people first, we are not putting children first, we are not putting safety first, and we are certainly not putting the facts first. But we hear over and over again, no, we are just closing a few loopholes. This is common sense, reasonable, sensible. Yet it goes far beyond closing loopholes in gun shows. It calls for registration of people's guns who go to gun shows, permanent registration. It calls for a 6-month background check that is kept by the FBI for 6 months, and many, many other measures that have nothing to do with closing loopholes.

Mr. Speaker, in Columbine High School, Dylan Klebold and Eric Harris broke 23 gun control laws. In Heritage High School, the young man broke into his father's gun cabinet to steal a well-protected gun. Yet we have to ask ourselves, maybe there is something beyond gun control that could prevent these things from happening, because gun control is not working. It did not work in these two cases.

What about the violent video, the violent TV? What about the music? What about children being raised without parents? It seems in today's society, where there are no absolutes, no truths, there are also no values.

This week is not about children, it is about politics.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. 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.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules.

SELECTIVE AGRICULTURAL EMBARGOES ACT OF 1999

Mr. EWING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 17) to amend the Agricultural Trade Act of 1978 to require the President to report to Congress on any selective embargo on agricultural commodities, to provide a termination date for the embargo, to provide greater assurances for contract sanctity, and for other purposes.

The Clerk read as follows:

H.R. 17

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 ''Selective Agricultural Embargoes Act of 1999''.

SEC. 2. REPORTING ON SELECTIVE EMBARGOES.

The Agricultural Trade Act of 1978 (7 U.S.C. 5711 et seq.) is amended by adding at the end of title VI:

''SEC. 604. REPORTING ON SELECTIVE EMBARGOES.

''(a) REPORT.—If the President takes any action, pursuant to statutory authority, to embargo the export under an export sales contract (as defined in subsection (e)) of an agricultural commodity to a country that is not part of an embargo on all exports to the country, not later than 5 days after imposing the embargo, the President shall submit a report to Congress that sets forth in detail the reasons for the embargo and specifies the proposed period during which the embargo will be effective.

''(b) APPROVAL OF EMBARGO.—If a joint resolution approving the embargo becomes law during the 100-day period beginning on the date of receipt of the report provided for in subsection (a), the embargo shall terminate on the earlier of—

''(1) a date determined by the President; or

''(2) the date that is 1 year after the date of enactment of the joint resolution approving the embargo.

''(c) DISAPPROVAL OF EMBARGO.—If a joint resolution disapproving the embargo becomes law during the 100-day period referred to in subsection (b), the embargo shall terminate on the expiration of the 100-day period.

''(d) EXCEPTION.—Notwithstanding any other provision of this section, an embargo may take effect and continue in effect during any period in which the United States is in a state of war declared by Congress or national emergency, requiring such action, declared by the President.

''(e) DEFINITIONS.—As used in this section—

''(1) the term 'agricultural commodity' includes plant nutrient materials;

''(2) the term 'under an export sales contract' means under an export sales contract entered into before the President has transmitted to Congress notice of the proposed embargo; and

''(3) the term 'embargo' includes any prohibition or curtailment.''.

SEC. 3. ADDITION OF PLANT NUTRIENT MATERIALS TO PROTECTION OF CONTRACT SANCTITY.

Section 602(c) of the Agricultural Trade Act of 1978 (7 U.S.C. 5712(c)) is amended by inserting ''(including plant nutrient materials)'' after ''agricultural commodity'' each place it appears.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. EWING) and the gentleman from Texas (Mr. STENHOLM) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois, (Mr. EWING).

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

Mr. Speaker, American agriculture plays a key role in U.S. trade economy. The contributions of agricultural exports to the U.S. economy are impressive. The United States Department of Agriculture estimates that farm exports will be $49 billion in 1999, providing a positive trade balance of $11 billion.

Just 3 years ago, however, there was another $10 billion higher on our agricultural trade balance. This was almost three times what it is today. It is a fact, and it is a painful one to many of us, that our agricultural economy is the one sector of the great American economy that is suffering very badly. If things do not improve, 10 percent of American farmers could be forced from their farms this year.

New and reliable markets are one of the answers to this very serious problem. The U.S. agricultural economy is more than twice as reliant on exports as the overall economy. This reliance makes agricultural-specific embargoes especially painful for the American farmer and rancher. H.R. 17 provides a vital and necessary foreign check and balance system. This legislation provides for congressional review and approval of both Houses of Congress if the President imposes an agricultural-specific embargo on a foreign country.

H.R. 17 would require the President to submit a report detailing to Congress reasons for the embargo and a proposed termination date. Congress then has 100 days to approve or disapprove the embargo.

If Congress approves the resolution, the embargo will terminate on the date determined by the President or 1 year after enactment, whichever occurs earliest. If a disapproving resolution is enacted, the embargo will terminate at the end of the 100-day period.

This legislation would not impact embargoes currently in place, nor would it impede the President's authority to impose cross-sector embargoes. Additionally, H.R. 17 would not take effect during times of war. This legislation was the official policy of the United States when the Export Administration Amendments Act was adopted in 1985. Unfortunately, that act expired in 1994 when Congress failed to reauthorize it. It is important to

note that the failure to reauthorize was not a result of any opposition to the agriculture embargo language contained in that act.

Mr. Speaker, according to the United States Department of Agriculture, the Soviet grain embargo cost the United States about $2.3 billion in lost U.S. exports and U.S. Government compensation to American farmers. The Soviet grain embargo is still fresh in the minds of grain farmers throughout America. In the midst of an already poor overall economy, the imposition of the Soviet grain embargo triggered the worst agricultural economic downturn in America since the Great Depression.

As if we had not learned our lesson from the Soviet grain embargo, there are unilateral sanctions in effect today that have damaged our image as a reliable supplier of agricultural products. The problem with agricultural-specific embargoes is that our farmers and ranchers end up losing a share of the global marketplace, while the embargoes often fail to achieve their purpose. The purpose of the Selective Agricultural Embargo Act of 1999 is to emphasize the importance of U.S. agricultural exports and the unique vulnerability of agriculture in the world trade arena. Agricultural embargoes hurt our farmers, help our trade competitors, and the 1980 Soviet embargo is a perfect example. The U.S. was deprived of the Soviet grain market, and France, Australia, Canada and Argentina stepped in to take over this market.

Our reputation as a reliable agricultural supplier suffers and will suffer every time agricultural embargoes are put in place. On April 28, 1999, the President announced a significant change in U.S. policy on sanctions and embargoes, and we applaud that change. With the enactment of the Freedom to Farm Act, our farmers are dependent more and more on foreign markets for an increasingly significant portion of their income. In our global marketplace, the importance of being a reliable supplier of food and fiber cannot be overstated. Therefore, Congress should have input when the President decides to use American agricultural products as a foreign policy tool. My legislation does not eliminate the President's ability to impose sanctions; it just includes Congress in the debate.

Mr. Speaker, I ask that the rest of my colleagues join me in helping the American farmer and rancher by voting ''yes'' on H.R. 17 today.

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

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

Mr. Speaker, I rise as an original cosponsor in support of the Selective Agricultural Embargo Act of 1999. This bill provides for greater scrutiny of the unilateral embargoes we place on our trading partners, and is an important step towards the comprehensive sanctions reform that need to be enacted.

When Congress passed freedom to farm 3 years ago, it promised to open foreign markets to U.S. agriculture products. So far, we have failed to deliver on that promise.

By providing congressional review of unilateral agriculture sanctions, this bill will require us to put a little more thought into our actions, to think before we concede our agricultural markets to our competitors. The bill will also help to maintain our reputation as a reliable supplier of food. It is time to find a more effective way to implement our foreign policy goals. Unilateral sanctions do not work, and they cost our farmers and ranchers dearly. Let us pass this bill and begin moving in the direction of comprehensive sanctions reform.

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

Mr. EWING. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Texas (Mr. COMBEST), Chairman of the Committee on Agriculture.

Mr. COMBEST. Mr. Speaker, I rise in support of H.R. 17, the Selective Agricultural Embargoes Act of 1999. The bill requires the President to report to Congress on any selective embargo on agricultural commodities and specifies the period during which the embargo will be in effect.

I congratulate the gentleman from Illinois (Mr. EWING), the chairman of the Subcommittee on Risk Management, Research and Specialty Crops, and the author of this bill, for his hard work and tenacity on moving this subject forward.

The use of economic sanctions is a subject that has captured the attention of all of us that are interested in the prosperity of farmers and ranchers. We can all agree that food should not be used as a tool of foreign policy. I especially welcome the administration's April 28 announcement regarding lifting of certain economic sanctions of food and agriculture.

Food should not, under nearly all circumstances, be used as a weapon. Such a policy ends up hurting our farmers and ranchers and all who are involved in agriculture production, processing and distribution. There are three things that can happen when agricultural sanctions go into effect, and none of them are good. Exports go down, prices go down, and farmers and ranchers lose their share of the world market.

For American farmers and ranchers, trade is an essential part of their livelihood. Currently exports account for 30 percent of U.S. farm cash receipts and nearly 40 percent of all agricultural production that is exported. U.S. farmers and ranchers produce much more than is consumed in the United States; therefore, exports are vital to the prosperity and success of U.S. farmers and ranchers.

For years, U.S. agriculture has provided a positive return to our balance of trade, and in order to continue this positive balance and to improve upon it, markets around the world must be open to our agricultural exports.

Embargoes and sanctions destroy the United States' reputation as reliable suppliers. U.S. agriculture remembers the 1980 Soviet grain embargo. Not only did our wheat farmers lose sales, but markets as well. France, Canada, Australia and Argentina stepped in and sold wheat to the former Soviet Union. The only people hurt by those sanctions were U.S. wheat farmers. The one lasting impression left of that embargo was that the U.S. could not be considered a reliable supplier of wheat. The past 19 years have been spent attempting to reverse that opinion.

Therefore, because of the importance of assuring the reliability of the U.S. as a supplier of food and agriculture product, we must address the effects of embargoes on U.S. agriculture, and I urge support of H.R. 17.

Mr. EWING. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. WALDEN).

Mr. WALDEN of Oregon. Mr. Speaker, I appreciate the opportunity to speak here today on H.R. 17, the Selective Agricultural Embargoes Act of 1999.

The farmers of Oregon work hard to actively market and promote the sale of agricultural goods throughout the world. Approximately 80 percent of all agriculture production in our State of Oregon is shipped out of State, with nearly half of that going to foreign markets. Wheat, potatoes, hay and pears are just some of the products farmers in my district produce, which are dependent on foreign markets for their success.

Oregon's producers have long been recognized for their initiative in expanding foreign trade. Sanctions on foreign nations that disallow the importation of U.S. agriculture products interfere with the ability of Oregon's farmers to sell the quality goods that they produce. Once U.S. agriculture loses its ability to compete in the market, it is very difficult to regain that market share. America's farmers and ranchers cannot afford to be used as pawns in foreign policy battles.

H.R. 17 would simply give Congress the ability to review these agricultural embargoes imposed by the President. This legislation would then allow Congress 100 days to approve or disapprove of the President's decision to impose an agricultural embargo.

□ 1030

Should the Congress agree with the President's actions, then the embargo will terminate on the date determined

by the President or 1 year thereafter. Should Congress disapprove this action, then the embargo will terminate at the end of the hundredth day after the congressional review period.

This is commonsense foreign policy that our farmers deserve. Our Nation's farmers deserved the ability to compete fairly in the international marketplace. With farm prices at their lowest levels in years, U.S. agriculture needs to be promoted, not unilaterally restricted.

This is particularly relevant to the State of Oregon, where 36 percent of all of our agriculture products are exported abroad. The farmers in the Second District of Oregon can ill afford the devastating effects that agricultural embargoes cause.

I commend my colleague the gentleman from Illinois for introducing this legislation, and appreciate the opportunity to speak on this matter today, Mr. Speaker.

Mr. STENHOLM. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. SMITH).

Mr. SMITH of Michigan. Mr. Speaker, I thank the gentleman from Texas (Mr. STENHOLM) for yielding time to me.

Mr. Speaker, I think it is very appropriate that a Republican speaks from the Democrat side of the isle to talk about this issue because it is a bipartisan effort that represents fairness.

We have heard how it disrupts agriculture and causes great stress for the survival of the family farm in the United States. I think what also needs to be said is sanctions on food exports does not work. We have had embargoes and sanctions for several reasons. The fact is that in the end another country will sell their agricultural products when we stop selling to a particular country. Those countries still get food & fiber products, and the loser is the United States' farmers and ranchers.

We have sanctions for a couple of reasons. Both administrations have made the mistake of doing it. We had a sanction under the Nixon administration because there was a shortage of soybeans. There were cries from consumers and millers calling on the President to, shut off the export of soybeans because prices are going too high in this country and shuting off exports would in crease domestic supply and reduce price.

That is fine, but of course, we all know what happened. Japan, who was dependent on the United States for their soybean needs, decided to look for a more dependable supply and eventually went to Brazil. They bought and cleared land. They found that they could develop and grow soybeans down there very, very well. Brazil's soybean agriculture has expanded. Now they are one of the major competitors to the United States soybean market.

President Carter decided to punish Russia in 1981 by cutting off much needed wheat from the U.S., Russia started looking for a more reliable supplies and again American farmers again were the loosers.

Mr. Speaker, I hope everybody will move ahead, not only on this bill, but even a more aggressive bill that simply provides we will stop embargoes and sanctions on agricultural products for any reason. Number one because it is disrupting American agriculture, and number two, it does not work.

Mr. EWING. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska (Mr. BARRETT), my colleague and cochairman of the Committee on Agriculture.

Mr. BARRETT of Nebraska. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, foreign policy and international trade can sometimes be a very complicated topic for farmers and ranchers. But what is not confusing is the overseas markets that are so vital to our agriculture economy. This is especially true I think in my State of Nebraska.

Unfortunately, agriculture often gets caught up in a sanctions policy that does not work as intended. Sanctions usually end up hurting producers far more than they influence the behavior of other countries or effect any real change.

As agriculture continues to suffer from low prices, Congress needs to examine every policy to make sure that we are not standing in the way of recovery. We are doing that on the Committee on Agriculture, and I am glad to note that our colleagues on the Committee on International Relations are joining us in this effort, as well.

A re-examination or rationalization of sanctions policy is an absolutely necessary part of this effort. H.R. 17 is a minor, reasonable change in sanctions policy. It only requires Congress to approve or disapprove future embargoes on farm products within 100 days. It will not inhibit the President's ability to conduct foreign policy.

Agricultural embargoes are not put in place lightly, but only at the highest level of provocation. Congress will not ignore an international crisis that requires our president to act in a serious way. I believe that the Congress will follow the President's leadership.

Sanctions unfairly hurt agriculture. The House's passage of H.R. 17 will tell producers that Congress recognizes the poor economy that they are facing and their concerns with how foreign policy is conducted. Let us respond to their need with this very small change in policy. Please support H.R. 17.

Mr. STENHOLM. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. PHELPS).

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

Mr. Speaker, I rise today in strong support of H.R. 17, which requires congressional approval of any agriculture-specific embargo on a foreign Nation. I am proud to be a cosponsor of this legislation, and I hope my colleagues will join me in voting for its quick passage.

For those who represent rural agricultural districts, agriculture is always a priority issue. But with the crisis now facing our farmers, this issue should be a priority for every Member of this House.

The bill of the gentleman from Illinois (Mr. EWING) represents an important step in alleviating the hardships in the agriculture community. H.R. 17 would require the President to submit a report to Congress laying out the reasons and a termination date for any proposed agriculture embargo. A 100-day period would follow during which Congress could approve or disapprove the embargo.

Mr. Speaker, it is difficult to overstate the importance of foreign markets to American agriculture. When our farmers are singled out to pay the price for punishing a foreign country the impact can be enormous, especially in times like these, when every opportunity for income is critical.

This bill seeks to address only those embargoes which are agriculture-specific, and would not affect cross-sector sanctions such as those against Cuba and Iraq. There would be no question that this legislation is good for America's farmers, and if there were ever a time we need our help, it is certainly now. I hope every Member will join me in supporting H.R. 17.

Mr. STENHOLM. Mr. Speaker, I yield 2 minutes to another gentleman from Illinois (Mr. LAHOOD).

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

Mr. Speaker, I rise in support of H.R. 17, Selective Agricultural Embargoes Act of 1999, as introduced by my colleague and friend, the gentleman from Illinois (Mr. EWING). To put it very simply, embargoes can be the death knell for agriculture. We have seen it many, many times.

This bill is simple and straightforward. It simply requires the approval of both Houses of Congress if the President ever decides to impose an agriculture-specific embargo on a foreign country. However, Mr. Speaker, the bill in no way impedes the President's authority to impose cross-sector embargoes, it only attempts to single out agriculture.

With the enactment of Freedom to Farm, our farmers and ranchers have become increasingly reliant on foreign markets for a significant percentage of their income. In our global marketplace, the importance of being a reliable supplier of food and fiber cannot be overstated.

The U.S. agricultural economy is more than twice as reliant on exports as the overall economy. Congress

should have input when the President decides to use American agriculture as a foreign policy tool.

For American farmers and ranchers, trade is an essential part of their livelihood. Currently exports account for 30 percent of U.S. farm cash receipts, and nearly 40 percent of all agricultural production is exported.

Past experience has shown the weakness in using sanctions as an instrument of foreign policy. Unfortunately, it may be politically impossible to entirely eliminate the use of economic sanctions. The President needs to be able to waive those impositions when he believes sanctions will have a negative impact on U.S. interests, especially on American agriculture.

Rather than continue policies that withhold sales of U.S. food and fiber as punishment, H.R. 17 would urge that food and agricultural trade be encompassed in U.S. diplomacy. Such a move would contribute to world security, help feed the engine of economic growth, and build the lines of communication that allow engagement with these countries with whom we have disagreements.

Mr. Speaker, I urge the passage of this important legislation.

Mr. EWING. Mr. Speaker, I yield 2 minutes to my colleague and friend, the gentleman from Illinois (Mr. MANZULLO).

Mr. MANZULLO. Mr. Speaker, I want to commend the chairman for using for his superb leadership in bringing this bill to the floor.

Our farmers in this country have a lot of challenges. Many times we can do nothing about those challenges here in Congress. We can do nothing about too much rain or lack thereof. Oftentimes there is very little we can do about the price of commodities that is so important to the farmers. One thing we can do is everything possible to open up trade opportunities so our farmers can export their agricultural commodities.

We have in Illinois the distinction of exporting about 47 percent of our farm products. That is, almost half of the farmers in the State of Illinois are dependent upon exports. We are presently involved in a battle with the Europeans over their acceptance of cattle that have the growth hormone, and also involved in a battle with them battle over their acceptance of genetically-altered grains and things of that nature.

One thing we can do is get the government out of the way of hindering markets that already exist for the purpose of allowing exports by our farmers. We only have to look back to the days of the Russian grain embargo, which was disastrous. Russia ended up buying their grain from other sources, and this country has never recovered from the loss of sales to Russia, simply because Russia looked to Argentina and other countries that do not use trade embargoes as a method of foreign policy.

The purpose of H.R. 17 is to eliminate that, to open up these markets. I would encourage my colleagues to vote for H.R. 17.

Mr. STENHOLM. Mr. Speaker, I yield such time as she may consume to the gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, one of the things I think we have an opportunity to recognize is that sanctions may indeed be for worthy goals, or we intend them for worthy goals, but the impact of sanctions has not been proven to be effective. Certainly the sanctions on food and drugs not only are ineffective, but in terms of the humanitarian point of view, it certainly is inappropriate.

Additionally, sanctions on food are counterproductive to our commercial interests, particularly when we consider in many of these countries we are now giving food where we are not even allowed to sell food. So it is not consistent with our understanding that we should be humanitarian, and yet at the same time we will not allow our commerce to sell these very basic goods of food and medicine in those areas.

In my State, the products that we produce in abundance indeed are dependent upon trade. Having these sanctions certainly poses an economic threat, and indeed impacts them economically. But more importantly, sanctions as a whole are ineffective.

This particular bill does recognize that having sanctions on food products is inappropriate and not in our best interests. The sales of sanctioned products to these most egregious countries, when we think of them, really are not representing a large portion of our sales. It is the principle that this particular bill indeed addresses. It removes those sanctions for basic food.

When we begin to understand it, agriculture as a whole represents a significant part of our economy. So when we have sanctions on food used as a tool, we are indeed putting a deterrent on a significant amount of our economy.

In my particular State, we produce far more pork than anyone else. Over 75 percent of that must be dependent on trade in some form. Then when countries are no longer able to buy those particular products, or any other products that we have to sell in abundance, such as turkeys, cucumbers, chicken, any of those that we are very proficient in producing far beyond our domestic needs, it has a great impact.

I support this in principle, and I also support it in its specifics of looking at food as an area that should be barred from sanctions. The tools of food and medicine are not only inappropriate for us as a country, as a moral country, but it is inappropriate for us in a commercial way, and is counterproductive; particularly when we are going to give the food away anyway, why not have the opportunity to sell these very basic goods?

Again, I urge all of my colleagues to support this legislation. I want to commend the gentleman from Illinois (Mr. EWING) for his leadership in putting this forward.

□ 1045

Mr. EWING. Mr. Speaker, I thank the gentlewoman from North Carolina (Mrs. CLAYTON) for her support.

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

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

Let me say at the outset, hunger knows no politics; and we have seen down through the years that embargoes have very little positive consequences, either for whatever we are trying to achieve diplomatically but certainly for our farmers.

I want to share a story that every day in Mankato, Minnesota, there are more soybeans processed than anywhere else in the United States. We grow an awful lot of soybeans in our area; and something that many of the Members do not know is that literally over half of all the soybeans grown, at least in the upper Midwest, ultimately wind up in some kind of export markets.

Now, soybeans should be selling for somewhere between $7 or $8 a bushel. Today, they are looking like they may test at $4 a bushel. Here is an unvarnished fact, that whether one is talking about soybeans, whether they are talking about pork, whether they are talking about corn, name the commodity that we produce here in the United States, here is an unvarnished fact about it, we cannot eat all that we can grow.

If we are going to allow farmers to achieve the kind of income levels that they deserve for the work that they put in, we have to open markets. We cannot close them off. Using food as a political weapon has never worked. It is like holding a gun to the heads of our farmers. It has not worked in terms of achieving diplomatic ends. It has been a mistake. This is a very important step in the right direction.

Mr. Speaker, as long as I have the floor for just a moment I want to say that one day I hope that we in this capitol of Washington and capitols all over the rest of the world will embrace the idea of a world food treaty, because we ought to say that as long as there is not a declaration of war between two countries we ought to always say that we are going to be willing to sell food to those countries, regardless of their politics, regardless of what may happen within their borders in terms of their

own political process, but we will never use food as a political weapon.

This is an important piece of legislation, a very important step in the right direction. It is good for farmers, and I think in the long run it is good for our diplomatic relations as well.

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

Mr. Speaker, just to reiterate the reason why we are here and to commend the gentleman from Illinois (Mr. EWING) and the gentleman from Texas (Mr. COMBEST) for bringing this bill again to the floor, the reasons for passage are very, very clear. The gentleman from Illinois (Mr. EWING) pointed out the recent activities or actions taken by the administration, along the same line of beginning to recognize that unilateral sanctions are not helpful, particularly when it applies to food and to medicine.

The administration supports the spirit of this legislation from the standpoint of continuing to work with the Congress to make those changes necessary to bring about an end to these very harmful actions, harmful to the producers of food and fiber in the United States.

I think I would be remiss if I did not also mention, though, we have some other actions that this Congress needs to take this year along the same line.

We have some very controversial actions coming up regarding normal trade relations with China, a country of 1,200,000,000 mouths to feed. This is something that also needs to be looked at in the same bipartisan spirit.

Fast track negotiations need to be brought before this Congress so that we might include sending our negotiators to the table to negotiate in areas in which perhaps we can avoid sanctions even being considered by any administration. We also have to acknowledge the fact of the disappointment of many in the agricultural appropriation bill that was passed just a few days ago. The lack of step 2 funding for cotton, for example, is going to make it extremely difficult for our cotton industry to participate in the international marketplace; China's ascension to the WTO; all of these need to be considered in the same spirit in which we are here today in support of H.R. 4647.

Again, I commend the leadership, the gentleman from Illinois (Mr. EWING), his leadership on this, and look forward to the passage of this, the passage in the Senate, a presidential signature and moving on to other very important activities regarding agriculture.

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

Mr. Speaker, I want to express, as the ranking member has, our great desire to work with the administration on this new and revised policy about sanctions and embargoes. I think it is very important and very timely, particularly with the problems in agriculture, that we recognize that some of these policies have not worked as we had hoped they would.

Some of the sanctions are put on by this body here, by the Congress, some by the administration. We need to approach that very carefully. In that regard, the chairman of the Committee on International Relations, the gentleman from New York (Mr. GILMAN), the gentleman from Nebraska (Mr. BEREUTER), a member of that committee, and the gentleman from California (Mr. ROYCE), also a member of that committee, have worked very hard to get this bill, H.R. 17, out of the Committee on International Relations and here on the floor today, and I personally recognize them and thank them for their help.

Embargoes and sanctions are not effective. The solution is a bipartisan approach, and that is what we have here today.

With that, I want to thank the staff of the Committee on Agriculture, the staff on my committee, for all the work they have done. This is not a complicated bill, but it has taken some time to bring it here to the floor and to work through the channels.

I do very much appreciate the very strong support on both sides of the aisle of the Committee on Agriculture for this piece of legislation and particularly my thanks to the gentleman from Texas (Mr. STENHOLM) for his cooperation and help today.

Mr. Speaker, I would just close by saying that this bill is strongly supported by the Agricultural Retailers Association, the American Farm Bureau Federation, the American Soybean Association, Corn Refiners Association, Farmland Industries, Inc., IMC Global, Louis Dreyfus Corporation, National Association of Animal Breeders, National Association of State Departments of Agriculture, National Association of Wheat Growers, National Cattlemen's Beef Association, National Chicken Council, National Corn Growers Association, National Council of Farmer Cooperatives, National Farmers Union, National Food Processors Association, National Grain and Feed Association, National Grain Sorghum Producers, National Grange, National Milk Producers Federation, National Pork Producers Council, National Renderers Association, National Sunflower Association, North American Export Grain Association, North American Millers' Association, the Fertilizer Institute, United Egg Association, United Egg Producers and the U.S. Canola Association.

So there is strong support out there in the agricultural community for this bill, and I would now ask for its passage.

Mr. GILMAN. Mr. Speaker, I am pleased to join in supporting H.R. 17, the Selective Agricultural Embargoes Act of 1999, and I commend the gentleman from Illinois, Mr. EWING, and his cosponsors for their strong commitment to bringing this measure forward.

As a technical matter, what H.R. 17 says is that, in the future, if the President selectively embargoes the export of U.S. agricultural commodities to a foreign country, Congress can either pass a law authorizing that embargo, or pass a law disapproving that embargo. If Congress does either of these things, H.R. 17 specifies what consequences for the embargo will follow from that action. If Congress does neither of these things, nothing happens and the embargo will remain in effect.

Inasmuch as selective agricultural embargoes are extremely rare to begin with, and Congress is unlikely in any instance where the President imposes such an embargo to be able to enact a law with respect to that embargo, the practical impact of H.R. 17 will be limited.

As my colleagues know, we have had something of a debate over the last year or so regarding the wisdom and effectiveness of sanctions as a tool of United States foreign policy. I continue to believe that sanctions can be an effective foreign policy tool in appropriate cases, and I know that view is shared by the Clinton Administration, and also by the vast majority of my colleagues, if their votes on sanctions measures over the past several years are any indication of their position on the issue.

If I thought the measure before us today compromised the ability of the United States Government to promote our vital foreign policy interests by preventing the application of sanctions in appropriate cases, I would oppose it. I am satisfied, however, that H.R. 17 does not compromise the availability of this foreign policy tool, and therefore I am pleased to join in supporting it.

I also have received assurances from the distinguished Chairman of the Committee on Agriculture, Mr. COMBEST, regarding the manner in which he will proceed if H.R. 17 is amended by the Senate. I appreciate Mr. COMBEST's willingness to provide these assurances, not least of which because they were critical to my ability to schedule this measure for action in the Committee on International Relations and to support the measure today. I insert the letter I received from Mr. COMBEST to be reprinted in the RECORD at this point.

In closing, Mr. Speaker, I urge my colleagues to support H.R. 17.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, DC, June 9, 1999.

Hon. BEN GILMAN,
Chairman, Committee on International Relations, Washington, DC.

DEAR BEN: This correspondence is in regard to H.R. 17, the ''Selective Agricultural Embargoes Act of 1999.'' The Committee on Agriculture approved this legislation on February 10, and as you are aware the bill was referred additionally to the Committee on International Relations. I understand that your committee will consider H.R. 17 on June 10, 1999, and that you do not anticipate any changes to the bill.

Subcommittee Chairman Ewing and I are eager for prompt floor consideration of H.R. 17. As H.R. 17 relates to an area of special concern to the Committee on International Relations, I support your determination that changes to the bill which would be within

the jurisdiction of your committee not be allowed to occur without your input and consent.

If, as expected, your committee reports H.R. 17 without amendment, let me assure you that in the event changes to the bill were proposed, either by the Senate or in the unlikely event of a conference, I will work with you to ensure that your committee's interests are protected. Because of the lengthy history of this legislation both in this session and last, I am eager to ensure that any concerns your committee may have concerning any attempts to modify this or similar legislation be thoroughly and cooperatively addressed in the same manner as was accomplished between our committees on H.R. 4647 during the 105th Congress. Should changes be made to H.R. 17 in the Committee on International Relations, I will reconsider the options available.

In the event your committee passes H.R. 17 without amendment I will seek to have the bill considered on the Suspension Calendar on the earliest available date.

I deeply appreciate your cooperation regarding H.R. 17. If I may be of further assistance regarding this matter please do not hesitate to contact me.

Sincerely,

LARRY COMBEST,
Chairman.

Mr. BEREUTER. Mr. Speaker, as the Vice Chairman of the Committee on International Relations and an original cosponsor of the bill, this Member rises in strong support of H.R. 17, the Selective Agricultural Embargoes Act of 1999. This Member also wants to commend the distinguished gentleman from Illinois, Mr. EWING, for his initiative and his persistence in bringing this important legislation to the Floor as expeditiously as possible.

As has been noted, H.R. 17 is identical to H.R. 4647, legislation which passed the House by voice vote under suspension of the rules in the final days of the previous 105th Congress. Unfortunately, since the other body did not consider the measure before adjournment, it is necessary for us to again pass this bill.

House Resolution 17 takes the first step towards rationalizing our sanctions policy by requiring the President to report to Congress on any selective embargo on agriculture commodities. The bill provides a termination date for any embargo and requires Congress to approve the embargo for it to extend beyond 100 days. House Resolution 17 also provides greater assurances for contract sanctity.

Unilateral embargoes of U.S. food exports do not hurt or effect any real change on the targeted country. All American farmers have a right to be angry that they are being used by both the executive and legislative branches to carry out symbolic acts so foreign policymakers can appear to be doing something about our toughest foreign policy problems. Given the fact that in relative terms U.S. commodity and livestock prices are at the lowest level seen in years and that many American farmers are facing financial ruin, our agricultural sector can no longer bear this unfair discriminatory burden for our country.

There are three types of embargoes: Short supply embargoes, foreign policy embargoes, and national security embargoes. Unfortunately, the imposition of any these types of embargoes ends up hurting America's farmers and other Americans working in the agricultural sector of our economy while having little or no impact on the targeted country. Indeed, the people who the authors of these embargoes might intend to harm least, namely American farmers, are harmed the most.

For example, last year the United States nearly lost a 350,000 metric ton wheat sale to Pakistan because of our unilateral non-proliferation sanctions on that country. Seeing that unintended and futile effort a number of us in Congress rushed to reverse that sanction just hours before the bids for the wheat sale were received. Because of this quick action, American exporters and our farmers sold our wheat, but just in the nick of time. Had we not acted then, surely the Australian, Canadian or French wheat farmers would have gladly become Pakistan's new primary supplier of wheat.

Mr. Speaker, this Member also believes it is important to state what this legislation does not do in order to reinforce the balanced nature of the bill. House Resolution 17 does not alter any current sanctions because it would only affect embargoes that apply selectively to agriculture products like President Carter's ill-fated and totally ineffective unilateral grain embargo on the Soviet Union in 1980 or President Ford's unilateral, anti-farmer short-supply soybean embargo. The former embargo benefitted European grain farmers while having no impact on the Soviet Union or its invasion of Afghanistan. The latter short-supply soybean embargo devastated American soybean farmers while creating our major soybean export competition in Brazil.

House Resolution 17 does not restrict the President's ability to impose cross-sector embargoes or apply to multilateral embargoes in which all of our agricultural competitors agree to the same export prohibitions we have imposed on our agricutlural sector against the targeted country. This legislation reinforces the approach contemplated by this Member, that is that future export sanctions should be across the board and, whenever possible, multilateral, so that our competitor countries are also affected. And, if there is any room for any exception to that kind of embargo, it should be for food and medical exports. Food should not be used as tool of foreign policy.

Mr. Speaker, in addition to thanking our colleague from Illinois for his outstanding work on this measure, this Member would also like to thank the Chairmen and Ranking Members of the International Relations and Agriculture Committees, Messrs. GILMAN, GEJDENSON, COMBEST and STENHOLM, respectively, as well as International Relations Subcommittee Chairwoman ROS-LEHTINEN and Ranking Member MENENDEZ for considering this legislation expeditiously. In the view of this Member, H.R. 17 is one of the more important steps the 106th Congress is taking on behalf of farmers and agricultural trade.

Mr. Speaker, the Selective Agriculture Embargoes Act is a measured and responsible bill that protects the American farmer and the American agricultural sector from unnecessary and unwarranted harm while at the same time preserving an important foreign policy tool. This Member, therefore, urges his colleagues to vote for H.R. 17.

Mr. MINGE. Mr. Speaker, I rise today in support of H.R. 17, the Selective Agricultural Embargoes Act of 1999. I commend Mr. Ewing for his leadership on this issue, and I am proud to be an original co-sponsor of this legislation.

H.R. 17 requires that if the President acts to implement an embargo of any agricultural commodity to any country, the President must notify Congress of the reasons for the embargo and of the period of time that the embargo will be in effect. Congress then has 100 days to approve or disapprove the embargo. The President's action is approved by Congress, the embargo will terminate on the date determined by the President or 1 year after Congress considered the embargo, whichever occurs earliest. If Congress disapproves of the embargo, it will terminate at the end of a hundred day period.

For well over a year, America's farmers have been suffering from prolonged low commodity prices and decreated export sales. In times like these, it is doubly important that food not be used as a weapon in political battles between nations. The grain embargo of the Soviet Union in the 1970s not only closed the door to one market for America's farm exports, but it also sent a loud message to our trading partners that the United States does not always deal in good faith. This legislation will help assure other countries that it is safe to do business with us, while also assuring our farmers that they are not being used as a foreign policy tool.

Another policy which need to be reformed, in order to stop the damage that it is doing to America's farmers, is the use of sanctions against foreign nations. Congress needs to take up sanctions reform legislation as soon as possible to provide our farmers with more markets for their products. Food should not be used as a weapon, whether it is in the form of a sanction or an embargo.

I urge my colleagues to support H.R. 17, the Selective Agricultural Embargoes Act, because it is a vote for the future of America's farmers.

Mr. EWING. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SHIMKUS). The question is on the motion offered by the gentleman from Illinois (Mr. EWING) that the House suspend the rules and pass the bill, H.R. 17.

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.

GENERAL LEAVE

Mr. EWING. 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. 17, the bill just passed.

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

There was no objection.

EXPRESSING CONCERN OVER ESCALATING VIOLENCE, GROSS VIOLATIONS OF HUMAN RIGHTS AND ONGOING ATTEMPTS TO OVERTHROW DEMOCRATICALLY ELECTED GOVERNMENT IN SIERRA LEONE

Mr. ROYCE. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 62) expressing concern over the escalating violence, the gross violations of human rights, and the ongoing attempts to overthrow a democratically elected government in Sierra Leone, as amended.

The Clerk read as follows:

H. RES. 62

Whereas the Armed Forces Revolutionary Council (AFRC) military junta, which on May 27, 1997, overthrew the democratically elected government of Sierra Leone led by President Ahmed Kabbah, suspended the constitution, banned political activities and public meetings, and invited the rebel fighters of the Revolutionary United Front (RUF) to join the junta;

Whereas the AFRC and RUF then mounted ''Operation No Living Thing'', a campaign of killing, egregious human rights violations, and looting, that continued until President Kabbah was restored to power by the Economic Community of West African States Military Observation Group (ECOMOG) on March 10, 1998;

Whereas the AFRC and RUF have escalated their 8 year reign of terror against the citizens of Sierra Leone, which includes heinous acts such as forcibly amputating the limbs of defenseless civilians of all ages, raping women and children, and wantonly killing innocent citizens;

Whereas the Kamajor civil defense group has committed summary executions of captured rebels and persons suspected of aiding the rebels;

Whereas the AFRC and RUF continue to abduct children, forcibly provide them with military training, and place them on the front-line during rebel incursions;

Whereas countries in and outside of the region, including Liberia, Burkina Faso, and Libya, and mercenaries from Ukraine and other countries, are directly supporting the AFRC/RUF terrorist campaign against the legitimate government and citizens of Sierra Leone;

Whereas the United Nations High Commissioner for Refugees (UNHCR) estimates that last year more than 210,000 Sierra Leoneans fled the country to Guinea, bringing the number to 350,000, most of whom have left Sierra Leone to escape the AFRC/RUF campaign of terror and atrocities, as have an additional 90,000 Sierra Leoneans who have sought safe haven in Liberia;

Whereas the refugee camps in Guinea and Liberia may be at risk of being used as safe havens for rebels and staging areas for attacks against Sierra Leone;

Whereas the humanitarian crisis in Sierra Leone has reached epic proportions with people dying from a lack of food, medical treatment, and medicine, while humanitarian operations are impeded by the countrywide war and the resultant destruction of infrastructure;

Whereas the Nigerian-led intervention force, ECOMOG, has deployed some 15,000 troops in Sierra Leone in an attempt to end the cycle of violence and ensure the maintenance of its democratically elected government at the request of the legitimate Government of Sierra Leone and with the support of the Economic Community of West African States (ECOWAS);

Whereas the escalating violence and terror in Sierra Leone perpetrated by the rebel AFRC/RUF threatens stability in West Africa and has the immediate potential of spilling over into Guinea and Liberia;

Whereas the ECOWAS Group of Seven recently met in Guinea in an attempt to bring about a cessation of hostilities and a negotiated settlement of the conflict; and

Whereas the United Nations report in February 1999 documented human rights abuses by the RUF, the Kamajor civil defense group, and summary executions by ECOMOG: Now, therefore, be it

Resolved, That the House of Representatives—

(1) welcomes the cessation of hostilities and calls for the respect of human rights by all combatants;

(2) applauds the effective diplomacy of the Department of State and the Reverend Jesse Jackson, United States Special Presidential Envoy for the promotion of democracy in Africa, particularly the successful efforts in helping to formulate a cease-fire arrangement;

(3) supports the efforts of all parties to bring lasting peace and national reconciliation in Sierra Leone;

(4) calls on all parties, including government officials and the RUF, to commit to a cease-fire;

(5) appeals to all parties to the conflict to engage in dialogue without any preconditions to bring about a long-term solution to this civil strife in Sierra Leone;

(6) supports the people of Sierra Leone in their quest for a democratic and stable country and a reconciled society;

(7) urges the President, the Secretary of State, and the Assistant Secretary of State for African Affairs to support the democratically elected government of Sierra Leone and continue to give high priority to helping resolve the devastating conflict in that country, which would be an important contribution to stability in the West Africa region;

(8) abhors the gross violations of human rights ongoing in Sierra Leone, including the dismemberment of citizens (including children) by the Armed Forces Revolutionary Council (AFRC) and the Revolutionary United Front (RUF) and demands that they immediately stop such heinous acts;

(9) condemns the West African countries and those outside the region that are aiding the AFRC/RUF and demands they immediately withdraw their combatants and cease providing military, financial, political, and other types of assistance to the rebels in Sierra Leone;

(10) applauds the Economic Community of West African States Military Observation Group (ECOMOG) for its support of the legitimate Government of Sierra Leone and urges it to diversify its forces with troops from additional Economic Community of West African States (ECOWAS) countries and remain engaged in Sierra Leone until a comprehensive settlement of the conflict is achieved;

(11) calls upon the United States to provide increased, appropriate logistical and political support for ECOMOG;

(12) calls on the United States to appoint an independent commission to investigate human rights violations;

(13) calls on the United Nations Security Council to fully support, financially and diplomatically, the activities of the human rights section of the United Nations Observer Mission in Sierra Leone (UNOMSIL);

(14) calls upon the United States to provide increased, appropriate logistical and political support for Ghana and Mali, countries that participate in ECOMOG; and

(15) urges the President to appoint a special envoy for Sierra Leone.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. ROYCE) and the gentleman from New Jersey (Mr. PAYNE) each will control 20 minutes.

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

GENERAL LEAVE

Mr. ROYCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Res. 62, the resolution now under consideration.

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

There was no objection.

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

Mr. Speaker, this resolution addresses the tragic situation in Sierra Leone where the democratically elected government of President Ahmed Kabbah has been under siege by rebel forces. The RUF rebels, as the Subcommittee on Africa has heard, have used despicable tactics of political terror against civilians, which does throw into serious question these forces' commitment to a peaceful and democratic Sierra Leone.

We can only hope that the current cease-fire and ongoing political negotiations between the government and the RUF will produce a lasting political settlement.

Today, Sierra Leone is suffering a humanitarian crisis with hundreds of thousands of Sierra Leoneans having had to flee their country.

As this resolution notes, Sierra Leoneans are suffering from a lack of food. They are suffering from a lack of medicine. As a matter of fact, the suffering is acute. Many victims have lost their hands, have lost their limbs. Many have severed lips and severed ears because of political terror. Amputation is a part of the tactics used by the RUF in order to terrorize the opposition.

This resolution calls for an end to hostilities which, frankly, have the potential of destabilizing all of West Africa. It condemns the gross human rights violations that have shocked the world, and there should be no doubt it is the rebels that have been by far the greatest perpetrators of human rights violations in Sierra Leone.

This resolution calls on specific West African countries to cease providing military aid to rebel forces, and that aid, of course, aids and abets their carnage. It calls on the U.S. to provide additional support for ECOMOG forces that are providing a measure of stability in Sierra Leone. Clearly, the U.S. needs to do more for ECOMOG.

The situation in Sierra Leone greatly concerns many Members of Congress. Over the last year, the Subcommittee on Africa has held two hearings on this conflict. This resolution introduced by the gentleman from New Jersey (Mr. PAYNE) reflects what this subcommittee has learned through these hearings. I urge its adoption.

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

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

Mr. Speaker, I rise today in strong support of this resolution concerning Sierra Leone. I would especially like to thank the gentleman from California (Mr. ROYCE) of the Subcommittee on Africa for his work on this very important issue. I should also like to thank the gentleman from New York (Mr. GILMAN), and the ranking member, the gentleman from Connecticut (Mr. GEJDENSON), for bringing this resolution up so swiftly through the full committee last week.

Let me also thank my colleague, the gentleman from Florida (Mr. HASTINGS), who has been concerned about Sierra Leone for many, many years and for his resolution last week that congratulated everyone involved, especially the Reverend Jesse Jackson, for securing a cease-fire between President Kabbah and Corporal Foday Sankhoy at the talks.

I am pleased that the cease-fire was called and serious negotiations are beginning in Lome. I know that the President of Togo, General Gnassingbe Eyadema, is anxious to get the process moving forward.

Mr. Speaker, the brutal civil war in Sierra Leone has gone on for 8 horrific years. Even during the 30 years of independence, we have seen a country that has been governed improperly, where resources have not been used throughout the country, and that you have a different country from Freetown and the rest of the country. Twenty thousand people have been killed, hundreds have been maimed, and hundreds of thousands have been displaced; and, as we have heard about the horrendous violence from the gentleman from California (Mr. ROYCE) previously, there is not anyplace in the world where the atrocities to this degree should be allowed to go on.

H. Res. 62 expresses the sentiment of the House of Representatives that it is time for the war to end and for all combatants to commit to maintaining the cease-fire and continue talks that will lead to peace and true national reconciliation.

H. Res. 62 abhors the violence against innocent civilians that has characterized the late stages of the conflict. Additionally, the resolution condemns the human rights violations by all combatants, the RUF, the Kabbah government, the Nigerian-led ECOMOG.

H. Res. 62 calls upon the United States Government to increase its diplomatic efforts by pressuring the government and the rebels to remain at the peace talks. It will be difficult because of the brutality of the conflict but, we must urge them to sit at the table and come up with a negotiated settlement.

The government of the U.S. is encouraged to appoint an independent commission to investigate human rights allegations and appoint a special envoy for Sierra Leone in an effort to stop the fighting and end the war.

To date, a cease-fire has been in effect since May 25, 1999. The government of Sierra Leone, headed by the democratically elected President Kabbah and the rebel Revolutionary United Front, called the RUF, have worked out an agreement for exchange of prisoners.

However, the diplomatic effort of the U.S., the UK, ECOWAS and other diplomats will be tested as the two sides grapple with the tricky and final issues of power sharing, a transitional government and the removal of foreign troops.

The stakes are high in Sierra Leone. The stability of the West African region depends on peace and stability within its regions.

□ 1100

As I said, we commend Reverend Jesse Jackson and the State Department, but the people of Sierra Leone must resolve their deep seeded ethnic, social, economic, and political problems for peace to have a chance to take root.

Mr. ROYCE. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. EHLERS), who has had a special interest in the humanitarian crisis in Sierra Leone, and who has worked with his church to try to urge adoption of this resolution.

Mr. EHLERS. Mr. Speaker, I thank the gentleman from California (Mr. ROYCE) for yielding me this time.

I commend the gentleman from California (Mr. ROYCE) for his activities in this area and for the work he has done on Sierra Leone. I sponsored a similar resolution last year, although not as detailed as this one, because issues had not developed to this point.

The gentleman from California has been extremely helpful and very interested in the Sierra Leone issue and has done all that can be done in the Congress to address this issue.

I also wish to thank the gentleman from New Jersey (Mr. PAYNE) for sponsoring this resolution and bringing it to our attention. I appreciate his interest and his support in this effort.

It is very troubling when one examines the situation in Sierra Leone. It is particularly troubling when one compares our Nation's response to this situation to the response we mounted in in Kosovo and Yugoslavia. It is dangerous to make comparisons, of course, because they are far different parts of the world. But I do find it troubling that, even though Sierra Leone had more deaths and more people displaced than Kosovo at the time the bombing began in Kosovo and Yugoslavia, we did not chose to take action in Sierra Leone. Furthermore, this is a clear case, I believe, showing aggression or at least involvement from other nations outside of Sierra Leone, particularly Liberia. There is clear evidence of that, but there is also substantial evidence that Libya has been involved in stirring the pot and creating great difficulties there.

My interest in this goes back almost 20 years. I was involved in a task force on world hunger appointed by my denomination, the Christian Reformed Church of North America. I am results-oriented, and I insisted that we develop recommendations that would be meaningful and that our small denomination could handle with its 350,000 members. We came up with the suggestion for our denomination to adopt Sierra Leone and help them in every way possible.

Our church has been active there for some time but has been forced by events of the last year to withdraw. We had substantial success in Sierra Leone in helping with development, particularly in the bush region, and helping them drill wells, provide water, start farming, and develop economically as well as agriculturally. In addition, we have tried to help in other areas, in cooperation with the government.

It is a great disappointment to see the situation deteriorate in Sierra Leone. In fact, one of the national workers in our church's effort there was killed recently while innocently walking down the street. When the RUF gunman was asked why he shot this person, his response was, ''Well, I have not shot anyone for a week; I thought it was about time.''

This is the type of terror that is taking place there. But in some ways, it is even worse than in Kosovo, because not only are people being shot and killed, but they are also being tortured.

The gentleman from California (Mr. ROYCE) mentioned the amputations. It is very common there to chop off hands or feet, and sometimes both, and then turn people loose. Many of them, of course, die from loss of blood before they can get medical help. But regardless of whether they die or survive, it is a terrible act. Those survivors not only suffer, but are hampered from earning a living for the rest of their life.

What has troubled me most is that the United States Government has not responded as forcefully as I believe it could.

I say to the gentleman from New Jersey (Mr. PAYNE) I particularly appreciate that part of his resolution that calls on us to offer whatever assistance we can. It would take a minimal

amount of assistance to deal with this situation and help the forces of ECOMOG, which are from the other neighboring nations, overthrow the rebels and provide peace and stability to that country; and, yet, we have provided very little assistance. I hope that this resolution will be one means of addressing that situation and stabilizing the nation.

Once again, I want to emphasize to the Congress the importance of this issue and how destabilizing it is, not only in Sierra Leone, not only in this region; but in fact, in all of West Africa. If our Nation does not indicate a willingness to aid peace and stability in that region, we will likely to have very serious problems to contend with there in the future.

Mr. PAYNE. Mr. Speaker, I really appreciate those remarks from the gentleman from Michigan (Mr. EHLERS).

Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. HASTINGS) from our committee, who has worked hard on this issue.

Mr. HASTINGS of Florida. Mr. Speaker, I thank the gentleman from New Jersey (Mr. PAYNE), the ranking member, for yielding me this time. I thank the gentleman from California (Mr. ROYCE), the chairman of the Subcommittee on Africa, for bringing this matter forward in an expeditious matter.

Like the gentleman from New Jersey (Mr. PAYNE), I would like to associate myself with the remarks of the gentleman from Michigan (Mr. EHLERS) that were just made.

Mr. Speaker, I rise to express my strong support for H. Res. 62, which expresses concern over the escalating violence and the gross violations of human rights in Sierra Leone.

On May 27, 1997, the Armed Forces Revolutionary Council, the military junta, overthrew the democratically elected government of Sierra Leone led by President Ahmed Kabbah, suspended the Constitution, banned political activities, and invited the rebel fighters of the Revolutionary United Front to join the junta.

The resolution, as offered, calls for immediate cessation of hostilities and respect for human rights by all combatants in Sierra Leone. It encourages parties to engage in dialogue without preconditions; abhors human rights violations by the Armed Forces Revolutionary Council and Revolutionary United Front against innocent civilians, including children; encourages the United States to provide increased and appropriate logistical political support for ECOMOG and other participating countries; and calls upon all combatants to commit a cease-fire. It also commends Reverend Jesse Jackson for his extraordinary diplomacy in this area.

Mr. Speaker, as legislators committed to promoting democracy the world over, we have followed with great interest the efforts undertaken by many countries in Africa seeking to promote democracy. Thus, it has been my belief that the United States has a responsibility to help countries in Africa succeed in their efforts toward stabilization, both for humanitarian reasons and because it is in the interest of democracy. We must do all within our power to assist in stabilizing the situation in Sierra Leone.

I urge our colleagues to support this resolution.

Mr. Speaker, I rise to express my strong support for H. Res. 62, which expresses concern over the escalating violence, and the gross violations of human rights in Sierra Leone.

Mr. Speaker, on May 27, 1997, the Armed Forces Revolutionary Council (AFRC) military junta, overthrew the democratically elected government of Sierra Leone led by President Ahmed Kabbah, suspended the constitution, banned political activities, and invited the rebel fighters of the Revolutionary United Front (RUF) to join the junta.

This resolution calls for immediate cessation of hostilities and respect for human rights by all combatants in Sierra Leone. It encourages parties to engage in dialogue without preconditions; abhors human rights violations by Armed Forces Revolutionary Council and Revolutionary United Front against innocent civilians, including children; encourages the U.S. to provide increased and appropriate logistical, political support for ECOMOG and other participating countries and calls upon all combatants to commit to a cease fire.

Mr. Speaker, as legislators committed to promoting democracy the world over, we have followed with great interest the efforts undertaken by many countries in Africa seeking to promote democracy. Thus, it has long been my belief that the United States has a responsibility to help countries in Africa succeed in their efforts towards stabilization, both for humanitarian reasons and because it is in democracies' best interest. We must do all within our power to stabilize the situation in Sierra Leone.

I urge my colleagues to support this resolution.

Mr. PAYNE. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. MEEKS).

Mr. MEEKS of New York. Mr. Speaker, I rise today in strong support of House Resolution 62, which expresses concerns on the escalating violence in Sierra Leone. This resolution deals with the genocide, forced servitude either in the Army and/or enslavement, because it deals with gross human rights violations, and it threatens the stability of a democratic government and a democratic society.

Not too long ago, Mr. Speaker, I stood here on the floor of the House saying, as we were involved with the escalating violence in Kosovo, that genocide is genocide, and it is wrong no matter where it is.

I say that the genocide that is taking place now in Sierra Leone must be stopped; and we must, as Members of the House and members of the administration, pay attention to what is going on in Sierra Leone and on the continent of Africa. For, indeed, there is a saying that ''to whom much is given, much is required.'' Much has been given to this great Nation of ours, and therefore much is required of it.

If we turn our backs on the wrong, the moral wrong, the children who are being murdered and maimed every day, who are not getting an education, who are not getting the opportunity to compete in the global society in which we now live, then we are wrong as Members of this House, and we are wrong as a Nation.

We must make efforts. We must put our money where our mouths are. We must make sure that we stop the wrong that is going on in Sierra Leone so that a civilized society can come back to an existence. We must put our foot down as we did in Kosovo to say that enough is enough, and we are going to have a civil government and stop the kinds of inhuman treatment and injustices that are taking place.

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

Let me once again thank the gentleman from California (Mr. ROYCE) for bringing this very important resolution to the floor.

Let me just say in conclusion that Sierra Leone is a country that many people do not realize in addition to Liberia, where free men and women went back to Africa to create the country of Liberia back in 1822, and then under President Monroe, Liberia was founded in 1847, called Liberia for free men in Monrovia, its free city, Sierra Leone was founded also by freed slaves that went to Freetown.

Many of these persons actually fought in the Revolutionary War, and they fought for the British actually. The British guaranteed that, if they won the war, or when the war was concluded, that these persons would earn their freedom by fighting with the British against the colonists. Of course many African Americans also fought with the colonists.

As my colleagues know, Crispus Attucks was the first person killed in the Boston Massacre in May of 1770. So Freetown does have some links to African-Americans.

Many Sierra Leonans also went to South Carolina where many of them still speak a dialect. So we feel there is an importance to not only African-Americans, but to all Americans in that we should move to see that this terrible war ends and that the cease-fire holds, and that we can move on to reconciliation as we have seen in Namibia after their long civil war and we saw in Mozambique in that war when people sat at the table and came up with a solution.

Mr. Speaker, I yield back the balance of my time.

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

Mr. Speaker, in closing, I want to thank the participants of this debate. I have enjoyed working with Mr. Payne and the other members of the Subcommittee on Africa on this resolution, and I urge its adoption.

Mr. GILMAN. Mr. Speaker, I rise in support of this resolution.

Mr. ROYCE, Mr. PAYNE, and the Members of the Subcommittee on African Affairs are to be congratulated for their attention to the difficult political and humanitarian crisis in Sierra Leone.

When Sierra Leone received independence from Britain in 1961, it had everything going for it. The fierce tribalism that plagues some African nations never developed there, and although there are 14 ethnic groups, urban life has led to a blending of cultures. Sierra Leone benefited from strong educational institutions at the time of independence and boasts many highly educated citizens. But after independence, corrupt politicians found it relatively easy to consolidate power and accumulate great wealth.

Neighboring Liberia's civil war spilled over into Sierra Leone ten years ago, and faction leader Charles Taylor, now Liberia's president, armed and supported a Sierra Leone rebel group, the Revolutionary United Front. Led by Foday Sankoh, a cashiered army corporal, the RUF has demonstrated no discernible political agenda. Its followers have murdered and maimed thousands of the poorest people. Like the Shining Path in Peru, the RUF terrorizes the population to ensure compliance. RUF leaders recruit teenage and pre-teen boys and girls, sometimes forcing them to kill their own families before taking them from their rural villages at gunpoint. The practice of amputation and carving RUF initials into the skin of children became commonplace.

Sierra Leoneans finally rose up and demanded elections. In 1996 they poured into the streets, even battling soldiers to protect ballot boxes. In the first democratic elections in many years, they chose Ahmad Tejan Kabbah, a retired U.N. diplomat, as President.

Kabbah never came to grips with the country's many problems. In May 1997, the army seized the capital again and invited the RUF to join them in looting the city. Nine months later, Nigerian troops operating under the Economic Community of West Africa Monitoring Group (ECOMOG) ousted the vandals and restored Kabbah to power.

On January 6 of this year, the RUF launched another offensive on the capital and destroyed the country's largest hospital, its 170-year-old university, and its new telecommunications center before the ECOMOG troops drove them out again.

For the moment, there is a sign of hope. On May 18, 1999, President Kabbah and rebel leader Sankoh signed a cease-fire agreement. This tenuous peace must be guarded and nurtured. This resolution is an important step in sustaining continued U.S. engagement and support.

Mr. ROYCE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SHIMKUS). The question is on the motion offered by the gentleman from California (Mr. ROYCE) that the House suspend the rules and agree to the resolution, House Resolution 62, as amended.

The question was taken.

Mr. ROYCE. 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.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Sherman Williams, one of his secretaries.

CONDEMNING THE NATIONAL ISLAMIC FRONT (NIF) GOVERNMENT

Mr. ROYCE. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H.Con.Res. 75) condemning the National Islamic Front (NIF) government for its genocidal war in southern Sudan, support for terrorism, and continued human rights violations, and for other purposes, as amended.

The Clerk read as follows:

H. CON. RES. 75

Whereas according to the United States Committee for Refugees (USCR) an estimated 1,900,000 people have died over the past decade due to war and war-related causes and famine, while millions have been displaced from their homes and separated from their families;

Whereas the National Islamic Front (NIF) government's war policy in southern Sudan, the Nuba Mountains, and the Ingessena Hills has brought untold suffering to innocent civilians and is threatening the very survival of a whole generation of southern Sudanese;

Whereas the people of the Nuba Mountains and the Ingessena Hills are at particular risk, having been specifically targeted through a deliberate prohibition of international food aid, inducing manmade famine, and by routinely bombing civilian centers, including religious services, schools, and hospitals;

Whereas the National Islamic Front government is deliberately and systematically committing genocide in southern Sudan, the Nuba Mountains, and the Ingessena Hills;

Whereas the Convention for the Prevention and the Punishment of the Crime of Genocide, adopted by the United Nations General Assembly in 1948, defines ''genocide'' as official acts committed by a government with the intent to destroy a national, ethnic, or religious group, and this definition also includes ''deliberately inflicting on the group conditions of life calculated to bring about its physical destruction, in whole or in part'';

Whereas the National Islamic Front government systematically and repeatedly obstructed peace efforts of the Intergovernmental Authority for Development (IGAD) over the past several years;

Whereas the Declaration of Principles (DOP) put forth by the Intergovernmental Authority for Development mediators is the most viable negotiating framework to resolve the problems in Sudan and to bring lasting peace;

Whereas humanitarian conditions in southern Sudan, especially in Bahr al-Ghazal and the Nuba Mountains, deteriorated in 1998, largely due to the National Islamic Front government's decision to ban United Nation's relief flights from February through the end of April in 1998 and the government continues to deny access in certain locations;

Whereas an estimated 2,600,000 southern Sudanese were at risk of starvation late last year in southern Sudan and the World Food Program currently estimates that 4,000,000 people are in need of emergency assistance;

Whereas the United Nations-coordinated relief effort, Operation Lifeline Sudan (OLS), failed to respond in time at the height of the humanitarian crisis last year and has allowed the National Islamic Front government to manipulate and obstruct the relief efforts;

Whereas the relief work in the affected areas is further complicated by the National Islamic Front's repeated aerial attacks on feeding centers, clinics, and other civilian targets;

Whereas relief efforts are further exacerbated by looting, bombing, and killing of innocent civilians and relief workers by government-sponsored militias in the affected areas;

Whereas these government-sponsored militias have carried out violent raids in Aweil West, Twic, and Gogrial counties in Bahr el Ghazal/Lakes Region, killing hundreds of civilians and displacing thousands;

Whereas the National Islamic Front government has perpetrated a prolonged campaign of human rights abuses and discrimination throughout the country;

Whereas the National Islamic Front government-sponsored militias have been engaged in the enslavement of innocent civilians, including children, women, and the elderly;

Whereas the now common slave raids being carried out by the government's Popular Defense Force (PDF) militias are undertaken as part of the government's self-declared jihad (holy war) against the predominantly traditional and Christian south;

Whereas, according to the American Anti-Slavery Group of Boston, there are tens of thousands of women and children now living as chattel slaves in Sudan;

Whereas these women and children were captured in slave raids taking place over a decade by militia armed and controlled by the National Islamic Front regime in Khartoum—they are bought, sold, branded, and bred;

Whereas the Department of State, in its report on Human Rights Practices for 1997, affirmed that ''reports and information from a variety of sources after February 1994 indicate that the number of cases of slavery, servitude, slave trade, and forced labor have increased alarmingly'';

Whereas the enslavement of people is considered in international law as ''crime against humanity'';

Whereas observers estimate the number of people enslaved by government-sponsored militias to be in the tens of thousands;

Whereas former United Nations Special Rapporteur for Sudan, Gaspar Biro, and his successor, Leonardo Franco, reported on a number of occasions the routine practice of

slavery and the complicity of the Government of Sudan;

Whereas the National Islamic Front government abuses and tortures political opponents and innocent civilians in the North and that many northerners have been killed by this regime over the years;

Whereas the vast majority of Muslims in Sudan do not subscribe to the National Islamic Front's extremist and politicized practice of Islam and moderate Muslims have been specifically targeted by the regime;

Whereas the National Islamic Front government is considered by much of the world community to be a rogue state because of its support for international terrorism and its campaign of terrorism against its own people;

Whereas according to the Department of State's Patterns of Global Terrorism Report, ''Sudan's support to terrorist organizations has included paramilitary training, indoctrination, money, travel documentation, safe passage, and refuge in Sudan'';

Whereas the National Islamic Front government has been implicated in the assassination attempt of Egyptian President Hosni Mubarak in Ethiopia in 1995 and the World Trade Center bombing in 1993;

Whereas the National Islamic Front government has permitted Sudan to be used by well-known terrorist organizations as a refuge and training hub over the years;

Whereas the Saudi-born financier of extremist groups and the mastermind of the United States embassy bombings in Kenya and Tanzania, Osama bin-Laden, used Sudan as a base of operations for several years and continues to maintain economic interests there;

Whereas on August 20, 1998, United States Naval forces struck a suspected chemical weapons facility in Khartoum, the capital of Sudan, in retaliation for the United States embassy bombings in Nairobi and Dar es Salaam;

Whereas relations between the United States and Sudan continue to deteriorate because of human rights violations, the government's war policy in southern Sudan, and the National Islamic Front's support for international terrorism;

Whereas the United States Government placed Sudan in 1993 on the list of seven states in the world that sponsor terrorism and imposed comprehensive sanctions on the National Islamic Front government in November 1997; and

Whereas the struggle by the people of Sudan and opposition forces is a just struggle for freedom and democracy against the extremist regime in Khartoum: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) strongly condemns the National Islamic Front government for its genocidal war in southern Sudan, support for terrorism, and continued human rights violations;

(2) strongly deplores the government-sponsored and tolerated slave raids in southern Sudan and calls on the government to immediately end the practice of slavery;

(3) calls on the United Nations Security Council to condemn the slave raids and bring to justice those responsible for these crimes against humanity;

(4) calls on the President—

(A) to increase support for relief organizations that are working outside the United Nations-coordinated relief effort, Operation Lifeline Sudan (OLS), in opposition-controlled areas;

(B) to instruct the Administrator of the United States Agency for International Development (USAID) and the heads of other relevant agencies to significantly increase and better coordinate with nongovernmental organizations outside the Operation Lifeline Sudan system involved in relief work in Sudan;

(C) to instruct the Administrator of USAID and the Secretary of State to work to strengthen the independence of Operation Lifeline Sudan from the National Islamic Front government;

(D) to substantially increase development funds for capacity building, democracy promotion, civil administration, judiciary, and infrastructure support in opposition-controlled areas, and to report on a quarterly basis to the Congress on the progress made under this subparagraph;

(E) to instruct appropriate agencies to provide humanitarian assistance directly, including food, to the Sudan People's Liberation Army (SPLA), its NDA allies, and other indigenous groups in southern Sudan and the Nuba Mountains;

(F) to intensify and expand United States diplomatic and economic pressures on the National Islamic Front government by maintaining the current unilateral sanctions regime and by increasing efforts for multilateral sanctions;

(G) to provide the Sudan People's Liberation Army (SPLA) and its National Democratic Alliance (NDA) allies with political and material support;

(H) to take the lead to strengthen the Intergovernmental Authority for Development's (IGAD) peace process; and

(I) not later than 3 months after the adoption of this resolution, to report to the Congress about the administration's efforts or plans to end slavery in Sudan;

(5) calls on the United Nations Security Council—

(A) to impose an arms embargo on the Government of Sudan;

(B) to condemn the enslavement of innocent civilians and take appropriate measures against the perpetrators of this crime;

(C) to swiftly implement reforms within the Operation Lifeline Sudan to enhance independence from the National Islamic Front regime;

(D) to implement United Nations Security Council Resolution 1070 relating to an air embargo;

(E) to make a determination that the National Islamic Front's war policy in southern Sudan and the Nuba Mountains constitutes genocide or ethnic cleansing; and

(F) to protect innocent civilians from aerial bombardment by the National Islamic Front's air force;

(6) urges the Inter-Governmental Authority for Development (IGAD) partners under the leadership of President Daniel Arap Moi to call on the Government of Sudan to immediately stop the indiscriminate bombings in southern Sudan;

(7) strongly condemns any government that financially supports the Government of Sudan;

(8) calls on the President to transmit to the Congress not later than 90 days after the date of the adoption of this concurrent resolution, and not later than every 90 days thereafter, a report regarding flight suspensions for humanitarian purposes concerning Operation Lifeline Sudan; and

(9) urges the President to increase by 100 percent the allocation of funds that are made available through the Sudanese Transition Assistance for Rehabilitation Program (commonly referred to as the ''STAR Program'') for the promotion of the rule of law to advance democracy, civil administration and judiciary, and the enhancement of infrastructure, in the areas in Sudan that are controlled by the opposition to the National Islamic Front government.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. ROYCE) and the gentleman from New Jersey (Mr. PAYNE) each will control 20 minutes.

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

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

GENERAL LEAVE

Mr. ROYCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 75.

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

There was no objection.

Mr. ROYCE. Mr. Speaker, this resolution brings much needed attention to the terrible situation in Sudan where war incredibly has led to the death of 1.9 million Sudanese over the past decade. The vast majority of these Sudanese have not been combatants. They have been innocent women and children in the south who have been cruelly subjected to starvation and disease as food has been used as a weapon against them.

□ 1115

As the Subcommittee on Africa and the Subcommittee on International Operations and Human Rights of the Committee on International Relations heard 3 weeks ago, the humanitarian crisis in Sudan remains severe and a process of slavery still exists. We heard the personal experiences of southern Sudanese who have lost family members to the horrific process of slavery.

This resolution pulls no punch. The Sudanese government, it states, is committing genocide. The Sudanese government has also engaged in slavery. This is consistent with its international behavior. Sudan is classified as a terrorist state by the State Department.

This resolution condemns the Sudanese government for its genocidal war in southern Sudan and its support for terrorism. It deplores the government-supported slave trade in Sudan, and it calls for increased and more effective aid efforts in southern Sudan. The United States, this resolution suggests, must play a key role in attempting to bring peace to southern Sudan.

Mr. Speaker, I commend the gentleman from New Jersey (Mr. PAYNE), the author of this resolution, and I urge its passage.

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

Mr. PAYNE. Mr. Speaker, I yield myself such time as I may consume, and I rise in strong support of this resolution.

Mr. Speaker, once again let me commend the gentleman from California (Mr. ROYCE), the chairman of the Subcommittee on Africa, for bringing this very important resolution to the floor; and also to the ranking member of the full committee, the gentleman from New York (Mr. GEJDENSON); and the chairman of the full committee, the gentleman from New York (Mr. GILMAN), for the work that they have done on this very important issue.

The issue has been an issue that has been very important to me for many, many years: The question of Sudan and the horrendous quality of life that people, in particular in the south of Sudan, must go through in their daily lives simply to exist.

My first visit to Sudan was in 1993, and since then I have traveled several times to the region. Just last week I was joined by my colleagues, Senator BROWNBACK from Kansas and the gentleman from Colorado (Mr. TANCREDO), and it was great to have those Congress persons, as a matter of fact, the largest congressional delegation to go to the south of Sudan perhaps in decades.

Our trip took us to Loki in Kenya, to southern Sudan, to Yei and Labone, and at each of these places we saw thousands and thousands of refugees who are living in substandard conditions. Let me say that the war in Sudan is currently Africa's longest running Civil War. It is estimated that two million people have died, and as a direct result of this war many others have been misplaced, close to four million. The Sudanese conflict is often one of the major causes of famine and misery in southern Sudan.

The National Islamic Front government in Khartoum has systematically and militarily tried to wipe out the people in the south by genocidal means. The NIF government of the north has supported international terrorist activities and has even attempted to destabilize neighbors in East Africa. They have supported the Lord's Resistance Army in northern Kenya, an army of people who brutalize, kidnap children and maim and kill innocent people.

H.Con.Res. 75 condemns the NIF government for its genocidal war in southern Sudan, its support of terrorism and continued human rights violations.

H.Con.Res. 75 deplores the slave raids into southern Sudan where women and children are captured and sold as chattel slaves by a military controlled by the Khartoum government.

The resolution calls upon the United States Government to increase aid to relief organizations working outside of Operation Lifeline Sudan, the OLS, and it instructs USAID to better coordinate the delivery of aid and relief materials.

The State Department is called upon to increase the diplomatic pressure on the NIF government and to provide greater leadership by strengthening the Intergovernmental Authority for Development, the IGAD process, and we urge President Moi from Kenya, who chairs IGAD, to even work more diligently at coming up with a solution.

Finally, H. Con. Res. 75 calls upon the U.N. Security Council to impose an arms embargo against the Sudanese Government, condemn slavery and reform OLS to strengthen its independence from the NIF government.

All Members of the House are encouraged to vote for this resolution.

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

Mr. ROYCE. Mr. Speaker, I yield such time as he may consume to the gentleman from Colorado (Mr. TANCREDO), who along with the gentleman from New Jersey (Mr. PAYNE) recently toured Sudan and had an opportunity to visit sites recently bombed, such as the hospital in Yei.

Mr. TANCREDO. Mr. Speaker, I thank the gentleman for yielding me this time. It is accurate that my colleagues, the gentleman from New Jersey (Mr. PAYNE), and Senator BROWNBACK, and I just returned from the Sudan where we witnessed the events described in this resolution, as described on the floor. We witnessed them firsthand, and witness them we did. Not only did we witness the effects, the physical effects of the bombing, the physical effects of the terror being imposed on the people of south Sudan by the government in the north, or the government in Khartoum, but we also witnessed the terror in the eyes of the people in south Sudan who came to us time after time after time, village after village, and asked us to do something, to do anything, as representatives of the greatest Nation on earth, as representatives of the most powerful Nation on the planet. They asked us to do something about the horror that they face day in and day out and that they have faced now for lo these many years.

As my colleague, the gentleman from New Jersey (Mr. PAYNE) has indicated, it is the longest running battle, war, conflict, whatever we wish to call it, on the continent. It has now killed more people than any conflict since the Second World War. Two million dead, 4 million displaced. All of this has happened and the world has been silent.

My colleague, and the chairman the distinguished chairman of our committee, the gentleman from New York (Mr. GILMAN), has offered and will offer a statement for the RECORD in its entirety, but I would like to just excerpt one part of it because I think it is extremely poignant and needs to be stressed. It says: ''Sudan has had a long history of suffering. For many years, it has gone largely unnoticed by the rest of the world. I am reminded of the Book of Isaiah, where in chapter 40 the prophet speaks of a 'voice crying out in the wilderness.' A few of our colleagues, like the gentleman from Virginia (Mr. WOLF), and the gentleman from New Jersey (Mr. PAYNE) have cried out again and again at the pain and suffering of the people of south Sudan. But for too long, they have been the lone voices in the wilderness.''

I am here to say, Mr. Speaker, that I will add my voice willingly to the voices of the gentleman from New Jersey (Mr. PAYNE), the gentleman from Virginia (Mr. WOLF) and others who have been crying out in this wilderness for some time.

Hard as it is to believe, Mr. Speaker, there are still places on this earth where people can be abducted from their own homes, placed in chains, taken to a foreign land, branded, and forced to live out their lives as slaves. Hard as it is to believe, Mr. Speaker, these things are happening to people, and their own government is a culprit in the crime.

There are many issues, of course, being addressed in the resolution. I certainly want to add my support to all of them. But this particular issue needs to be brought to the attention of the American public because maybe this is the thing that will get someone to pay attention to this horrible situation in Sudan and bring some relief to these people.

Finally, Mr. Speaker, it is important to note that a vast majority of northern Sudanese citizens are not complicit in this oppression. To the contrary, many northerners are suffering under the regime and they would like to see it end also. As with most abusive regimes, a small minority of military extremists are driving the government's policies. Far from condemning all of the people of the north, we express our sympathy and solidarity with them.

Mr. PAYNE. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. MEEKS), a member of the Subcommittee on Africa.

Mr. MEEKS of New York. Mr. Speaker, I rise in strong support of H. Con. Res. 75, and let me thank the Chairman of the Subcommittee on Africa, the gentleman from California (Mr. ROYCE) and the gentleman from New Jersey (Mr. PAYNE) for bringing this resolution to the floor. I think that it is time that we really pay attention to what is going on in the Sudan.

Mr. Speaker, 1.9 million people are dead. These are human beings, people who have flesh and blood just like us. How can we turn our backs on what is happening there? People taken from their homes and put into slavery. Our own dark history in this country knows the evils of slavery, and surely this is a chance for us in this country to redeem ourselves from what happened in our dark past, to make sure that that should never, ever happen on the face of the earth today.

How can we talk about going into the 21st century when slavery is still going on? How can we allow such a shameful act to continue? We must, as this resolution begins to do, do something and show that we care about human life; we care about people who may not be our immediate neighbors but they are our brothers in this world.

So I thank the gentleman from New Jersey (Mr. PAYNE) and the gentleman from California (Mr. ROYCE) and the gentleman from New York (Mr. GILMAN) for having the wisdom to bring this forward to the American public, and I think that we as a House and this administration need to surely focus on it as we do any other world crisis.

Mr. PAYNE. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Speaker, I rise in strong support of H. Con. Res. 75, and I want to thank the gentleman from New York (Mr. GILMAN) and the gentleman from California (Mr. ROYCE) and (Mr. PAYNE) for bringing this to not only the committee's attention but to the country's attention.

The war in the Sudan is currently Africa's longest running Civil War. It is estimated that 2 million people have died as a result of this war. The Sudanese conflict has caused major famine and misery for the people of southern Sudan.

This resolution condemns the National Islamic Front government for its genocidal war in southern Sudan and its support of terrorism and continued human rights violations.

The State Department is called upon to increase the diplomatic pressure on the NIF government and to provide greater leadership by strengthening the Intergovernmental Authority Development process.

The United States must take the moral high ground in addressing genocide throughout the world wherever it is occurring. The recent attention on the terror and the death and destruction in Yugoslavia causes many of us to question why there has been no attention and outrage over the 2 million people dying in the Sudan or over the 800,000 people who died in Rwanda.

Mr. Speaker, during the hearings on this resolution we heard some very sobering testimony about the lack of our own country's response to this human tragedy. There is an abolitionist movement taking place in this country here in 1999. Imagine, an abolitionist movement to free the slaves of Sudan. How tragic it is that in 1999 there must be in the United States of America an abolitionist movement. But we need this movement to assist us to help the public become aware of the great contributions and discrepancies in our policies toward Africa.

Mr. Speaker, I want to once again thank all of the leadership on this issue and hope that we get a unanimous aye vote for this resolution.

□ 1130

Mr. PAYNE. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. MCNULTY).

Mr. MCNULTY. Mr. Speaker, I thank the gentleman for yielding. And I thank the chairman and ranking member and all of the sponsors for bringing this resolution to the floor. I strongly support it.

I traveled to Sudan in 1989. I did not know much about the Horn of Africa at the time. But I knew this: 280,000 people starved to death the year before, not because there was not enough food. There was a tremendous outpouring of support from people all over the world, and, I am proud to say, it came primarily from the United States of America. But that food did not get through to the innocent civilian populations because of this civil war.

I went to Sudan with the late Mickey Leland and the late Bill Emerson and my colleague GARY ACKERMAN. I watched in awe as Mickey Leland negotiated with the tyrant Sadiq al-Mahdi and with the leader of the SPLA John Garang, and even that unsavory character next door President Mengistu in Ethiopia to create these ''corridors for peace.'' He was successful that year. And in that following year, deaths due to starvation dropped dramatically.

But in the time since then, we have focused our attention elsewhere. We have looked away from this tragedy and the situation today under Colonel Bashir is as bad as it has ever been.

As my friend and colleague the gentleman from New York (Mr. MEEKS) pointed out, 1.9 million people have already died in Sudan because of this civil war; 4 million people are internally displaced—more than any other nation on the face of the Earth. And we look the other way.

Mr. Speaker, we need to get our priorities straight; stop this war, secure the peace, end this human suffering. And we can start by passing and then implementing the provisions of this resolution.

Mr. ROYCE. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. GILMAN), the distinguished chairman of the Committee on International Relations.

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

Mr. Speaker, I am pleased to cosponsor this resolution on Sudan, along with the gentleman from New Jersey (Mr. PAYNE), and rise today in strong support of the measure.

Sudan has had a long history of suffering. For many years, it has gone virtually unnoticed by the rest of the world. I am reminded that in the Book of Isaiah, where in chapter 40 the prophet speaks of ''a voice crying out in the wilderness.''

A few of our colleagues, like the gentleman from Virginia (Mr. WOLF) and the gentleman from New Jersey (Mr. PAYNE) have cried out again and again at the pain and suffering of the people of southern Sudan. But for far too long, they have been the lone voices in the wilderness.

This resolution conveys the sadness and the frustration of this Congress with Sudan's government. The National Islamic Front, led by Dr. Hassan al-Turabi, has mounted a consistent, methodical campaign to eliminate their southern problem by any means necessary. It is chillingly reminiscent of the apartheid strategies launched by the National Party of South Africa in 1948 to eliminate the so-called ''black problem.''

Eventually, the National Party in South Africa learned the futility of apartheid, and tomorrow that country is going to celebrate the inauguration of its second democratically elected President. The National Islamic Front of Sudan will also learn, eventually, hopefully, the futility of its efforts to suppress the human spirit. But we wonder how many more lives are going to have to be lost before that lesson is truly learned.

One final but important note, Mr. Speaker: The vast majority of northern Sudanese citizens are not complicit in this oppression. To the contrary, many northerners are suffering under this regime and want to see it come to an end quickly. And as most abusive regimes, a small majority of militant extremists are driving the government's policies. Far from condemning all the people of the North, we express our sympathy and solidarity with them.

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

Mr. Speaker, I want to thank the gentleman from New Jersey (Mr. PAYNE) and the other members of the committee for their work on this resolution.

Mr. Speaker, I yield back the balance of my time.

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

Mr. Speaker, once again, I would like to thank everyone for the support.

Finally, the question of Sudan is starting to become an issue that people in this country and around the world are starting to focus on. We have seen Somalia. We have seen Haiti. We have seen Kosovo. But as these things were going on, Sudanese were still suffering. For the last 40 years, they have been suffering. So finally, I think enough is enough. The time is now for us to act.

I would also like to thank people like Barbara Vogel, who is a teacher out in Colorado whose youngsters have written letters about slavery, and they call themselves ''The Little Abolitionists,'' and they have raised close to a $100,000

to buy back people who have been in bondage in Sudan; and Father Dan Ethal, who is with the Norwegian People's Aid, who has worked so long in southern Sudan; and Roger Winters from the Refugee International; and Charles Jacobs, who heads the anti-Africa Slavery Committee.

When I concluded at a church service on our last day in southern Sudan, I simply told the people there that I had been there many years, as it was interpreted, but I said the next time I return to southern Sudan, I would hope to visit them in their own homes. There was a tremendous cheer that went out. So, hopefully, this resolution will move us toward that day where those people who have been suffering for decades and decades can go back to their own homes.

Mr. WOLF. Mr. Speaker, I rise in strong support of H. Con. Res. 75, a resolution condemning the National Islamic Front government in Sudan for its support for terrorism, its human rights abuses and its genocidal war in Southern Sudan. I commend Representatives DON PAYNE for his leadership in sponsoring this resolution.

I also want to applaud Mr. PAYNE and Representative TOM TANCREDO for taking the time to visit Sudan during the Memorial Day recess. It is not an easy trip—it is in fact one of the most difficult places to visit in the entire world. But, people need to go there and see for themselves the suffering of the people. Once you have seen it—the desperate looks in their eyes, their utter destitution, the starvation, homelessness and disease—you cannot forget it. The willingness of Representative PAYNE and TANCREDO to go to Sudan gave the people there hope that they are not forgotten. This resolution is another message of hope.

The war in Sudan has gone on longer than almost any current conflict today. It has killed more people than in any war since the second World War—more than in Kosovo, Somalia, Rwanda, Chechnya and Bosnia combined. Some 2 million people or more have died in Sudan since the current phase of the war began in 1983. Most of the fallen are black Southern Sudanese. They have lost an entire generation to the fighting—probably two generations by now.

The January edition of the New York magazine contained an excellent article about the war in Sudan. It was titled The invisible War—an appropriate way to describe this conflict. At the end, the author William Finnegan asks a question we should all be asking ourselves: "The hard question is why the international community—the Western powers, really, led by the United States—is willing to invest so heavily in humanitartian relief and, at the same time, invest almost nothing in the diplomatic effort that might compel the warring parties to make peace." The war in Sudan has gone on for over 15 years, virtually unnoticed by the international community.

The United States has been and continue to be one of the largest country donors to the United Nations humanitarian relief effort in Sudan, Operation Lifeline Sudan. In FY 1998 along, the United States provided $110 million in aid to humanitarian agencies providing assistance in Sudan and additional $150 million in surplus wheat. I applaud these efforts.

But, what has been lacking on the part of the U.S. government and the international community is the political will to engage itself in a substantive and aggressive effort to promote peace in Sudan. That is what is needed—peace in Sudan.

H. Con. Res. 75 describes the atrocities taking place—slavery; religious persecution; genocide against the Muslims and Christians in the Nuba Mountains and the people of Southern Sudan; high-altitude bombing of civilian targets like hospitals, churches and feeding centers.

The government restricts humanitarian groups to desperately needy areas of the country, thereby allowing hungry people to become starving people. Tens if not hundreds of thousands of people have died of starvation in the war years. The government of Sudan has banned all international aid groups from going into the Nuba Mountains region since 1989. Meanwhile, government troops have slashed and burned the entire region, leaving thousands homeless, naked, starving, orphaned, diseased and without hope.

Sudan is a humanitarian nightmare and a human rights disaster. The majority of the suffering is caused by the government of Sudan's war policy, its intransigence in negotiations, it radical philosophy and its brutal tactics.

The real problem is the war and the United States must turn its attention to bringing peace to Sudan. If it does so, many of these other issues will take care of themselves.

I support all the provisions in H. Con. Res. 75. The United States must increase support for non-governmental agencies working outside Operation Lifeline Sudan. It must provide aid for capacity-building in Southern Sudan so the areas outside the government of Sudan's control can learn to administer themselves and create some semblance of order. It must work to strengthen the independence of Operation Lifeline Sudan to prevent Khartoum from using aid as a weapon against people it opposes. These provisions will help save lives and make the lives of people of Southern Sudan a little better.

The United States must do more to support the National Democratic Alliance—the coalition of northern and southern parties in opposition to the NIF government.

The time has also come for the U.S. to provide diplomatic and material support for the Southern People's Liberation Army (SPLA).

However, I also believe strongly that the United States must appoint a special envoy for Sudan. It should be a person of stature such as former Senator Paul Simon or Nancy Kassebaum or a similar kind of person. Former Senator George Mitchell want to Northern Ireland some 60 times in pursuit of peace in that region. Aren't the people of Sudan worth the same kind of effort?

Achieving a just peace in Sudan should be the goal of the U.S. government and the international community.

I want to be clear on one point. I believe that the government of Sudan is one of the most evil governments of earth. Its policies have devastated the lives of the people of Northern and Southern Sudan alike. It sponsors international terrorism, allows slavery to take place, uses food as a weapon, engages in coercive practices to force people to change their religion, tortures political opponents and commits many other egregious human rights abuses.

The NIF government has done very little to show themselves serious about peace and have thus made themselves one of them most isolated regimes on earth. The government of Sudan must understand that it will never become a full-fledged and respected member of the international community unless it gets serious about peace and stops its support for international terrorism.

But, the international community has continued to hide behind a flawed peace process, called the Inter-governmental Authority on Development (IGAD), which has produced a laudable Declaration of Principles but very little other real progress.

All the parties in Sudan must work for peace, but the International community must do more to force them to the table.

It's time to do more. For the sake of the people of Sudan, we must do more.

I urge this administration to appoint a special envoy for Sudan. We must get serious about peace in Sudan and put some diplomatic muscle into it.

In my office I have a picture of a young boy from Southern Sudan. It was taken 10 years ago by a member of my staff during my very first trip to Sudan in 1989. The boy is probably dead by now. But if he is not, what kind of life do you think he has been living?

This resolution lays out some excellent steps which must be taken immediately by the United States, the United Nations and the government of Sudan. I hope they will be taken seriously and implemented as soon as possible.

But, I hope the administration will go one step further and appoint a special envoy for Sudan.

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

The SPEAKER pro tempore (Mr. SHIMKUS). The question is on the motion offered by the gentleman from California (Mr. ROYCE) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 75, as amended.

The question was taken.

Mr. ROYCE. 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.

SECURITY ASSISTANCE ACT OF 1999

Mr. GILMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 973) to modify authorities with respect to the provision of security assistance under the Foreign Assistance Act of 1961 and the Arms Export Control Act, and for other purposes, as amended.

The Clerk read as follows:

H.R. 973

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 ''Security Assistance Act of 1999''.

SEC. 2. TABLE OF CONTENTS.

The table of contents of this Act is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—TRANSFERS OF EXCESS DEFENSE ARTICLES

Sec. 101. Excess defense articles for central European countries.
Sec. 102. Excess defense articles for certain independent States of the former Soviet Union.

TITLE II—FOREIGN MILITARY SALES AUTHORITIES

Sec. 201. Termination of foreign military financed training.
Sec. 202. Sales of excess Coast Guard property.
Sec. 203. Competitive pricing for sales of defense articles.
Sec. 204. Reporting of offset agreements.
Sec. 205. Notification of upgrades to direct commercial sales.
Sec. 206. Expanded prohibition on incentive payments.
Sec. 207. Administrative fees for leasing of defense articles.

TITLE III—STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

Sec. 301. Additions to United States war reserve stockpiles for allies.
Sec. 302. Transfer of certain obsolete or surplus defense articles in the war reserves stockpile for allies.

TITLE IV—INTERNATIONAL ARMS SALES CODE OF CONDUCT ACT OF 1999

Sec. 401. Short title.
Sec. 402. Findings.
Sec. 403. International arms sales code of conduct.

TITLE V—AUTHORITY TO EXEMPT INDIA AND PAKISTAN FROM CERTAIN SANCTIONS

Sec. 501. Waiver authority.
Sec. 502. Consultation.
Sec. 503. Reporting requirement.
Sec. 504. Appropriate congressional committees defined.

TITLE VI—TRANSFER OF NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES

Sec. 601. Authority to transfer naval vessels.
Sec. 602. Inapplicability of aggregate annual limitation on value of transferred excess defense articles.
Sec. 603. Costs of transfers.
Sec. 604. Expiration of authority.
Sec. 605. Repair and refurbishment of vessels in United States shipyards.
Sec. 606. Sense of Congress relating to transfer of naval vessels and aircraft to the Government of the Philippines.

TITLE VII—MISCELLANEOUS PROVISIONS

Sec. 701. Annual military assistance reports.
Sec. 702. Publication of arms sales certifications.
Sec. 703. Notification requirements for commercial export of significant military equipment on United States Munitions List.
Sec. 704. Enforcement of Arms Export Control Act.
Sec. 705. Violations relating to material support to terrorists.
Sec. 706. Authority to consent to third party transfer of ex-U.S.S. Bowman County to USS LST Ship Memorial, Inc.
Sec. 707. Exceptions relating to prohibitions on assistance to countries involved in transfer or use of nuclear explosive devices.
Sec. 708. Continuation of the export control regulations under IEEPA.

TITLE I—TRANSFERS OF EXCESS DEFENSE ARTICLES

SEC. 101. EXCESS DEFENSE ARTICLES FOR CENTRAL EUROPEAN COUNTRIES.

Section 105 of Public Law 104–164 (110 Stat. 1427) is amended by striking ''1996 and 1997'' and inserting ''2000 and 2001''.

SEC. 102. EXCESS DEFENSE ARTICLES FOR CERTAIN INDEPENDENT STATES OF THE FORMER SOVIET UNION.

(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 Georgia, Kazakhstan, Kyrgyzstan, Moldova, Turkmenistan, 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.

TITLE II—FOREIGN MILITARY SALES AUTHORITIES

SEC. 201. TERMINATION OF FOREIGN MILITARY FINANCED TRAINING.

Section 617 of the Foreign Assistance Act of 1961 (22 U.S.C. 2367) is amended—

(1) by inserting in the second sentence ''and the Arms Export Control Act'' after ''under this Act'' the first place it appears;

(2) by striking ''under this Act'' the second place it appears; and

(3) by inserting in the third sentence ''and under the Arms Export Control Act'' after ''this Act''.

SEC. 202. 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 text above subparagraph (A) by inserting ''and the Coast Guard'' after ''Department of Defense''.

SEC. 203. 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. 204. REPORTING OF OFFSET AGREEMENTS.

(a) 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 fourth sentence by striking ''(if known on the date of transmittal of such certification)'' and inserting ''and, if known on the date of transmittal of such certification, a description of the offset agreement. Such description may be included in the classified portion of such numbered certification''.

(b) 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, if known on the date of transmittal of such certification, a description of the offset agreement. Such description may be included in the classified portion of such numbered certification''.

SEC. 205. 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. 206. 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. 207. ADMINISTRATIVE FEES FOR LEASING OF DEFENSE ARTICLES.

Section 61(a) of the Arms Export Control Act (22 U.S.C. 2796(a)) is amended in paragraph (4) of the first sentence by inserting after ''including reimbursement for depreciation of such articles while leased,'' the following: ''a fee for the administrative services associated with processing such leasing,''.

TITLE III—STOCKPILING OF DEFENSE ARTICLES FOR FOREIGN COUNTRIES

SEC. 301. 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 $340,000,000 for fiscal year 1999 and $60,000,000 for fiscal year 2000.

''(B)(i) Of the amount specified in subparagraph (A) for fiscal year 1999, not more than $320,000,000 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.

''(ii) 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.''.

SEC. 302. 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 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 in the WRS–T stockpile 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 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 30 days before making a transfer under the authority of this section, the President shall transmit to the chairmen of 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 three years after the date of enactment of this Act.

TITLE IV—INTERNATIONAL ARMS SALES CODE OF CONDUCT ACT OF 1999

SEC. 401. SHORT TITLE.

This title may be cited as the ''International Arms Sales Code of Conduct Act of 1999''.

SEC. 402. FINDINGS.

The Congress finds the following:

(1) The proliferation of conventional arms and conflicts around the globe are multilateral problems. The only way to effectively prevent rogue nations from acquiring conventional weapons is through a multinational ''arms sales code of conduct''.

(2) Approximately 40,000,000 people, over 75 percent of whom were civilians, died as a result of civil and international wars fought with conventional weapons during the 45 years of the cold war, demonstrating that conventional weapons can in fact be weapons of mass destruction.

(3) Conflict has actually increased in the post cold war era.

(4) It is in the national security and economic interests of the United States to reduce dramatically the $840,000,000,000 that all countries spend on armed forces every year, $191,000,000,000 of which is spent by developing countries, an amount equivalent to 4 times the total bilateral and multilateral foreign assistance such countries receive every year.

(5) The Congress has the constitutional responsibility to participate with the executive branch in decisions to provide military assistance and arms transfers to a foreign government, and in the formulation of a policy designed to reduce dramatically the level of international militarization.

(6) A decision to provide military assistance and arms transfers to a government that is undemocratic, does not adequately protect human rights, or is currently engaged in acts of armed aggression should require a higher level of scrutiny than does a decision to provide such assistance and arms transfers to a government to which these conditions do not apply.

SEC. 403. 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 with all Wassenaar Arrangement countries. The President shall take the necessary steps to begin negotiations with all Wassenaar Arrangement countries within 120 days after the date of the enactment of this Act. The purpose of these negotiations shall be to conclude an agreement on restricting or prohibiting arms transfers to countries that do not meet the following criteria:

(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, equality before the law, and respect for individual and minority rights, including freedom to speak, publish, associate, and organize; 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 engage in gross violations of internationally recognized human rights, including—

(i) extra judicial 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 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 such as the International Committee of the Red Cross;

(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 currently engaged in acts of armed aggression in violation of international law.

(4) FULL PARTICIPATION IN U.N. REGISTER OF CONVENTIONAL ARMS.—The government of the country is fully participating in the United Nations Register of Conventional Arms.

(b) REPORTS TO CONGRESS.—(1) In the report required in sections 116(d) and 502B of the Foreign Assistance Act of 1961, the Secretary of State shall describe the extent to which the practices of each country evaluated meet the criteria in paragraphs (1) through (4) of subsection (a).

(2) 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 appropriate committees of the Congress on the progress made during these negotiations.

(c) DEFINITION.—The term ''Wassenaar Arrangement countries'' means Argentina, Australia, Austria, Belgium, Bulgaria, Canada, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, Luxembourg, Netherlands, New Zealand, Norway, Poland, Portugal, the Republic of Korea, Romania, Russia, Slovakia, Spain, Sweden, Switzerland, Turkey, Ukraine, and the United Kingdom.

TITLE V—AUTHORITY TO EXEMPT INDIA AND PAKISTAN FROM CERTAIN SANCTIONS

SEC. 501. WAIVER AUTHORITY.

(a) AUTHORITY.—

(1) IN GENERAL.—Except as provided in subsection (b), the President may waive, with respect to India or Pakistan, the application of any sanction or prohibition (or portion thereof) contained in section 101 or 102 of the Arms Export Control Act (22 U.S.C. 2799aa or 2799aa–1), section 620E(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2375(e)), or section 2(b)(4) of the Export Import Bank Act of 1945 (12 U.S.C. 635(b)(4)).

(2) EFFECTIVE DATE.—A waiver of the application of a sanction or prohibition (or portion thereof) under paragraph (1) shall be effective only for a period ending on or before September 30, 2000.

(b) EXCEPTION.—The authority to waive the application of a sanction or prohibition (or portion thereof) under subsection (a) shall not apply with respect to a sanction or prohibition contained in subparagraph (B), (C), or (G) of section 102(b)(2) of the Arms Export Control Act.

(c) NOTIFICATION.—A waiver of the application of a sanction or prohibition (or portion thereof) contained in section 541 of the Foreign Assistance Act of 1961 shall not become effective until 15 days after notice of such waiver has been reported to the congressional committees specified in section

634A(a) of such Act in accordance with the procedures applicable to reprogramming notifications under that section.

SEC. 502. CONSULTATION.

Prior to each exercise of the authority provided in section 501, the President shall consult with the appropriate congressional committees.

SEC. 503. REPORTING REQUIREMENT.

Not later than August 31, 2000, the Secretary of State shall prepare and submit to the appropriate congressional committees a report on economic and national security developments in India and Pakistan.

SEC. 504. APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.

In this title, the term ''appropriate congressional committees'' means—

(1) the Committee on International Relations and the Committee on Appropriations of the House of Representatives; and

(2) the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

TITLE VI—TRANSFER OF NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES

SEC. 601. AUTHORITY TO TRANSFER NAVAL VESSELS.

(a) DOMINICAN REPUBLIC.—The Secretary of the Navy is authorized to transfer to the Government of the Dominican Republic the medium auxiliary floating dry dock AFDM 2. Such transfer shall be on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(b) ECUADOR.—The Secretary of the Navy is authorized to transfer to the Government of Ecuador the ''OAK RIDGE'' class medium auxiliary repair dry dock ALAMOGORDO (ARDM 2). Such transfer shall be on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761).

(c) EGYPT.—The Secretary of the Navy is authorized to transfer to the Government of Egypt the ''NEWPORT'' class tank landing ships BARBOUR COUNTY (LST 1195) and PEORIA (LST 1183). Such transfers shall be on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761).

(d) GREECE.—(1) The Secretary of the Navy is authorized to transfer to the Government of Greece the ''KNOX'' class frigate CONNOLE (FF 1056). Such transfer shall be on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(2) The Secretary of the Navy is authorized to transfer to the Government of Greece the medium auxiliary floating dry dock COMPETENT (AFDM 6). Such transfer shall be on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761).

(e) MEXICO.—The Secretary of the Navy is authorized to transfer to the Government of Mexico the ''NEWPORT'' class tank landing ship NEWPORT (LST 1179) and the ''KNOX'' class frigate WHIPPLE (FF 1062). Such transfers shall be on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761).

(f) POLAND.—The Secretary of the Navy is authorized to transfer to the Government of Poland the ''OLIVER HAZARD PERRY'' class guided missile frigate CLARK (FFG 11). Such transfer shall be on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(g) TAIWAN.—The Secretary of the Navy is authorized to transfer to the Taipei Economic and Cultural Representative Office in the United States (which is the Taiwan instrumentality designated pursuant to section 10(a) of the Taiwan Relations Act) the ''NEWPORT'' class tank landing ship SCHENECTADY (LST 1185). Such transfer shall be on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761).

(h) THAILAND.—The Secretary of the Navy is authorized to transfer to the Government of Thailand the ''KNOX'' class frigate TRUETT (FF 1095). Such transfer shall be on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(i) TURKEY.—The Secretary of the Navy is authorized to transfer to the Government of Turkey the ''OLIVER HAZARD PERRY'' class guided missile frigates FLATLEY (FFG 21) and JOHN A. MOORE (FFG 19). Such transfers shall be on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761).

SEC. 602. 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 601 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.

SEC. 603. COSTS OF TRANSFERS.

Any expense incurred by the United States in connection with a transfer of a vessel authorized by section 601 shall be charged to the recipient.

SEC. 604. EXPIRATION OF AUTHORITY.

The authority to transfer vessels under section 601 shall expire at the end of the 2-year period beginning on the date of the enactment of this Act.

SEC. 605. REPAIR AND REFURBISHMENT OF VESSELS IN UNITED STATES SHIPYARDS.

The Secretary of the Navy shall require, to the maximum extent possible, as a condition of a transfer of a vessel under section 601, that the country to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that country, performed at a shipyard located in the United States, including a United States Navy shipyard.

SEC. 606. SENSE OF CONGRESS RELATING TO TRANSFER OF NAVAL VESSELS AND AIRCRAFT TO THE GOVERNMENT OF THE PHILIPPINES.

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

(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); and

(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, A–4 aircraft, and the ''POINT'' class Coast Guard cutter POINT EVANS.

(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.

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. ANNUAL MILITARY ASSISTANCE REPORTS.

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.''.

SEC. 702. PUBLICATION OF ARMS SALES CERTIFICATIONS.

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).''.

SEC. 703. NOTIFICATION REQUIREMENTS FOR COMMERCIAL EXPORT OF SIGNIFICANT MILITARY EQUIPMENT 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 identified as significant military equipment 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 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. 704. 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. 705. 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. 706. 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;

(B) submits a certification with the import application that no firearms frames or receivers, ammunition, or other firearms as defined in section 5845 of the National Firearms Act (26 U.S.C. 5845) will be imported with the vessel; and

(C) complies with regulatory policy requirements related to the facilitation of monitoring by the Federal Government of, and the mitigation of potential environmental hazards associated with, aging vessels, and has a demonstrated financial capability to so comply.

SEC. 707. EXCEPTIONS RELATING TO PROHIBITIONS ON ASSISTANCE TO COUNTRIES INVOLVED IN TRANSFER OR USE OF NUCLEAR EXPLOSIVE DEVICES.

(a) IN GENERAL.—Section 2 of the Agriculture Export Relief Act of 1998 (Public Law 105–194; 112 Stat. 627) is amended—

(1) by striking subsection (d); and

(2) by striking the second sentence of subsection (e).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act or September 30, 1999, whichever occurs earlier.

SEC. 708. CONTINUATION OF THE EXPORT CONTROL REGULATIONS UNDER IEEPA.

To the extent that the President exercises the authorities of the International Emergency Economic Powers Act to carry out the provisions of the Export Administration Act of 1979 in order to continue in full force and effect the export control system maintained by the Export Administration regulations issued under that Act, including regulations issued under section 8 of that Act, the following shall apply:

(1) The penalties for violations of the regulations continued pursuant to the International Emergency Economic Powers Act shall be the same as the penalties for violations under section 11 of the Export Administration Act of 1979, as if that section were amended—

(A) by amending subsection (a) to read as follows:

''(a) IN GENERAL.—Except as provided in subsection (b), whoever knowingly violates or conspires to or attempts to violate any provision of this Act or any license, order, or regulation issued under this Act—

''(1) except in the case of an individual, shall be fined not more than $500,000 or 5 times the value of any exports involved, whichever is greater; and

''(2) in the case of an individual, shall be fined not more than $250,000 or 5 times the value of any exports involved, whichever is greater, or imprisoned not more than 5 years, or both.'';

(B) in subsection (b)—

(i) in paragraphs (1)(A) and (2)(A) by striking ''five times'' and inserting ''10 times''; and

(ii) in paragraph (1)(B) by striking ''$250,000'' and inserting ''$500,000''; and

(iii) in paragraph (2)(B) by striking ''$250,000, or imprisoned not more than 5 years'' and inserting ''$500,000, or imprisoned not more than 10 years'';

(C) in subsection (c)(1)—

(i) by striking ''$10,000'' and inserting ''$250,000''; and

(ii) by striking ''except that the civil penalty'' and all that follows through the end of the paragraph and inserting ''except that the civil penalty for a violation of the regulations issued pursuant to section 8 may not exceed $50,000.''; and

(D) in subsection (h)(1), by inserting after ''Arms Export Control Act (22 U.S.C. 2778)'' the following: ''section 16 of the Trading with the enemy Act (50 U.S.C. 16), or, to the extent the violation involves the export of goods or technology controlled under this or any other Act or defense articles or defense services controlled under the Arms Export Control Act, section 371 or 1001 of title 18, United States Code,''.

(2) The authorities set forth in section 12(a) of the Export Administration Act of 1979 may be exercised in carrying out the regulations continued pursuant to the International Emergency Economic Powers Act.

(3) The provisions of sections 12(c) and 13 of the Export Administration Act of 1979 shall apply in carrying out the regulations continued pursuant to the International Emergency Economic Powers Act.

(4) The continuation of the provisions of the Export Administration Regulations pursuant to the International Emergency Economic Powers Act shall not be construed as not having satisfied the requirements of that Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. GILMAN) and the gentleman from Connecticut (Mr. GEJDENSON) 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. 973.

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 bring to the House floor H.R. 973, the Security Assistance Act of 1999.

I want to extend my appreciation to the gentleman from Connecticut (Mr. GEJDENSON), the ranking member on our committee, for his support of this legislation.

This bill modifies authorities with respect to the provision of security assistance under the Foreign Assistance Act of 1961 and the Arms Export Control Act.

These provisions address the transfer of excess defense articles, and amendments to our foreign military sales program including additional notification requirements for arms sales, new reporting requirements for offset agreements associated with arms transfers, and ensuring DOD charges foreign customers for the administrative cost of processing leases.

This bill also modifies authorities to provide for the stockpiling of defense articles in foreign countries for use by our U.S. forces. Two additional provisions regarding annual military assistance reports and publications of arms sales certifications will bring greater transparency to our arms transfer process.

This measure also extends for 1 fiscal year the waiver authority which exempts India and Pakistan from certain sanctions imposed pursuant to the nuclear tests last year. Last week the other Chamber passed legislation suspending many of these sanctions for a period of 5 years.

It is my intention to work with Senator BROWNBACK and other Senators and House Members to ensure that legislation suspending India and Pakistan from certain sanctions becomes law.

I do have specific concerns about the bill passed in the other Chamber, and we want to carefully analyze it before proceeding. In particular, we need to consider linking any changes in current law regarding transfers of sales of military equipment to Pakistan to verifiable evidence that Pakistan ceases all destabilizing activities in Kashmir.

In addition, the bill also contains a permanent exemption for USDA export credits and credit guarantees of those programs subject to termination for

nations that violate our nuclear proliferation laws. Extending these waivers recognizes the small but important steps each of these countries have taken to move forward on the nonproliferation agenda as well as improved bilateral ties between the countries.

This bill contains compromise language on a Code of Conduct governing arms sales, which was worked out by the gentleman from Connecticut (Mr. GEJDENSON), our ranking member, and the gentlewoman from Georgia (Ms. MCKINNEY), who have long championed this important issue.

This legislation also authorizes the transfer of 10 vessels to 8 nations: to the Dominican Republic, to Equador, Egypt, Greece, Mexico, Poland, Taiwan, and Turkey. These transfers, which have been requested by the DOD, will generate over $80 million for our Treasury, in addition to an additional $250 million for training, for supplies and for support and repair services, and U.S. Government and U.S. private shipyards are going to realize between $100 million and $140 million to accomplish the required reactivation work in order to transfer these vessels.

Finally, this legislation protects our national security and enacts one of the key bipartisan Cox committee recommendations by increasing the criminal and civil penalties that can be imposed against any U.S. company that violates U.S. export control laws.

The Department of State and Department of Defense support this measure. Many of the provisions have been requested by the administration.

In sum, H.R. 973 helps protect our national security by modifying U.S. laws that govern the provision of security assistance worldwide. It enacts a key bipartisan recommendation of the Cox committee to impose stiffer penalties against companies that violate our export control laws. It helps our farmers and exporters by providing permanent waiver authority for agricultural products and for medicine for export to India and to Pakistan. And it generates revenue for our Treasury and our Government and private shipyards by the sale of naval vessels to foreign nations.

Accordingly, I urge my colleagues to fully support this legislation.

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

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

Mr. Speaker, I am privileged to be here with the chairman of the committee and to support this legislation. The gentleman from New York (Mr. GILMAN) has done a yeoman's work here in working with Members on both sides of the aisle.

I am particularly pleased to see two major provisions in this legislation, at first the Code of Conduct that I think is so important. And I am a great believer that we need to focus on nuclear, chemical and biological weapons, but conventional weapons still kill more people than almost anything else, and we should not be in the process of an arms race in the poorest countries on this planet.

We need to make sure that we take the major producers of these systems and try to restrain the kind of sales that will only impoverish these nations and not make them stronger or more secure. To the contrary, spending massive amounts of money on these system also impoverish and destabilize these countries.

Additionally, we have the Glenn amendment sanctions and the waiver for another year in India and Pakistan, both important countries to the United States. India, the largest, most populous democracy on this planet, is a country that we have strong ties with and relationships that we want to develop.

□ 1145

My own State of Connecticut and district had Chet Bowles as Ambassador twice to India who is credited for establishing a good relationship with India and saving it through some of the toughest times. India is the most populous democracy. We need to work with them and be closer to that great democratic society.

Also, the bill increases penalties for violations of the export control regulations, the Export Administration Act of 1979, and strengthens the enforcement of the Arms Export Control Act.

Particularly important to me are the increased penalties. I have often argued that what we want to do is focus on a smaller number of challenges, but when we get to those challenges, we find somebody who is violating dual use or selling to countries like Iran, Iraq or North Korea, that we should make sure the penalties are significant and not simply look at it as a cost of doing business. There has been such a time lag between when the original legislation passed that some of these companies may be making millions of dollars on a sale, and if the penalty is tens of thousands of dollars, it may simply be, well, that is the price of doing business.

So I think this is the right kind of action, and I think we need to again continue to focus on the problem areas and not just have a broad net that frankly does more damage to our country than good.

This is important legislation, it is bipartisan and broadly supported.

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

Mr. GILMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from South Carolina (Mr. SPENCE) the distinguished chairman of the Committee on Armed Services, for the purposes of a colloquy.

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

Let me begin by first thanking the gentleman for working with me and my staff on mutually agreeable modifications to section 608 of this bill dealing with penalties under the Export Administration Act or the EAAA. The issue of how best to control the export of sensitive, dual-use military technology lies at the heart of most of the recent revelations and scandals over militarily sensitive technologies being acquired by China and other potential adversaries around the world.

Our two communities have over the years done considerable work in this area. While not always in agreement on the best approach, mutually we recognize these issues to be of critical importance to both the national security and economic well-being of the Nation.

As such, it is my strong belief that any effort by Congress to modify or reform the statutory framework underlying the United States export control policy should only occur after careful debate, consideration and deliberation afforded through the regular legislative process. Therefore, I ask the gentleman to confirm that it is his understanding and commitment that this legislation, which does contain an important improvement in this level of sanctions imposed on firms that violate the EAA will not be used as a legislative vehicle for any broader policy change or revision to the EAA itself or to United States export control policy.

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

Mr. SPENCE. I yield to the gentleman from New York.

Mr. GILMAN. The gentleman is absolutely correct. This legislation narrowly focuses on a much needed increase in the level of penalties that would result from violations to the EAA and associated implementing regulations. The distinguished chairman has my commitment and assurance that this bill will not be transformed into a broader rewrite of the EAA or U.S. export control policy.

Mr. SPENCE. Mr. Speaker, I thank the gentleman for that assurance and further would inquire as to whether or not it is the gentleman's understanding that this same understanding and commitment is shared by the Speaker of the House.

Mr. GILMAN. It is my understanding that the Speaker shares my position on this matter and would similarly not support using a legislative vehicle to pursue any broader reform of U.S. export control policy.

Mr. SPENCE. Again, I would thank the gentleman for his commitment and for his cooperation on this important issue.

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

Mr. GEJDENSON. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Speaker, the legislation introduced by the distinguished chairman of the Committee on International Relations, the gentleman from New York (Mr. GILMAN), contains an important provision regarding the sanctions that were imposed last year on India and Pakistan following the nuclear tests conducted by the two south Asian nations. The legislation would extend for another year the waiver authority provided for under the Omnibus Appropriations Act for Fiscal Year 1999, giving the President the authority to waive the unilateral U.S. sanctions that were imposed pursuant to the Glenn amendment of the Arms/Export Control Act.

Mr. Speaker, I want to thank both the gentleman from New York (Mr. GILMAN) and our ranking member, the gentleman from Connecticut (Mr. GEJDENSON), for their leadership on this issue. They have clearly been working for progress on resolving the sanctions issue.

I would, however, stress that I believe we should be going further than the 1-year extension provided for in this legislation. Last week the other body, the Senate, approved an amendment to the fiscal year 2000 defense appropriations bill that would suspend for 5 years the sanctions against India and Pakistan, and I would note that our chairman already indicated in the speech that he made just prior to mine or earlier today that he, too, would like to go much further.

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

Mr. PALLONE. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I want the gentleman to know I look forward to working with him on this important issue. It is my intention to introduce a bill shortly which mirrors in most instances the provisions that are contained in the bill recently adopted by the other body, and I hope the gentleman from New Jersey will be able to work with me in supporting that legislation as we move through the legislative process to make certain that we change our law to suspend certain sanctions against both India and Pakistan.

Mr. PALLONE. Mr. Speaker, I want to thank the gentleman from New York for his leadership on this issue and agree with what he just said about the need to move more towards what the Senate has proposed in most respects.

Let me just say briefly, if I could, Mr. Speaker, that I believe that giving the administration waiver authority does not fully accomplish the goal of getting the U.S.-India relationship back on track and restoring confidence in the future of that relationship. The problem with the waiver authority that we have had in the last year is that the broad discretion given to the President means more of the same incremental carrot and stick approach. In other words, one of the requirements of the Glenn amendment is that the United States oppose World Bank loans to India that do not meet the strict definition of humanitarian needs. World Bank projects have the ability to improve the health and welfare of the people of India, and we should support those.

Similarly, USAID projects in India that do not meet strict humanitarian criteria but which still make a huge difference for the quality of the life of people have been blocked by the President's refusal to grant the waiver, and we should not allow these important development projects to be held hostage to our diplomatic considerations.

I just wanted to mention that I have introduced legislation to permanently repeal the sanctions. I am also drafting a sense of the Congress resolution similar to the provision in the Senate bill that states that export control should be applied only to those Indian and Pakistani entities that make direct and material contributions to weapons of mass destruction and missile programs and only those items that can contribute to such programs.

I have long been critical of the administration's so-called entities list which has targeted a wide range of commercial and government entities in India but have no bearing on nuclear proliferation or other national security concerns but which have been prohibited from contacts with U.S. entities.

Now I wanted to say one thing, and I do not know what the position of the gentleman from New York (Mr. GILMAN) is on this, but one negative provision in the Senate bill in the Brownback amendment, which I hope we do not include in the House, is the language to repeal the Pressler amendment which bans U.S. military assistance to Pakistan. I think we should retain the Pressler amendment since nothing has changed to justify its repeal, and I do want to emphasize that I do support removing the economic sanctions on Pakistan, but not military cooperation.

Mr. Speaker, as is demonstrated by the Senate action last week and today's action in the House and a statement by our chairman, the gentleman from New York (Mr. GILMAN) there is bipartisan and bicameral support for putting the U.S.-India relationship back on track, and I just want to thank both the chairman and the ranking member for their leadership and look forward to working with them for continued progress.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from New Jersey (Mr. PALLONE) for his intercession on this and for his comments.

Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. ROHRABACHER), a member of our committee.

Mr. ROHRABACHER. Mr. Speaker, I want to thank the gentleman from New York (Mr. GILMAN) and the gentleman from Connecticut (Mr. GEJDENSON) for incorporating my amendment into this legislation, H.R. 963, that calls for the transfer of excess naval and Coast Guard patrol vessels and fixed wing aircraft and helicopters to the Republic of the Philippines.

We should be under no illusion. The Philippines is a strategic partner, and I think those words have been misused by this administration in regard to China, but certainly the Philippines with a democratic government is a strategic, a vital strategic, partner of the United States and is a front line Nation in the growing designs of China to militarily control the Pacific in the 21st century. The ongoing Chinese construction of naval bases and facilities and fortifications in the Spratley Islands and repeated incursions of warships and fishing fleets into Philippine territorial waters has increased the urgency of our longtime ally's need to modernize its naval and air patrol capabilities. I believe that the current availability of excess U.S. defense articles such as POINT class Coast Guard cutters, and in this case it is the Point Evans, and UH–1 helicopters and A–4 aircraft would make an immediate impact on strengthening the Philippines' defense capabilities.

And the section also instructs our government to offer the naval vessels such as frigates, amphibious landing craft and cutters to the Philippines when available, and the section instructs our government not to oppose the transfer of F–5 aircraft by third countries to the Philippines.

This section of H.R. 9063 reaffirms the importance of America's friendship and mutual defense partnership with the people of the Philippines and their democratic government, and the most important phrase is ''their democratic government.'' They have just recently passed a Visiting Forces Agreement in which American military personnel will be able to, permitted, to come to the Philippines and transit and to land there for rest and relaxation purposes. They are strengthening ties with the Philippines, and all of this happening while the Philippines has been expanding the concepts of democracy and freedom and liberty and justice that we hold so dear here in the United States.

In fact, part of this overall legislation, part of H.R. 963, is a code of conduct provision that has been spearheaded by the gentlewoman from Georgia (Ms. MCKINNEY) and myself, and I would like to take this opportunity to congratulate Ms. MCKINNEY on her efforts to ensure that American military equipment not be sent to dictatorships.

So I would like to add my congratulations to the gentlewoman from Georgia (Ms. MCKINNEY) who spent a lot of time and effort to make sure that when

we are transferring weapons, especially modern weapons of mass destruction that we built for the Cold War, trying to deter war with the Soviet Union, that now those weapons will not find their way in into the hands of dictatorships, nor should weapons manufacturers who are building weapons today be selling weapons that will permit these dictatorships to oppress their own people and to commit acts of aggression against their neighbors.

So I salute the gentlewoman from Georgia (Ms. MCKINNEY) and have been very happy to join with her on this effort.

I think it is a tragedy that the United States of America, that our government, has been treating dictatorships the same as we do democracies. We have most-favored-nation status with China which encourages people to invest in China, while democratic countries like the Philippines and countries like Indonesia, struggling to be democracies, and other countries around the world that are trying to develop their democratic institutions that could use investment in their countries; but instead here we provide Vietnam with an equivalent of a most-favored-nation status; China, a communist China, dictatorships like that, in order to encourage American businessmen to invest in those countries that are ruled by vicious dictatorships rather than investing in countries like the Philippines.

Again I thank the chairman and the ranking member of the committee for including my provisions into H.R. 963 which will, at the very least, help the Philippines and aim towards the Philippines, a country that is struggling now with a major national security threat while at the same time having democratic elections, freedom of the press and freedom of religion, the things that we hold true, and they want to be friends of the United States.

So this is a very good sign to the people of Philippines and the other people throughout the world struggling to have democratic government.

□ 1200

Mr. GEJDENSON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Massachusetts (Mr. MCGOVERN).

Mr. MCGOVERN. Mr. Speaker, I thank the gentleman for yielding me this time. I rise in support of H.R. 973, the Security Assistance Act of 1999. I want to thank the distinguished chairman, the gentleman from New York (Mr. GILMAN), and the ranking member, the gentleman from Connecticut (Mr. GEJDENSON), for bringing this bipartisan bill before the House for consideration.

Mr. Speaker, section 706 of this bill has special meaning for me and for hundreds of World War II Navy veterans in Massachusetts. It will allow the transfer of the U.S.S. *Bowman County*, currently in Greece, to the veterans who make up the LST Ship Memorial, Incorporated, a nonprofit organization. They will operate the vessel as a memorial to the veterans of World War II amphibious landings so that all Americans might learn of their deeds, their bravery and their sacrifice.

The U.S.S. *Bowman County* is the last of her kind and played an important role during D-Day, the invasion of Normandy on June 6, 1944. Time and again, this gallant landing craft returned to Omaha Beach, through murderous gunfire, to unload more men and replenish equipment. It was during one of these return trips that she struck a German mine.

Prior to Normandy, the U.S.S. *Bowman County* served in the invasions of North Africa and Sicily. After World War II, it transported prisoners of war until transferred to Greece. Today, Greece has requested the transfer of this ship back to the United States and to the control of the U.S.S. LST Ship Memorial. This is a third-party transfer, Mr. Speaker, at no cost to the United States Government.

This transfer will recognize a group of veterans who put their lives in harm's way for all of us. Many of their shipmates lost their lives during amphibious assaults, and returning the LST to their care is one way we can all honor the men who carried out their duties, who are still with us, and to honor those who gave their lives for our freedom. Among those living veterans is Peter Leasca of Worcester, Massachusetts, and other members of the LST Association of Massachusetts, who have worked so long to bring the U.S.S. *Bowman County* home.

In the last Congress, the House approved a bill to provide for this transfer, but the Senate failed to act. In January, the gentleman from Texas (Mr. HALL) and I introduced H.R. 146 to provide for this transfer, and I am pleased that that bill has been incorporated into H.R. 973, as well as into the Defense Authorization bill that passed the House last week.

Mr. Speaker, I urge my colleagues to honor these Navy veterans by approving H.R. 973 today.

Mr. POMEROY. Mr. Speaker, I rise in strong support of the Security Assistance Act of 1999, I commend Chairman GILMAN and Mr. GEDJENSON for their bipartisan work on this legislation.

The Security Assistance Act includes several important measures that will enhance our nation's security. The bill updates and codifies U.S. policy with respect to the transfer of military items, it directs the President to negotiate an international "code of conduct" to control the sale of arms to governments that violate human rights, it increases penalties for violations of the arms export laws, and it strengthens the role of Congress in overseeing arms exports. This bill is especially timely and appropriate in light of recent revelations of Chinese espionage activities and our ongoing concern over the proliferation of advanced weapons among rogue nations.

In addition to its national security provisions, the Security Assistance Act is one of two bills the House will consider today that together represent a significant victory for American farmers in the fight to reform our sanctions policy. This bill, and the Selective Agriculture Embargoes Act considered earlier, reflects a growing bipartisan acknowledgment that unilateral food sanctions have failed to achieve our foreign policy objectives while causing significant harm to American farmers by denying them access to valuable export markets. This bill recognizes that we have many tools in our arsenal to fight the proliferation of weapons, but that food should not be among them.

Specifically, I would like to thank Chairman GILMAN for including Section 602 in this bill, which permanently excludes USDA export programs from the list of programs subject to elimination under the Arms Export Control Act. My colleagues will remember that this issue surfaced last spring following the nuclear detonations by India and Pakistan. At the time, the Administration determined that the Arms Export Control Act required the termination of credit guarantees to both countries. In the case of Pakistan, the loss of credit guarantees threatened to halt the sale of U.S. wheat to the third largest market in the world for our wheat farmers. The Canadians, Australians, and Europeans were eagerly standing by to fill the vacuum. Fortunately, Congress acted swiftly with the support of the Administration to enact legislation exempting agriculture export programs from the Arms Export Control Act for a period of one year, ending September 30, 1999. With the expiration of this earlier legislation now only 14 weeks away, however, the Security Assistance Act is needed to provide permanent assurance that our vital agriculture export tools will remain at our disposal.

In summary, I thank the Chairman and his staff for including this provision in the bill, and I strongly urge my colleagues to support the Security Assistance Act.

Mr. BEREUTER. Mr. Speaker, this Member rises in strong support of H.R. 973, the Security Assistance Act of 1999. This Member congratulates the Chairman of the Committee on International Relations, the distinguished gentleman from New York [Mr. GILMAN] for his action in bringing this legislation before this body.

There are many important elements to the legislation before this body today. This Member will draw attention only to two key elements.

Representing the great state of Nebraska, this Member is keenly aware of the crisis that continues to affect the American farmer. As was made clear in the discussion of H.R. 17, food commodities are the lowest they have been in many years. Our farmers need markets to sell their grain and other produce. Thus, the loss of the Indian and Pakistani agricultural markets—which occurred following the imposition of the mandatory sanctions that resulted from the May 1998 testing of nuclear devices in South Asia—was particularly devastating for American farmers. A one-year legislative waiver was granted last year, and this waiver permitted the sale of several hundred

thousand tons of wheat to Pakistan. H.R. 973 extends that waiver on agricultural sanctions to India and Pakistan for an additional year, permitting this important market to remain open. This Member would thank the distinguished gentleman from North Dakota [Mr. POMEROY] for his important work on this issue, and would thank the Chairman for incorporating this matter into his legislation.

Other issues in H.R. 973 are also significant. The legislation transfers certain forward-based but outdated defensive stockpiles to South Korea and Thailand. While these items were no longer of use to the United States, they are of great significance to the recipient countries. This is particularly true of South Korea, which faces a volatile neighbor to the North. Indeed, in an unfortunate coincidence just yesterday North and South Korea wages a dangerous naval gun-battle as the North attempted to seize control of what appear to be South Korean territorial waters. Certainly, South Korea rightly hopes that its ''sunshine policy'' towards the North will bring better relations. Until better relations are achieved, however, South Korea must be prepared to defend itself. House Resolution 973 assists in that effort.

Mr. Speaker, this Member urges strong support for H.R. 973.

Mr. FARR of California. Mr. Speaker, I am pleased that the House of Representatives finally passed an International Arms Sales Code of Conduct today as part of H.R. 973, the Security Assistance Act. During the 104th and 105th Congresses, I cosponsored legislation calling for an Arms Transfer Code of Conduct on international arms sales.

Many of my constituents share my concern with the escalating problem of conventional weapons proliferation and the role of the United States in foreign arms sales. If we are concerned about rogue nations acquiring conventional weapons, we must establish a multinational arms sales code of conduct. If we are concerned about human rights, we must establish a multinational arms sales code of conduct. If we are concerned about national security, we must establish a multinational arms sales code of conduct. If we learned only one lesson from the fall of the former Soviet Union, it would be that the Soviet leadership chose to fuel the international arms race at the expense of their citizens' domestic tranquility.

Specifically, the bill lays out four criteria for the Administration that would restrict or prohibit arms transfers to countries that: do not respect democratic processes and the rule of law; do not adhere to internationally recognized norms on human rights; engage in acts of armed aggression; or, are not fully participating in the United National Register of Conventional Weapons. The language in H.R. 973 also directs the president to attempt to achieve the foreign policy goal of an international arms sales code of conduct with all Wassenaar Arrangement (to control weapons of mass destruction) countries.

I urge my colleagues in the Senate to pass comparable legislation and close the loophole on international arms sales to countries that are undemocratic, abuse the civil rights of their citizens, are engaged in armed aggression, and fail to comply with the UN Registry of Arms.

Mr. LANTOS. Mr. Speaker, I join my colleagues in supporting H.R. 973—the Security Assistance Act of 1999—a bipartisan bill that contains many important initiatives that will enhance our national security and promote our national interests.

Mr. Speaker, I welcome the provisions in this legislation that require the President to seek to negotiate a multilateral Code of Conduct for arms sales, which would take into account when deciding whether to sell weapons such issues as human rights, the state of democracy and involvement of the government seeking to purchase arms in military aggression. Mr. Speaker, multilateral action is the only approach that will work. Unilateral American restrictions on arms sales deals only with a part of the problem, and non-American suppliers of arms will simply move in to fill the gap. I want to comment our distinguished colleague from Georgia, Ms. MCKINNEY, and our distinguished colleague from Connecticut, Mr. GEJDENSON, for their contribution to these provisions.

Another provision that I want to note, Mr. Speaker, is the authority this legislation includes for the President to waive the so-called ''Glenn Amendment'' sanctions against India and Pakistan for one additional year. The Administration—under the able and dedicated leadership of Deputy Secretary Strobe Talbot and Assistant Secretary Rick Inderfurth—has made significant progress with India and Pakistan, and I am delighted that we have seen important progress in coming to grips with the problems of nuclear non-proliferation. The nuclear threat in South Asia remains a serious problem, Mr. Speaker, and the Administration needs the flexibility and negotiating leverage which the waiver authority provides. I strongly support the inclusion of this provision.

Mr. Speaker, I also support the provisions of this legislation which increase the penalties for violation of the export control regulations under the Export Administration Act of 1979, and the provisions which strengthen the enforcement of the Arms Export Control Act. This will increase the penalties on American companies selling dual-use items to rogue nations such as Iran, Iraq, Libya and North Korea in violation of United States export controls. As my colleagues know, strengthening our export administration provisions through increasing penalties for violation of these regulations was strongly recommended in the report on ''U.S. National Security and Military/Commercial Concerns with the People's Republic of China'' issued by the Select Committee under the leadership of Congressman CHRIS COX of California and Congressman NORM DICKS of Washington.

I also support, Mr. Speaker, this bill's authorization of the sale and transfer of American naval vessels that are no longer required by our navy. These ships can support the security of countries in which we have a political and a national security interest. Furthermore, these sales will produce some $90 million for the United States Treasury, whereas decommissioning these vessels will be a significant cost to the American taxpayers. The legislation also authorizes an increase in the War Reserve Stockpile for our allies, South Korea and Thailand, and authorizes the Secretary of Defense to transfer such items to these countries in return for certain concessions to be negotiated. This provision is in our national security interest.

Mr. Speaker, I urge my colleagues to support the adoption of this legislation.

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

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

The SPEAKER pro tempore (Mr. SHIMKUS). 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. 973, 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.

ANNUAL REPORT OF COMMODITY CREDIT CORPORATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Agriculture:

To the Congress of the United States:

In accordance with the provisions of section 13, Public Law 806, 80th Congress (15 U.S.C. 714k), I transmit herewith the report of the Commodity Credit Corporation for the fiscal year ending September 30, 1997.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 15, 1999*.

ESF FINANCING FOR BRAZIL—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Banking and Financial Services:

To the Congress of the United States:

On November 9, 1998, I approved the use of the Exchange Stabilization Fund (ESF) to provide up to $5 billion for the U.S. part of a multilateral guarantee of a credit facility for up to $13.28 billion from the Bank for International Settlements (BIS) to the Banco Central do Brasil (Banco Central). Eighteen other central banks and monetary authorities are guaranteeing portions of the BIS credit facility. In addition, through the Bank of Japan, the Government of Japan is providing a swap facility of up to $1.25 billion to Brazil under terms consistent with the terms of the BIS credit facility. Pursuant to

the requirements of 31 U.S.C. 5302(b), I am hereby notifying the Congress that I have determined that unique or emergency circumstances require the ESF financing to be available for more than 6 months.

The BIS credit facility is part of a multilateral effort to support an International Monetary Fund (IMF) stand-by arrangement with Brazil that itself totals approximately $18.1 billion, which is designed to help restore financial market confidence in Brazil and its currency, and to reestablish conditions for long-term sustainable growth. The IMF is providing this package through normal credit tranches and the Supplemental Reserve Facility (SRF), which provides short-term financing at significantly higher interest rates than those for credit tranche financing. Also, the World Bank and the Inter-American Development Bank are providing up to $9 billion in support of the international financial package for Brazil.

Since December 1998, international assistance from the IMF, the BIS credit facility, and the Bank of Japan's swap facility has provided key support for Brazil's efforts to reform its economy and resolve its financial crisis. From the IMF arrangement, Brazil has purchased approximately $4.6 billion in December 1998 and approximately $4.9 billion in April 1999. On December 18, 1998, the Banco Central made a first drawing of $4.15 billion from the BIS credit facility and also drew $390 million from the Bank of Japan's swap facility. The Banco Central made a second drawing of $4.5 billion from the BIS credit facility and $423.5 million from the Bank of Japan's swap facility on April 9, 1999. The ESF's ''guarantee'' share of each of these BIS credit facility drawings is approximately 38 percent.

Each drawing from the BIS credit facility or the Bank of Japan's swap facility matures in 6 months, with an option for additional 6-month renewals. The Banco Central must therefore repay its first drawing from the BIS and Bank of Japan faciities by June 18, 1999, unless the parties agree to a rollover. The Banco Central has infomed the BIS and the Bank of Japan that it plans to request, in early June, a rollover of 70 percent of the first drawing from each facility, and will repay 30 percent of the first drawing from each facility.

The BIS's agreement with the Banco Central contains conditions that minimize risks to the ESF. For example, the participating central banks or the BIS may acclerate repayment if the Banco Central has failed to meet any condition of the agreement or Brazil has failed to meet any material obligation to the IMF. The Banco Central must repay the BIS no slower than, and at least in proportion to, Brazil's repayments to the IMF's SRF and to the Bank of Japan's swap facility. The Government of Brazil is guaranteeing the performance of the Banco Central's obligations under its agreement with the BIS, and, pursuant to the agreement, Brazil must maintain its gross international reserves at a level no less than the sum of the principal amount outstanding under the BIS facility, the principal amount outstanding under Japan's swap facility, and a suitable margin. Also, the participating central banks and the BIS must approve any Banco Central request for a drawing or roll-over from the BIS credit facility.

Before the financial crisis that hit Brazil last fall, Brazil had made remarkable progress toward reforming its economy, including reducing inflation from more than 2000 percent 5 years ago to less than 3 percent in 1998, and successfully implementing an extensive privatization program. Nonetheless, its large fiscal deficit left it vulnerable during the recent period of global financial turbulence. Fiscal adjustment to address that deficit therefore formed the core of the stand-by arrangement that Brazil reached with the IMF last December.

Despite Brazil's initial success in implementing the fiscal reforms required by this stand-by arrangement, there were some setbacks in passing key legislation, and doubts emerged about he willingness of some key Brazilian states to adjust their finances. Ultimately, the government secured passage of virtually all the fiscal measures, or else took offsetting actions. However, the initial setbacks and delays eroded market confidence in December 1998 and January 1999, and pressure on Brazil's foreign exchange reserves intensified. Rather than further deplete its reserves, Brazil in mid-January first devalued and then floated its currency, the real, causing a steep decline of the real's value against the dollar. As a consequence, Brazil needed to prevent a spiral of depreciation and inflation that could have led to deep financial instability.

After the decision to float the real, and in close consultation with the IMF, Brazil developed a revised economic program for 1999–2001, which included deeper fiscal adjustments and a transparent and prudent monetary policy designed to contain inflationary pressures. These adjustments will take some time to restore confidence fully. In the meantime, the strong support of the international community has been and will continue to be helpful in reassuring the markets that Brazil can restore sustainable financial stability.

Brazil's experience to date under its revised program with the IMF has been very encouraging. The exchange rate has strengthened from its lows of early March and has been relatively stable in recent weeks; inflation is significantly lower than expected and declining; inflows of private capital are resuming; and most analysts now believe that the economic downturn will be less severe than initially feared.

Brazil's success to date will make it possible for it to repay a 30 percent portion of its first (December) drawing from the BIS credit facility and the Bank of Japan swap facility. With continued economic improvement, Brazil is likely to be in a position to repay the remainder of its BIS and Bank of Japan obligations relatively soon. However, Brazil has indicated that it would be inadvisable to repay 100 percent of the first BIS and Bank of Japan disbursements at this point, given the persistence of risks and uncertainties in the global economy. The timing of this repayment must take into account the risk that using Brazilian reserves to repay both first drawings in their entirety could harm market confidence in Brazil's financial condition. This could undermine the purpose of our support: protecting financial stability in Brazil and in other emerging markets, which ultimately benefits U.S. exports and jobs. Given that the BIS and Bank of Japan facilities charge a substantial premium over the 6-month Eurodollar interest rate, the Banco Central has an incentive to repay them as soon as is prudent.

The IMF stand-by arrangement and the BIS and Bank of Japan facilities constitute a vital international response to Brazil's financial crisis, which threatens the economic welfare of Brazil's 160 million people and of other countries in the region and elsewhere in the world. Brazil's size and importance as the largest economy in Latin America mean that its financial and economic stability are matters of national interest to the United States. Brazil's industrial output is the largest in Latin America; it accounts for 45 percent of the region's gross domestic product, and its work force numbers approximately 85 million people. A failure to help Brazil deal with its financial crisis would increase the risk of financial instability in other Latin American countries and other emerging market economies. Such instability could damage U.S. exports, with serious repercussions for our workforce and our economy as a whole.

Therefore, the BIS credit facility is providing a crucial supplement to Brazil's IMF-supported program of economic and financial reform. I believe that strong and continued support from the United States, other governments, and multilateral institutions are crucial to enable Brazil to carry out its economic reform program. In these unique and emergency circumstances, it is both appropriate and necessary to continue to make ESF financing available as needed for more than 6 months to guarantee this BIS credit facility, including any other rollover or drawing that might be necessary in the future.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *June 15, 1999*.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has concluded on all motions to suspend the rules.

Pursuant to clause 8 of rule XX, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today in the order in which that motion was entertained.

Votes will be taken in the following order:

House Resolution 62, by the yeas and nays;

House Concurrent Resolution 75, by the yeas and nays.

The Chair will reduce to 5 minutes the time for the electronic vote after the first such vote in this series.

EXPRESSING CONCERN OVER ESCALATING VIOLENCE, GROSS VIOLATIONS OF HUMAN RIGHTS, AND ONGOING ATTEMPTS TO OVERTHROW A DEMOCRATICALLY ELECTED GOVERNMENT IN SIERRA LEONE

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 62, as amended.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ROYCE) that the House suspend the rules and agree to the resolution, H. Res. 62, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 414, nays 1, answered ''present'' 1, not voting 18, as follows:

[Roll No. 205]

YEAS—414

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
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)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Carson
Castle
Chabot
Chambliss
Chenoweth
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
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
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
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
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—1

Paul

ANSWERED ''PRESENT''—1

Barr

NOT VOTING—18

Brady (TX)
Brown (CA)
Buyer
Cardin
Coyne
Danner
Dooley
Houghton
Kleczka
Lewis (GA)
McCarthy (NY)
Metcalf
Napolitano
Pickering
Pryce (OH)
Rush
Ryun (KS)
Weldon (PA)

□ 1228

So (two-thirds having voted in favor thereof), the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SHIMKUS). Pursuant to the provisions of clause 8 of rule XX, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motion to suspend the rules on which the Chair has postponed further proceedings.

CONDEMNING THE NATIONAL ISLAMIC FRONT (NIF) GOVERNMENT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, House Concurrent Resolution 75, as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ROYCE) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 75, as amended, on which the yeas and nays are ordered.

This will be a five-minute vote.

The vote was taken by electronic device, and there were—yeas 416, nays 1, answered ''present'' 1, not voting 16, as follows:

[Roll No. 206]

YEAS—416

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
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)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Carson
Castle
Chabot
Chambliss
Chenoweth
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
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
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Vento
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—1

Paul

ANSWERED ''PRESENT''—1

Barr

NOT VOTING—16

Brady (TX)
Brown (CA)
Cardin
Coyne
Danner
Gephardt
Greenwood
Houghton
Lewis (GA)
McCarthy (NY)
Metcalf
Miller, George
Napolitano
Pryce (OH)
Rush
Ryun (KS)

□ 1237

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AVIATION INVESTMENT AND REFORM ACT FOR THE 21ST CENTURY

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 206 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 206

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1000) to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Transportation and Infrastructure. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Transportation and Infrastructure now printed in the bill, modified by the amendment printed in part A of the report of the Committee on Rules accompanying this resolution. That amendment in the nature of a substitute shall be considered as read. All points of order against that amendment in the nature of a substitute are waived. No further amendment to that amendment in the nature of a substitute shall be in order except those printed in part B of the report of the Committee on Rules. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against the amendments printed in the report are waived. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. SHIMKUS). The gentleman from New York (Mr. REYNOLDS) is recognized for one hour.

Mr. REYNOLDS. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my neighbor, the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Yesterday, the Committee on Rules met and granted a structured rule for H.R. 1000, the Aviation Investment and

Reform Act for the 21st Century, or Air 21.

The rule provides for one hour of general debate to be equally divided between the chairman and the ranking minority member of the Committee on Transportation and Infrastructure.

Mr. Speaker, this rule makes in order the Committee on Transportation and Infrastructure amendment in the nature of a substitute as an original bill for the purpose of an amendment, modified by the amendment printed in part A in the report of the Committee on Rules accompanying the resolution.

Additionally, the rule makes in order only those amendments printed in part B of the Committee on Rules report accompanying the resolution.

The rule provides that amendments made in order may be offered only in the order printed in the report; may be offered only by a Member designated in the report and shall be considered as read; shall be debatable for the time specified in the report equally divided and controlled by the proponent and opponent; shall not be subject to an amendment and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole.

Further, this rule waives all points of order against consideration of the bill, against consideration of the amendment in the nature of a substitute, and waives all points of order against the amendments printed in the report.

In addition, the rule allows for the chairman of the Committee of the Whole to postpone votes during consideration of the bill and to reduce voting time to 5 minutes on a postponed question if the vote follows a 15-minute vote.

Finally, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, after their historic flight in Kitty Hawk, North Carolina, Orville and Wilbur Wright cabled home a simple dispatch to their father, the Reverend Milton Wright. They spoke of the success of their four flights and finished the telegram with a simple pronouncement: ''Inform press, home Christmas.''

Of course, that may have been the last time two air travelers were that confident they would be home by Christmas.

Much has changed in the 96 years since the Wright brothers sent that telegram and much more needs to be changed to ensure safety at our airports and fairness in the airline industry.

Mr. Speaker, this bill provides for the reauthorization of the Federal Aviation Administration and the air improvement program. It seeks to address many of the problems burdening our aviation system by making our airports and skies safer, by injecting immediate competition into the airline industry. The bill also addresses many safety concerns by ensuring that the FAA has adequate funding to hire and retrain air traffic controllers, maintenance technicians and safety inspectors needed to ensure the safety of the aviation system.

It provides the resources for the FAA to modernize their antiquated air traffic control system. In addition, the bill provides whistleblower protection for both FAA and airline employees so they can reveal legitimate safety problems without fear of retaliation.

Mr. Speaker, the safety of our skies and of our citizens must remain a paramount concern of this Congress and clearly this bill addresses those needs and concerns, but there is another issue in this reauthorization that means much to consumers, economic development and job growth across our Nation, and that is the issue of increasing competition and making air travel more affordable to more Americans.

In my own district in upstate New York, the high cost of air travel has been a tremendous concern in cities such as Buffalo, Rochester and Syracuse.

□ 1245

Earlier this year, I had the opportunity to submit testimony to Transportation Secretary Rodney Slater, asking for his intervention in making adjustments to the slot process, which controls the take-off and landing rights at our Nation's busiest airports, to encourage airline competition and lower airfare costs.

Airline customers in my community still pay some of the highest airfares in the Nation. In fact, in Rochester, New York, air travelers pay the fourth highest airfares in the United States. This is not only a tremendous burden for leisure travelers, it is a direct impediment to economic growth and job creation.

Business travelers account for more than 70 percent of Rochester's flying public. They are also burdened with some of the highest-priced airfares. A published report noted that a last-minute round-trip airfare from Rochester to Chicago would cost nearly $1,100 on U.S. Airways. That same ticket from Baltimore would cost only $242.

This bill addresses much of that concern by setting a dated elimination of slot restrictions at O'Hare, LaGuardia and Kennedy airports and, equally important, making additional slots available for new airlines.

Making slots available to regional jet service providers will ensure that this Congress does what is needed to inject much-needed competition into the airline industry.

This legislation does much to increase competition with the clear goal of lowering the cost of air travel for the American people.

I would also encourage Secretary Slater to continue to use the power of his office to further identify other creative ways to help increase competition in the airline industry.

Representing a number of smaller, general aviation airports in need of improvement, I am pleased that this bill addresses many of the hurdles small airports face in trying to serve their specialized markets with commercial and private aircraft.

In addition, H.R. 1000 allows the States to control Airport Improvement Program grants to small airports. Under this provision, the State, not the FAA, will determine which general aviation airports are eligible for Federal funds.

Additionally, the bill requires medium and large hub airports to file a competition plan so that the resources can be directed to those projects that will do the most to enhance competition.

In conclusion, I would like to commend the gentleman from Pennsylvania (Chairman SHUSTER) of the Committee on Transportation and Infrastructure and the gentleman from Minnesota (Mr. OBERSTAR), the ranking member, for their hard work on this measure.

I urge my colleagues to support this rule and the underlying bill.

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

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

Mr. Speaker, this resolution calls for a structured rule, which makes in order only those amendments printed in the rules report accompanying the resolution. These restrictions are totally unnecessary and limit the full debate on what is a most important issue. I would note once more that the open rule best protects all Members' rights to fully represent their constituents.

The underlying bill we are considering attempts to ensure that America's aviation system remains safe and competitive as we enter the 21st century. Mr. Speaker, there is nothing more critical to the economic well-being of our Nation. Our aviation system was once the envy of the world. Now many communities find themselves cut off from the booming economy as a result of their inability to move their goods and services and people where they need to go.

This problem has enormous economic implications for certain regions of the country, including my own. Mr. Speaker, we are going to hear vigorous floor debate on a variety of issues but we know this: economic development cannot occur without affordable, accessible air transportation.

My district of Rochester, New York, is the largest per capita exporting district in the United States. This region

exports more goods than all but nine States. Indeed, we are among the top 10 exporting areas in the entire country. Last year, 1.2 million people flew out of our airport.

The 28th District of New York is the proud birthplace of a number of Fortune 500 companies, such as Eastman Kodak, Xerox Corporation, Bausch and Lomb, making it the world's image center. Of equal importance are the hundreds of small and mid-sized high-technology firms that have been growing in the region over the last several years. Indeed, these companies are now critical to the lifeblood of our community.

But that continued success is by no means certain. Many firms or businesses are either moving out or choosing to expand in other regions of the country. The reason? Exorbitant airfares and the inability to get a decent flight schedule.

Last year we learned that Eastman Kodak plans to move the marketing headquarters to Atlanta because of cheaper and more frequent flights out of Atlanta's airport. That effect on our area's smaller companies is equally pronounced. A relatively young and growing Rochester-based firm recently wrote me that high fares to and from Rochester are the primary reason it froze professional positions in its local office, opting instead to expand its mid-Atlantic offices.

Rochester is like many mid-sized communities that got left out of the benefits promised by deregulation. To be blunt, deregulation failed us. During the 1980s, 13 air carriers served our region, affording consumers choices and creating a competitive environment that produced reasonable fares. Now one dominant carrier and four additional carriers effectively serve our region, but not effectively. They barely serve us. My constituents pay the second highest airfares in the United States, second only to Richmond, Virginia.

The major airline carriers have clipped the wings of any would-be start-up carriers. While more than one carrier may service our region, they do not compete among themselves on most routes. For example, let me say that competition is not the answer, because we have two airlines that will take persons from Rochester, New York, to Chicago round trip, but both airlines charge $1,267, to the penny, very same price. The result has been the creation of de facto monopolies on individual routes that are gouging business people and consumers when they fly.

Congress can and must level the playing field for start-up air carriers so that they can compete with the major carriers. The low-cost airlines formed after deregulation are the primary source of price competition in other areas of the country. When they enter the market, these airlines force the big carriers to reduce fares. Without the pressure from the bargain airlines, the large competitors charge the consumers exorbitant prices. In fact, we are fairly certain that, if one lives in an area where one's airfares are reasonable, the people of Rochester, New York, are helping to subsidize that.

Two years ago, I pledged to my constituents to confront this problem head on. I authored legislation calling on the Department of Transportation and the Department of Justice to get tough on the predatory behavior of major carriers. I have testified numerous times before both House and Senate colleagues, and we had hearings last February with the Secretary of Transportation Rodney Slater on the high cost of airfares.

The major carriers attacked my efforts claiming I was addressing a nonexisting problem. This was no small attack because the carriers had spent millions of dollars on lobbyists, on law firms, public relations firms, and focus groups. Fortunately, the flying public has not been fooled, and the drumbeat for greater action from their leaders continues, and we have been successful.

As I stand here today, the Department of Justice has launched a full antitrust investigation into the behavior of the major carriers. The Department of Transportation, for the first time in 20 years, drafted comprehensive guidelines to prevent anticompetitive behavior.

But, Mr. Speaker, just recently four major airlines raised their prices over a weekend together. In the old days, we used to call that collusion. Now it is simply called free enterprise. Thirty-six States' attorneys general are pressing their State courts into action, and the full House, the full Senate and administration are all moving forward with comprehensive measures to tackle the problem.

My bill, the Airline Competition and Lower Fares Act, includes measures to address the distribution of landing and take-off rights at airports, known as slots, and the predatory practices of the major carriers. I commend the gentleman from Pennsylvania (Chairman SHUSTER) and the ranking member for including provisions in AIR 21 to address the slot issue.

Slots are critical to this debate. Currently the major carriers have a stranglehold on the slots, effectively preventing low-cost carriers from entering the market. In the 18 years since airline deregulation, major airlines have increased their grips on the access to slots at the major airports.

At four airports in the country, LaGuardia and Kennedy Airports in New York, O'Hare Airport in Chicago, and National Airport near Washington, D.C., the dominant airlines use their control of slots to squeeze out the smaller carriers, and consumers are getting crushed in the process.

Deregulation of the airline industry increased the demand for slots at these airports. The DOT, I think, out of a moment of sheer madness, gave permission to the major airlines to use these slots as their personal property. They did, however, retain those slots as the property of the people of the United States.

However, the major airlines have been allowed to buy and sell them to each other, to use them as collateral for loans; and we must stop that. As many as one slot, if an airline decides to rent it to another smaller start-up airline, can cost as much as $2 million a year during peak hours. That is money they are making off of our landing rights, Mr. Speaker. Few start-up companies can overcome such a financial barrier to enter the market.

When the slots were first distributed, it was made clear that they were government property, and we retain the right to reclaim them; and the time for that is now.

We heard testimony at the Committee on Rules yesterday to the effect that the elimination of the slot rule would pose a threat to safety. Mr. Speaker, this is not true. In testimony before the House Subcommittee on Aviation, the top officials of the Department of Transportation refuted this notion. Indeed, when asked directly by the gentleman from Illinois (Mr. LIPINSKI), ranking member, whether any safety reasons existed that would warrant maintaining the current slot system, FAA Administrator Jane Garvey issued an emphatic no.

Indeed, Mr. Speaker, if the slot control density was a safety issue, there are several airports in the United States that are far more used and more dense than the four airports that are slot-controlled. If it were safety, one may believe that the Atlanta airport, for one, would be one of those recommended. It is not a safety issue.

Again, I commend the gentleman from Pennsylvania (Chairman SHUSTER) and the ranking member for tackling the problem. Last fall, the ''Economist'' magazine, surely a publication with capitalist credentials in order, noted that ''if passengers are to benefit fully from airline deregulation, they also need to be protected from what could all too easily turn into just another bunch of price-gouging cartels.''

I could not agree more. There may have been benefits promised by deregulation, but we do not have them. Without effective competition in this market, businesses and consumers cannot get a fair shake. AIR 21 will provide additional airport capacity and help to improve large and small airports to ensure that we have fair competition in an industry where individual air carriers have market dominance over many communities.

Mr. Speaker, I feel it is necessary to say again that we found out last year, when Northwest Airline employees went on strike, that they left whole States in the Northwestern United States without service.

Mr. Speaker, while I will not call for a recorded vote, I do say that we will have a vigorous debate on this bill before it is over.

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

Mr. REYNOLDS. Mr. Speaker, I yield 4 minutes to the gentleman from Florida (Mr. GOSS), the distinguished vice chairman of the Committee on Rules.

Mr. GOSS. Mr. Speaker, I thank the distinguished gentleman from New York (Mr. REYNOLDS) for yielding me this time.

I rise in support of this very reasonable and appropriate rule. I honestly believe that it should lead to full opportunity for debate on many relevant issues that we heard on this subject yesterday before the Committee on Rules, matters that were brought to our attention by Members of the appropriate committee.

I commend the bipartisan work of the Committee on Transportation and Infrastructure under the leadership of the gentleman from Pennsylvania (Mr. SHUSTER) in bringing the House this comprehensive authorization bill for our Nation's airports and critical aviation needs.

We have all been reading about the horror stories when things go wrong in aviation, and I am not just talking about the tragic accidents, I am talking about the passenger inconvenience from overcrowding and management problems.

Every single Member in this House wants to ensure that our airports are ready to move into the next century before it gets here, and it is hard upon us. My district encompasses one of the fastest growing parts of the Nation, an area that also happens to be one of the country's most desired vacation spots, and I cordially invite anybody to visit southwest Florida.

As a result, southwest Floridians certainly understand the importance of continuing to invest wisely in our aviation system. That need is even more acute now that we have gone global in southwest Florida and other parts of our country with free trade zone designation that is promoting world-class business and economic development throughout our entire region, and obviously of great importance, our economic well-being of our Nation.

All of this good news, though, is contingent upon an airport system that works, and it has got to work well and better than it is working now. At our peak in March, our area airports handled more than 800,000 passengers. The biggest of our airports in southwest Florida, Southwest Florida International, is a model for the entire Nation on how to stay ahead of growth and meet demand without jeopardizing safety or efficiency.

□ 1300

And I want to publicly congratulate the individuals involved in the management of that airport and the policies of that airport.

The next big project they have for that airport is the construction of a new midfield terminal, the result of yet another successful Federal-local partnership. And I am grateful to the gentleman from Pennsylvania (Mr. SHUSTER) and the gentleman from Minnesota (Mr. OBERSTAR) and people like that who have recognized needs and given attention to needy situations.

Suffice it to say in my part of Florida we are positive witnesses on the importance of passenger air travel and, of course, air cargo. However, Mr. Speaker, we also know there is no free lunch. When it comes to using taxpayer money we have to find out where it is coming from. We have to balance our priorities and understand the tradeoffs, and that means we cannot overpromise. I am concerned that this bill, for all of its merits in supporting vital infrastructure, may be raising expectations just a trifle too high.

Specifically, the bill makes a technical change to the Federal budget process that has far-reaching consequences. The argument here is not about whether we are going to provide proper funding for our airports and aviation safety. That is a given. Rather it is about how we make that happen and whether we unnecessarily tie our own hands for future spending decisions.

This bill seeks to wall off the Aviation Trust Fund from the rest of the budget, a precedent that could lead us down the road of even less fiscal control than we have today and, obviously, would be of concern. One of the primary reasons that we have been able to achieve this remarkable era of budget surplus is that we have examined the Federal budget as a whole and made tough decisions about living within our means. I oppose creating separate budget entities for airport expenditures, or just about anything else, because they are not subject to the same overall control.

Our colleagues will have the chance later in this debate to consider an amendment to strip H.R. 1000 of that technical language and restore the proper balance between deciding on national priorities and allocating the money to foot the bill. I hope Members will support that amendment.

In the meantime, I urge support for this appropriate rule so we can get to that debate and again I congratulate the managers of the bill, the chairman and ranking member of the full Committee on Transportation and Infrastructure, for their hard work in bringing something forward that is timely and necessary for the well-being of our Nation.

Ms. SLAUGHTER. Madam Speaker, I yield 3 minutes to the gentleman from California (Mr. FILNER).

Mr. FILNER. Madam Speaker, I rise today in strong support of the rule and the bill, AIR 21, the Aviation Improvement Act for the 21st century.

As a member of the Committee on Transportation and Infrastructure, and a Member whose district is just minutes from our international border with Mexico, I know that the path to the 21st century is about more than just ground transportation on America's roads, rails and bridges. And as a Member whose district is also on the Pacific Rim, I know that today the path to the 21st century is also very much about the aviation system in our Nation's airways.

Because of that, I firmly believe that this legislation is more than a transportation bill and more than an aviation bill. Like its sister bill TEA 21, this legislation is a job creator, a winged engine for the Nation's trading economy and a critical tool for the economic development of my own Congressional District.

The enhanced aviation infrastructure and updated air traffic control system that this provides will improve our ability to more efficiently and effectively move people and goods. By removing delays caused by an aging and crumbling infrastructure and an inadequate air traffic control system, we will be better able to continue to grow the economy and shrink our global community.

Despite arguments to the contrary, this legislation is also about fiscal responsibility and accountability. We Americans are taxed when we fly. We are told that those taxes will go to fund our aviation infrastructure. What we are not told is that in reality our tax dollars are allowed to accumulate vast balances that are used by bureaucrats in a classic Washington shell game of hide-the-budget deficit. Americans pay aviation taxes for aviation infrastructure. It is time we instill some discipline into the Federal budget and spend these funds for their intended purpose. This bill will finally restore the trust the American people place in this account.

I believe AIR 21's increased investment in our aviation infrastructure is desperately needed at this time. America's investment in its transportation infrastructure has helped create the strongest economy in the history of the world. It invigorates the Nation's productive power, creates new jobs and raises revenues. This investment in transportation today boosts the economy and creates jobs today, tomorrow, and for years to come.

Madam Speaker, I will vote for my constituents' job interests and for the

Nation's economic interests today and vote for this critical legislation. I urge my colleagues to support this rule and to support this bill.

Ms. SLAUGHTER. Madam Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. JACKSON).

Mr. JACKSON of Illinois. Madam Speaker, I thank the gentlewoman from New York for yielding me this time, and I want to rise today in support of this rule.

I want to talk about a contentious issue for which we will be debating at great length throughout consideration of AIR 21, and that is the passenger facility charge. In 1990, Congress responded to concerns that the aviation trust funds and other existing sources of funds for airport development were insufficient to meet national needs by creating the PFC.

The Aviation Safety and Capacity Expansion Act of 1990 allowed designated commercial airports the option of imposing a PFC on each passenger boarding an aircraft at the airport. PFCs are not Federal taxes. Rather, PFCs can be viewed as local taxes that require Federal approval.

Unlike Federal airport improvement program funds, AIP, PFC monies can be used for a wide range of projects and can also used for debt service and related expenses. As a result of this broad project eligibility, PFC funds are more likely to be spent on landside activity, such as terminal development, road construction, and debt service.

The PFC system has been enormously popular with airports. According to some estimates, the FAA has already approved PFC collections in excess of $18.5 billion. This large and growing source of airport funding is also viewed by many observers as a way to fund needed airport improvements without raising Federal Aviation taxes.

It is clear, however, that there are some concerns by many Members of Congress with respect to legislative intent. It is clear that additional capacity was a major goal of the authors of this legislation. What is less clear is how capacity is defined. As suggested in previous announcements, the Federal Aviation Administration has taken a broad view of the types of airport projects eligible for PFC funding.

It has been suggested by critics of several PFC projects that the FAA view is overly broad and that a redefinition of capacity would be appropriate and appropriate in AIR 21. This issue, generally referred to as an appropriate use issue, will be discussed in great detail in today's debate.

The single most controversial issue associated with PFCs has been the issue of appropriate use. Recent FAA approval of PFC funding for a $1.5 billion light rail system connecting JFK Airport with New York's subway system has raised the visibility of appropriate use. Recent testimony before the Subcommittee on Aviation of the House Committee on Transportation and Infrastructure indicates that airlines are still very opposed to this project and other types of projects that airports wish to undertake using PFC funds on the site of airports and not off site from airports.

The city of Chicago has chosen to use much of its PFC income to undertake large terminal-related projects. These terminal improvements are largely aimed at upgrading existing infrastructure as opposed to creating new infrastructure. The first terminal upgrades are aiding incumbent carriers. That is, the gates and terminal space being rehabilitated will already be under control of an air carrier. As a result, the space is unlikely to be available to new air carriers who might provide new and competitive services at the airport.

Second, this type of project has been historically subject to bond financing. In this historical financing framework, the airports would have to work with the incumbent air carrier to create new or improved terminal capacity by using its landing or other fees to support the bonds financing. Unfortunately, PFCs are acting as a subsidy for existing carriers and are not consistent with Congress' legislative intent to enhance competition amongst the carriers, which we will discuss in great measure.

The failure to concentrate PFC funds on the airside improvements is having the effect of increasing existing congestion in the air traffic control system. In this view, using PFC funds to build new airports, such as DIA and perhaps, even in my own district, Peotone, Illinois, has the effect of reducing ATC congestion at major transportation hubs. New runways, new taxiways, even at existing airports, are also seen as enhancing ATC capacity in an area and in a way that new terminals and parking loss indeed cannot.

On the issue of competition, by choosing not to spend money on new air site capacity and gates for potential new competitors, some airports seem to be working to maintain the status quo, thereby benefiting incumbent air carriers. Just this past Friday, the gentlewoman from Illinois (Ms. SCHAKOWSKY) sat on the runway at Reagan National Airport for 5 hours, not because there were not enough terminals at Chicago at its airport, not because there were not enough parking lots at Chicago at its airport, she sat on the runway because of bad weather at the airport and had nowhere else to go.

In the future, Chicago's airports will have to lengthen their runways from their present lengths, expand space between runways and taxiways so that generation and series 4, 5 and 6 aircraft will be able to land at those airports and, indeed, enhance competition amongst the carriers.

Madam Speaker, I look forward to continuing this debate and offering several corrective amendments to this bill to make Congress' intent a reality.

Ms. SLAUGHTER. Madam Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. LIPINSKI).

Mr. LIPINSKI. Madam Speaker, I thank the gentlewoman for yielding me this time, and I want to say that I rise in strong support of this rule.

Madam Speaker, I would like to comment upon a few statements made by my good friend and colleague, the gentleman from Illinois (Mr. JACKSON) as it pertains principally to the Jackson-Hyde amendment which we will be dealing with later on today.

First of all, PFCs are collected locally and spent locally. The Jackson-Hyde amendment is an unprecedented attack on local authority. The law establishing the PFC clearly states that only FAA-recognized airports or airport authorities can collect and distribute PFC revenue.

The city of Chicago is the airport authority for both O'Hare Airport and Midway Airport. The Illinois Department of Transportation, the beneficiary of the Jackson-Hyde amendment, has tried before to grant the PFC revenue collected by the city of Chicago. In that case the U.S. Court of Appeals, 7th Circuit, ruled that the Illinois Department of Transportation had no rights to the revenues collected by the city of Chicago.

In fact, the court stated that PFC revenues belonged to the agency levying the charges, in this case the city of Chicago. They do not belong to the Illinois Department of Transportation or any other organ of the State. The Illinois Department of Transportation controls neither the airports, which are controlled by a municipal authority, the city of Chicago, nor the airspace, a Federal responsibility. The Hyde-Jackson amendment would set a precedent allowing entities that do not participate in the operations of airports to benefit from the PFC revenue.

It is airport operators, not State agencies, that know how to best use scarce aviation funds. The city of Chicago has wisely used its PFC revenues to address pressing airport needs. As is required by law, PFC revenues collected by the city of Chicago have only been used on projects approved by the FAA.

The city of Chicago began collecting PFCs in 1992, and since that time has had FAA approval for more than well over $700 million to rehabilitate and improve existing runways and taxiways, and more than $300 million to soundproof schools and homes surrounding O'Hare and Midway Airport.

I would like to run that by my colleagues once again. There has been $300 million from the PFCs set aside to soundproof schools and homes surrounding O'Hare and Midway Airport.

The city of Chicago also used PFC funds to build shared- or common-use gates that ensure access for any carrier wishing to serve the airport. This has helped foster competition at both O'Hare and Midway Airport and is a very important ingredient in this debate.

□ 1315

Midway Airport is beginning a $762 million development program to replace the 50-year-old terminal at the airport. Midway Airport has an airfield that can accommodate as many as 8.5 million enplanements.

Unfortunately, the terminal was built and later renovated to accommodate only 1.1 million annual passengers. By improving the terminal building, Midway will be able to utilize its operational capacity.

The gentleman from Illinois (Mr. JACKSON) when he spoke here a few minutes ago on the rule mentioned that neither O'Hare nor Midway will be able to accommodate the soon-to-be-built new generation of larger ''series 6'' aircraft.

O'Hare's main runways range from 13,000 feet to 10,000 feet and can easily accommodate today's largest aircraft. The Boeing 747–400 and the 777 all fly into and out of O'Hare on a regular basis. Midway's largest runway is 6,500 feet and Boeing's 757–200s regularly fly in and out of Midway.

In fact, ATA Airlines has started the one-stop service to Ireland using the 757–200; and once customs facilities are constructed at Midway, they will begin nonstop international service.

In conclusion, I would simply say, in Governor Ryan's inaugural address, he made mention of the fact that the State of Illinois wanted no PFC money from O'Hare Airport or Midway Airport to build Piatone.

The problem with accommodating larger aircraft is not a matter of runway capacity, but rather gate capacity. Most airport gates are not built wide enough to accommodate the bigger aircraft. Fortunately, the City of Chicago is planning on using PFC revenues to build 2 new terminals at O'Hare that will be able to accommodate the larger aircraft being built today.

The City of Chicago is not using PFC revenue as Congress intended. Once again, the City of Chicago has used PFC revenue on FAA approved projects only. Each project in some way enhanced safety or capacity, reduced noise, or enhanced competition as the law directs. Study the list of projects for yourself.

Listed below are capacity improvements that have been made at both O'Hare and Midway. Any taxiway and hold pad improvements are designed to eliminate ground congestion and delays. O'Hare has seen a 40% reduction in delays during the past decade, much of this is attributable to the reduction of ground congestion. The other projects maintain the operational capacity of the airports.

O'Hare International Airport

$6.8 million on Runway 27L hold pad (April–October 1993)

$3.1 million to rehabilitate Runway 4R/22L (June–December 1993)

$10 million to rehabilitate Runway 9R/27L (March–August 1996)

$8.8 million on shoulder and edge lighting on Runway 14L/32R (June–November 1996)

$26 million on new north airfield hold pad (July '94–April '97)

$3.3 on Air Traffic Control Tower (ATCT) lighting panel (June '95–August '97)

$7.9 million to rehabilitate Runway 4L/22R (July–November 1997)

$14.9 million to rehabilitate Taxiway 14R/32L (May–December 1997)

$12.9 million to rehabilitate Taxiway 9R/27L (September '97–September '98)

$1.7 million to rehabilitate Runway 4R/22L (May–October 1998)

$11.7 million to rehabilitate Taxiway 14L/32R (April–December 1998)

$9.9 million to rehabilitate Taxiway 4R/22L (June–December 1998)

$5.5 million for terminal apron pavement rehabilitation (June '98–December '01)

Projects at Midway Airport

$4.3 million to rehabilitate Runway 4L/22R (June–December 1995)

$900 thousand to rehabilitate Runway 13L/31R (May–November 1996)

$421 thousand on airfield lighting control panel (August '96–July '98)

Mr. REYNOLDS. Madam Speaker, may I inquire how much time is remaining?

The SPEAKER pro tempore (Mrs. EMERSON). The gentleman from New York (Mr. REYNOLDS) has 18½ minutes remaining, and the gentlewoman from New York (Ms. SLAUGHTER) has 8 minutes remaining.

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

Ms. SLAUGHTER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I find that probably nothing is more confusing to our fellow Members and to the audience at large as when we talk about slots and density control. And I would like to take just a few moments if I may to try to give my colleagues my view of what this discussion is really about.

As we know, there are four airports in the United States that are density controlled. And there are many more airports in the United States, notably, Los Angeles and Atlanta, that have far more traffic than the density controlled airports.

Safety is not the issue. The issue is simply this: It is important to note that a slot is not a gate. ''Slot'' is the term used for landing and takeoff at airports. And what the United States has done now is allow four airports in the United States to have nothing to say about it but the major airlines controlling who gets to land and who gets to takeoff. Because the slots, the landing rights of those airports, is in the hands of the major air carriers.

If a start-up airline wants to rent a slot or lease a slot from one of the carriers, as I pointed out earlier, it could cost them up to $2 million a year and they may be given the right to land at 2 a.m., and they may also be required to use the reservation system of the major airline, and they may also be required to use the ground crew of the major airline, which are some of the reasons why many start-up airlines never survive at all.

So what we are doing, if we let density stay at these four airports, do not lift the density, we are simply continuing the system of letting the major airlines determine who flies in and out of those four airports. It is important to understand that it is their control.

As I said earlier, they buy and sell them to each other, they lease them out to other airlines, and they use them as collateral for loans. The most important point I want to make is that that does not belong to them. Because even when they were given the right to control, the retention of the slots, the landing rights, were retained by the American people with the right to he reclaim them. And that is what needs to be done in this bill. It needs to be done now.

I urge all of my colleagues to vote against the Hyde-Morella amendment today that retains density. Because they are not helping an airport, they are continuing a monopoly situation.

Madam Speaker, I yield back the balance of my time.

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

Madam Speaker, I agree with my colleague and neighbor, the gentlewoman from Rochester, New York (Ms. SLAUGHTER).

If I had my way to write this bill, I would not have slots in it, no slots, any airport. I would have the free market based on the fact that my belief is that no slots would offer an opportunity to reduce the air fares in Rochester, Buffalo, and Syracuse.

However, this is a body of compromise. And some representatives from the New York City area representing LaGuardia and Kennedy, all Democratic minority members I might point out, work to suppress additional slots for areas like Upstate New York, Buffalo, Rochester, and Syracuse. And it was soon compromised by the chairman of the committee that a negotiated solution provided opportunities for new and additional regional jet service from New York City to airports like Upstate New York.

It is an important first step. It is not the last step. It is not a final solution. It is a compromise. It is a beginning first step. I urge more discussion, more ideas to come forward not only from this great body of the Congress but from the administration, the Secretary of Transportation, and the industry on

what we can do to lower airfares and bring great competition to all of our airports in America.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 206 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1000.

□ 1321

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1000) to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes, with Mr. BONILLA in the chair.

The Clerk read the title of the bill.

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

Under the rule, the gentleman from Pennsylvania (Mr. SHUSTER) and the gentleman from Minnesota (Mr. OBERSTAR) each will control 30 minutes.

The Chair recognize the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, this is an historic moment in the House because we are considering legislation which will have a major impact on the future of nearly every American in the years to come.

Make no mistake about it, our aviation system in America today is hurdling toward gridlock and potential catastrophies in the sky. In fact, we have gone since airline deregulation from 230 million passengers flying commercially in America each year to 600 million last year, 660 million projected for this year. And in the first decade of the next century, we will have over a billion, with a ''B'', people flying commercially in America.

Beyond that, air cargo is skyrocketing. In the past 10 years, we have had a 74-percent increase in air cargo and it is escalating at even a steeper rate today. We are told that in the next 5 years there will be a 30-percent increase in planes over our 100 largest airports and, get this, a 50-percent increase in commercial jets in our skies.

Delays have increased to the point that our top 27 airports in America each are experiencing well over 20,000 hours of airplane delay a year. And it is getting worse, not better. In fact, it is projected that the airlines are losing $2.4 billion a year as a result of the delays and it is costing the American people $8 billion a year in delays.

That does not really tell the whole story, by a long shot. Why? Because delays are so prevalent, the airlines are building delays into their schedules. For example, a flight from Washington to LaGuardia takes 45 minutes, but the airlines are showing it as a one-hour flight because they are building in the delay. So those delays are not even calculated. Delays are increasing. Customer satisfaction, airline passengers are very, very upset.

From this April to last April, there has been an 87-percent increase in passenger complaints down at the FAA. As far as safety is concerned, while we have today still the safest aviation system in the world, it is not going to stay that way if we have 30 to 50 percent more planes in the sky.

In fact, with the tragedy that occurred out in Little Rock just a few weeks ago, they did not have a Dopler radar system, which would have warned them in advance of the problems they were having with weather. They have requests in for runway extensions, requests in for safety, other safety requests which have not yet been granted. Why not? Because the money is not there to do it.

Now, I cannot stand here today and say that that tragedy would not have occurred in Little Rock. But we can say that the additional safety devices which they want and have applied for certainly would have provided a safer environment for them. Competition is something which we have all been in favor of, and yet we do not see it today in many of our major hubs.

In fact, most of the major hubs is one dominant airline that controls 70 to 80 percent of the slots of the gates. And why? Because we do not have the necessary expansion.

As many of my colleagues know, the critical path generally is more runway. And if you could have more runways, then we could have more terminals and more gates. And indeed in this legislation, one of the reforms in this legislation is to provide the incentives for the airports to attract additional competition into the airport. And when that happens, we will see more competition, and more competition certainly works to the benefit of the traveling public.

What are the needs? We are told that, all told, when we consider the money that is coming from the Aviation Trust Fund, the bonding that takes place at airports, the general fund, the total need is about $10 billion a year. And we only have $7 billion a year. We are $3 billion short.

There are 59 runway projects that need to be built. The money is not there. We are told in one study there is a 60-percent increase in infrastructure required to meet the future demands on our aviation system. The General Accounting Office tells us that the air traffic control system will need another $17 billion in the next 5 years.

Well, is there a solution? Yes, there is a solution. And we are here with that solution today. The good news is that solution does not require any tax increase, nor does that solution require taking money away from other Federal programs.

The solution is to unlock the Aviation Trust Fund. By doing so, we can have $14.3 billion in the next 5 years to be spent to improve aviation, and indeed that is only money that is going into the Aviation Trust Fund paid for by the American traveling public in their ticket tax.

It is deja vu all over again when we look at the battle we fought last year on the Highway Trust Fund to unlock it so we would be straight with the traveling public and spend the money they put into the Highway Trust Fund for surface transportation improvements.

So now we come today and say let us do the fair thing, the right thing, let us unlock the Aviation Trust Fund.

In fact, if we do not unlock the Aviation Trust Fund, if things go on as they are, not only will we have the delays we talked about, the increasing safety problems, the Aviation Trust Fund in 10 years will have a balance of over $90 billion paid for by the traveling public and yet not spent.

□ 1330

Where do we offset the $14.3 billion? How can we say that we can spend the money going into the Aviation Trust Fund, which in the next 5 years will be an increase of $14.3 billion, and not take it from other programs and live within the caps? It can be done, and this legislation does do it because we move the Aviation Trust Fund outside the cap, we do not spend increased money from the general fund; in fact, we put a freeze on the general fund so this works to the benefits of our friends on the Committee on Appropriations so that they do not have the pressure of having to increase general fund spending in the future because the only increase comes from the Aviation Trust Fund. Indeed, the 14.3 billion we take from the $780 billion 10-year tax cut, that is in the budget resolution that has passed this House earlier this year.

Now stop and think about it for a minute. It is morally wrong to say we are going to take that $14.3 billion that is in the Aviation Trust Fund and use it, give it away, as part of a general tax cut. It is simply wrong, it is fraudulent, to take the tax money of the traveling public and then turn around and have that money given away as part of a general tax cut. That is a moral issue, as well as a financial issue, as well as a safety issue, and so we believe this legislation gets the job done, does not provide all the money we would like to see, but it certainly moves in the right direction.

And another very important point: In this legislation, it does differ from TEA 21, the highway bill, in that we do not mandate that the money all be spent. The appropriators in our manager's amendment, the appropriators retain all of the authority which they now have, so if someone gets up here and tells us that the appropriators are losing their authority over this legislation, that is simply not the case. They can set the obligational ceilings; they will have the same authority under this legislation that they have today under current law.

Indeed I was pleased to read this morning that the Speaker is going to support this legislation. I have just been informed, and I am proud to announce, that the Speaker, although a Speaker generally does not vote, the Speaker has informed me that he will vote on this legislation and he will vote in favor of this legislation. And why? Because it is good for America, because it the right thing to do.

Another issue that is of importance to us here is that we provide the local authorities, the locally-elected authorities particularly, I say to my conservative Republican friends, we send back to the localities the authority on the decision of whether or not the PFCs, the passenger facility charges, should be increased; but, because there is a national interest in it, we put some strings on that decision.

We say that we cannot increase PFCs unless we can justify to the Secretary of Transportation that with this additional money they are getting in our bill they still cannot do the job of providing safe transportation; they cannot provide in addition to safe transportation for a reduction in delays and an increase in competition. So all of those very important issues must be justified before a locality can increase its PFCs.

In this legislation, simply by unlocking the Aviation Trust Fund, small airports will have their allocation increased threefold, as will the medium and large hubs. For the first time, the cargo airports will get funds, and so will general aviation, without any tax increase, simply by using the money that the American people are paying.

Now we have heard, unfortunately, an article a few weeks ago about some of the Members being threatened by the Committee on Appropriations if they vote for this bill they will lose projects. I certainly do not believe it, and I know I have the highest regard for the chairman of the Committee on Appropriations. Just yesterday I was told that members of the New Jersey delegation were threatened that they would lose funds for their beaches. I am so happy to report to my colleagues that I have discussed this with the chairman of the Committee on Appropriations, and as I knew was the case, he has assured me that they do not operate this way and there certainly is no retribution, neither favors nor threats. And I knew that was the answer because I know my good friend, and I know what an honorable man of great integrity he is, but I am very pleased to be able to report.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. SHUSTER. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. Mr. Chairman, I thank the gentleman for yielding, and I would report to our colleagues on the same statement that I made to the gentleman, that the Committee on Appropriations does not seek to gain votes by offering projects to Members that might not otherwise be considered, nor would the Committee on Appropriations threaten to take away projects because of a lack of voting for an appropriation bill or something that the committee would support, and I thank the gentleman for bringing that to our attention.

Mr. SHUSTER. I thank my good friend. I knew that was the case, and I just appreciate him very much making that point.

I also want to emphasize that we just received today a vote alert from the U.S. Chamber of Commerce in which they say that they support this legislation and oppose the weakening amendments. They recognize the importance of this legislation, so we are just very thrilled to have that kind of support as well, along with the announcement that the Speaker is going to vote for this legislation.

There has been some misinformation put out, I am sure inadvertently. Let me emphasize again we do not touch the Social Security surplus, we do not touch other programs. The only increase is the increase from the Aviation Trust Fund.

Now I have had some say to me, ''Well, we can get the money somewhere else.'' And I say respectfully, ''You've got your head in the sand. Where is the money going to come from if it does not come from the Aviation Trust Fund?'' And if we do not continue the historic commitment of the general fund, indeed we freeze the general fund so it cannot be increased, which certainly should be helpful to the appropriators.

Let me conclude by sharing with my colleagues something that was provided to the Congress of the United States by the National Civil Aviation Review Commission, a commission created by the Congress of the United States just recently, and here is what they say:

Without prompt action, the United States aviation system is headed toward gridlock shortly after the turn of the century. If this gridlock is allowed to happen, it will result in a deterioration of aviation safety, harm the efficiency and growth of our domestic economy and hurt our position in the global marketplace. Lives may be endangered, the profitability and strength of the aviation sector could disappear, and jobs and business opportunities far beyond aviation could be foregone.

Let us do the right thing. Let us join with our Speaker and vote in favor of this legislation.

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

Mr. OBERSTAR. Mr. Chairman I yield myself 12 minutes.

Mr. Chairman, transportation has shaped America's history from its very origins, just as surely it guides our destiny as a Nation. From our beginnings as a colony and our restart as a new Nation, America first developed seaports which dominated the 18th century, and river ports which were characteristic of the 19th century, and railheads in the later 19th century, and our highway system through the late 20th century. But it is airports and aviation that guide and will shape America's destiny in the 21st century.

The debate today is not about arcane budget rules. It is about the very future of America and our leadership in the world economy. Every Nation in the world looks to America as the leader in aviation in every aspect of aviation, in air traffic control technology, in runway construction. In the economic and commercial application of aviation, we are the world leader.

Mr. Chairman, that is why we are here today for this debate, to make sure that the funding mechanism which undergirds and supports and makes possible our air traffic control system, our airport system, our safety and security measures, is itself secure, that it will provide for the future needs of the growth of aviation in America.

We understand railroads, we understand transit links, we understand highways as part of an integrated system to deliver transportation necessary for job opportunities for local economic growth, for quality of life for the people of this country. But we do not understand, I do not think the understanding has settled in sufficiently with the people of this country to understand fully the role that aviation plays in America's current and future economy. The air traffic control system for our large hub airports, ever since the explosive growth that began in 1978 with deregulation of aviation, has put constraints, caused delays, created congestion both on the air side and the ground side at the Nation's airports. Flight delays, cancellations, slower flights are all indications of a system that is not meeting the demands of the Nation's growing economy.

The DOT Inspector General just recently found that flights at nearly three-quarters of the major air routes are taking longer than they did 10

years ago, as much as 20 minutes longer. Delta Airlines, for example, recently reported that inefficiencies in our air traffic control system cost that airline $300 million a year. But it is not just the major airlines, not just the major airports, it is our smaller communities in the hub and spoke aviation system that are also experiencing the strain of the inability of our aviation structure to meet the Nation's capacity requirements.

George Bagley, Chief Executive Officer of Horizon Air, chairman of the Regional Airline Association, said that air traffic control and airport capacity limitations are increasingly burdensome issues for expanding regional airline service. He said we have always figured a way to park more airplanes and get more gates but this year we did not do some flying that we otherwise could have done.

The Nation's airports are the ground hubs for these air routes. Capacity is limited. We cannot ignore critical issues, expanding runways to accommodate larger aircraft, expanding terminals, expanding gates to promote competition, and to accommodate the dramatic rise in passengers from 600 million passengers-plus last year to an anticipated billion passengers within the next 10 years.

How does this play out? Worldwide there are 1 billion 200 million passengers flying all airlines in the entire world of all nations. Six hundred million, over half of those passengers fly in this airspace in the United States. That is how important. We are half, in fact more than half, of the world's total airport-airline passengers capacity. Travelers at 27 airports in the United States in the last year suffered more than 20,000 hours of delay at each of those airports, and if we do not pass this legislation and make the improvements necessary, we will see that number increase to 31 airports by 2007.

We are falling short of airport capacity needs by $3 billion a year. We also have to make improvements in airport technology capacity along with the airport development needs. The shortfalls in airport technology and weather and radar technology also costs us billions of dollars in lost time and lost travel opportunities. Rural areas are denied the opportunity to enjoy the benefits of the economic development that they would have because they cannot get into the major hub airports or cannot fully develop their own small airport systems.

The National Civil Aviation Review Commission, chaired by former colleague and former chairman of this committee, Norm Mineta, put it very clearly. Without prompt action, the U.S. aviation system is headed toward gridlock shortly after the turn of the century. If gridlock occurs, it will result in a deterioration of aviation safety.

□ 1345

The Little Rock Airport situation which our chairman just recently addressed shows us once again, reminds us very vividly and powerfully that aviation accidents are caused by a chain of events, not by a single incident, not by a single missing link. But in this case, if only one link had been addressed, that accident might have been averted or its impact reduced. We are learning now about our weather detection system not fully operational, runway technology which might have prevented fatalities or injuries that was not installed. The proximate cause of the accident is still under investigation, but we are already beginning to see evidence of the possibility that increased aviation investment at that airport may well have made a difference in saving lives.

Every dollar we do not spend from the Aviation Trust Fund makes it more likely that there will be more chains of events that lead to tragedies.

The bill before us today begins to address the needs of the Nation's aviation system. It will ensure that the attention and focus we have invested in the Interstate Highway System will be extended to aviation, by assuring that we will have a guaranteed revenue stream to ensure that the investments in capacity, modernization, competition and safety in our system will be made and will benefit the traveling public.

Example: A runway project at San Francisco to increase capacity and cope with noise will cost a minimum of $1.4 billion and will ensure that smaller airports can take advantage of that airport with increased investments in global positioning satellite technology and weather technology.

The funding that we make possible through this guaranteed revenue stream will ensure that the AIP funding that will average $4 billion, together with the proposal to increase the ability of individual airports to increase their PFC by $3, will assure that we will have the funds we need at local airports to reduce congestion, improve safety, reduce noise, and enhance competition.

There have been enormous successes with the limited and uncertain-from-year-to-year dollars available for our air traffic control system. Despite the stop-and-go financing that has been characteristic of investment in ATC improvements, FAA has registered enormous success. The nearly $1 billion Voice Switching and Control System, VSCS, was installed over one weekend without shutting down the air traffic control system for 1 second and is now fully operational without any delays or difficulties or system failures that was characteristic of past communications systems and is vastly enhancing the ability of controllers to do their job.

The Display System Replacement at the enroute centers has now been installed at all 20 enroute centers nationwide, another $1 billion system with a million lines of computer software code. It is now going through the final stages of acceptance at each one of those centers, vastly enhancing the ability of air traffic controllers to manage the increasing demands on our air traffic control system. Still to come are STARS and Wide Area Augmentation System. Those have incurred delays, but, again, a good deal of that delay has been due to inadequate funding.

Tony Broderick, former FAA Assistant Administrator, asked the key question at our committee hearing when he said, we would never expect a business to run efficiently if the funding stream fluctuated wildly, so why do we expect this of the FAA managers? We cannot. With the funding mechanism we put in place in this legislation, we will assure that they have the dollars they need, and we will also ask more of them. With the Air Traffic Control Oversight Board created in this bill, we will increase focus on the managers' performance and hold them accountable for meeting schedule and budget targets.

Mr. Chairman, this legislation sets the stage for the 21st century, for the next wave of transportation, for the next generation of American growth in transportation and for growth in our economy at home and abroad. Just as last year's T–21 set the stage for America's movement into the 21st century in ground transportation, AIR 21 sets the stage for America's growth and movement into the 21st century. I congratulate the gentleman from Pennsylvania (Mr. SHUSTER) the chairman of our committee, on the leadership that he has demonstrated for this whole body, and for all of transportation in America last year when we moved T–21 and moved America off dead center and into the future, and I commend him again for the leadership that he has shown and for the courage of standing up for what is right for the budget for air travelers, for America, for aviation for the future.

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

Mr. SHUSTER. Mr. Chairman, I certainly thank my good friend for those kind words.

Mr. Chairman, I am pleased to yield 5 minutes to the gentleman from Tennessee (Mr. DUNCAN), the distinguished chairman of the subcommittee.

Mr. DUNCAN. Mr. Chairman, I thank the gentleman from Pennsylvania for yielding me this time.

I want to, first of all, say that the gentleman from Pennsylvania (Mr. SHUSTER) and the gentleman from Minnesota (Mr. OBERSTAR) have already made statements about the need for this legislation and the reasons behind it. So I want to add just a few things. But first, I want to commend the gentleman from Pennsylvania (Mr. SHUSTER), the chairman of our committee,

for his leadership on this bill, and my good friend, the ranking member, the gentleman from Minnesota (Mr. OBERSTAR), of the full committee and the ranking member of our subcommittee, the gentleman from Illinois (Mr. LIPINSKI), for their leadership and hard work on this legislation.

Mr. Chairman, this is indeed historic legislation, because we are poised to take the Aviation Trust Fund off budget, produce a more honest budget for the American taxpayers, and take the first steps toward ensuring that our aviation system remains as one of the safest and most efficient in the world. As the gentleman from Pennsylvania (Mr. SHUSTER) noted, the Speaker of the House has strongly endorsed this bill, and the National Chamber of Commerce has strongly endorsed this bill. This is a good bill that all Members can support.

Mr. Chairman, H.R. 1000, the Aviation Investment and Reform Act for the 21st Century, or AIR 21, as it has been referred to, is a bill to reauthorize the Federal Aviation Administration program through the year 2004. AIR 21 is no ordinary bill. AIR 21 ensures that aviation taxes will be spent for aviation infrastructure improvements.

Last year, the chairman of our committee, the gentleman from Pennsylvania (Mr. SHUSTER), led the effort, as the gentleman from Minnesota (Mr. OBERSTAR) just noted, to unlock the Highway Trust Funds and ensure that highway taxes are spent on highways. Now we are attempting to and should do the same thing this year with the Aviation Trust Fund. I am proud to be a part of this effort to ensure that the taxes paid by aviation users will be spent only on aviation improvements. Unlocking the Aviation Trust Fund will benefit the entire aviation community, and it will also benefit even those who do not fly, because our entire economy is made stronger if we continually improve our aviation system.

Aviation activity is growing at a startling rate. In 1998, airlines flew over 640 million passengers. That is an increase of more than 25 percent from just 5 years ago. As this chart shows, current forecasts predict almost 1 billion employment sometime in the next 10 years, probably much sooner than that. At that growth rate, 10 new airports the size of Dallas-Fort Worth or Atlanta Hartsfield or Chicago/O'Hare, our largest airports, 10 of these large airports would be needed to adequately absorb these passengers.

In addition, air cargo traffic is rising even faster. It rose over 50 percent over the past 5 years and is expected to grow at an average of 8 or 9 percent over the next 10 years. With all of this growth, aviation delays are high and expected to increase in the future. The Air Transport Association estimates the delays caused by infrastructure problems cost the airlines $2.5 billion to $3 billion a year. Without proper investment into aviation infrastructure, our Nation's already stressed aviation system could be pushed to the breaking point.

AIR 21 acts to ensure that proper investment is available to fund improvements to our aviation system. By 2004, the bill raises the level of FAA operations to over $7 billion, the airport improvement program to over $4 billion, and facilities and equipment to $3 billion. The increase in AIP funding will triple the entitlement dollars for primary airports, triple the minimum entitlement for small airports, and fund an entitlement for general aviation airports up to $200,000.

Mr. Chairman, this bill does more or will do more for small and medium-sized airports than any bill in the history of the Congress. This infusion of money into airport infrastructure, this very needed infusion will ensure that our Nation continues to have the safest, most efficient air service in the world, and certainly that is a goal that I believe everyone in this Congress knows is necessary and that everyone in this Congress supports.

One of the most important benefits of this new funding will be the tremendous improvement in airport infrastructure at small and midsized communities. First, to provide funding to these communities to obtain increased air service, this bill authorizes a $25 million program, and all of the communities that are underserved across this Nation need to support this bill because of that. In addition, the money provided in this program can be used to assist underserved airports in obtaining jet air service, and then in marketing that service to increase passenger usage. This money would be used by small airports that are currently served by turboprop aircraft to bring jet service to their communities.

Secondly, the bill will improve competition by establishing a regional air service incentive program. This assistance program would seek to improve regional jet service to small communities by granting them Federal credit assistance.

Mr. Chairman, this is indeed historic legislation, because we are poised to take the Aviation Trust Fund off-budget, produce a more honest budget for American taxpayers and take the first step toward ensuring that our aviation system remains one of the safest and most efficient in the world.

As Chairman SHUSTER noted, the Speaker of the House has strongly endorsed this bill. The National Chamber of Commerce has strongly endorsed this legislation. This is a good bill.

H.R. 1000, the Aviation Investment and Reform Act for the 21st Century (or AIR 21) is a bill to reauthorize Federal Aviation Administration programs through the year 2004. AIR 21 is no ordinary bill. AIR 21 ensures that aviation taxes will be spent for aviation infrastructure improvements.

Last year, Chairman SHUSTER led the effort that unlocked the highway Trust Fund and ensured that highway taxes were spent on highways. Now, we are attempting to and should do the same thing this year with the Aviation Trust Fund.

I am proud to be a part of this effort to ensure that the taxes paid by aviation users will be spent only on aviation improvements. Unlocking the Aviation trust fund will benefit the entire aviation community, and even those who do not fly because our entire economy is made stronger if we continually improve our aviation system.

Aviation activity is growing at a startling rate. In 1998 airlines flew over 640 million passengers.

That is an increase of more than 25% from just five years ago. As this chart shows, current forecasts predict almost 1 billion enplanements in the next 10 years. At that growth rate, 10 new airports the size of Dallas/Ft. Worth, Atlanta Hartsfield or Chicago/O'Hare would be needed to adequately absorb these passengers.

In addition, air cargo volume rose 50% over the last 5 years and is expected to grow 83% by 2008.

With all of this growth, aviation delays are high and expected to increase in the future. The Air Transport Association estimates that delays caused by infrastructure problems cost the airlines $2½ to $3 billion a year.

Without proper investment into aviation infrastructure, our nation's already stressed aviation system could be pushed to the breaking point.

AIR 21 acts to ensure that proper investment is available to fund improvements to our aviation system.

By 2004, the bill raises the level of FAA operations to over $7 billion, the Airport Improvement Program to over $4 billion, Facilities and Equipment to $3 billion.

The increase in AIP funding will triple the entitlement dollars for primary airports, triple the minimum entitlement for small airports from $500,000 to $1.5 million, and fund an entitlement for GA airports up to $200,000.

This infusion of money into airport infrastructure will ensure that our nation continues to have the safest, most efficient air service in the world.

One of the most important benefits of this new funding will be the tremendous improvement in airport infrastructure at small and mid-size communities.

First, to provide funding to these communities to obtain increased air service, this bill authorizes a $25 million program.

This money would provide assistance to a small or mid-sized community by making money available to an air carrier that serves that community. The money would subsidize the carrier's operations for up to 3 years if the Secretary of Transportation determines that the community is not receiving sufficient air carrier service.

This assistance would come in the form of loan guarantees, secured loans, and lines of credit for commuter air carriers that promise to purchase regional jets and use them to serve a community for a minimum of three years.

Most regional jets have lower operating costs, higher passenger capacity, and can fly

further than many of the turbo prop planes that they are beginning to replace. Jet service would greatly increase the travel choices for people living in small communities to major hub airports. These funding programs will allow small airports to enhance competition of low costs through regional jet service to ensure lower fares.

This bill makes tremendous strides in ensuring that smaller communities that are often overlooked or ignored by air carriers for financial reasons, gain a foothold to attract more, and better, air service for their residents.

We are also lifting slot restrictions at the New York and Chicago airports for regional jet service to small and nonhub airports effective March 1, 2000. This will open service to these airports and improve competition.

DOT has said that elimination of slots is not a safety issue. Therefore, we can increase air service and competition to many destinations currently dominated by one carrier or destinations with inadequate air service.

In addition, AIR 21 incorporates the National Park Overflights provisions based on a bill that I introduced. These provisions represent a strong compromise reached between all the parties involved in air tours over national parks. I am personally proud of the work that went into these provisions and I thank Chairman YOUNG of the Resources Committee for his work on this issue also.

This bill makes tremendous strides in meeting aviation needs and improving aviation infrastructure.

It ensures that communities that are often overlooked or ignored by air carriers for financial reasons, can attract more, and better, air service for their residents.

It also acts to enhance competition, safety and provide lower cost and better air service to all passengers.

This bill is the result of a lot of hard work. But there is still a lot of hard work in front of us. There are opponents to this bill who object to taking the trust fund off-budget. These same opponents object to the General Fund component of this bill.

The FAA's budget has had a General Fund component since its inception. The general fund contribution represents payment for a variety of FAA services, including services to military and other government aircraft, which use our airspace but do not pay taxes, as well as general safety and security services that benefit society as a whole by promoting economic growth.

This general fund payment has been affirmed by the congressionally authorized National Civil Aviation Review Commission (NCARC).

This Commission NCARC stated that ''the cost of safety regulation and certification should be borne by a general fund contribution as these activities are consistent with the government's traditional role of providing for the general welfare of the citizens and are clearly in the broad public interest.''

A similar conclusion was reached by the White House Commission on Aviation Security.

The Commission concluded that the federal government should consider aviation security to be a national security issue and that the government should commit to providing substantial funding to reduce the threats posed by terrorist attacks on civil aviation.

We are freezing the General Fund contribution in AIR 21 at the 1998 enacted level. As shown in this historical chart, this will result in a general fund share of approximately 23% from 2001–2004, well beneath the average general fund component of 39%.

This percentage is also well below the general fund share to other safety regulatory agency budgets. On average, these agencies (FDA, OSHA, and EPA) all receive about 80% or more of their budgets from the general fund. Comparatively, the FAA general fund contribution is a bargain.

If the General Fund component were eliminated, general taxpayers would not be paying their fair share for FAA services that benefit society as a whole.

Moreover, eliminating the General Fund component while maintaining the AIR 21 proposed funding levels would deplete the Trust Fund by 2003.

I urge you to vote against any amendment that contemplates cutting the general fund component of the FAA budget. If we allow AIR 21 to stand on its own, it will do great things for aviation.

I would like to take this opportunity to thank Chairman SHUSTER, Congressman OBERSTAR and Congressman LIPINSKI for all of their strong leadership efforts in crafting this legislation.

AIR 21 has been a bipartisan project and has resulted in a bipartisan product that I truly believe is good for aviation.

There are no earmarks in this bill, there is only the promise of safety and efficiency in our nation's aviation infrastructure in the years to come.

That should be enough for all of us.

I urge you to support H.R. 1000.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. ROTHMAN).

Mr. ROTHMAN. Mr. Chairman, I thank the distinguished ranking member for yielding me this time.

Mr. Chairman, I would like to engage the gentleman from Pennsylvania (Mr. SHUSTER), the chairman of the Committee on Transportation, in a colloquy at this time.

Mr. Chairman, the loud noise generated from aircraft is having a negative impact on the quality of life and public health for thousands of residents living in areas with aircraft noise problems. In my congressional district, much of the aircraft noise is generated from the older, general aviation aircraft. At Teterboro Airport, which is located in my district, roughly 15 percent of the aircraft are still equipped with the louder stage-1 or stage-2 engines, and these 15 percent of the aircraft account for 90 percent, 90 percent, of all of the aircraft noise violations at that airport.

Mr. Chairman, it is my understanding that the GAO, at the request of leaders from the House Committee on Transportation and Infrastructure, is conducting an investigation into aircraft noise to determine whether planes weighing less than 75,000 pounds should abide by the stricter stage-3 noise levels.

Is that the chairman's understanding?

Mr. SHUSTER. Mr. Chairman, will the gentleman yield?

Mr. ROTHMAN. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, I would say to my friend that that is my understanding, the gentleman is correct; the GAO is looking into it. We thank the gentleman for bringing to this our attention, and we will very carefully review the GAO study.

Mr. ROTHMAN. Mr. Chairman, I thank the chairman, and I thank the ranking member.

Mr. SHUSTER. Mr. Chairman, I am pleased to yield 1½ minutes to the gentleman from New York (Mr. SWEENEY), a stalwart member of our committee.

Mr. SWEENEY. Mr. Chairman, I want to talk about people. Upstate New York has been identified as an area that needs improvement and has been labeled a ''pocket of pain'' in the aviation system. The airports that serve my district are in dire need of many improvements, methods of enhancing accessibility, machinery, and, most importantly, technology.

□ 1400

Single airlines dominate service to the upstate region, and existing airline access rules have stifled competition and caused passengers to pay unreasonably high air fares.

For example, a round trip ticket from Albany to Washington, D.C. is almost $700. We are losing jobs and a chance to compete globally. Air 21 provides a critical step toward rebuilding the economies of many suburban and rural areas nationwide. I urge my colleagues to pass Air 21 and give us a chance to grow and compete.

Mr. OBERSTAR. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois (Mr. LIPINSKI), the ranking member on the Subcommittee on Aviation.

Mr. LIPINSKI. Mr. Chairman, I thank the ranking member of the full committee for yielding time to me.

Mr. Chairman, I rise today in strong support of H.R. 1000, the Aviation Investment and Reform Act for the 21st Century, or Air 21. This is an historical piece of legislation that will unlock the aviation trust fund, allowing aviation taxes to be used to fund aviation infrastructure needs.

The United States has the best aviation system in the world. It also has the busiest aviation system in the world. Since airline deregulation in 1978, the number of people flying has nearly tripled, from 230 million annually to 600 million last year. Passenger traffic is projected to reach 660 million this year, and approximately 1 billion in the next 10 years.

Even today, the FAA estimates that at any one time, there can be as many as 5,800 flights in the air over the United States.

Unfortunately, at the same time that record levels of passengers are traveling, capacity constraints are threatening gridlock at our national aviation system. Our aging air traffic control system and our aging airports are having difficulty keeping up with the increased demand.

In 1998, for example, 23 percent of all major air carrier flights were delayed 15 minutes or more. Delays caused by air traffic control equipment accounted for 22 percent of these delays, an increase of 9 percent from the previous year. In fact, last year alone there were 101 significant air traffic control outages which most often resulted in the FAA holding airplanes on the ground, keeping passengers waiting and waiting in the terminal or on the taxiway.

If nothing is done, delays and congestion will only get worse. Increased delays will mean less predictability in the airlines' schedules, which are already padded to account for some delays.

We cannot afford to have an aviation system that is so unreliable that it is not practical for users. This is why we need Air 21. By spending aviation taxes on aviation needs, Air 21 significantly increases investment in our nation's airports, runways, and air traffic control system today so our aviation system is ready for the increased demands of tomorrow.

Modernizing our air traffic control system is key to increasing the capacity of our national air aviation system. It is only through advanced technology that more airplanes will be able to share the same airspace safely and effectively.

For this reason, Air 21 provides $11.5 billion through the year 2004 for the FAA's facilities and equipment program, which purchases equipment for the modernization of the air traffic control system. The FAA already has several important projects underway to replace and improve computers, radars, communication systems, and other vital components of the air traffic control system.

However, major systemwide changes and improvements can take many years to develop and implement. Yet, in order to plan long-term improvements, the FAA needs a reliable stream of funding in order to know that it can see a project through from start to finish.

In fact, FAA Administrator Jane Garvey, in a speech to the National Press Club, stated that one of the most important things that can be done to support the FAA modernization efforts is to stabilize the agency's funding.

Air 21 does exactly what is needed. It provides a steady, reliable stream of funding for the FAA and its air traffic control modernization projects. In addition to modernizing the air traffic control system, improvement and expansion of our nation's airports is needed to improve capacity.

Even if we can accommodate more planes in the air, they all still need to find a place to land. Too many planes fighting for limited airport gates often leaves passengers waiting on the taxiway. Therefore, Air 21 increases the Airport Improvement Program, or AIP, to $4 billion in fiscal year 2001. The AIP program is vital to airports of all sizes throughout the Nation.

The AIP program provides Federal grants to fund needed safety, security, capacity, and noise projects. Air 21 also authorizes local airport authorities to raise their passenger facility charges from $3 to $6.

The PFC has been an important funding source for local airport authorities that need to do important airport improvements that may not be eligible for AIP funds. For example, AIP funds cannot be used to fund construction of terminal or gate improvements at airports.

Fortunately, local airports have been able to use revenues collected through the PFC to build shared or common use gates which can be used by any air carrier wishing to serve the airport. Such projects have helped increased capacity at the airports, as well as competition.

In conclusion, I want to compliment the chairman of our committee, the gentleman from Pennsylvania (Mr. SHUSTER), the ranking member, the gentleman from Minnesota (Mr. Oberstar), the chairman of the Subcommittee on Aviation, my very good friend, the gentleman from Tennessee (Mr. DUNCAN), for the outstanding work and cooperation they have done on this bill.

I think only with the leadership of this committee have we been able to bring this bill to the floor of the House in such a unified fashion, and a bill that is good for aviation, not only today but all the way to the 21st century.

The Chairman. Without objection, the gentleman from Tennessee (Mr. DUNCAN) will control the time of the gentleman from Pennsylvania (Mr. SHUSTER) until his return.

There was no objection.

Mr. DUNCAN. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. LATOURETTE).

Mr. LATOURETTE. Mr. Chairman, I rise in support of Air 21.

I rise to engage with the gentleman from Tennessee (Chairman DUNCAN), the chairman of the subcommittee, in a colloquy.

I say to the gentleman from Tennessee, I appreciate very much the subcommittee's inclusion in the manager's amendment that allows the sale of Blue Ash Airport in the city of Cincinnati 3 years in advance of the expiration of its current grant assurance with the FAA.

I understand that final acceptance of this language, however, may be subject to some conditions and concerns that the subcommittee may have. Would the gentleman care to express those concerns?

Mr. DUNCAN. Mr. Chairman, will the gentleman yield?

Mr. LATOURETTE. I yield to the gentleman from Tennessee.

Mr. DUNCAN. I thank the gentleman for yielding, and for his work on this issue.

Mr. Chairman, the sale of the Blue Ash Airport will allow an important general aviation facility, which currently bases over 140 aircraft, to remain open for an additional 20 years. General aviation airports are closing at the alarming rate of 1 a week, so the gentleman's efforts on this issue are timely and very important.

The Subcommittee on Aviation, which I chair, held a hearing on this problem just last week. While we want to allow the sale of Blue Ash, it should be noted that Federal dollars have gone into the facility, and it is important that some proceeds of the sale be directed toward the improvement of other aviation facilities, such as Lunken Field, a general aviation airport in the area.

Between now and the conference, I would urge all the participants to come together and develop a division of the sale proceeds along these lines. We may alter the language in conference to provide the FAA with some further guarantees that Blue Ash will in fact remain open for another 20 years.

Mr. LATOURETTE. I thank the chairman for his kind words, and I pledge the help of the Ohio delegation in securing this important work.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman for the generous grant of time.

Mr. Chairman, what some would have us believe is that what we have before us today is a radical proposal; that is, that we should take a tax which is collected for one purpose from the American people for the aviation system and we should dedicate it to that purpose.

We will hear from members of the Committee on the Budget and members of the Committee on Appropriations saying that is unconscionable that we should take it from one purpose and actually spend it on that. They do not like that. They are going to raise false allegations that this somehow will impact social security or other things.

None of that is true. This is the way it should be and should have been. Our system is going to be overcapacity in the near future. We need to invest. We are collecting this tax from the American people to invest in this system.

This bill will move us into the next century with greater capacity, greater comfort, and greater safety.

It has some other provisions that go directly to safety, to the competition for small airports, so they can attract new airlines and help the underserved airports.

All in all, this is an excellent piece of work, the first step in what should be a two-part process, the next dedicated to safety and passenger rights and to more competition.

Mr. SHUSTER. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Michigan (Mr. EHLERS), a distinguished member of our committee.

Mr. EHLERS. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, it is essential to recognize that the aviation industry is extremely important to the future of this Nation, and is growing very rapidly. Our duty as legislators is to be aware of this, and also to move rapidly to deal with the problems of aviation.

I urge that the House pass this bill, and that we resolve the issues quickly.

Just to give an example of the problems, my local airport, Kent County International Airport in Grand Rapids, Michigan, needs to replace one runway, to totally renovate it. They are anxious to get started on that project soon, before the runway deteriorates so much that it can not be safely used.

Airport authorities have worked out a letter of intent with the FAA, but the FAA is not signing any new letters of intent until this legislation is passed, because they do not have the legal authority to do so. If we do not pass this bill soon and get the President's signature on it we in the north will lose another construction season, thereby endangering passengers. This is just one example of the situations local airports face, and shows that we have to make our decisions very quickly here.

I also urge that we adopt this bill because I believe it is going to provide a fair method of allocating resources that we raise through special aviation taxes, so that we can ensure that these taxes are used appropriately for the purposes for which they were raised.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, I wonder if I might engage in a very brief colloquy with the ranking member.

I would say to the gentleman from Minnesota (Mr. OBERSTAR), I strongly support Air 21 because an adequate air transport is a key component to a livable community, to make sure it is healthy and well-functioning.

Yet in most of the communities one of the most harrowing parts of the journey is trying to actually get to the airport, and not just for passengers. There are problems for the many thousands of employees that work there, and the timing of freight is increasingly difficult.

Yet, the Federal government invests hundreds of billions of dollars on the ground, and Air 21 means tens of billions of dollars in the air. I would ask the gentleman if, under the implementation of Air 21, if there are ways to assure better coordination between air and ground transport, either coordination with the FAA, spotlighting the facts that have been done, or ways to get more representation of air issues on MPOs?

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

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

Mr. OBERSTAR. Mr. Chairman, I want to compliment the gentleman on his leadership and concern on the issue of livable communities, and access to airports is one of those livability issues.

The gentleman has cited the metropolitan planning organizations and other surface transportation planning entities as essential to the process of airport development. Their role should be included by airport authorities in the planning process. That is one step in achieving the goal the gentleman seeks.

Mr. BLUMENAUER. I thank the gentleman. I support the legislation. I hope we will be concerned in its implementation to make sure that we can do a good job of putting these pieces together.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentleman from Cleveland, Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Chairman, I appreciate the gentleman yielding time to me, and for having the opportunity to have a colloquy with the distinguished ranking member.

I would say to the gentleman from Minnesota, plans have been submitted to the Federal Aviation Administration to expand Cleveland Hopkins International Airport, and the expansion of the airport is a sensitive issue for the community I represent. The expansion is expected to involve a sharp increase in airport traffic.

For example, the airport is already expected to experience an increase of 200 daily flights this summer, and the current level of aircraft noise is very disruptive to peoples' lives. Further increases will cause more suffering. Protection of these residents against current levels of noise and pollution must be addressed before any new expansion plans are considered.

I would appreciate the guidance of the gentleman from Minnesota (Mr. OBERSTAR) as to how this bill would be able to assist my constituents.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

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

Mr. OBERSTAR. Mr. Chairman, the Airport Authority at Cleveland can already use its AIP funds for noise abatement under the Part 150 rules of FAA. In addition, as the airport authority is expanding the runway and adding capacity, they will very likely use a PFC to do so, and will be able to use part of that PFC money for part 150 noise abatement.

There are at least those two very important tools to reduce noise on airport neighbors. I compliment the gentleman on his initiative.

□ 1415

Mr. SHUSTER. Mr. Chairman, I yield 1 minute to the gentleman from Alaska (Mr. YOUNG), the distinguished chairman of the Committee on Resources and senior member of our committee.

Mr. YOUNG of Alaska. Mr. Chairman, I rise today in strong support of the Aviation Reform and Investment Act of the 21st Century.

We need to invest in our aviation infrastructure. More people are flying than ever before. The Aviation Trust Fund continues to accumulate unspent revenue. We have a responsibility, no, an obligation, to return and invest those tax dollars of the aviation American system. If it is the will of Congress not to make the investment, then we should stop collecting those taxes.

In 1998, the Aviation Trust Fund collected $6 billion of taxpayer money but Congress only invested $5.9 billion of it in aviation. As a result, our constituents continue to face delays and frustrations.

If we continue the current budgetary gimmickry, the cash balance in the trust fund will grow from $12 billion in 1999 to $91 billion by the year 2009. Again, if Congress will not spend these dedicated tax dollars, then we have to reduce taxes and fees collected from aviation users.

Without the investment, the FAA will continue to experience system outages. That means air traffic control will lose sight of a plane on radar. The FAA says there can be as many as 5,800 flights in the air over the U.S. at any one time. As the number of those flights in the air increase, congestion will grow. Without further investment, the safety of air travel will degrade.

Is this bill going to cut funding from other programs? No. Air 21 recaptures unspent aviation taxes that increases aviation spending by $14 billion over 4 years.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentleman from Maine (Mr. BALDACCI).

Mr. BALDACCI. Mr. Chairman, I would like to thank the gentleman from Minnesota (Mr. OBERSTAR) for his hard work, and the ranking member, the gentleman from Illinois (Mr. LIPINSKI), the gentleman from Pennsylvania (Mr. SHUSTER) and chairman of the subcommittee, the gentleman from Tennessee (Mr. DUNCAN). I appreciate their bipartisan leadership as we try to

address the inequities that GAO has found that we are underfunding aviation infrastructure by $3 billion annually and, more disturbing, underfunding air traffic control modernization by $1 billion annually.

For years, we have had the means to eliminate this funding gap through the Airport and Airway Trust Fund, which is generated by fuel and ticket taxes. Unfortunately, surpluses have been maintained while our infrastructure continues to deteriorate. This bill greatly increases funding to modernize our aging air traffic control system and serves to increase transportation competition at airports all across the Nation.

Rural states like Maine need Air 21 to improve their air infrastructure, to ensure the safety of the traveling public and to ensure that we have the greatest amount of competition and service. In our own community, we are seeing the need of new air traffic towers and also the need for runways to be rebuilt and to be modernized as we prepare for more and more airline competition. I would like to thank the Members. I enjoyed working as a member of the subcommittee and the full committee.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. STRICKLAND).

Mr. STRICKLAND. Mr. Chairman, I rise today to engage the gentleman from Minnesota (Mr. OBERSTAR) in a colloquy.

First of all, I would like to thank the gentleman from Pennsylvania (Mr. SHUSTER) and the gentleman from Minnesota (Mr. OBERSTAR) for the hard work they put into this legislation, which authorizes the important programs ensuring safe and efficient air travel.

I would like to take this opportunity to express to the gentleman from Minnesota (Mr. OBERSTAR) my strong support for the extension of the runway at the Ohio University Airport in Athens, Ohio, from 4,200 feet to 5,600 feet. It is my understanding that the Federal Aviation Administration has already approved the airport layout design and the environmental assessment on the project will be completed at the end of this summer.

I hope that this worthy project will be a priority for the FAA in the fiscal year 2000.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

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

Mr. OBERSTAR. Mr. Chairman, this is the very kind of project the airport improvement program is intended to nurture and to provide funding for. So I believe, as the gentleman has been such a strong advocate for this project and for this airport and for his community, that it offers significant benefits to rural southern Ohio and the FAA should be able to proceed with the funding necessary to accomplish the objectives.

Mr. STRICKLAND. Mr. Chairman, let me also say that I appreciate the understanding of the gentleman from Minnesota (Mr. OBERSTAR) of the needs of an area like rural southern Ohio.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. HINCHEY).

Mr. HINCHEY. Mr. Chairman, in the 1980s the Reagan administration let antitrust enforcement in the country collapse. With that and the demise of regulation, we have seen predatory pricing, monopoly power and monopoly pricing in the airline industry.

For example, in those areas where we find real competition, as opposed to those where it is not, the price where there is no competition is often three to four times the price of where there is competition, covering the same amount of distance.

It is quite clear that airlines are taking advantage of a monopoly situation and the ability to price their rides as high as they want to when there is nobody to compete with them.

We have to have a system of regulation in our country that regulates airlines in accordance with competition and provides that people who need to travel from one place to another can do that at a fair and reasonable price.

Let me just give you one example. To fly from Ithaca, New York to Washington costs $628. If one were to fly the same distance from San Diego to San Francisco, for example, even a little bit less, what someone would pay for the lowest airfare is less than $100. It is quite clear that the system is out of control. Monopoly pricing and monopoly power has led to a system where most people in our country are being deprived of the airline service they need.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from California (Mrs. TAUSCHER).

Mrs. TAUSCHER. Mr. Chairman, I thank the gentleman from Minnesota (Mr. OBERSTAR) for yielding me this time.

Mr. Chairman, I would like to engage the gentleman from Pennsylvania (Mr. SHUSTER) in a colloquy. Of particular concern to me and my constituents is the need to ensure basic radar coverage for smaller airports like the one in Livermore, California, my district, which is one of the busiest general aviation airports in the state. Yet Livermore's technology is nothing more advanced than a simple pair of binoculars.

This situation is particularly problematic during periods of poor weather when the safety of both those in the air and living on the ground is of primary concern.

Mr. Chairman, I ask the committee to continue its work on promoting air safety across the country, not just at major airports but at smaller ones like at Livermore, which are desperately in need of radar coverage.

Mr. SHUSTER. Mr. Chairman, will the gentlewoman yield?

Mrs. TAUSCHER. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Chairman, I certainly agree with the gentlewoman completely. Indeed, this is one of the reasons why we need to free up funding in this legislation so that we can provide this kind of safety for our airports.

Mrs. TAUSCHER. Mr. Chairman, I thank the gentleman from Pennsylvania (Mr. SHUSTER) for his response.

I urge my colleagues to support H.R. 1000.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the distinguished gentleman from West Virginia (Mr. RAHALL), the ranking member of the Subcommittee on Ground Transportation.

Mr. RAHALL. Mr. Chairman, I thank the distinguished ranking member, the gentleman from Minnesota (Mr. OBERSTAR) for yielding me this time.

Mr. Chairman, I salute the gentleman from Minnesota (Mr. OBERSTAR), as well as the gentleman from Pennsylvania (Mr. SHUSTER) for the work that has gone into putting together this Air 21.

As a supporter of Air 21, I would like to point out a special feature of this legislation that will be added at a later point in today's proceedings as part of the manager's amendment.

It has been the policy of the United States to promote transportation intermodalism. While we have integrated this concept throughout our ground transportation programs, it remains somewhat alien in Federal policy toward airport development.

The amendment to be offered by the chairman today, offered shortly, includes a provision that I devised aimed at promoting transportation intermodalism under the AIP program. By facilitating projects which provide for air-to-truck, air-to-rail and air-to-transit movement of commodities and people, I believe we can enhance airport revenues and further stimulate regional economic development activities.

So for this reason, as well as the many other important merits of this legislation, I urge support of it and at the proper time urge defeat of the major amendment that will be offered today by the gentleman from Alaska (Mr. YOUNG) and the gentleman from Ohio (Mr. KASICH).

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Florida (Ms. BROWN).

Ms. BROWN of Florida. Mr. Chairman, first of all, let me thank the gentleman from Pennsylvania (Mr. SHUSTER), the ranking member, the gentleman from Minnesota (Mr. OBERSTAR), the gentleman from Tennessee

(Mr. DUNCAN) and the ranking member, the gentleman from Illinois (Mr. LIPINSKI), for their leadership in bringing this bill to the floor.

This is a very important bill for this country and in particular for Florida, and it is necessary in order to keep the aviation system the safest and most efficient in the world. It provides funds to expand capacity and update our airports. Orlando and members of the Orlando Aviation Authority here today will reach 30 million passengers in the next few years. Miami, the gateway to the Americas, will handle 35 million passengers and 2.9 million tons of cargo.

I also want to point out that we need to ensure that we have adequate supply of air traffic controllers in the next century. I have been visited by controllers in my district who are concerned about this issue. I have pledged to work with them on this issue. I urge all of my colleagues to support this bill, because serious aviation needs exist in all of our districts.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Illinois (Mr. JACKSON).

Mr. JACKSON of Illinois. Mr. Chairman, I am a big supporter of Air 21 as well, and I have some technical amendments to the bill but I wanted to ask a couple of questions, if I might, of our ranking member, the gentleman from Illinois (Mr. LIPINSKI).

Most recently, the mayor of the busiest airport in the world, we claim, and the Governor had lunch with the Illinois delegation. The mayor indicated that the PFC funds would not go to new runways or runway expansion at O'Hare Airport. Is that the gentleman's recollection of the conversation?

Mr. LIPINSKI. Mr. Chairman, will the gentleman yield?

Mr. JACKSON of Illinois. I yield to the gentleman from Illinois.

Mr. LIPINSKI. Mr. Chairman, my recollection of the conversation is that the mayor said that he would not use PFC funds to expand any runways at O'Hare Airport. That is my recollection of what he had to say.

The mayor has said on numerous occasions he has no intentions of expanding any runways at O'Hare or adding any new runways at O'Hare.

Mr. JACKSON of Illinois. Mr. Chairman, I thank the gentleman from Illinois (Mr. LIPINSKI) for that response.

One other question. Are there any of the PFC revenues, to the best of the gentleman's knowledge, being used to lengthen runways at Midway Airport?

Mr. LIPINSKI. To the best of my knowledge, this is not being done. The PFCs are not being used for any runways at Midway Airport. The PFC money is being utilized in the new terminal and in other improvements at a terminal facility.

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

Mr. Chairman, if I may, in a moment, sum up this debate, the issue is about safety, capacity, competition and guaranteeing a revenue stream, guaranteeing that the air travelers who pay the taxes for the improvements, for the safety, for the convenience, for the security at our airports will see those benefits realized in the investments from the Aviation Trust Fund that will be assured by passage of this legislation.

It will also address the issue of collisions between aircraft and other vehicles on the runway surface. We ensure that there is adequate whistleblower protection to FAA and airplane employees who reveal safety problems without fear of retribution. Cargo airlines will be required to install collision avoidance devices by December 21, 2002 to avoid incidents like the recent near collision of two cargo aircraft over Kansas.

The issue, though, in this debate comes down to the question we addressed at the outset. Will the Members of this body vote to ensure that the taxes paid by American citizens to ensure safe, secure, timely passage and competition at airports will actually be invested for that purpose? That is the issue today: Fairness and investment in America's future.

Mr. SHUSTER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I urge my Members to support this historic legislation. The gentleman from Michigan (Mr. EHLERS) mentioned just a few moments ago about the problems of needing funding for his runway at his airport. I am told that over the next 10 years, 50 percent of all the airport runways in America are going to require rehabilitation, and that 75 percent of the large and medium hub runways will. So the needs are very clearly there.

I also have just learned, in addition to the comments I made concerning the catastrophe, the tragedy at the Little Rock Airport, that the Little Rock Airport has had a request in for a safety area arrester. However, the FAA has not been able to fund it. Just one example of a safety need that is unmet and a safety need that possibly could have made a difference.

Now, I might conclude by noting that we are about in the same position now as we were in BESTEA when we brought BESTEA to the floor last year. We had some disagreements here on the floor. We had some disagreements at that point in time with the administration. Indeed, I met with Secretary Slater last night.

□ 1430

We have agreed that we are going to have to negotiate as we go along and as this legislation moves to the Senate. So we are quite prepared to compromise in everybody's best interest. But indeed we have a broad array of support for this legislation. Why? Because this legislation is good for America.

I might share with the body some of the groups that support unlocking the Aviation Trust Fund. Consider this broad array of groups: The Airline Pilots Association; the National Governors Association; Coalition for America, Paul Weyrich, a very conservative organization; the Transportation Trade Departments of the AFL-CIO; the U.S. Chamber of Commerce; the NFIB, National Federation of Independent Businessmen.

When we can get the Chamber of Commerce, the NFIB, and the AFL-CIO to stand together, we must be doing something right.

The Aircraft Owners and Pilots Association; the Air Transport Association; the National Conference of State Legislatures; the Farm Bureau. I say to my rural friend, and of course I represent a rural area as well, the American Farm Bureau supports unlocking the Aviation Trust Fund.

The list goes on and on and on. The AAA, the American Automobile Association. A list that covers, single spaced, a whole page of very diverse groups which strongly support unlocking the Aviation Trust Fund. Why? Because it is good for America. It is the right thing to do. It is morally wrong to take aviation ticket taxes and use those ticket taxes for a general tax cut.

So we take that very small portion of the general tax cut which is coming from aviation ticket taxes, in fact, it amounts to about 1.7 percent of the overall tax cut, but that is the part attributable to the aviation ticket tax, it is only fair that it be used for aviation purposes. If we do not have the needs, the tax should be reduced and not given away to another segment of our society.

So this legislation is good for America. It has strong bipartisan support. It passed our committee 75 to 0. I urge, for the good of our country, for the good and the future of aviation in America, I urge strong support for this legislation.

I close by again saying how pleased I was to be able to announce that the Speaker of the House has said that he will come to the well and vote in favor of this legislation today.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. SHUSTER. I am pleased to yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, I complement the gentleman's statement by assuring Members on our side that the minority leader, the gentleman from Missouri (Mr. GEPHARDT), will also be in support of this legislation.

Mr. SHUSTER. Mr. Chairman, I thank the gentleman, and there my colleagues have it. The Speaker of the

House, our leader, the Democratic minority leader. So how much more bipartisan can we get? This is good for America. We have got the support of our top leaders, the unanimous support of our committee, once more a bipartisan product from our committee. It is good for America.

Let us rebuild our aviation system so we can move into the 21st century and retain the best aviation system the world has ever known.

Ms. NORTON. Mr. Chairman, the Aviation Investment and Reform Act for the 21st Century (AIR–21) is an urgently needed bill whose time is long overdue. Our country needs to wake up to the true meaning of the word ''infrastructure'' today. Those whose view of infrastructure stops with roads and bridges will find that they are more a part of the 19th century than the 21st. Further delay in passing AIR–21 is likely to leave the country with a national aviation system stalled in the past as well.

The underfunding of our air infrastructure system has become a threat to our global economic position. Neglected investment has gone on for so many years now that it amounts to disinvestment. Reports concerning the effects of underfunding are frightening. For example, the U.S. will require a 60% increase in airport infrastructure investment in the next decade simply to maintain the levels of delay tolerated in air service in this country today.

Instead of increasing productivity to keep up with exploding increases in air travel (a 50% increase in the next decade alone), airlines are racking up record delays at a cost of $2.5 billion annually and a loss in productivity to the nation of over $1 billion every year. How long can our airlines remain competitive with foreign carriers, many of them publicly subsidized, at that rate?

The needs of our aviation system are legion from top to bottom: from runways to terminals; from hiring air traffic controllers to modernizing our antiquated air traffic control system; from funding to raise safety standards at small airports to a new streamlined environmental program patterned on the TEA–21 program; from loans to help airlines buy regional jets for service to small communities to increased funding for primary airports and major hubs. Some say we cannot afford this bill. It is clear that we cannot afford the continued neglect of what was once a world class air transportation system.

Part of the delay in bringing this bill to the floor has had very little to do with the funding and budgetary provisions of AIR–21. The manipulation of slots for landings has delayed this bill and hurt the great majority of airports for which the slot concern is irrelevant. Slot manipulation has spread from National Airport in the Washington metropolitan region to three other airports. However, National Airport raises problems of the greatest magnitude because its compact land mass and short runways prevent it from ever becoming a state-of-the-art airport. The present slot rule at National Airport has been considered minimally necessary because of the unusually heavy population density near the airport, the clear safety risk, and the palpable noise intrusions. Some residents of the region justifiably complain about any new increase in slots. Even with the present slot and perimeter rule, airport noise is one of the factors that drives taxpayers to flee from the District, a city desperately trying to hold on to residents as the city emerges from a fiscal crisis. Nevertheless, Chairmen SHUSTER and DUNCAN and Ranking Members OBERSTAR and LIPINSKI deserve the appreciation of the region for resisting the greatly expanded slot rules advocated by a few in the Senate. I have strongly opposed any additional slots. However, I must express my gratitude that the leadership of the House Committee has accommodated the unique needs of the national capital area region. The compromise allows for 6 additional slots per day, and none of the additional flights may venture outside the existing 1,250-mile perimeter restriction.

The excellent, painstaking work that has gone into this bill cannot keep it from facing a long, hard road ahead. It will be difficult enough to secure sufficient funding to do the job necessary to preserve and advance our national aviation system. However, we will face a fight of special ferocity to maintain the slot compromise contained in this bill, even with the House Committee leadership firmly behind the compromise. I do not underestimate the fight ahead. It is the right fight. It is the least the people of the District of Columbia and this region deserve. I intend to make that fight.

Mr. SANDLIN. Mr. Chairman, I rise today to support H.R. 1000, the Aviation Investment and Reform Act for the 21st Century, commonly referred to as Air 21. This legislation will improve the prospects of passenger safety for every American who flies our nation's skies. Air 21 significantly improves our nation's airport infrastructure.

The Aviation Investment and Reform Act for the 21st Century is a comprehensive reauthorization of the Federal Aviation Administration and the Airport Improvement Program. As a frequent traveler, I am continually reminded how far our aviation infrastructure has declined. I continually run into flight delays and hear more consumer complaints. I understand that much of this is due to the increasing popularity of air travel. In 1998, there were more than 643 million airline passengers in the United States. At the current rate of increased travel, in 10 years more than one billion people will use air travel annually. For that reason, we must act now. We must pass this legislation to ensure that every passenger has the peace of mind that they are safe in the air. This bill will do that by heavily improving our air traffic control system.

The air traffic control system in the United States is the most complex system in the world. The United States has more than 32,500 facilities and systems. Many of these facilities and the equipment that are used are 20 to 30 years old. The GAO estimated that the FAA would need $17 billion from 1999 through 2004 to modernize the air traffic control system. Air 21 will help address these problems by insuring stable funding to complete system upgrades throughout the country.

The most important aspect of this legislation is moving the aviation trust fund off budget. Air 21 will be largely funded through the collection of the aviation ticket tax deposited in the Aviation Trust Fund. It is important that when taxpayers pay a tax intended for a specific purpose, that we in Congress have the discipline to spend the revenue for that purpose and not use it to mask the size of the federal deficit. These funds are paid by the people who use air travel and should be spent to improve air travel. If we are not going to use the funds for that purpose, we should not be collecting them. Air 21 ensures that all Passenger Facility Charge's and other ticket taxes will go for their intended purpose—aviation infrastructure.

I urge my colleagues to join me in voting for this important legislation. Our nation's aviation infrastructure is the envy of the rest of the world. In order for it to remain as such, we must plan now for the future. For the safety of every citizen in your district who uses air travel for work or pleasure, we must pass this important legislation.

Mr. CRANE. Mr. Chairman, I rise today in strong opposition to H.R. 1000, the Aviation Investment and Reform Act of 1999, or AIR21 as it is better known. Not only does this bill permit the Passenger Facility Charge (PFC) to double, contrary to its other attempts to reduce air fares, but the measure will permit a substantial increase in flights to and from Chicago's O'Hare Airport and three other slot-controlled airports along the East Coast.

While I can appreciate the desire of smaller cities to have more airline service to and from slot-controlled airports, H.R. 1000 cavalierly discounts the legitimate concerns of residents living near those airports about increases in noise and the likelihood of an accident. Worse yet, it does so needlessly.

The district I am privileged to represent in this Congress has many such residents—hard working people, many of whom remember that the number of flight slots at Chicago's O'Hare Airport was increased by 37 just last year. That fact notwithstanding, AIR21 would either eliminate the High Density Rule (otherwise known as the slot rule) which has been in effect at O'Hare for the past 30 years or, if the Manager's Amendment prevails, phase out that rule by the year 2002. Either way, H.R. 1000 would make possible yet another increase in the number of flight operations at O'Hare, even though there is a way to address the travel needs of people in outlying areas without increasing the number of flights to and from that already crowded airport.

Mr. Chairman, people of goodwill differ as to whether flight operations at O'Hare are approaching, have reached, or are now above the optimum capacity of that airport, which is located 18 miles northwest of downtown Chicago. However, there is general agreement that flight operations will exceed the optimum level significantly in the years ahead if present trends continue. In 1998, approximately 887,000 planes flew in and out of O'Hare, up from 883,000 in 1997, and if the recently announced $1 billion addition of two new airport terminals is any indication, that figure will almost assuredly rise in the years ahead.

For those living near O'Hare, that means nearly 2,460 planes take off or land on a normal day, or at least one plane every thirty seconds from just after 6 a.m. to just before 10 p.m. Not only that, but roughly 10 percent of the total number of flights occur later in the evening or earlier in the morning. Put yourself in the shoes of those who are bombarded by

the resulting noise and I think you can understand why they are saying enough is enough.

Making matters worse, the noise problem around O'Hare—which is owned by the city of Chicago rather than any of the sixteen neighboring villages—is anything but new. For years now, residents of communities up to 15 miles away have been begging for relief from the roar of airplanes flying overhead, only to have their pleas fall on seemingly deaf ears. So frequent and so loud is the noise that many people cannot get a good night's sleep, carry on an uninterrupted conversation, or make enjoyable use of their own back yards. Worse yet, none of the remedies attempted to date—such as the Night Time Tower Order instituted in January 1984 and the Fly Quiet program initiated in June 1997—has brought about the desired relief. To the contrary, during the first half of 1998, noise levels increased from 1% to 9% at 23 of 28 noise monitors located at various places around the 7,700 acres on which O'Hare International Airport is located.

For good reason, much has been made of the fact that, by the year 2000, all Stage 2 jet aircraft operating in and out of U.S. airports are to be replaced by Stage 3 airliners that are 5–10% quieter. In theory at least, completion of that transition should provide a modicum of noise relief for those who live near O'Hare Airport, as could the use of fewer but larger aircraft on routes now served by multiple flights. But, as a practical matter, that relief will never materialize if the number of landings at, and takeoffs from, O'Hare continues to rise as a result of the immediate or phased elimination of the High Density Rule. Instead, the noise reduction benefits associated with the use of quieter and perhaps bigger aircraft will be offset—or more than offset—by the numerical increase in the number of flights.

To the extent that it resulted in a diversion of flights away from O'Hare, construction of a new regional airport at Peotone, Illinois could also abate the noise problem plaguing Chicago's northwest suburbs. Conceptually, the relief this project promises could be even more pronounced than that attributable to advances in aircraft acoustics technology. But, here again, the theory is at odds with the reality. Not only is the city of Chicago opposed to the project, but so too are the major airlines serving the city. Furthermore, the FAA has taken the Peotone airport proposal off its planning list, all of which suggests that a new airfield at Peotone is many years away, if indeed one is ever built there at all. Meanwhile, over 400,000 people around O'Hare will be exposed to increasing levels of aircraft noise unless action is taken promptly to address their concerns.

That being the case, Mr. Chairman, permit me to suggest to my colleagues that AIR 21 is seriously misdirected, not just on PFC's, but as it relates to air service to and from Chicago's O'Hare Airport. Instead of allowing for any increase in the number of flights to and from O'Hare, what H.R. 1000 should do is impose a permanent ban on flight operations at O'Hare at the current level, or better yet at the 1997 level, and assign any additional flights destined for O'Hare to other nearby airports, two in particular. That way, extra air service could be provided to the Chicago area from smaller communities in the Midwest without compromising safety or aggravating the very serious noise problem that deserves to be addressed without further delay.

Are those two steps practical, given the fact that one of those alternative airports—75 year old Midway Airport (all 640 acres of it)—is a very busy place already? Quite simply, the answer is yes, since Midway's terminal facilities currently are in the process of being expanded and since there is another airport in Illinois, within 60 miles of O'Hare, that is not only capable of, but interested in, handling additional flights. That airport, located near an interstate highway (I–90) that also serves O'Hare, has a 10,000 foot runway (the second longest in the state), an 8,200 foot runway, a 65,000 square foot passenger terminal and considerable experience handling large jets as well as major shipments of cargo. The name of that facility, which serves the second largest city in Illinois: the Greater Rockford Airport.

Adding to its potential as an alternative to O'Hare is the fact that approximately one million residents of the Chicagoland suburbs can also be served by the Greater Rockford Airport, roughly twice the number of people likely to use the proposed airport at Peotone. Also, this under-utilized, 3,000 acre airfield could accommodate additional flights in short order and at little extra expense unlike a new airport at Peotone area, the cost of which could run from $300 million to nearly $3 billion depending upon its ultimate size.

Given Greater Rockford's existing facilities and tremendous potential, my feeling is that it and Midway can handle all the extra flights to and from O'Hare that might result from the immediate or phased elimination of the slot rule. But even if that assumption is incorrect, there are several other air terminals within 100 or so miles of Chicago—in Milwaukee, Wisconsin and Gary, Indiana for example—which could accommodate flights added for the purpose of increasing air service to smaller communities. In short, there is simply no justification for allowing an increase in the number of flight operations at O'Hare at the expense of thousands people already afflicted by excessive noise. The air service objectives of H.R. 1000 can be achieved admirably by other means.

All that being the case, I urge my colleagues to vote against AIR21 so long as it allows for a doubling of the PFC and makes possible an increase in the number of flights to and from O'Hare Airport. Instead, let us develop a less-taxing alternative, such as making increased use of the Greater Rockford Airport, that will accommodate those who wish to visit the great city of Chicago without making life even more miserable for thousands of long suffering people who reside in its northwest suburbs. They deserve a better fate.

Mr. TERRY. Mr. Chairman, I rise in support of H.R. 1000, the Aviation Investment and Reform Act for the 21st Century. This bill is not a budget-buster, Mr. Chairman. This bill restores truth in budgeting. Just as we must maintain the integrity of the Social Security and Highway Trust Funds, so must we restore the integrity of the Aviation Trust Fund.

H.R. 1000 ensures that when my constituents fly from Omaha to their destinations, the fees they pay on their tickets and the taxes paid on the travel will go towards increasing safety on the ground and in the air, while maintaining and improving our aviation infrastructure.

The aviation industry has grown by leaps and bounds since deregulation. Air travel has grown by 27 percent since 1994 and is expected to exceed 1 billion passengers annually during the next decade.

Eppley Airfield, a regional airport located in my district in Omaha, Nebraska, is the sixth fastest growing airport in the country, serving over 3.5 million passengers a year. In order to accommodate this rapid growth, our Airport Director, Don Smithey, has developed a 10-year Master Plan, which includes a new terminal and a third runway.

AIR 21 will allow Eppley to execute this Master Plan without delay and additional expense.

As any of us who fly on a regular basis know, our airports are becoming more and more congested—patience is growing thin, while delays are increasing in number.

This bill would allow for the increased capacity desperately needed at our airports—making for fewer delays and increasing competition. It will also make it easier for smaller cities and underserved markets to attract airline service.

We have runways that need strengthening. Our air traffic control systems need upgrading. There are security measures that we must put in place to address the increasing threats of terrorism.

The General Accounting Office reports that we are underfunding airport infrastructure by $3 billion annually, and underfunding our air traffic control modernization by $1 billion annually. That is not acceptable, Mr. Chairman.

Fees and taxes on air travel were originally proposed, so that we could generate a self-sustaining fund to make these improvements and advances.

Since 1970, the flying public and the aviation community have been investing in the aviation trust fund with the understanding that the money would be returned in the form of aviation improvements.

This has not been the case. Congress has not kept its promise. For years, users of our aviation infrastructure have been paying these fees and taxes, only to watch them disappear into the general fund. Where is the fiscal integrity? Where is the truth in budgeting?

H.R. 1000 will keep our budget honest. We reinforce the Aviation Trust Fund, by ensuring that the money paid into the fund will be paid out on Aviation. It keeps the promises we made to both the flying public and the aviation community.

I urge a ''yes'' vote on H.R. 1000.

Mr. ACKERMAN. Mr. Chairman, I rise today in support of H.R. 1000, the Aviation Investment and Reform Act for the 21st Century.

Th New York metropolitan area air space is the busiest in the nation. While many people enjoy the benefits of frequent flights into and out of New York, my constituents are forced to endure the noise of a plane landing or taking off every 30 seconds at LaGuardia Airport, as well as the pollution and traffic congestion. During the one minute that I will be speaking on the Floor, one plane will take off, and another plane will land at LaGuardia. If the High Density rule is lifted, the sky is literally the limit

for the number of take-offs and landings that can be added to an already overcrowded LaGuardia and JFK airports.

There is also a legitimate need for more flights and lower prices for airline travel to underserved markets. I am pleased that the Manager's Amendment strikes a reasonable compromise for both positions. In order to provide better service from underserved markets, regional jets will be exempt from the High Density Rule for service from LaGuardia or JFK Airports to nonhub or small hub airports, effective January 1, 2000. And, to protect those people who live, work and go to school in the areas near these airports, the High Density Rule will remain in place until January 1, 2000. And, to protect those people who live, work and go to school in the areas near these airports the high Density Rule will remain in place until January 1, 2007 for all other jet service.

I am particularly proud to have worked with other Members of the New York, New Jersey, Connecticut tri-state area, particularly, Mr. CROWLEY, Mr. MEEKS, Mr. WEINER, and Mrs. MALONEY, in addition to the diligent work of the Transportation Committee, Chairman SHUSTER, Ranking Member OBERSTAR, Chairman DUNCAN, and Ranking Member LIPINSKI. Mr. Chairman, I ask my colleagues to join us in supporting this amendment which is a win-win situation for all parties, and a major victory for the people of Queens and all of New York.

Mr. THUNE. Mr. Chairman, I rise today to speak in favor of a bill important to restoring honesty and integrity to the federal budget process. At the same time, the bill will continue to make important contributions to the future of rural and urban areas alike.

H.R. 1000, the Aviation Investment and Reform Act for the 21st Century (AIR 21), will make important and long overdue strides toward restoring the integrity of the Aviation Trust Fund. As was the case with the Highway Trust Fund, the American People have been paying use taxes into what they thought was a dedicated trust fund, reserved for maintaining and improving airport capacity and safety. Unfortunately, the federal government for years has been less than honest in this portrayal. Passengers, aviators, and the airlines have paid billions of dollars to the federal government in the form of taxes on tickets, fuel, and air freight. They have expected that these funds go to keep the infrastructure repaired and in working condition, to improve the efficiency of air travel, and most importantly to ensure the safety of air travel.

South Dakota's two busiest airports highlight this principle, painting the stark difference between investment and return. The passengers and other aviation users at Sioux Falls Regional Airport, the state's largest airport, paid approximately $8 million in aviation taxes to the federal government in fiscal year 1997; yet, the airport received only $1.3 million in Aviation Improvement Program (AIP) funds from the Federal Aviation Administration (FAA). The users of Rapid City Regional Airport paid in nearly $7 million and received $850,000 in return. While both receive other indirect contributions through the presence of FAA personnel and air traffic control operations, those contributions hardly make up for the difference between contributions to the trust and payments made to the airports.

AIR 21 would bring us closer to closing that gap. As my colleagues may be aware, the bill would triple the AIP entitlements to all airports, taking the minimum grant level from today's level of $500,000 to $1.5 million. For South Dakota, this tripling would provide $1.5 million annually for the airports serving the cities of Aberdeen, Pierre, and Watertown. For Rapid City and Sioux Falls, their entitlements would respectively rise from about $832,000 to an estimated $2.5 million and from about $1.3 million to an estimated $3.9 million. Thankfully, AIR 21 does not stop at just aiding the larger airports in South Dakota and across the nation.

The bill also includes a number of important provisions that would assist our general aviation airports, which serve rural areas and smaller communities. Perhaps the most significant contribution the bill makes directly to our general aviation (GA) airports would come in the form of a new direct entitlement grant program of GA airports. These grants would be in addition to amounts provided to the states for distribution to the various GA airports. Thirty-five of South Dakota's GA airports would be guaranteed annual funding based upon a portion of their needs as identified by the FAA.

For large and small alike, the needs are there. A recent study conducted by the General Accounting Office found that airport needs, including those eligible for spending through the AIP program and those that are not, exceed $10 billion annually.

And for small and large alike, the positive economic impact of all airports is tremendous. For my state of South Dakota alone, airports directly contribute on an annual basis $52 million to the economy; produce $105 million in retail sales and $37 million in employment earnings; create a total economic impact (excluding tax revenues) of $164 million.

With increased access to air service, one can clearly see that the economic activity would increase. It is no secret that one of the top factors businesses and companies consider is access to safe, reliable, and affordable transportation. In today's global economy, the emphasis on air transportation has become all the more important. The bill we have before us today would help communities improve their infrastructure to be able to accommodate growth and enhanced air access in order to create jobs and stay connected to markets around the nation and around the globe.

The bill also protects the existing Essential Air Service (EAS) program. The EAS program, which provides assistance to carriers to serve those communities that otherwise would not be able to sustain commercial passenger service, has had less than stable financial support in recent years. Thanks to the assistance provided by Chairman SHUSTER and Ranking Member OBERSTAR of the full committee and Chairman DUNCAN and Ranking Member LIPINSKI of the Aviation Subcommittee, I and other supporters of the program were able to ensure that the EAS program can continue to depend on at least $50 million annually to fund its activities. For the cities of Brookings and Yankton and others like them throughout the United States, the EAS program is their only air service link to the world. While deregulation of the industry may have produced benefits in the form of lower airfares for some regions of the country—particularly urban areas—smaller, more rural markets like these have seen dramatic changes in service levels. The EAS program helps ensure that when reasonable, service can remain in place.

I also want to thank the leadership of the committee for their assistance on another important provision that will impact the Watertown Municipal Airport. Because of a provision included at my request, the Watertown airport would receive an AIP entitlement in fiscal year 2000.

Enplanements at Watertown have been growing steadily in the last few years. 1997 marked the first year Watertown crossed the 10,000 passenger threshold to qualify for the AIP minimum entitlement. Unfortunately, the airport, which is served by only one carrier, is expected to miss the 10,000 passenger mark for FY 1998 by only a few boardings. This shortfall can be directly attributable to a disruption in air service caused by an air carrier labor strike. Had the strike not occurred, it is clear that Watertown would have surpassed the minimum enplanement requirement. Sec. 105 recognizes the impact of this sudden disruption and ensures this community and similarly impacted communities across the nation continue to qualify for AIP entitlement funds.

The Chairman also graciously accommodated a request I made for the Federal Aviation Administration (FAA) to conduct a study of the Part 135 aircraft industry. As my colleagues know, the on-demand charter industry is growing. For rural and urban areas, the ability of business travelers to be able to fly from one destination to another can make all the difference in the bottom line. Available and affordable charter services are a key to continued growth to a state like South Dakota that has limited commercial service.

Despite its unique characteristics, the charter industry is regulated by the FAA in the same manner that other segments of the industry are. Though there is abundant information regarding the commercial industry, we do not presently have accurate and reliable information regarding the on-demand industry. The study included in this bill will help ensure FAA has the information it needs about the industry it regulates. The decisions regulators make that impact charter operators should be based upon facts about the industry and a clear understanding of the industry. The study ordered through this legislation would add to our knowledge of this important component of the aviation industry.

The bill also proposes a number of important reforms that would help improve efficiency and competition. Among other issues, I commend the Chairman for moving a proposal forward that would improve access to Chicago O'Hare International Airport. I firmly believe that today's High Density Rule is outdated and acts only as an artificial barrier for competition for areas of the nation including South Dakota. Fortunately, AIR 21 would open access to this airport potentially for cities like Sioux Falls that might be able to provide competitive options for its travelers and profitable routes for air carriers that might not be able to access O'Hare today.

Mr. Chairman, I recently organized a series of meetings with community leaders across South Dakota to discuss air service issues.

While they generally are pleased with the level of service they have today, they also believe there is room for improvement. When I outlined to them the investment, reform, and competition provisions included in AIR 21, these business and community leaders agreed that AIR 21 represents an important step toward bringing South Dakota's communities closer to the rest of the world. I am pleased this bill is before us today and ask my colleagues to support its passage. AIR 21 will bring us closer to being honest with the tax payers of America on how their hard-earned dollars are used. It will bring us closer to allowing the free market to create access to affordable air service. It will also bring us one step closer to making the investments we need to ensure continued efficiency and safety of the traveling public.

Mr. SWEENEY, Mr. Chairman, the economy of the United States is driven by the success and expansion of our nation's businesses.

As representatives of the Federal Government, we have a responsibility to provide the infrastructure—the assets—that these businesses need to remain competitive.

Our aviation system must have the resources and the ability to move people and products quickly and cheaply to all corners of the world.

The Federal Aviation Administration estimates that the number of domestic airline passengers is expected to exceed one billion annually by the year 2010.

The General Accounting Office, in their most recent report, has projected that annual airport needs alone will equal $10 billion just to meet these demands.

Current available airport resources only equal $7 billion per year. That leaves a $3 billion annual funding gap!

Mr. Chairman, the ''Aviation Investment and Reform Act for the 21st Century,'' or AIR–21, provides an additional $2 billion through the Airport Improvement Program plus other funding opportunities to fill that gap and meet these needs!

If we continue to follow current trends, we will exceed airport and runway capacity, and delays and congestion will increase accordingly.

Passengers are already being left stranded at airports or on tarmacs waiting to fly.

And in some cities, single airlines are dominating entire markets.

I know this because these effects are already apparent in my congressional district and throughout upstate New York.

Mr. Chairman, upstate New York has been identified as an area that needs improvement ,and has been labeled as a ''pocket of pain'' in the aviation system.

The lack of sufficient federal funding has rendered many airports unable to handle the increased volume of traffic

The airports that serve my district are in dire need of runway improvements, methods to enhance accessibility, machinery for snow removal, and most importantly, technology to ensure the safety of their air traffic control systems.

In addition, existing airline access rules have stifled competition and caused passengers to pay unreasonably high air fares.

AIR–21 will accomplish our goals of improving safety, fostering airline competition, and supplying those airports with increased funding to meet their individual needs.

AIR–21 also contains guaranteed funding of up to $200,000 for general aviation airports with little or no commercial service.

We must not forget the critical role that county and municipal airports play in the entire aviation system.

Mr. Chairman, I am proud of the accomplishments of this bill, and I urge all of my colleagues to vote for it.

Passage of AIR–21 would reaffirm America's commitment to investing in assets to help our economy grow and our nation prosper.

Mr. THOMPSON of California. Mr. Chairman, I am pleased to rise in support of the manager's amendment to AIR–21 and an item in that amendment that was included at my request. Specifically, I strongly support a study to be conducted by the Federal Aviation Administration to evaluate the safety of using only automated weather observation systems for flight weather information.

The Automated Surface Observing System, or ASOS, is a critical tool for observing and reporting flight weather information across the United States. Airports are ranked according to air traffic, occurrence of bad weather, distance to the next suitable airport, and other critical characteristics to assess specific needs. Most airports use the ASOS system and incorporate varying levels of human observation to augment the automatic system. However, those airports with low rankings are required to use only the ASOS system without support from human observers.

The problem at Arcata-Eureka airport in my district, and in many areas across the country, is that the ASOS is not reliable enough to ensure flight safety at those airports with rapidly changing weather conditions. Those airports may not serve the number of aircraft necessary to warrant a higher weather service level, but the ASOS system still may not meet their safety needs. If ASOS is implemented according to the current rankings, many airports that regularly encounter sudden changes in visibility or wind conditions will be operating without the benefit of an on-site human observer.

This study would require a re-evaluation of the airport weather rankings solely with regard to flight safety to guarantee reliable weather reporting at every airport nationwide. Mr. Chairman and members, I ask you to join me in supporting this amendment and improved safety at our nation's airports.

Mr. COSTELLO. Mr. Chairman, I rise in strong support of AIR–21. I would like to commend Chairman SHUSTER, and Chairman DUNCAN and Ranking Member OBERSTAR and Ranking Member LIPINSKI for helping craft this notable piece of legislation. When we sign this bill into law, it will truly mark 1999 as the Year of Aviation. I believe this bill goes a long way toward ensuring that our U.S. aviation system will remain the best in the world as it does much to promote safe and more efficient air travel as we move into the next century.

This year 655 million passengers will travel by air. In ten years, over a billion people will fly annually. Our current system—while the best in the world—is ill-equipped to handle the increase in passengers without a major commitment to making necessary improvements. Mr. Speaker, this landmark piece of legislation does just that.

By taking the Airport and Airways Trust Fund off-budget, we are making a true commitment to improve our aviation infrastructure. The trust fund is funded by aviation ticket taxes, taxes you and I and every person who flies pay each time we purchase an airline ticket. The trust fund was established to maintain and improve our aviation system, not to manipulate the size of the federal deficit or overstate the size of the budget surplus. By taking the trust fund off-budget we will enable the trust fund surplus to be used for its intended purpose—aviation.

AIR–21 is good for airports. By providing over $19 billion for the Airport Improvement Program (AIP), we ensure that capital improvement projects at our nation's airports will go forward. In addition, the bill provides funding for small and general aviation airports that will ensure an annual entitlement. For my district, this means that St. Louis-Parks Downtown Airport in Cahokia, St. Louis Regional in Bethalto, Cairo Airport, MidAmerica Airport and Southern Illinois Airport in Carbondale can all count on a federal investment. This will help these airports to continue to implement safety improvements and projects to increase efficiency.

In parts of my district in Southern Illinois, we have limited air service. This bill will promote service to underserved markets. By improving capacity at large and small airports, the bill ensures more equitable competition in an industry where individual air carriers have market dominance over many communities. And by promoting access, the bill increases service which currently have little or no markets at all.

AIR–21 ensures that our nation's aviation system remains the safest, most reliable and most efficient system in the world. It makes unprecedented investments in airports, runways and air traffic control systems, and, it does so in a fiscally responsible manner.

Let's transform the Year of Aviation into the 21st Century of Aviation. I hope my colleagues will join me in supporting H.R. 1000.

Mr. SHAYS. Mr. Chairman. I strongly support two provisions in H.R. 1000, the Aviation Investment and Reform Act for the 21st Century—requiring Emergency Locator Transmitters (ELTs) on aircraft and conducting a study on helicopter noise—to increase the safety of air travel and decrease helicopter noise pollution.

My support for ELTs stems from a tragedy involving two Connecticut residents. On December 24, 1996 a Learjet with Pilot Johan Schwartz, 31, of Westport, Connecticut and Patrick Hayes, 30, of Clinton, Connecticut lost contact with the control tower at the Lebanon, New Hampshire Airport.

Despite efforts by the federal government, New Hampshire state and local authorities, and Connecticut authorities, a number of extremely well organized ground searches failed to locate the two gentlemen or the airplane.

Their airplane did not have an ELT, a device which could have made a difference in saving the lives of these two men and sparing their families the grief of not finding the plane. ELTs play a vital role in search efforts, where timing is so critical in any rescue mission.

Section 510 of H.R. 1000 requires ELTs on fixed-wing aircraft by January 1, 2002. This

provision provides limited exemptions, including planes used for agricultural purposes, manufacturing or testing, and air exhibition events.

I am hopeful this provision will do much to increase the safety of air travel and no family will have to go through what the Schwartz and Hayes families underwent in the search for their loved ones.

I also support the helicopter noise study contained in the manager's amendment to H.R. 1000. This provision directs the Secretary of Transportation to conduct a one-year study on the effects of nonmilitary helicopter noise on individuals and develop recommendations for noise reduction.

The Secretary is required to consider the views of representatives from organizations with an interest in helicopter noise reduction and the helicopter industry.

I have been working for many years with officials at the Federal Aviation Administration (FAA) and local residents, to control noise from helicopters and fixed-wing aircraft. I understand frustration with aircraft noise. It is loud and disruptive.

Noise pollution can be overwhelming, and diminishes quality of life. Exposure to excessive noise can lead to psychological and physiological damage, including hypertension, cardiovasular problems, and sleeping disorders.

To combat noise pollution from helicopters it is imperative we understand how it is affecting individuals and how best to reduce it. That is why I support this one-year study to examine this problem.

I thank Transportation Chairman BUD SHUSTER and Aviation Subcommittees Chairman JOHN DUNCAN for their attention to ELTs and helicopter noise—important safety and quality of life provisions—in the Aviation Investment and Reform Act for the 21st Century.

Mr. BEREUTER. Mr. Chairman, this Member rises in strong support of H.R. 1000, the AIR 21 legislation. This legislation is clearly needed to preserve the integrity of the Aviation Trust Fund and to provide adequate funding for our nation's airports.

This Member would like to begin by commending the distinguished gentleman from Pennsylvania, [Mr. SHUSTER], the Chairman of the Transportation and Infrastructure Committee, the distinguished gentleman from Minnesota [Mr. OBERSTAR], the ranking member of the Transportation Committee, the distinguished gentleman from Tennessee [Mr. DUNCAN], the Chairman of the Aviation Subcommittee, and the distinguished gentleman from Illinois [Mr. LIPINSKI], the ranking member of the Subcommittee, for their extraordinary work in developing this bill and bringing it to the Floor. This Member appreciates their diligence, persistence, and hard work.

This is an important bill for this Member's district, for the State of Nebraska, and for the nation. It addresses the country's growing aviation needs in a fiscally responsible manner. Quite simply, the bill recognizes the need to spend aviation taxes on the aviation system. During the 105th Congress we restored the trust with American drivers by ensuring that gas taxes will be spent on highway construction and maintenance. It is now time to ensure that this trust is restored with the flying public. No longer should the Aviation Trust Fund be misused and diverted.

This bill will properly take the Aviation Trust Fund off-budget and ensure that it is used for aviation. it will result in reduced flight delays, improved air safety and greater competition. The American people deserve this legislation. They deserve it because they've already paid for it.

Let's look past the distortions and misleading rhetoric and instead focus on the facts. This legislation will not jeopardize funding for other government programs. That's because the funding increases for aviation will come from the Aviation Trust Fund which has accumulated a large surplus.

This Member is concerned about growing needs at our nation's airports. While more people are flying, airport improvements are simply not keeping pace. That's because the money that passengers are paying each time they fly are accumulating in the trust fund rather than being put to use at the airports.

Unless we act now, the problems will only get worse. It is now anticipated that air travel will increase by more than 40 percent over the next ten years. This surge will place increased demands on an already overburdened aviation system. According to the General Accounting Office, we are underfunding airport infrastructure by at least $3 billion each year. Currently, the needs of smaller airports are twice as great as their funding sources. Fortunately, we have the ability to act now. We can improve the system without raising taxes or threatening the funding for other government programs or services. We must unlock the money in the Aviation Trust Fund and spend it for what it was intended.

Airports across the country and the passengers who use them will all benefit from passage of this legislation. Large airports as well as small airports will be able to modernize and expand once the Trust Fund money is released.

The increases in funding will be substantial and passengers will notice the results if we make these investments now. As an example, the Lincoln Municipal Airport in Nebraska currently receives an entitlement of about $1 million per year. Under H.R. 1000, this will increase to more than $3 million annually. Such an increase would greatly assist the airport with its planned $5 million runway project, which would replace the surface, comply with new safety requirements and provide new lighting. General aviation airports in Nebraska, in communities such as Beatrice, Falls City, Blair, Fremont, Norfolk, York, and Nebraska City, will also receive annual entitlements which will assist them with necessary projects.

Mr. Chairman, this Member urges his colleagues to support H.R. 1000. It will provide the American people with the aviation system that they have paid for the deserve.

Mr. SHUSTER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill, modified by the amendment printed in part A of House Report 106–185, is considered as an original bill for the purpose of amendment under the 5-minute rule and is considered read.

The text of the committee amendment in the nature of a substitute, as modified, is as follows:

H.R. 1000

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 ''Aviation Investment and Reform Act for the 21st Century''.

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Amendments to title 49, United States Code.
Sec. 3. Applicability.
Sec. 4. Administrator defined.

TITLE I—AIRPORT AND AIRWAY IMPROVEMENTS

Subtitle A—Funding

Sec. 101. Airport improvement program.
Sec. 102. Airway facilities improvement program.
Sec. 103. FAA operations.
Sec. 104. AIP formula changes.
Sec. 105. Passenger facility fees.
Sec. 106. Budget submission.

Subtitle B—Airport Development

Sec. 121. Runway incursion prevention devices; emergency call boxes.
Sec. 122. Windshear detection equipment.
Sec. 123. Enhanced vision technologies.
Sec. 124. Pavement maintenance.
Sec. 125. Competition plans.
Sec. 126. Matching share.
Sec. 127. Letters of intent.
Sec. 128. Grants from small airport fund.
Sec. 129. Discretionary use of unused apportionments.
Sec. 130. Designating current and former military airports.
Sec. 131. Contract tower cost-sharing.
Sec. 132. Innovative use of airport grant funds.
Sec. 133. Aviation security program.
Sec. 134. Inherently low-emission airport vehicle pilot program.
Sec. 135. Technical amendments.
Sec. 136. Conveyances of airport property for public airports.

Subtitle C—Miscellaneous

Sec. 151. Treatment of certain facilities as airport-related projects.
Sec. 152. Terminal development costs.
Sec. 153. General facilities authority.
Sec. 154. Denial of airport access to certain air carriers.
Sec. 155. Construction of runways.
Sec. 156. Use of recycled materials.

TITLE II—AIRLINE SERVICE IMPROVEMENTS

Subtitle A—Service to Airports Not Receiving Sufficient Service

Sec. 201. Access to high density airports.
Sec. 202. Funding for air carrier service to airports not receiving sufficient service.
Sec. 203. Waiver of local contribution.
Sec. 204. Policy for air service to rural areas.
Sec. 205. Determination of distance from hub airport.

Subtitle B—Regional Air Service Incentive Program

Sec. 211. Establishment of regional air service incentive program.

TITLE III—FAA MANAGEMENT REFORM

Sec. 301. Air traffic control system defined.
Sec. 302. Air Traffic Control Oversight Board.

Sec. 303. Chief Operating Officer.
Sec. 304. Federal Aviation Management Advisory Council.
Sec. 305. Environmental streamlining.
Sec. 306. Clarification of regulatory approval process.
Sec. 307. Independent study of FAA costs and allocations.

TITLE IV—FAMILY ASSISTANCE

Sec. 401. Responsibilities of National Transportation Safety Board.
Sec. 402. Air carrier plans.
Sec. 403. Foreign air carrier plans.
Sec. 404. Applicability of Death on the High Seas Act.

TITLE V—SAFETY

Sec. 501. Cargo collision avoidance systems deadlines.
Sec. 502. Records of employment of pilot applicants.
Sec. 503. Whistleblower protection for FAA employees.
Sec. 504. Safety risk mitigation programs.
Sec. 505. Flight operations quality assurance rules.
Sec. 506. Small airport certification.
Sec. 507. Life-limited aircraft parts.
Sec. 508. FAA may fine unruly passengers.
Sec. 509. Report on air transportation oversight system.
Sec. 510. Airplane emergency locators.

TITLE VI—WHISTLEBLOWER PROTECTION

Sec. 601. Protection of employees providing air safety information.
Sec. 602. Civil penalty.

TITLE VII—MISCELLANEOUS PROVISIONS

Sec. 701. Duties and powers of Administrator.
Sec. 702. Public aircraft.
Sec. 703. Prohibition on release of offeror proposals.
Sec. 704. Multiyear procurement contracts.
Sec. 705. Federal Aviation Administration personnel management system.
Sec. 706. Nondiscrimination in airline travel.
Sec. 707. Joint venture agreement.
Sec. 708. Extension of war risk insurance program.
Sec. 709. General facilities and personnel authority.
Sec. 710. Implementation of article 83 bis of the Chicago Convention.
Sec. 711. Public availability of airmen records.
Sec. 712. Appeals of emergency revocations of certificates.
Sec. 713. Government and industry consortia.
Sec. 714. Passenger manifest.
Sec. 715. Cost recovery for foreign aviation services.
Sec. 716. Technical corrections to civil penalty provisions.
Sec. 717. Waiver under Airport Noise and Capacity Act.
Sec. 718. Metropolitan Washington Airport Authority.
Sec. 719. Acquisition management system.
Sec. 720. Centennial of Flight Commission.
Sec. 721. Aircraft situational display data.
Sec. 722. Elimination of backlog of equal employment opportunity complaints.
Sec. 723. Newport News, Virginia.
Sec. 724. Grant of easement, Los Angeles, California.
Sec. 725. Regulation of Alaska guide pilots.
Sec. 726. Aircraft repair and maintenance advisory panel.
Sec. 727. Operations of air taxi industry.
Sec. 728. Sense of Congress concerning completion of comprehensive national airspace redesign.
Sec. 729. Compliance with requirements.
Sec. 730. Aircraft noise levels at airports.
Sec. 731. FAA consideration of certain State proposals.

TITLE VIII—NATIONAL PARKS AIR TOUR MANAGEMENT

Sec. 801. Short title.
Sec. 802. Findings.
Sec. 803. Air tour management plans for national parks.
Sec. 804. Advisory group.
Sec. 805. Reports.
Sec. 806. Exemptions.
Sec. 807. Definitions.

TITLE IX—TRUTH IN BUDGETING

Sec. 901. Short title.
Sec. 902. Budgetary treatment of Airport and Airway Trust Fund.
Sec. 903. Safeguards against deficit spending out of Airport and Airway Trust Fund.
Sec. 904. Applicability.

TITLE X—ADJUSTMENT OF TRUST FUND AUTHORIZATIONS

Sec. 1001. Adjustment of trust fund authorizations.
Sec. 1002. Budget estimates.
Sec. 1003. Sense of Congress on fully offsetting increased aviation spending.

TITLE XI—EXTENSION OF AIRPORT AND AIRWAY TRUST FUND EXPENDITURE AUTHORITY

Sec. 1101. Extension of expenditure authority.

SEC. 2. AMENDMENTS TO TITLE 49, UNITED STATES CODE.

Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision of law, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

SEC. 3. APPLICABILITY.

Except as otherwise specifically provided, this Act and the amendments made by this Act shall apply only to fiscal years beginning after September 30, 1999.

SEC. 4. ADMINISTRATOR DEFINED.

In this Act, the term ''Administrator'' means the Administrator of the Federal Aviation Administration.

TITLE I—AIRPORT AND AIRWAY IMPROVEMENTS

Subtitle A—Funding

SEC. 101. AIRPORT IMPROVEMENT PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 48103 is amended by striking ''shall be'' the last place it appears and all that follows through the period at the end and inserting the following: ''shall be—

''(1) $2,410,000,000 for fiscal year 1999;
''(2) $2,475,000,000 for fiscal year 2000;
''(3) $4,000,000,000 for fiscal year 2001;
''(4) $4,100,000,000 for fiscal year 2002;
''(5) $4,250,000,000 for fiscal year 2003; and
''(6) $4,350,000,000 for fiscal year 2004.''.

(b) OBLIGATIONAL AUTHORITY.—Section 47104(c) is amended by striking ''After'' and all that follows through ''1999,'' and inserting ''After September 30, 2004,''.

SEC. 102. AIRWAY FACILITIES IMPROVEMENT PROGRAM.

(a) GENERAL AUTHORIZATION AND APPROPRIATIONS.—Effective September 30, 1999, section 48101(a) is amended by striking paragraphs (1), (2), and (3) and inserting the following:

''(1) Such sums as may be necessary for fiscal year 2000.

''(2) $2,500,000,000 for fiscal year 2001.

''(3) $3,000,000,000 for each of fiscal years 2002 through 2004.''.

(b) UNIVERSAL ACCESS SYSTEMS.—Section 48101 is amended by adding at the end the following:

''(d) UNIVERSAL ACCESS SYSTEMS.—Of the amounts appropriated under subsection (a) for fiscal year 2001, $8,000,000 may be used for the voluntary purchase and installation of universal access systems.''.

SEC. 103. FAA OPERATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS FROM GENERAL FUND.—Effective September 30, 1999, section 106(k) is amended—

(1) by inserting ''(1) IN GENERAL.—'' before ''There'';

(2) in paragraph (1) (as designated by paragraph (1) of this subsection) by striking ''the Administration'' and all that follows through the period at the end and inserting the following: ''the Administration—

''(A) such sums as may be necessary for fiscal year 2000;

''(B) $6,450,000,000 for fiscal year 2001;

''(C) $6,886,000,000 for fiscal year 2002;

''(D) $7,357,000,000 for fiscal year 2003; and

''(E) $7,860,000,000 for fiscal year 2004.'';

(3) by adding at the end the following:

''(2) AUTHORIZED EXPENDITURES.—Of the amounts appropriated under paragraph (1) for fiscal years 2001 through 2004—

''(A) $450,000 per fiscal year may be used for wildlife hazard mitigation measures and management of the wildlife strike database of the Federal Aviation Administration;

''(B) such sums as may be necessary may be used to fund an office within the Federal Aviation Administration dedicated to supporting infrastructure systems development for both general aviation and the vertical flight industry;

''(C) such sums as may be necessary may be used to revise existing terminal and en route procedures and instrument flight rules to facilitate the takeoff, flight, and landing of tiltrotor aircraft and to improve the national airspace system by separating such aircraft from congested flight paths of fixed-wing aircraft;

''(D) such sums as may be necessary may be used to establish helicopter approach procedures using current technologies (such as the Global Positioning System) to support all-weather, emergency medical service for trauma patients;

''(E) $3,000,000 per fiscal year may be used to implement the 1998 airport surface operations safety action plan of the Federal Aviation Administration;

''(F) $2,000,000 per fiscal year may be used to support a university consortium established to provide an air safety and security management certificate program, working cooperatively with United States air carriers; except that funds under this subparagraph—

''(i) may not be used for the construction of a building or other facility; and

''(ii) may only be awarded on the basis of open competition; and

''(G) such sums as may be necessary may be used to develop or improve training programs (including model training programs and curriculum) for security screeners at airports.''; and

(4) by indenting paragraph (1) (as designated by paragraph (1) of this subsection) and aligning such paragraph (1) with paragraph (2) (as added by paragraph (2) of this subsection).

(b) AUTHORIZATION OF APPROPRIATIONS FROM TRUST FUND.—Section 48104 is amended—

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

(2) in subsection (b) (as so redesignated)—

(A) by striking the subsection heading and inserting ''GENERAL RULE: LIMITATION ON TRUST FUND AMOUNTS.—''; and

(B) in the matter preceding paragraph (1)—

(i) by striking ''The amount'' and inserting ''Except as provided in subsection (c), the amount''; and

(ii) by striking ''for each of fiscal years 1994 through 1998'' and inserting ''for fiscal year 2000 and each fiscal year thereafter''; and

(3) by adding at the end the following:

''(c) SPECIAL RULE FOR FISCAL YEARS 2000–2004.—

''(1) IN GENERAL.—If the amount appropriated under section 106(k) for any of fiscal years 2000 through 2004 less the amount that would be appropriated, but for this subsection, from the Trust Fund for the purposes of paragraphs (1) and (2) of subsection (a) for such fiscal year is greater than the general fund cap, the amount appropriated from the Trust Fund for the purposes of paragraphs (1) and (2) of subsection (a) for such fiscal year shall equal the amount appropriated under section 106(k) for such fiscal year less the general fund cap.

''(2) GENERAL FUND CAP DEFINED.—In this subsection, the term 'general fund cap' means that portion of the amounts appropriated for programs of the Federal Aviation Administration for fiscal year 1998 that was derived from the general fund of the Treasury.

(c) LIMITATION ON OBLIGATING OR EXPENDING AMOUNTS.—Section 48108 is amended by striking subsection (c).

SEC. 104. AIP FORMULA CHANGES.

(a) DISCRETIONARY FUND.—Section 47115 is amended by striking subsections (g) and (h) and inserting the following:

''(g) PRIORITY FOR LETTERS OF INTENT.—

''(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall fulfill intentions to obligate under section 47110(e) with amounts available in the fund established by subsection (a) and, if such amounts are not sufficient for a fiscal year, with amounts made available to carry out sections 47114(c)(1)(A), 47114(c)(2), 47114(d), and 47117(e) on a pro rata basis.

''(2) PROCEDURE.—Before apportioning funds under sections 47114(c)(1)(A), 47114(c)(2), 47114(d), and 47117(e) of each fiscal year, the Secretary shall determine the amount of funds that will be necessary to fulfill intentions to obligate under section 47110(e) in such fiscal year. If such amount is greater than the amount of funds that will be available in the fund established by subsection (a) for such fiscal year, the Secretary shall reduce the amount to be apportioned under such sections for such fiscal year on a pro rata basis by an amount equal to the difference.''.

(b) AMOUNTS APPORTIONED TO SPONSORS.—

(1) AMOUNTS TO BE APPORTIONED.—Effective October 1, 2000, section 47114(c)(1) is amended—

(A) in subparagraph (A) by striking clauses (i) through (v) and inserting the following:

''(i) $23.40 for each of the first 50,000 passenger boardings at the airport during the prior calendar year;

''(ii) $15.60 for each of the next 50,000 passenger boardings at the airport during the prior calendar year;

''(iii) $7.80 for each of the next 400,000 passenger boardings at the airport during the prior calendar year;

''(iv) $1.95 for each of the next 500,000 passenger boardings at the airport during the prior calendar year; and

''(v) $1.50 for each additional passenger boarding at the airport during the prior calendar year.''; and

(B) in subparagraph (B) by striking ''$500,000 nor more than $22,000,000'' and inserting ''$1,500,000''.

(2) SPECIAL RULES.—Section 47114(c)(1) is amended by adding at the end the following:

''(C) Notwithstanding subparagraph (A), the Secretary shall apportion to an airport sponsor in a fiscal year an amount equal to the amount apportioned to that sponsor in the previous fiscal year if the Secretary finds that—

''(i) passenger boardings at the airport were less than 10,000 in the calendar year used to calculate the apportionment;

''(ii) the airport had at least 10,000 passenger boardings in the calendar year prior to the calendar year used to calculate the apportionment; and

''(iii) the cause of the decrease in passenger boardings was a temporary but significant interruption in service by an air carrier to that airport due to an employment action, natural disaster, or other event unrelated to the demand for air transportation at the airport.

''(D) Notwithstanding subparagraph (A), the Secretary shall apportion on the first day of the first fiscal year following the official opening of a new airport with scheduled passenger air transportation an amount equal to the minimum amount set forth in subparagraph (B) to the sponsor of such airport.''.

(c) CARGO ONLY AIRPORTS.—Section 47114(c)(2)(A) is amended by striking ''2.5 percent'' and inserting ''3 percent''.

(d) ENTITLEMENT FOR GENERAL AVIATION AIRPORTS.—Effective October 1, 2000, section 47114(d) is amended—

(1) in the subsection heading by striking ''TO STATES'' and inserting ''FOR GENERAL AVIATION AIRPORTS'';

(2) in paragraph (1) by striking ''(1) In this'' and inserting ''(1) DEFINITIONS.—In this'';

(3) by indenting paragraph (1) and aligning paragraph (1) (and its subparagraphs) with paragraph (2) (as amended by paragraph (2) of this subsection); and

(4) by striking paragraph (2) and inserting the following:

''(2) APPORTIONMENTS.—The Secretary shall apportion 20 percent of the amount subject to apportionment for each fiscal year as follows:

''(A) To each airport, excluding primary airports but including reliever and nonprimary commercial service airports, in States the lesser of—

''(i) $200,000; or

''(ii) ⅕ of the most recently published estimate of the 5-year costs for airport improvement for the airport, as listed in the national plan of integrated airport systems developed by the Federal Aviation Administration under section 47103.

''(B) Any remaining amount to States as follows:

''(i) 0.62 percent of the remaining amount to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Virgin Islands.

''(ii) Except as provided in paragraph (3), 49.69 percent of the remaining amount for airports, excluding primary airports but including reliever and nonprimary commercial service airports, in States not named in clause (i) in the proportion that the population of each of those States bears to the total population of all of those States.

''(iii) Except as provided in paragraph (3), 49.69 percent of the remaining amount for airports, excluding primary airports but including reliever and nonprimary commercial service airports, in States not named in clause (i) in the proportion that the area of each of those States bears to the total area of all of those States.''.

(e) USE OF APPORTIONMENTS FOR ALASKA, PUERTO RICO, AND HAWAII.—Section 47114(d)(3) is amended to read as follows:

''(3) SPECIAL RULE.—An amount apportioned under paragraph (2) to Alaska, Puerto Rico, or Hawaii for airports in such State may be made available by the Secretary for any public airport in those respective jurisdictions.''.

(f) USE OF STATE-APPORTIONED FUNDS FOR SYSTEM PLANNING.—Section 47114(d) is amended by adding at the end the following:

''(4) INTEGRATED AIRPORT SYSTEM PLANNING.—Notwithstanding paragraph (2), funds made available under this subsection may be used for integrated airport system planning that encompasses 1 or more primary airports.''.

(g) FLEXIBILITY IN PAVEMENT CONSTRUCTION STANDARDS.—

Section 47114(d) is further amended by adding at the end the following:

''(5) FLEXIBILITY IN PAVEMENT CONSTRUCTION STANDARDS.—The Secretary may permit the use of State highway specifications for airfield pavement construction using funds made available under this subsection at nonprimary airports serving aircraft that do not exceed 60,000 pounds gross weight if the Secretary determines that—

''(A) safety will not be negatively affected; and

''(B) the life of the pavement will not be shorter than it would be if constructed using Federal Aviation Administration standards.''.

(h) GRANTS FOR AIRPORT NOISE COMPATIBILITY PLANNING.—Section 47117(e)(1) is amended—

(1) in subparagraph (A) by striking ''31 percent'' each place it appears and inserting ''34 percent''; and

(2) in subparagraph (B) by striking ''At least'' and all that follows through ''sponsors of current'' and inserting ''At least 4 percent to sponsors of current''.

(i) SUPPLEMENTAL APPORTIONMENT FOR ALASKA.—Effective October 1, 2000, section 47114(e) is amended—

(1) in the subsection heading by striking ''ALTERNATIVE'' and inserting ''SUPPLEMENTAL'';

(2) in paragraph (1)—

(A) by striking ''Instead of apportioning amounts for airports in Alaska under'' and inserting ''IN GENERAL.—Notwithstanding'';

(B) by striking ''those airports'' and inserting ''airports in Alaska''; and

(C) by inserting before the period at the end of the first sentence ''and by increasing the amount so determined for each of those airports by 3 times'';

(3) in paragraph (2) by inserting ''AUTHORITY FOR DISCRETIONARY GRANTS.—'' before ''This subsection'';

(4) by striking paragraph (3) and inserting the following:

''(3) AIRPORTS ELIGIBLE FOR FUNDS.—An amount apportioned under this subsection may be used for any public airport in Alaska.''; and

(5) by indenting paragraph (1) and aligning paragraph (1) (and its subparagraphs) and paragraph (2) with paragraph (3) (as amended by paragraph (4) of this subsection).

(j) REPEAL OF APPORTIONMENT LIMITATION ON COMMERCIAL SERVICE AIRPORTS IN ALASKA.—Section 47117 is amended by striking subsection (f) and by redesignating subsections (g) and (h) as subsections (f) and (g), respectively.

SEC. 105. PASSENGER FACILITY FEES.

(a) AUTHORITY TO IMPOSE HIGHER FEE.—Section 40117(b) is amended by adding at the end the following:

''(4) Notwithstanding paragraph (1), the Secretary may authorize under this section an eligible agency to impose a passenger facility fee in whole dollar amounts of more than $3 on each paying passenger of an air carrier or foreign air carrier boarding an aircraft at an airport the agency controls to finance an eligible airport-related project, including making payments for debt service on indebtedness incurred to carry out the project, if the Secretary finds—

''(A) that the project will make a significant contribution to improving air safety and security, increasing competition among air carriers, reducing current or anticipated congestion, or reducing the impact of aviation noise on people living near the airport;

''(B) that the project cannot be paid for from funds reasonably expected to be available for the programs referred to in section 48103; and

''(C) that the amount to be imposed is not more than twice that which may be imposed under paragraph (1).''.

(b) LIMITATION ON APPROVAL OF CERTAIN APPLICATIONS.—Section 40117(d) is amended—

(1) by striking ''and'' at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting ''; and''; and

(3) by adding at the end the following:

''(4) in the case of an application to impose a fee of more than $3 for a surface transportation or terminal project, the agency has made adequate provision for financing the airside needs of the airport, including runways, taxiways, aprons, and aircraft gates.''.

(c) REDUCING APPORTIONMENTS.—Section 47114(f) is amended—

(1) by striking ''An amount'' and inserting the following:

''(1) IN GENERAL.—An amount'';

(2) by striking ''an amount equal to'' and all that follows through the period at the end and inserting the following: ''an amount equal to—

''(A) in the case of a fee of $3 or less, 50 percent of the projected revenues from the fee in the fiscal year but not by more than 50 percent of the amount that otherwise would be apportioned under this section; and

''(B) in the case of a fee of more than $3, 75 percent of the projected revenues from the fee in the fiscal year but not by more than 75 percent of the amount that otherwise would be apportioned under this section.''; and

(3) by adding at the end the following:

''(2) EFFECTIVE DATE OF REDUCTION.—A reduction in an apportionment required by paragraph (1) shall not take effect until the first fiscal year following the year in which the collection of the fee imposed under section 40117 is begun.''.

SEC. 106. BUDGET SUBMISSION.

The Administrator shall transmit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a copy of the annual budget estimates of the Federal Aviation Administration, including line item justifications, at the same time the annual budget estimates are submitted to the Committees on Appropriations of the Senate and the House of Representatives.

Subtitle B—Airport Development

SEC. 121. RUNWAY INCURSION PREVENTION DEVICES; EMERGENCY CALL BOXES.

(a) POLICY.—Section 47101(a)(11) is amended by inserting ''(including integrated in-pavement lighting systems for runways and taxiways and other runway and taxiway incursion prevention devices)'' after ''technology''.

(b) MAXIMUM USE OF SAFETY FACILITIES.—Section 47101(f) is amended—

(1) by striking ''and'' at the end of paragraph (9); and

(2) by striking the period at the end of paragraph (10) and inserting ''; and''; and

(3) by adding at the end the following:

''(11) runway and taxiway incursion prevention devices, including integrated in-pavement lighting systems for runways and taxiways.''.

(c) INCLUSION OF UNIVERSAL ACCESS SYSTEMS AND EMERGENCY CALL BOXES AS AIRPORT DEVELOPMENT.—Section 47102(3)(B) is amended—

(1) in clause (ii)—

(A) by striking ''and universal access systems,'' and inserting '', universal access systems, and emergency call boxes,''; and

(B) by inserting ''and integrated in-pavement lighting systems for runways and taxiways and other runway and taxiway incursion prevention devices'' before the semicolon at the end; and

(2) by inserting before the semicolon at the end of clause (iii) the following: '', including closed circuit weather surveillance equipment''.

SEC. 122. WINDSHEAR DETECTION EQUIPMENT.

Section 47102(3)(B) is further amended—

(1) by striking ''and'' at the end of clause (v);

(2) by striking the period at the end of clause (vi) and inserting a semicolon; and

(3) by adding at the end the following:

''(vii) windshear detection equipment; and''.

SEC. 123. ENHANCED VISION TECHNOLOGIES.

(a) STUDY.—The Administrator shall conduct a study of the feasibility of requiring United States airports to install enhanced vision technologies to replace or enhance conventional landing light systems over the 10-year period following the date of completion of such study.

(b) REPORT.—Not later than 180 days after the date of enactment of this Act, the Administrator shall transmit to Congress a report on the results of the study conducted under subsection (a), together with such recommendations as the Administrator considers appropriate.

(c) INCLUSION OF INSTALLATION AS AIRPORT DEVELOPMENT.—Section 47102 is amended—

(1) in paragraph (3)(B) (as amended by this Act) by adding at the end the following:

''(viii) enhanced vision technologies that are certified by the Administrator of the Federal Aviation Administration and that are intended to replace or enhance conventional landing light systems.''; and

(2) by adding at the end the following:

''(21) ENHANCED VISION TECHNOLOGIES.—The term 'enhanced vision technologies' means laser guidance, ultraviolet guidance, infrared, and cold cathode technologies.''.

(d) CERTIFICATION.—Not later than 180 days after the date of enactment of this Act, the Administrator shall transmit to Congress a schedule for deciding whether or not to certify laser guidance equipment for use as approach lighting at United States airports and of cold cathode lighting equipment for use as runway and taxiway lighting at United States airports and as lighting at United States heliports.

SEC. 124. PAVEMENT MAINTENANCE.

(a) REPEAL OF PILOT PROGRAM.—

(1) IN GENERAL.—Section 47132 is repealed.

(2) CONFORMING AMENDMENT.—The analysis for chapter 471 is amended by striking the item relating to section 47132.

(b) ELIGIBILITY AS AIRPORT DEVELOPMENT.—Section 47102(3) is amended by adding at the end the following:

''(H) routine work to preserve and extend the useful life of runways, taxiways, and aprons at airports that are not primary airports, under guidelines issued by the Administrator.''.

SEC. 125. COMPETITION PLANS.

(a) IN GENERAL.—Section 47106 is amended by adding at the end the following:

''(f) COMPETITION PLANS.—

''(1) PROHIBITION.—Beginning in fiscal year 2001, no passenger facility fee may be approved for a covered airport under section 40117 and no grant may be made under this subchapter for a covered airport unless the airport has submitted to the Secretary a written competition plan in accordance with this subsection.

''(2) CONTENTS.—A competition plan under this subsection shall include information on the availability of airport gates and related facilities, leasing and sub-leasing arrangements, gate-use requirements, patterns of air service, gate-assignment policy, financial constraints, airport controls over air- and ground-side capacity, whether the airport intends to build or acquire gates that would be used as common facilities, and airfare levels (as compiled by the Department of Transportation) compared to other large airports.

''(3) COVERED AIRPORT DEFINED.—In this subsection, the term 'covered airport' means a commercial service airport—

''(A) that has more than .25 percent of the total number of passenger boardings each year at all such airports; and

''(B) at which 1 or 2 air carriers control more than 50 percent of the passenger boardings.''.

(b) CROSS REFERENCE.—Section 40117 is amended by adding at the end the following:

''(j) COMPETITION PLANS.—Beginning in fiscal year 2001, no eligible agency may impose a passenger facility fee under this section with respect to a covered airport (as such term is defined in section 47106(f)) unless the agency has submitted to the Secretary a written competition plan in accordance with such section. This subsection does not apply to passenger facility fees in effect before the date of enactment of this subsection.''.

SEC. 126. MATCHING SHARE.

Section 47109(a) is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(2) by inserting after paragraph (1) the following:

''(2) not more than 90 percent for a project funded by a grant issued to and administered by a State under section 47128, relating to the State block grant program;'';

(3) by striking ''and'' at the end of paragraph (3) (as so redesignated);

(4) by striking the period at the end of paragraph (4) (as so redesignated) and inserting ''; and''; and

(5) by adding at the end the following:

''(5) 100 percent in fiscal year 2001 for any project—

''(A) at an airport other than a primary airport; or

''(B) at a primary airport having less than .05 percent of the total number of passenger boardings each year at all commercial service airports.''.

SEC. 127. LETTERS OF INTENT.

Section 47110(e) is amended—

(1) by striking paragraph (2)(C) and inserting the following:

''(C) that meets the criteria of section 47115(d) and, if for a project at a commercial service airport having at least 0.25 percent of the boardings each year at all such airports, the Secretary decides will enhance system-wide airport capacity significantly.''; and

(2) by striking paragraph (5) and inserting the following:

''(5) LETTERS OF INTENT.—The Secretary may not require an eligible agency to impose a passenger facility fee under section 40117 in order to obtain a letter of intent under this section.''.

SEC. 128. GRANTS FROM SMALL AIRPORT FUND.

(a) SET-ASIDE FOR MEETING SAFETY TERMS IN AIRPORT OPERATING CERTIFICATES.—Section 47116 is amended by adding at the end the following:

''(e) SET-ASIDE FOR MEETING SAFETY TERMS IN AIRPORT OPERATING CERTIFICATES.—In the first fiscal year beginning after the effective date of regulations issued to carry out section 44706(b) with respect to airports described in section 44706(a)(2), and in each of the next 4 fiscal years, the lesser of $15,000,000 or 20 percent of the amounts that would otherwise be distributed to sponsors of airports under subsection (b)(2) shall be used to assist the airports in meeting the terms established by the regulations. If the Secretary publishes in the Federal Register a finding that all the terms established by the regulations have been met, this subsection shall cease to be effective as of the date of such publication.''.

(b) NOTIFICATION OF SOURCE OF GRANT.—Section 47116 is further amended by adding at the end the following:

''(f) NOTIFICATION OF SOURCE OF GRANT.—Whenever the Secretary makes a grant under this section, the Secretary shall notify the recipient of the grant, in writing, that the source of the grant is from the small airport fund.''.

(c) TECHNICAL AMENDMENTS.—Section 47116(d) is amended—

(1) by striking ''In making'' and inserting the following:

''(1) CONSTRUCTION OF NEW RUNWAYS.—In making'';

(2) by adding at the end the following:

''(2) AIRPORT DEVELOPMENT FOR TURBINE POWERED AIRCRAFT.—In making grants to sponsors described in subsection (b)(1), the Secretary shall give priority consideration to airport development projects to support operations by turbine powered aircraft, if the non-Federal share of the project is at least 40 percent.''; and

(3) by aligning the remainder of paragraph (1) (as designated by paragraph (1) of this subsection) with paragraph (2) (as added by paragraph (2) of this subsection).

SEC. 129. DISCRETIONARY USE OF UNUSED APPORTIONMENTS.

Section 47117(f) (as redesignated by section 104(j) of this Act) is amended to read as follows:

''(f) DISCRETIONARY USE OF APPORTIONMENTS.—

''(1) IN GENERAL.—Subject to paragraph (2), if the Secretary finds that all or part of an amount of an apportionment under section 47114 is not required during a fiscal year to fund a grant for which the apportionment may be used, the Secretary may use during such fiscal year the amount not so required to make grants for any purpose for which grants may be made under section 48103. The finding may be based on the notifications that the Secretary receives under section 47105(f) or on other information received from airport sponsors.

''(2) RESTORATION OF APPORTIONMENTS.—

''(A) IN GENERAL.—If the fiscal year for which a finding is made under paragraph (1) with respect to an apportionment is not the last fiscal year of availability of the apportionment under subsection (b), the Secretary shall restore to the apportionment an amount equal to the amount of the apportionment used under paragraph (1) for a discretionary grant whenever a sufficient amount is made available under section 48103.

''(B) PERIOD OF AVAILABILITY.—If restoration under this paragraph is made in the fiscal year for which the finding is made or the succeeding fiscal year, the amount restored shall be subject to the original period of availability of the apportionment under subsection (b). If the restoration is made thereafter, the amount restored shall remain available in accordance with subsection (b) for the original period of availability of the apportionment, plus the number of fiscal years during which a sufficient amount was not available for the restoration.

''(3) NEWLY AVAILABLE AMOUNTS.—

''(A) RESTORED AMOUNTS TO BE UNAVAILABLE FOR DISCRETIONARY GRANTS.—Of an amount newly available under section 48103 of this title, an amount equal to the amounts restored under paragraph (2) shall not be available for discretionary grant obligations under section 47115.

''(B) USE OF REMAINING AMOUNTS.—Subparagraph (A) does not impair the Secretary's authority under paragraph (1), after a restoration under paragraph (2), to apply all or part of a restored amount that is not required to fund a grant under an apportionment to fund discretionary grants.

''(4) LIMITATIONS ON OBLIGATIONS APPLY.—Nothing in this subsection shall be construed to authorize the Secretary to incur grant obligations under section 47104 for a fiscal year in an amount greater than the amount made available under section 48103 for such obligations for such fiscal year.''.

SEC. 130. DESIGNATING CURRENT AND FORMER MILITARY AIRPORTS.

(a) IN GENERAL.—Section 47118 is amended—

(1) in subsection (a) by striking ''12'' and inserting ''12 for fiscal year 2000 and 20 for each fiscal year thereafter'';

(2) by striking subsection (c) and redesignating subsections (d) through (f) as subsections (c) through (e), respectively;

(3) in subsection (c) (as so redesignated)—

(A) by striking ''47117(e)(1)(E)'' and inserting ''47117(e)(1)(B)'';

(B) by striking ''5-fiscal-year periods'' and inserting ''periods, each not to exceed 5 fiscal years,''; and

(C) by striking ''each such subsequent 5-fiscal-year period'' and inserting ''each such subsequent period''; and

(4) by adding at the end the following:

''(f) DESIGNATION OF GENERAL AVIATION AIRPORT.—Notwithstanding any other provision of this section, at least 3 of the airports designated under subsection (a) shall be general aviation airports that were former military installations closed or realigned under a section referred to in subsection (a)(1).''.

(b) TERMINAL BUILDING FACILITIES.—Section 47118(d) (as redesignated by subsection (a)(2) of this section) is amended by striking ''$5,000,000'' and inserting ''$7,000,000''.

(c) ELIGIBILITY OF AIR CARGO TERMINALS.—Section 47118(e) (as redesignated by subsection (a)(2) of this section) is amended—

(1) in subsection heading by striking ''AND HANGARS'' and inserting ''HANGARS, AND AIR CARGO TERMINALS'';

(2) by striking ''$4,000,000'' and inserting ''$7,000,000''; and

(3) by inserting after ''hangars'' the following: ''and air cargo terminals of an area that is 50,000 square feet or less''.

SEC. 131. CONTRACT TOWER COST-SHARING.

Section 47124(b) is amended by adding at the end the following:

''(3) CONTRACT AIR TRAFFIC CONTROL TOWER PILOT PROGRAM.—

''(A) IN GENERAL.—The Secretary shall establish a pilot program to contract for air traffic control services at Level I air traffic control towers, as defined by the Administrator of the Federal Aviation Administration, that do not qualify for the Contract Tower program established under subsection (a) and continued under paragraph (1) (hereafter in this paragraph referred to as the 'Contract Tower Program').

''(B) PROGRAM COMPONENTS.—In carrying out the pilot program established under subparagraph (A), the Administrator shall—

''(i) utilize for purposes of cost-benefit analyses, current, actual, site-specific data, forecast estimates, or airport master plan data provided by a facility owner or operator and verified by the Administrator;

''(ii) approve for participation only facilities willing to fund a pro rata share of the operating costs of the air traffic control tower to achieve a 1 to 1 benefit-to-cost ratio, as required for eligibility under the Contract Tower Program; and

''(iii) approve for participation no more than 2 facilities willing to fund up to 50 percent, but not less than 25 percent, of construction costs for an air traffic control tower built by the airport operator and for each of such facilities the Federal share of construction cost does not exceed $1,100,000.

''(C) PRIORITY.—In selecting facilities to participate in the program under this paragraph, the Administrator shall give priority to the following:

''(i) Air traffic control towers that are participating in the Contract Tower Program but have been notified that they will be terminated from such program because the Administration has determined that the benefit-to-cost ratio for their continuation in such program is less than 1.0.

''(ii) Air traffic control towers that the Administrator determines have a benefit-to-cost ratio of at least .85.

''(iii) Air traffic control towers of the Federal Aviation Administration that are closed as a result of the air traffic controllers strike in 1981.

''(iv) Air traffic control towers that are located at airports or points at which an air carrier is receiving compensation under the essential air service program under this chapter.

''(v) Air traffic control towers located at airports that are prepared to assume partial responsibility for maintenance costs.

''(vi) Air traffic control towers that are located at airports with safety or operational problems related to topography, weather, runway configuration, or mix of aircraft.

''(D) COSTS EXCEEDING BENEFITS.—If the costs of operating an air traffic tower under the pilot program established under this paragraph exceed the benefits, the airport sponsor or State or local government having jurisdiction over the airport shall pay the portion of the costs that exceed such benefit.

''(E) FUNDING.—Of the amounts appropriated pursuant to section 106(k), not to exceed $6,000,000 per fiscal year may be used to carry out this paragraph.''.

SEC. 132. INNOVATIVE USE OF AIRPORT GRANT FUNDS.

(a) IN GENERAL.—Subchapter I of chapter 471 is amended by adding at the end the following:

''§ 47135. Innovative financing techniques

''(a) IN GENERAL.—The Secretary of Transportation may approve applications for not more than 25 airport development projects for which grants received under this subchapter may be used for innovative financing techniques. Such projects shall be located at airports that each year have less than .25 percent of the total number of passenger boardings each year at all commercial service airports.

''(b) PURPOSE.—The purpose of grants made under this section shall be to provide information on the benefits and difficulties of using innovative financing techniques for airport development projects.

''(c) LIMITATIONS.—

''(1) NO GUARANTEES.—In no case shall the implementation of an innovative financing technique under this section be used in a manner giving rise to a direct or indirect guarantee of any airport debt instrument by the United States Government.

''(2) TYPES OF TECHNIQUES.—In this section, innovative financing techniques are limited to—

''(A) payment of interest;

''(B) commercial bond insurance and other credit enhancement associated with airport bonds for eligible airport development; and

''(C) flexible non-Federal matching requirements.''.

(b) CONFORMING AMENDMENT.—The analysis for subchapter I of chapter 471 is amended by adding at the end the following:

''47135. Innovative financing techniques.''.

SEC. 133. AVIATION SECURITY PROGRAM.

(a) IN GENERAL.—Subchapter I of chapter 471 is further amended by adding the following new section:

''§ 47136. Aviation security program

''(a) GENERAL AUTHORITY.—To improve security at public airports in the United States, the Secretary of Transportation shall carry out not less than one project to test and evaluate innovative aviation security systems and related technology.

''(b) PRIORITY.—In carrying out this section, the Secretary shall give the highest priority to a request from an eligible sponsor for a grant to undertake a project that—

''(1) evaluates and tests the benefits of innovative aviation security systems or related technology, including explosives detection systems, for the purpose of improving aviation security, including aircraft physical security, access control, and passenger and baggage screening; and

''(2) provides testing and evaluation of airport security systems and technology in an operational, test bed environment.

''(c) MATCHING SHARE.—Notwithstanding section 47109, the United States Government's share of allowable project costs for a project under this section shall be 100 percent.

''(d) TERMS AND CONDITIONS.—The Secretary may establish such terms and conditions as the Secretary determines appropriate for carrying out a project under this section, including terms and conditions relating to the form and content of a proposal for a project, project assurances, and schedule of payments.

''(e) ELIGIBLE SPONSOR DEFINED.—In this section, the term 'eligible sponsor' means a nonprofit corporation composed of a consortium of public and private persons, including a sponsor of a primary airport, with the necessary engineering and technical expertise to successfully conduct the testing and evaluation of airport and aircraft related security systems.

''(f) AUTHORIZATION OF APPROPRIATIONS.—Of the amounts made available to the Secretary under section 47115 in a fiscal year, the Secretary shall make available not less than $5,000,000 for the purpose of carrying out this section.''.

(b) CONFORMING AMENDMENT.—The analysis for subchapter I of chapter 471 is further amended by adding at the end the following:

''47136. Aviation security program.''.

SEC. 134. INHERENTLY LOW-EMISSION AIRPORT VEHICLE PILOT PROGRAM.

(a) IN GENERAL.—Subchapter I of chapter 471 is further amended by adding at the end the following:

''§ 47137. Inherently low-emission airport vehicle pilot program

''(a) IN GENERAL.—The Secretary of Transportation shall carry out a pilot program at not more than 10 public-use airports under which the sponsors of such airports may use funds made available under section 48103 for use at such airports to carry out inherently low-emission vehicle activities. Notwithstanding any other provision of this subchapter, inherently low-emission vehicle activities shall for purposes of the pilot program be treated as eligible for assistance under this subchapter.

''(b) LOCATION IN AIR QUALITY NONATTAINMENT AREAS.—A public-use airport shall be eligible for participation in the pilot program only if the airport is located in an air quality nonattainment area (as defined in section 171(2) of the Clean Air Act (42 U.S.C. 7501(d)).

''(c) SELECTION CRITERIA.—In selecting from among applicants for participation in the pilot program, the Secretary shall give priority consideration to applicants that will achieve the greatest air quality benefits measured by the amount of emissions reduced per dollar of funds expended under the pilot program.

''(d) UNITED STATES GOVERNMENT'S SHARE.—Notwithstanding any other provision of this subchapter, the United States Government's share of the costs of a project carried out under the pilot program shall be 50 percent.

''(e) MAXIMUM AMOUNT.—Not more than $2,000,000 may be expended under the pilot program at any single public-use airport.

''(f) REPORT TO CONGRESS.—Not later than 18 months after the date of enactment of this section, the Secretary shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report containing an evaluation of the effectiveness of the pilot program.

''(g) INHERENTLY LOW-EMISSION VEHICLE ACTIVITY DEFINED.—In this section, the term 'inherently low-emission vehicle activity' means—

''(1) the construction of infrastructure facilities necessary for the use of vehicles that are certified as inherently low-emission vehicles under title 40 of the Code of Federal Regulations, that are labeled in accordance with section 88.312–93(c) of such title, and that are located or primarily used at public-use airports;

''(2) the payment of that portion of the cost of acquiring such vehicles that exceeds the cost of acquiring other vehicles that would be used for the same purpose; or

''(3) the acquisition of technological equipment necessary for the use of vehicles described in paragraph (1).''.

(b) CONFORMING AMENDMENT.—The analysis for subchapter I of chapter 471 is further amended by adding at the end the following:

''47137. Inherently low-emission airport vehicle pilot program.''.

SEC. 135. TECHNICAL AMENDMENTS.

(a) CONTINUATION OF PROJECT FUNDING.—Section 47108 is amended by adding at the end the following:

''(e) CHANGE IN AIRPORT STATUS.—In the event that the status of a primary airport changes to a nonprimary airport at a time when a terminal development project under a multiyear agreement under subsection (a) is not yet completed, the project shall remain eligible for funding from discretionary funds under section 47115 at the funding level and under the terms provided by the agreement, subject to the availability of funds.''.

(b) PASSENGER FACILITY FEE WAIVER FOR CERTAIN CLASS OF CARRIERS OR FOR SERVICE TO AIRPORTS IN ISOLATED COMMUNITIES.—Section 40117(i) 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) may permit a public agency to request that collection of a passenger facility fee be waived for—

''(A) passengers enplaned by any class of air carrier or foreign air carrier if the number of passengers enplaned by the carrier in the class constitutes not more than 1 percent of the total number of passengers enplaned annually at the airport at which the fee is imposed; or

''(B) passengers traveling to an airport—

''(i) that has fewer than 2,500 passenger boardings each year and receives scheduled passenger service; and

''(ii) in a community which has a population of less than 10,000 and is not connected by a land highway to the land-connected National Highway System within a State.''.

SEC. 136. CONVEYANCES OF AIRPORT PROPERTY FOR PUBLIC AIRPORTS.

(a) PROJECT GRANT ASSURANCES.—Section 47107(h) is amended by inserting ''(including an assurance with respect to disposal of land by an airport owner or operator under subsection (c)(2)(B) without regard to whether or not the assurance or grant was made before December 29, 1987)'' after ''1987''.

(b) CONVEYANCES OF UNITED STATES GOVERNMENT LAND.—Section 47125(a) is amended by adding at the end the following: ''The Secretary may only release an option of the United States for a reversionary interest under this subsection after providing notice and an opportunity for public comment. The Secretary shall publish in the Federal Register any decision of the Secretary to release a reversionary interest and the reasons for the decision.''.

(c) REQUESTS BY PUBLIC AGENCIES.—Section 47151 is amended by adding at the end the following:

''(d) REQUESTS BY PUBLIC AGENCIES.—Except with respect to a request made by another department, agency, or instrumentality of the executive branch of the United States Government, such a department, agency, or instrumentality shall give priority consideration to a request made by a public agency (as defined in section 47102) for surplus property described in subsection (a) for use at a public airport.''.

(d) NOTICE AND PUBLIC COMMENT; PUBLICATION OF DECISIONS.—Section 47153(a) is amended—

(1) in paragraph (1) by inserting '', after providing notice and an opportunity for public comment,'' after ''if the Secretary decides''; and

(2) by adding at the end the following:

''(3) PUBLICATION OF DECISIONS.—The Secretary shall publish in the Federal Register any decision to waive a term under paragraph (1) and the reasons for the decision.''.

(e) CONSIDERATIONS.—Section 47153 is amended by adding at the end the following:

''(c) CONSIDERATIONS.—In deciding whether to waive a term required by section 47152 or add another term, the Secretary shall consider the current and future needs of the users of the airport.''.

(f) REFERENCES TO GIFTS.—Chapter 471 is amended—

(1) in section 47151—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1) by striking ''give'' and inserting ''convey to''; and

(ii) in paragraph (2) by striking ''gift'' and inserting ''conveyance'';

(B) in subsection (b)—

(i) by striking ''giving'' and inserting ''conveying''; and

(ii) by striking ''gift'' and inserting ''conveyance''; and

(C) in subsection (c)—

(i) in the subsection heading by striking ''GIVEN'' and inserting ''CONVEYED''; and

(ii) by striking ''given'' and inserting ''conveyed'';

(2) in section 47152—

(A) in the section heading by striking ''**gifts**'' and inserting ''**conveyances**''; and

(B) in the matter preceding paragraph (1) by striking ''gift'' and inserting ''conveyance'';

(3) in section 47153(a)(1)—

(A) by striking ''gift'' each place it appears and inserting ''conveyance''; and

(B) by striking ''given'' and inserting ''conveyed''; and

(4) in the analysis for such chapter by striking the item relating to section 47152 and inserting the following:

''47152. Terms of conveyances.''.

Subtitle C—Miscellaneous

SEC. 151. TREATMENT OF CERTAIN FACILITIES AS AIRPORT-RELATED PROJECTS.

Section 40117(a)(3)(E) is amended—

(1) by striking ''and'' and inserting a comma; and

(2) by striking the period at the end and inserting the following: ''(including structural foundations and floor systems, exterior building walls and load-bearing interior columns or walls, windows, door and roof systems, and building utilities (including heating, air conditioning, ventilation, plumbing, and electrical service)), and aircraft fueling facilities adjacent to the gate.''.

SEC. 152. TERMINAL DEVELOPMENT COSTS.

(a) WITH RESPECT TO PASSENGER FACILITY CHARGES.—Section 40117(a)(3) is further amended—

(1) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (E), and (F), respectively; and

(2) by inserting after subparagraph (B) the following:

''(C) for costs of terminal development referred to in subparagraph (B) incurred after August 1, 1986, at an airport that did not have more than .25 percent of the total annual passenger boardings in the United States in the most recent calendar year for which data is available and at which total passenger boardings declined by at least 16 percent between calendar year 1989 and calendar year 1997;''.

(b) REPAYING BORROWED MONEY.—Section 47119(a) is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking ''0.05'' and inserting ''0.25''; and

(B) by striking ''between January 1, 1992, and October 31, 1992,'' and inserting ''between August 1, 1986, and September 30, 1990, or between June 1, 1991, and October 31, 1992,''; and

(2) in paragraph (1)(B) by striking ''an airport development project outside the terminal area at that airport'' and inserting ''any needed airport development project affecting safety, security, or capacity''.

(c) NONHUB AIRPORTS.—Section 47119(c) is amended by striking ''0.05'' and inserting ''0.25''.

(d) NONPRIMARY COMMERCIAL SERVICE AIRPORTS.—Section 47119 is amended by adding at the end the following:

''(d) DETERMINATION OF PASSENGER BOARDING AT COMMERCIAL SERVICE AIRPORT.—For the purpose of determining whether an amount may be distributed for a fiscal year from the discretionary fund in accordance with subsection (b)(2)(A) to a commercial service airport, the Secretary shall make the determination of whether or not a public airport is a commercial service airport on the basis of the number of passenger boardings and type of air service at the public airport in the calendar year that includes the first day of such fiscal year or the preceding calendar year, whichever is more beneficial to the airport.''.

SEC. 153. GENERAL FACILITIES AUTHORITY.

(a) CONTINUATION OF ILS INVENTORY PROGRAM.—Section 44502(a)(4)(B) is amended—

(1) by striking ''each of fiscal years 1995 and 1996'' and inserting ''each of fiscal years 1999 through 2004''; and

(2) by inserting ''under new or existing contracts'' after ''including acquisition''.

(b) LORAN-C NAVIGATION FACILITIES.—Section 44502(a) is amended by adding at the end the following:

''(5) MAINTENANCE AND UPGRADE OF LORAN-C NAVIGATION FACILITIES.—The Secretary shall maintain and upgrade Loran-C navigation facilities throughout the transition period to satellite-based navigation.''.

SEC. 154. DENIAL OF AIRPORT ACCESS TO CERTAIN AIR CARRIERS.

Section 44706 is amended by adding at the end the following:

''(g) INCLUDED CHARTER AIR TRANSPORTATION.—For the purposes of subsection (a)(2), a scheduled passenger operation includes charter air transportation for which the general public is provided in advance a schedule containing the departure location, departure time, and arrival location of the flights.

''(h) AUTHORITY TO PRECLUDE SCHEDULED PASSENGER OPERATIONS.—The Administrator shall permit an airport that will be subject to certification under subsection (a)(2) to preclude scheduled passenger operations (including public charter operations described in subsection (g)) at the airport if the airport notifies the Administrator, in writing, that it does not intend to obtain an airport operating certificate.''.

SEC. 155. CONSTRUCTION OF RUNWAYS.

Notwithstanding any provision of law that specifically restricts the number of runways at a single international airport, the Secretary of Transportation may obligate funds made available under chapters 471 and 481 of title 49, United States Code, for any project to construct a new runway at such airport, unless this section is expressly repealed.

SEC. 156. USE OF RECYCLED MATERIALS.

(a) STUDY.—The Administrator shall conduct a study of the use of recycled materials (including recycled pavements, waste materials, and byproducts) in pavement used for runways, taxiways, and aprons and the specification standards in tests necessary for the use of recycled materials in such pavement. The primary focus of the study shall be on the long term physical performance, safety implications, and environmental benefits of using recycled materials in aviation pavement.

(b) CONTRACTING.—The Administrator may carry out the study under this section by entering into a contract with a university of higher education with expertise necessary to carry out the study.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Administrator shall transmit to Congress a report on the results of the study conducted under this section together with recommendations concerning the use of recycled materials in aviation pavement.

(d) FUNDING.—Of the amounts appropriated pursuant to section 106(k), not to exceed $1,500,000 in the aggregate may be used to carry out this section.

TITLE II—AIRLINE SERVICE IMPROVEMENTS

Subtitle A—Service to Airports Not Receiving Sufficient Service

SEC. 201. ACCESS TO HIGH DENSITY AIRPORTS.

(a) REPEAL OF SLOT RULE FOR CERTAIN AIRPORTS.—Effective March 1, 2000, the requirements of subparts K and S of part 93 of title 14, Code of Federal Regulations, are of no force and effect at an airport other than Ronald Reagan Washington National Airport. The Secretary of Transportation is authorized to undertake appropriate actions to effectuate an orderly termination of these requirements.

(b) SLOT EXEMPTIONS FOR SERVICE TO REAGAN NATIONAL AIRPORT.—Section 41714 is amended by striking subsections (e) and (f) and inserting the following:

''(e) SLOTS FOR AIRPORTS NOT RECEIVING SUFFICIENT SERVICE.—

''(1) EXEMPTIONS.—Notwithstanding chapter 491, the Secretary may by order grant exemptions from the requirements under subparts K and S of part 93 of title 14, Code of Federal Regulations (pertaining to slots at high density airports), to enable air carriers to provide nonstop air transportation using jet aircraft that comply with the stage 3 noise levels of part 36 of such title 14 between Ronald Reagan Washington National Airport and an airport that had less than 2,000,000 enplanements in the most recent year for which such enplanement data is available or between Ronald Reagan Washington National Airport and an airport that does not have nonstop transportation to Ronald Reagan Washington National Airport using such aircraft on the date on which the application for an exemption is filed.

''(2) LIMITATIONS.—

''(A) MAXIMUM NUMBER OF EXEMPTIONS.—No more than 2 exemptions per hour and no more than 6 exemptions per day may be granted under this subsection for slots at Ronald Reagan Washington National Airport.

''(B) MAXIMUM DISTANCE OF FLIGHTS.—An exemption may be granted under this subsection for a slot at Ronald Reagan Washington National Airport only if the flight utilizing such slot begins or ends within 1,250 miles of the Airport and a stage 3 aircraft is used for such flight.

''(3) APPLICATION.—An air carrier interested in an exemption under this subsection shall submit to the Secretary an application for such exemption. No application may be submitted to the Secretary before the last day of the 30-day period beginning on the date of the enactment of this paragraph.

''(4) DEADLINE FOR DECISION.—Notwithstanding any other provision of law, the Secretary shall make a decision with regard to granting an exemption under this subsection on or before the 120th day following the date of the application for the exemption. If the Secretary does not make the decision on or before such 120th day, the air carrier applying for the service may provide such service until the Secretary makes the decision or the Administrator of the Federal Aviation Administration determines that providing such service would have an adverse effect on air safety.

''(5) PERIOD OF EFFECTIVENESS.—An exemption granted under this subsection shall remain in effect only while the air carrier for whom the exemption is granted continues to provide the nonstop air transportation for which the exemption is granted.

''(f) TREATMENT OF CERTAIN COMMUTER AIR CARRIERS.—The Secretary shall treat all commuter air carriers that have cooperative agreements, including code share agreements with other air carriers, equally for determining eligibility for exemptions under this section regardless of the form of the corporate relationship between the commuter air carrier and the other air carrier.''.

(c) CONFORMING AMENDMENTS.—Effective March 1, 2000, section 41714 (as amended by subsection (b) of this section) is amended—

(1) by striking subsections (a), (b), (c), (g), and (i);

(2) by redesignating subsections (d), (e), (f), and (h) as subsections (a), (b), (c), and (d), respectively;

(3) in the heading for subsection (a) (as so redesignated) by striking ''SPECIAL RULES FOR''; and

(4) by striking subsection (c) (as so redesignated) and inserting the following:

''(c) SLOT DEFINED.—The term 'slot' means a reservation for an instrument flight rule takeoff or landing by an air carrier or an aircraft in air transportation.''.

SEC. 202. FUNDING FOR AIR CARRIER SERVICE TO AIRPORTS NOT RECEIVING SUFFICIENT SERVICE.

(a) IN GENERAL.—Section 41742(a) is amended by striking ''$50,000,000'' and inserting ''$60,000,000''.

(b) FUNDING FOR SMALL COMMUNITY AIR SERVICE.—Section 41742(b) of title 49, United States Code, is amended to read as follows:

''(b) FUNDING FOR SMALL COMMUNITY AIR SERVICE.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, from moneys credited to the account established under section 45303(a), including the funds derived from fees imposed under the authority contained in section 45301(a)—

''(A) not to exceed $50,000,000 for each fiscal year beginning after September 30, 1999, shall be used to carry out the small community air service program under this subchapter; and

''(B) not to exceed $10,000,000 for such fiscal year shall be used—

''(i) for assisting an air carrier to subsidize service to and from an underserved airport for a period not to exceed 3 years;

''(ii) for assisting an underserved airport to obtain jet aircraft service (and to promote passenger use of that service) to and from the underserved airport; and

''(iii) for assisting an underserved airport to implement such other measures as the Secretary of Transportation, in consultation with such airport, considers appropriate to improve air service both in terms of the cost of such service to consumers and the availability of such service, including improving air service through marketing and promotion of air service and enhanced utilization of airport facilities.

''(2) RURAL AIR SAFETY.—Any funds that are made available by paragraph (1) for a fiscal

year and that the Secretary determines will not be obligated or expended before the last day of such fiscal year shall be available to the Administrator for use under this subchapter in improving rural air safety at airports with less than 100,000 annual boardings.

''(3) ALLOCATION OF ADDITIONAL FUNDING.—If, for a fiscal year beginning after September 30, 1999, more than $60,000,000 is made available under subsection (a) to carry out the small community air service program, ½ of the amounts in excess of $60,000,000 shall be used for the purposes specified in paragraph (1)(B), in addition to amounts made available for such purposes under paragraph (1)(B).

''(4) USE OF UNOBLIGATED AMOUNTS.—Any funds made available under paragraph (1)(A) for the small community air service program for a fiscal year that the Secretary determines will not be obligated or expended before the last day of such fiscal year shall be available for use by the Secretary for the purposes described in paragraph (1)(B).

''(5) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts made available under paragraph (1), of the amounts appropriated pursuant to section 106(k) for a fiscal year beginning after September 30, 2000, not to exceed $15,000,000 may be used—

''(A) to provide assistance to an air carrier to subsidize service to and from an underserved airport for a period not to exceed 3 years;

''(B) to provide assistance to an underserved airport to obtain jet aircraft service (and to promote passenger use of that service) to and from the underserved airport; and

''(C) to provide assistance to an underserved airport to implement such other measures as the Secretary, in consultation with such airport, considers appropriate to improve air service both in terms of the cost of such service to consumers and the availability of such service, including improving air service through marketing and promotion of air service and enhanced utilization of airport facilities.

''(6) PRIORITY CRITERIA FOR ASSISTING AIRPORTS NOT RECEIVING SUFFICIENT SERVICE.—In providing assistance to airports under paragraphs (1)(B) and (5), the Administrator shall give priority to those airports for which a community will provide, from local sources (other than airport revenues), a portion of the cost of the activity to be assisted.

''(7) DEFINITIONS.—In this subsection, the following definitions apply:

''(A) UNDERSERVED AIRPORT.—The term 'underserved airport' means a nonhub airport or small hub airport (as such terms are defined in section 41731) that—

''(i) the Secretary determines is not receiving sufficient air carrier service; or

''(ii) has unreasonably high airfares.

''(B) UNREASONABLY HIGH AIRFARE.—The term 'unreasonably high airfare', as used with respect to an airport, means that the airfare listed in the table entitled 'Top 1,000 City-Pair Market Summarized by City', contained in the Domestic Airline Fares Consumer Report of the Department of Transportation, for one or more markets for which the airport is a part of has an average yield listed in such table that is more than 19 cents.''.

(c) CONFORMING AMENDMENTS.—Chapter 417 is amended—

*(1) in the heading for section 41742 by striking ''**Essential**'' and inserting ''**Small community**'';*

(2) in each of subsections (a), (b), and (c) of section 41742 by striking ''essential air'' each place it appears and inserting ''small community air''; and

(3) in the analysis for such chapter by striking the item relating to section 41742 and inserting the following:

''41742. Small community air service authorization.''.

SEC. 203. WAIVER OF LOCAL CONTRIBUTION.

Section 41736(b) is amended by adding at the end the following:

''Paragraph (4) shall not apply to any place for which a proposal was approved or that was designated as eligible under this section in the period beginning on October 1, 1991, and ending on December 31, 1997.''.

SEC. 204. POLICY FOR AIR SERVICE TO RURAL AREAS.

Section 40101(a) is amended by adding at the end the following:

''(16) ensuring that consumers in all regions of the United States, including those in small communities and rural and remote areas, have access to affordable, regularly scheduled air service.''.

SEC. 205. DETERMINATION OF DISTANCE FROM HUB AIRPORT.

The Secretary of Transportation shall not deny assistance with respect to a place under subchapter II of chapter 417 of title 49, United States Code, solely on the basis that the place is located within 70 highway miles of a hub airport (as defined by section 41731 of such title) if the most commonly used highway route between the place and the hub airport exceeds 70 miles.

Subtitle B—Regional Air Service Incentive Program

SEC. 211. ESTABLISHMENT OF REGIONAL AIR SERVICE INCENTIVE PROGRAM.

(a) IN GENERAL.—Chapter 417 is amended by adding at the end the following:

''SUBCHAPTER III—REGIONAL AIR SERVICE INCENTIVE PROGRAM

''§ 41761. Purpose

''The purpose of this subchapter is to improve service by jet aircraft to underserved markets by providing assistance, in the form of Federal credit instruments, to commuter air carriers that purchase regional jet aircraft for use in serving those markets.

''§ 41762. Definitions

''In this subchapter, the following definitions apply:

''(1) AIR CARRIER.—The term 'air carrier' means any air carrier holding a certificate of public convenience and necessity issued by the Secretary of Transportation under section 41102.

''(2) AIRCRAFT PURCHASE.—The term 'aircraft purchase' means the purchase of commercial transport aircraft, including spare parts normally associated with the aircraft.

''(3) CAPITAL RESERVE SUBSIDY AMOUNT.—The term 'capital reserve subsidy amount' means the amount of budget authority sufficient to cover estimated long-term cost to the United States Government of a Federal credit instrument, calculated on a net present value basis, excluding administrative costs and any incidental effects on government receipts or outlays in accordance with provisions of the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq).

''(4) COMMUTER AIR CARRIER.—The term 'commuter air carrier' means an air carrier that primarily operates aircraft designed to have a maximum passenger seating capacity of 75 or less in accordance with published flight schedules.

''(5) FEDERAL CREDIT INSTRUMENT.—The term 'Federal credit instrument' means a secured loan, loan guarantee, or line of credit authorized to be made under this subchapter.

''(6) FINANCIAL OBLIGATION.—The term 'financial obligation' means any note, bond, debenture, or other debt obligation issued by an obligor in connection with the financing of an aircraft purchase, other than a Federal credit instrument.

''(7) LENDER.—The term 'lender' means any non-Federal qualified institutional buyer (as defined by section 230.144A(a) of title 17, Code of Federal Regulations (or any successor regulation) known as Rule 144A(a) of the Security and Exchange Commission and issued under the Security Act of 1933 (15 U.S.C. 77a et seq.)), including—

''(A) a qualified retirement plan (as defined in section 4974(c) of the Internal Revenue Code of 1986) that is a qualified institutional buyer; and

''(B) a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986) that is a qualified institutional buyer.

''(8) LINE OF CREDIT.—The term 'line of credit' means an agreement entered into by the Secretary with an obligor under section 41763(d) to provide a direct loan at a future date upon the occurrence of certain events.

''(9) LOAN GUARANTEE.—The term 'loan guarantee' means any guarantee or other pledge by the Secretary under section 41763(c) to pay all or part of any of the principal of and interest on a loan or other debt obligation issued by an obligor and funded by a lender.

''(10) NEW ENTRANT AIR CARRIER.—The term 'new entrant air carrier' means an air carrier that has been providing air transportation according to a published schedule for less than 5 years, including any person that has received authority from the Secretary to provide air transportation but is not providing air transportation.

''(11) NONHUB AIRPORT.—The term 'nonhub airport' means an airport that each year has less than .05 percent of the total annual boardings in the United States.

''(12) OBLIGOR.—The term 'obligor' means a party primarily liable for payment of the principal of or interest on a Federal credit instrument, which party may be a corporation, partnership, joint venture, trust, or governmental entity, agency, or instrumentality.

''(13) REGIONAL JET AIRCRAFT.—The term 'regional jet aircraft' means a civil aircraft—

''(A) powered by jet propulsion; and

''(B) designed to have a maximum passenger seating capacity of not less than 30 nor more than 75.

''(14) SECURED LOAN.—The term 'secured loan' means a direct loan funded by the Secretary in connection with the financing of an aircraft purchase under section 41763(b).

''(15) SMALL HUB AIRPORT.—The term 'small hub airport' means an airport that each year has at least .05 percent, but less than .25 percent, of the total annual boardings in the United States.

''(16) UNDERSERVED MARKET.—The term 'underserved market' means a passenger air transportation market (as defined by the Secretary) that—

''(A) is served (as determined by the Secretary) by a nonhub airport or a small hub airport;

''(B) is not within a 40-mile radius of an airport that each year has at least .25 percent of the total annual boardings in the United States; and

''(C) the Secretary determines does not have sufficient air service.

''§ 41763. Federal credit instruments

''(a) IN GENERAL.—Subject to this section, the Secretary of Transportation may enter into agreements with 1 or more obligors to make available Federal credit instruments, the proceeds of which shall be used to finance aircraft purchases.

''(b) SECURED LOANS.—

''(1) TERMS AND LIMITATIONS.—

''(A) IN GENERAL.—A secured loan under this section with respect to an aircraft purchase shall be on such terms and conditions and contain such covenants, representatives, warranties, and requirements (including requirements for audits) as the Secretary determines appropriate.

''(B) MAXIMUM AMOUNT.—No secured loan may be made under this section—

''(i) that extends to more than 50 percent of the purchase price (including the value of any manufacturer credits, post-purchase options, or other discounts) of the aircraft, including spare parts, to be purchased; or

''(ii) that, when added to the remaining balance on any other Federal credit instruments made under this subchapter, provides more than $100,000,000 of outstanding credit to any single obligor.

''(C) FINAL PAYMENT DATE.—The final payment on the secured loan shall not be due later than 18 years after the date of execution of the loan agreement.

''(D) SUBORDINATION.—The secured loan may be subordinate to claims of other holders of obligations in the event of bankruptcy, insolvency, or liquidation of the obligor as determined appropriate by the Secretary.

''(E) FEES.—The Secretary may establish fees at a level sufficient to cover all or a portion of the costs to the United States Government of making a secured loan under this section. The proceeds of such fees shall be deposited in an account to be used by the Secretary for the purpose of administering the program established under this subchapter and shall be available upon deposit until expended.

''(2) REPAYMENT.—

''(A) SCHEDULE.—The Secretary shall establish a repayment schedule for each secured loan under this section based on the projected cash flow from aircraft revenues and other repayment sources.

''(B) COMMENCEMENT.—Scheduled loan repayments of principal and interest on a secured loan under this section shall commence no later than 3 years after the date of execution of the loan agreement.

''(3) PREPAYMENT.—

''(A) USE OF EXCESS REVENUE.—After satisfying scheduled debt service requirements on all financial obligations and secured loans and all deposit requirements under the terms of any trust agreement, bond resolution, or similar agreement securing financial obligations, the secured loan may be prepaid at anytime without penalty.

''(B) USE OF PROCEEDS OF REFINANCING.—The secured loan may be prepaid at any time without penalty from proceeds of refinancing from non-Federal funding sources.

''(c) LOAN GUARANTEES.—

''(1) IN GENERAL.—A loan guarantee under this section with respect to a loan made for an aircraft purchase shall be made in such form and on such terms and conditions and contain such covenants, representatives, warranties, and requirements (including requirements for audits) as the Secretary determines appropriate.

''(2) MAXIMUM AMOUNT.—No loan guarantee shall be made under this section—

''(A) that extends to more than the unpaid interest and 50 percent of the unpaid principal on any loan;

''(B) that, for any loan or combination of loans, extends to more than 50 percent of the purchase price (including the value of any manufacturer credits, post-purchase options, or other discounts) of the aircraft, including spare parts, to be purchased with the loan or loan combination;

''(C) on any loan with respect to which terms permit repayment more than 15 years after the date of execution of the loan; or

''(D) that, when added to the remaining balance on any other Federal credit instruments made under this subchapter, provides more than $100,000,000 of outstanding credit to any single obligor.

''(3) FEES.—The Secretary may establish fees at a level sufficient to cover all or a portion of the costs to the United States Government of making a loan guarantee under this section. The proceeds of such fees shall be deposited in an account to be used by the Secretary for the purpose of administering the program established under this subchapter and shall be available upon deposit until expended.

''(d) LINES OF CREDIT.—

''(1) IN GENERAL.—Subject to the requirements of this subsection, the Secretary may enter into agreements to make available lines of credit to 1 or more obligors in the form of direct loans to be made by the Secretary at future dates on the occurrence of certain events for any aircraft purchase selected under this section.

''(2) TERMS AND LIMITATIONS.—

''(A) IN GENERAL.—A line of credit under this subsection with respect to an aircraft purchase shall be on such terms and conditions and contain such covenants, representatives, warranties, and requirements (including requirements for audits) as the Secretary determines appropriate.

''(B) MAXIMUM AMOUNT.—

''(i) TOTAL AMOUNT.—The amount of any line of credit shall not exceed 50 percent of the purchase price (including the value of any manufacturer credits, post-purchase options, or other discounts) of the aircraft, including spare parts.

''(ii) 1–YEAR DRAWS.—The amount drawn in any year shall not exceed 20 percent of the total amount of the line of credit.

''(C) DRAWS.—Any draw on the line of credit shall represent a direct loan.

''(D) PERIOD OF AVAILABILITY.—The line of credit shall be available not more than 5 years after the aircraft purchase date.

''(E) RIGHTS OF THIRD-PARTY CREDITORS.—

''(i) AGAINST UNITED STATES GOVERNMENT.—A third-party creditor of the obligor shall not have any right against the United States Government with respect to any draw on the line of credit.

''(ii) ASSIGNMENT.—An obligor may assign the line of credit to 1 or more lenders or to a trustee on the lender's behalf.

''(F) SUBORDINATION.—A direct loan under this subsection may be subordinate to claims of other holders of obligations in the event of bankruptcy, insolvency, or liquidation of the obligor as determined appropriate by the Secretary.

''(G) FEES.—The Secretary may establish fees at a level sufficient to cover all of a portion of the costs to the United States Government of providing a line of credit under this subsection. The proceeds of such fees shall be deposited in an account to be used by the Secretary for the purpose of administering the program established under this subchapter and shall be available upon deposit until expended.

''(3) REPAYMENT.—

''(A) SCHEDULE.—The Secretary shall establish a repayment schedule for each direct loan under this subsection.

''(B) COMMENCEMENT.—Scheduled loan repayments of principal or interest on a direct loan under this subsection shall commence no later than 3 years after the date of the first draw on the line of credit and shall be repaid, with interest, not later than 18 years after the date of the first draw.

''(e) RISK ASSESSMENT.—Before entering into an agreement under this section to make available a Federal credit instrument, the Secretary, in consultation with the Director of the Office of Management and Budget, shall determine an appropriate capital reserve subsidy amount for the Federal credit instrument based on such credit evaluations as the Secretary deems necessary.

''(f) CONDITIONS.—Subject to subsection (h), the Secretary may only make a Federal credit instrument available under this section if the Secretary finds that—

''(1) the aircraft to be purchased with the Federal credit instrument is a regional jet aircraft needed to improve the service and efficiency of operation of a commuter air carrier or new entrant air carrier;

''(2) the commuter air carrier or new entrant air carrier enters into a legally binding agreement that requires the carrier to use the aircraft to provide service to underserved markets; and

''(3) the prospective earning power of the commuter air carrier or new entrant air carrier, together with the character and value of the security pledged, including the collateral value of the aircraft being acquired and any other assets or pledges used to secure the Federal credit instrument, furnish—

''(A) reasonable assurances of the air carrier's ability and intention to repay the Federal credit instrument within the terms established by the Secretary—

''(i) to continue its operations as an air carrier; and

''(ii) to the extent that the Secretary determines to be necessary, to continue its operations as an air carrier between the same route or routes being operated by the air carrier at the time of the issuance of the Federal credit instrument; and

''(B) reasonable protection to the United States.

''(g) LIMITATION ON COMBINED AMOUNT OF FEDERAL CREDIT INSTRUMENTS.—The Secretary shall not allow the combined amount of Federal credit instruments available for any aircraft purchase under this section to exceed—

''(1) 50 percent of the cost of the aircraft purchase; or

''(2) $100,000,000 for any single obligor.

''(h) REQUIREMENT.—Subject to subsection (i), no Federal credit instrument may be made under this section for the purchase of any regional jet aircraft that does not comply with the stage 3 noise levels of part 36 of title 14 of the Code of Federal Regulations, as in effect on January 1, 1999.

''(i) OTHER LIMITATIONS.—No Federal credit instrument shall be made by the Secretary under this section for the purchase of a regional jet aircraft unless the commuter air carrier or new entrant air carrier enters into a legally binding agreement that requires the carrier to provide scheduled passenger air transportation to the underserved market for which the aircraft is purchased for a period of not less than 36 consecutive months after the date that aircraft is placed in service.

''§ 41764. Use of Federal facilities and assistance

''(a) USE OF FEDERAL FACILITIES.—To permit the Secretary of Transportation to make use of such expert advice and services as the Secretary may require in carrying out this subchapter, the Secretary may use available services and facilities of other agencies and instrumentalities of the United States Government—

''(1) with the consent of the appropriate Federal officials; and

''(2) on a reimbursable basis.

''(b) ASSISTANCE.—The head of each appropriate department or agency of the United States Government shall exercise the duties and powers of that head in such manner as to assist in carrying out the policy specified in section 41761.

''(c) OVERSIGHT.—The Secretary shall make available to the Comptroller General of the United States such information with respect to any Federal credit instrument made under this subchapter as the Comptroller General may require to carry out the duties of the Comptroller General under chapter 7 of title 31.

''§ 41765. Administrative expenses

''In carrying out this subchapter, the Secretary shall use funds made available by appropriations to the Department of Transportation

for the purpose of administration, in addition to the proceeds of any fees collected under this subchapter, to cover administrative expenses of the Federal credit instrument program under this subchapter.

"§ 41766. Funding.

''Of the amounts appropriated under section 106(k) for each of fiscal years 2001 through 2004, such sums as may be necessary may be used to carry out this subchapter, including administrative expenses.

"§ 41767. Termination

''(a) AUTHORITY TO ISSUE FEDERAL CREDIT INSTRUMENTS.—The authority of the Secretary of Transportation to issue Federal credit instruments under section 41763 shall terminate on the date that is 5 years after the date of the enactment of this subchapter.

''(b) CONTINUATION OF AUTHORITY TO ADMINISTER PROGRAM FOR EXISTING FEDERAL CREDIT INSTRUMENTS.—On and after the termination date, the Secretary shall continue to administer the program established under this subchapter for Federal credit instruments issued under this subchapter before the termination date until all obligations associated with such instruments have been satisfied.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 417 is amended by adding at the end the following:

''SUBCHAPTER III—REGIONAL AIR SERVICE INCENTIVE PROGRAM

''Sec.
''41761. Purpose.
''41762. Definitions.
''41763. Federal credit instruments.
''41764. Use of Federal facilities and assistance.
''41765. Administrative expenses.
''41766. Funding.
''41767. Termination.''.

TITLE III—FAA MANAGEMENT REFORM

SEC. 301. AIR TRAFFIC CONTROL SYSTEM DEFINED.

Section 40102(a) is amended—

(1) by redesignating paragraphs (5) through (41) as paragraphs (6) through (42), respectively; and

(2) by inserting after paragraph (4) the following:

''(5) 'air traffic control system' means the combination of elements used to safely and efficiently monitor, direct, control, and guide aircraft in the United States and United States-assigned airspace, including—

''(A) allocated electromagnetic spectrum and physical, real, personal, and intellectual property assets making up facilities, equipment, and systems employed to detect, track, and guide aircraft movement;

''(B) laws, regulations, orders, directives, agreements, and licenses;

''(C) published procedures that explain required actions, activities, and techniques used to ensure adequate aircraft separation; and

''(D) trained personnel with specific technical capabilities to satisfy the operational, engineering, management, and planning requirements for air traffic control.''.

SEC. 302. AIR TRAFFIC CONTROL OVERSIGHT BOARD.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—Chapter 1 is amended by adding at the end the following:

"§ 113. Air Traffic Control Oversight Board

''(a) ESTABLISHMENT.—There is established within the Department of Transportation an 'Air Traffic Control Oversight Board' (in this section referred to as the 'Oversight Board').

''(b) MEMBERSHIP.—

''(1) COMPOSITION.—The Oversight Board shall be composed of 9 members, as follows:

''(A) Six members shall be individuals who are not otherwise Federal officers or employees and who are appointed by the President, by and with the advice and consent of the Senate.

''(B) One member shall be the Secretary of Transportation or, if the Secretary so designates, the Deputy Secretary of the Transportation.

''(C) One member shall be the Administrator of the Federal Aviation Administration.

''(D) One member shall be an individual who is appointed by the President, by and with the advice and consent of the Senate, from among individuals who are the leaders of their respective unions of air traffic control system employees.

''(2) QUALIFICATIONS AND TERMS.—

''(A) QUALIFICATIONS.—Members of the Oversight Board described in paragraph (1)(A) shall—

''(i) have a fiduciary responsibility to represent the public interest;

''(ii) be citizens of the United States; and

''(iii) be appointed without regard to political affiliation and solely on the basis of their professional experience and expertise in 1 or more of the following areas:

''(I) Management of large service organizations.

''(II) Customer service.

''(III) Management of large procurements.

''(IV) Information and communications technology.

''(V) Organizational development.

''(VI) Labor relations.

At least 3 members of the Oversight Board appointed under paragraph (1)(A) should have knowledge of, or a background in, aviation. At least one of such members should have a background in managing large organizations successfully. In the aggregate, such members should collectively bring to bear expertise in all of the areas described in subclauses (I) through (VI) of clause (iii).

''(B) PROHIBITIONS.—No member of the Oversight Board described in paragraph (1)(A) may—

''(i) have a pecuniary interest in, or own stock in or bonds of, an aviation or aeronautical enterprise;

''(ii) engage in another business related to aviation or aeronautics; or

''(iii) be a member of any organization that engages, as a substantial part of its activities, in activities to influence aviation-related legislation.

''(C) TERMS FOR AIR TRAFFIC CONTROL REPRESENTATIVES.—A member appointed under paragraph (1)(D) shall be appointed for a term of 3 years, except that the term of such individual shall end whenever the individual no longer meets the requirements of paragraph (1)(D).

''(D) TERMS FOR NONFEDERAL OFFICERS OR EMPLOYEES.—A member appointed under paragraph (1)(A) shall be appointed for a term of 5 years, except that of the members first appointed under paragraph (1)(A)—

''(i) 2 members shall be appointed for a term of 3 years;

''(ii) 2 members shall be appointed for a term of 4 years; and

''(iii) 2 members shall be appointed for a term of 5 years.

''(E) REAPPOINTMENT.—An individual may not be appointed under paragraph (1)(A) to more than two 5-year terms on the Oversight Board.

''(F) VACANCY.—Any vacancy on the Oversight Board shall be filled in the same manner as the original appointment. 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 for the remainder of that term.

''(3) ETHICAL CONSIDERATIONS.—

''(A) FINANCIAL DISCLOSURE.—During the entire period that an individual appointed under subparagraph (A) or (D) of paragraph (1) is a member of the Oversight Board, such individual shall be treated as serving as an officer or employee referred to in section 101(f) of the Ethics in Government Act of 1978 for purposes of title I of such Act, except that section 101(d) of such Act shall apply without regard to the number of days of service in the position.

''(B) RESTRICTIONS ON POST-EMPLOYMENT.—For purposes of section 207(c) of title 18, an individual appointed under subparagraph (A) or (D) of paragraph (1) shall be treated as an employee referred to in section 207(c)(2)(A)(i) of such title during the entire period the individual is a member of the Board, except that subsections (c)(2)(B) and (f) of section 207 of such title shall not apply.

''(C) WAIVER.—At the time the President nominates an individual for appointment as a member of the Oversight Board under paragraph (1)(D), the President may waive for the term of the member any appropriate provision of chapter 11 of title 18, to the extent such waiver is necessary to allow the member to participate in the decisions of the Board while continuing to serve as a full-time Federal employee or a representative of employees. Any such waiver shall not be effective unless a written intent of waiver to exempt such member (and actual waiver language) is submitted to the Senate with the nomination of such member.

''(4) QUORUM.—Five members of the Oversight Board shall constitute a quorum. A majority of members present and voting shall be required for the Oversight Board to take action.

''(5) REMOVAL.—Any member of the Oversight Board appointed under subparagraph (A) or (D) of paragraph (1) may be removed for cause by the President.

''(6) CLAIMS.—

''(A) IN GENERAL.—A member of the Oversight Board appointed under subparagraph (A) or (D) of paragraph (1) shall have no personal liability under Federal law with respect to any claim arising out of or resulting from an act or omission by such member within the scope of service as a member of the Oversight Board.

''(B) EFFECT ON OTHER LAW.—This paragraph shall not be construed—

''(i) to affect any other immunity or protection that may be available to a member of the Oversight Board under applicable law with respect to such transactions;

''(ii) to affect any other right or remedy against the United States under applicable law; or

''(iii) to limit or alter in any way the immunities that are available under applicable law for Federal officers and employees.

''(c) GENERAL RESPONSIBILITIES.—

''(1) OVERSIGHT.—The Oversight Board shall oversee the Federal Aviation Administration in its administration, management, conduct, direction, and supervision of the air traffic control system.

''(2) CONFIDENTIALITY.—The Oversight Board shall ensure that appropriate confidentiality is maintained in the exercise of its duties.

''(d) SPECIFIC RESPONSIBILITIES.—The Oversight Board shall have the following specific responsibilities:

''(1) STRATEGIC PLANS.—To review, approve, and monitor achievements under a strategic plan of the Federal Aviation Administration for the air traffic control system, including the establishment of—

''(A) a mission and objectives;

''(B) standards of performance relative to such mission and objectives, including safety, efficiency, and productivity; and

''(C) annual and long-range strategic plans.

''(2) MODERNIZATION AND IMPROVEMENT.—To review and approve—

''(A) methods of the Federal Aviation Administration to accelerate air traffic control modernization and improvements in aviation safety related to air traffic control; and

''(B) procurements of air traffic control equipment by the Federal Aviation Administration in excess of $100,000,000.

''(3) OPERATIONAL PLANS.—To review the operational functions of the Federal Aviation Administration, including—

''(A) plans for modernization of the air traffic control system;

''(B) plans for increasing productivity or implementing cost-saving measures; and

''(C) plans for training and education.

''(4) MANAGEMENT.—To—

''(A) review and approve the Administrator's appointment of a Chief Operating Officer under section 106(r);

''(B) review the Administrator's selection, evaluation, and compensation of senior executives of the Federal Aviation Administration who have program management responsibility over significant functions of the air traffic control system;

''(C) review and approve the Administrator's plans for any major reorganization of the Federal Aviation Administration that would impact on the management of the air traffic control system;

''(D) review and approve the Administrator's cost accounting and financial management structure and technologies to help ensure efficient and cost-effective air traffic control operation; and

''(E) review the performance and cooperation of managers responsible for major acquisition projects, including the ability of the managers to meet schedule and budget targets.

''(5) BUDGET.—To—

''(A) review and approve the budget request of the Federal Aviation Administration related to the air traffic control system prepared by the Administrator;

''(B) submit such budget request to the Secretary of Transportation; and

''(C) ensure that the budget request supports the annual and long-range strategic plans.

The Secretary shall submit the budget request referred to in paragraph (5)(B) for any fiscal year to the President who shall submit such request, without revision, to the Committees on Transportation and Infrastructure and Appropriations of the House of Representatives and the Committees on Commerce, Science, and Transportation and Appropriations of the Senate, together with the President's annual budget request for the Federal Aviation Administration for such fiscal year.

''(e) REPORTING OF OVERTURNING OF BOARD DECISIONS.—If the Secretary or Administrator overturns a decision of the Oversight Board, the Secretary or Administrator, as appropriate shall report such action to the President, the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate.

''(f) BOARD PERSONNEL MATTERS.—

''(1) COMPENSATION OF MEMBERS.—

''(A) IN GENERAL.—Each member of the Oversight Board who—

''(i) appointed under subsection (b)(1)(A); or

''(ii) appointed under subsection (b)(1)(D) and is not otherwise a Federal officer or employee,

shall be compensated at a rate of $30,000 per year. All other members shall serve without compensation for such service.

''(B) CHAIRPERSON.—Notwithstanding subparagraph (A), the chairperson of the Oversight Board shall be compensated at a rate of $50,000 per year.

''(2) TRAVEL EXPENSES.—

''(A) IN GENERAL.—The members of the Oversight Board 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, to attend meetings of the Oversight Board and, with the advance approval of the chairperson of the Oversight Board, while otherwise away from their homes or regular places of business for purposes of duties as a member of the Oversight Board.

''(B) REPORT.—The Oversight Board shall include in its annual report under subsection (g)(3)(A) information with respect to the travel expenses allowed for members of the Oversight Board under this paragraph.

''(3) STAFF.—

''(A) IN GENERAL.—The chairperson of the Oversight Board may appoint and terminate any personnel that may be necessary to enable the Board to perform its duties.

''(B) DETAIL OF GOVERNMENT EMPLOYEES.—Upon request of the chairperson of the Oversight Board, a Federal agency shall detail a United States Government employee to the Oversight Board without reimbursement. Such detail shall be without interruption or loss of civil service status or privilege.

''(4) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The chairperson of the Oversight Board may procure temporary and intermittent services under section 3109(b) of title 5.

''(g) ADMINISTRATIVE MATTERS.—

''(1) CHAIR.—

''(A) TERM.—The members of the Oversight Board shall elect for a 2-year term a chairperson from among the members appointed under subsection (b)(1)(A).

''(B) POWERS.—Except as otherwise provided by a majority vote of the Oversight Board, the powers of the chairperson shall include—

''(i) establishing committees;

''(ii) setting meeting places and times;

''(iii) establishing meeting agendas; and

''(iv) developing rules for the conduct of business.

''(2) MEETINGS.—The Oversight Board shall meet at least quarterly and at such other times as the chairperson determines appropriate.

''(3) REPORTS.—

''(A) ANNUAL.—The Oversight Board shall each year report with respect to the conduct of its responsibilities under this title to the President, the Committee on Transportation and Infrastructure of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate.

''(B) ADDITIONAL REPORT.—Upon a determination by the Oversight Board under subsection (c)(1) that the organization and operation of the Federal Aviation Administration's air traffic control system are not allowing the Federal Aviation Administration to carry out its mission, the Oversight Board shall report such determination to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

''(C) COMPTROLLER GENERAL'S REPORT.—Not later than April 30, 2004, the Comptroller General of the United States shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report on the success of the Oversight Board in improving the performance of the air traffic control system.''.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 is amended by adding at the end the following:

''113. Air Traffic Control Oversight Board.''.

(b) EFFECTIVE DATES.—

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

(2) INITIAL NOMINATIONS TO AIR TRAFFIC CONTROL OVERSIGHT BOARD.—The President shall submit the initial nominations of the air traffic control oversight board to the Senate not later than 3 months after the date of enactment of this Act.

(3) EFFECT ON ACTIONS PRIOR TO APPOINTMENT OF OVERSIGHT BOARD.—Nothing in this section shall be construed to invalidate the actions and authority of the Federal Aviation Administration prior to the appointment of the members of the Air Traffic Control Oversight Board.

SEC. 303. CHIEF OPERATING OFFICER.

Section 106 is amended by adding at the end the following:

''(r) CHIEF OPERATING OFFICER.—

''(1) IN GENERAL.—

''(A) APPOINTMENT.—There shall be a Chief Operating Officer for the air traffic control system to be appointed by the Administrator, with approval of the Air Traffic Control Oversight Board established by section 113. The Chief Operating Officer shall report directly to the Administrator and shall be subject to the authority of the Administrator.

''(B) QUALIFICATIONS.—The Chief Operating Officer shall have a demonstrated ability in management and knowledge of or experience in aviation.

''(C) TERM.—The Chief Operating Officer shall be appointed for a term of 5 years.

''(D) REMOVAL.—The Chief Operating Officer shall serve at the pleasure of the Administrator, except that the Administrator shall make every effort to ensure stability and continuity in the leadership of the air traffic control system.

''(E) VACANCY.—Any individual appointed to fill a vacancy in the position of Chief Operating Officer occurring before the expiration of the term for which the individual's predecessor was appointed shall be appointed for the remainder of that term.

''(2) ANNUAL PERFORMANCE AGREEMENT.—The Administrator and the Chief Operating Officer, in consultation with the Air Traffic Control Oversight Board, shall enter into an annual performance agreement that sets forth measurable organization and individual goals for the Chief Operating Officer in key operational areas. The agreement shall be subject to review and renegotiation on an annual basis.

''(3) ANNUAL PERFORMANCE REPORT.—The Chief Operating Officer shall prepare and submit to the Secretary of Transportation and Congress an annual management report containing such information as may be prescribed by the Secretary.''.

SEC. 304. FEDERAL AVIATION MANAGEMENT ADVISORY COUNCIL.

(a) MEMBERSHIP.—Section 106(p)(2)(C) is amended to read as follows:

''(C) 13 members representing aviation interests, appointed by—

''(i) in the case of initial appointments to the Council, the President by and with the advice and consent of the Senate; and

''(ii) in the case of subsequent appointments to the Council, the Secretary of Transportation.''.

(b) TERMS OF MEMBERS.—Section 106(p)(6)(A)(i) is amended by striking ''by the President''.

SEC. 305. ENVIRONMENTAL STREAMLINING.

(a) COORDINATED ENVIRONMENTAL REVIEW PROCESS.—

(1) DEVELOPMENT AND IMPLEMENTATION.—The Secretary shall develop and implement a coordinated environmental review process for aviation infrastructure projects that require—

(A) the preparation of an environmental impact statement or environmental assessment under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), except that the Secretary may decide not to apply this section to the preparation of an environmental assessment under such Act; or

(B) the conduct of any other environmental review, analysis, opinion, or issuance of an environmental permit, license, or approval by operation of Federal law.

(2) MEMORANDUM OF UNDERSTANDING.—

(A) IN GENERAL.—The coordinated environmental review process for each project shall ensure that, whenever practicable (as specified in this section), all environmental reviews, analyses, opinions, and any permits, licenses, or approvals that must be issued or made by any Federal agency for the project concerned shall be conducted concurrently and completed within a cooperatively determined time period. Such process for a project or class of project may be incorporated into a memorandum of understanding between the Department of Transportation and Federal agencies (and, where appropriate, State agencies).

(B) ESTABLISHMENT OF TIME PERIODS.—In establishing the time period referred to in subparagraph (A), and any time periods for review within such period, the Department and all such agencies shall take into account their respective resources and statutory commitments.

(b) ELEMENTS OF COORDINATED ENVIRONMENTAL REVIEW PROCESS.—For each project, the coordinated environmental review process established under this section shall provide, at a minimum, for the following elements:

(1) FEDERAL AGENCY IDENTIFICATION.—The Secretary shall, at the earliest possible time, identify all potential Federal agencies that—

(A) have jurisdiction by law over environmental-related issues that may be affected by the project and the analysis of which would be part of any environmental document required by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); or

(B) may be required by Federal law to independently—

(i) conduct an environmental-related review or analysis; or

(ii) determine whether to issue a permit, license, or approval or render an opinion on the environmental impact of the project.

(2) TIME LIMITATIONS AND CONCURRENT REVIEW.—The Secretary and the head of each Federal agency identified under paragraph (1)—

(A)(i) shall jointly develop and establish time periods for review for—

(I) all Federal agency comments with respect to any environmental review documents required by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for the project; and

(II) all other independent Federal agency environmental analyses, reviews, opinions, and decisions on any permits, licenses, and approvals that must be issued or made for the project;

whereby each such Federal agency's review shall be undertaken and completed within such established time periods for review; or

(ii) may enter into an agreement to establish such time periods for review with respect to a class of project; and

(B) shall ensure, in establishing such time periods for review, that the conduct of any such analysis, review, opinion, and decision is undertaken concurrently with all other environmental reviews for the project, including the reviews required by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); except that such review may not be concurrent if the affected Federal agency can demonstrate that such concurrent review would result in a significant adverse impact to the environment or substantively alter the operation of Federal law or would not be possible without information developed as part of the environmental review process.

(3) FACTORS TO BE CONSIDERED.—Time periods for review established under this section shall be consistent with the time periods established by the Council on Environmental Quality under sections 1501.8 and 1506.10 of title 40, Code of Federal Regulations.

(4) EXTENSIONS.—The Secretary shall extend any time periods for review under this section if, upon good cause shown, the Secretary and any Federal agency concerned determine that additional time for analysis and review is needed as a result of new information that has been discovered that could not reasonably have been anticipated when the Federal agency's time periods for review were established. Any memorandum of understanding shall be modified to incorporate any mutually agreed-upon extensions.

(c) DISPUTE RESOLUTION.—When the Secretary determines that a Federal agency which is subject to a time period for its environmental review or analysis under this section has failed to complete such review, analysis, opinion, or decision on issuing any permit, license, or approval within the established time period or within any agreed-upon extension to such time period, the Secretary may, after notice and consultation with such agency, close the record on the matter before the Secretary. If the Secretary finds, after timely compliance with this section, that an environmental issue related to the project that an affected Federal agency has jurisdiction over by operation of Federal law has not been resolved, the Secretary and the head of the Federal agency shall resolve the matter not later than 30 days after the date of the finding by the Secretary.

(d) PARTICIPATION OF STATE AGENCIES.—For any project eligible for assistance under chapter 471 of title 49, United States Code, a State, by operation of State law, may require that all State agencies that have jurisdiction by State or Federal law over environmental-related issues that may be affected by the project, or that are required to issue any environmental-related reviews, analyses, opinions, or determinations on issuing any permits, licenses, or approvals for the project, be subject to the coordinated environmental review process established under this section unless the Secretary determines that a State's participation would not be in the public interest. For a State to require State agencies to participate in the review process, all affected agencies of the State shall be subject to the review process.

(e) ASSISTANCE TO AFFECTED FEDERAL AGENCIES.—

(1) IN GENERAL.—The Secretary may approve a request by a State or other recipient of assistance under chapter 471 of title 49, United States Code, to provide funds made available from the Airport and Airway Trust Fund to the State or recipient for an aviation project subject to the coordinated environmental review process established under this section to affected Federal agencies to provide the resources necessary to meet any time limits established under this section.

(2) AMOUNTS.—Such requests under paragraph (1) shall be approved only—

(A) for the additional amounts that the Secretary determines are necessary for the affected Federal agencies to meet the time limits for environmental review; and

(B) if such time limits are less than the customary time necessary for such review.

(f) JUDICIAL REVIEW AND SAVINGS CLAUSE.—

(1) JUDICIAL REVIEW.—Nothing in this section shall affect the reviewability of any final Federal agency action in a court of the United States or in the court of any State.

(2) SAVINGS CLAUSE.—Nothing in this section shall affect the applicability of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) or any other Federal environmental statute or affect the responsibility of any Federal officer to comply with or enforce any such statute.

(g) FEDERAL AGENCY DEFINED.—In this section, the term ''Federal agency'' means any Federal agency or any State agency carrying out affected responsibilities required by operation of Federal law.

SEC. 306. CLARIFICATION OF REGULATORY APPROVAL PROCESS.

Section 106(f)(3)(B)(i) is amended—

(1) by striking ''$100,000,000'' each place it appears and inserting ''$250,000,000'';

(2) by striking ''Air Traffic Management System Performance Improvement Act of 1996'' and inserting ''Aviation Investment and Reform Act for the 21st Century'';

(3) in subclause (I)—

(A) by inserting ''substantial and'' before ''material''; and

(B) by inserting ''or'' after the semicolon at the end; and

(4) by striking subclauses (II), (III), and (IV) and inserting the following:

''(II) raise novel or significant legal or policy issues arising out of legal mandates that may substantially and materially affect other transportation modes.''.

SEC. 307. INDEPENDENT STUDY OF FAA COSTS AND ALLOCATIONS.

(a) INDEPENDENT ASSESSMENT.—

(1) IN GENERAL.—The Inspector General of the Department of Transportation shall conduct the assessments described in this section. To conduct the assessments, the Inspector General may use the staff and resources of the Inspector General or contract with 1 or more independent entities.

(2) ASSESSMENT OF ADEQUACY AND ACCURACY OF FAA COST DATA AND ATTRIBUTIONS.—

(A) IN GENERAL.—The Inspector General shall conduct an assessment to ensure that the method for calculating the overall costs of the Federal Aviation Administration and attributing such costs to specific users is appropriate, reasonable, and understandable to the users.

(B) COMPONENTS.—In conducting the assessment under this paragraph, the Inspector General shall assess the following:

(i) The Federal Aviation Administration's cost input data, including the reliability of the Federal Aviation Administration's source documents and the integrity and reliability of the Federal Aviation Administration's data collection process.

(ii) The Federal Aviation Administration's system for tracking assets.

(iii) The Federal Aviation Administration's bases for establishing asset values and depreciation rates.

(iv) The Federal Aviation Administration's system of internal controls for ensuring the consistency and reliability of reported data.

(v) The Federal Aviation Administration's definition of the services to which the Federal Aviation Administration ultimately attributes its costs.

(vi) The cost pools used by the Federal Aviation Administration and the rationale for and reliability of the bases which the Federal Aviation Administration proposes to use in allocating costs of services to users.

(C) REQUIREMENTS FOR ASSESSMENT OF COST POOLS.—In carrying out subparagraph (B)(vi), the Inspector General shall—

(i) review costs that cannot reliably be attributed to specific Federal Aviation Administration services or activities (called ''common and fixed costs'' in the Federal Aviation Administration Cost Allocation Study) and consider alternative methods for allocating such costs; and

(ii) perform appropriate tests to assess relationships between costs in the various cost pools and activities and services to which the costs are attributed by the Federal Aviation Administration.

(3) COST EFFECTIVENESS.—

(A) IN GENERAL.—The Inspector General shall assess the progress of the Federal Aviation Administration in cost and performance management, including use of internal and external benchmarking in improving the performance and productivity of the Federal Aviation Administration.

(B) ANNUAL REPORTS.—Not later than December 31, 2000, and annually thereafter until December 31, 2004, the Inspector General shall transmit to Congress an updated report containing the results of the assessment conducted under this paragraph.

(C) INFORMATION TO BE INCLUDED IN FAA FINANCIAL REPORT.—The Administrator shall include in the annual financial report of the Federal Aviation Administration information on the performance of the Administration sufficient to permit users and others to make an informed evaluation of the progress of the Administration in increasing productivity.

(b) FUNDING.—Of the amounts appropriated pursuant to section 106(k) of title 49, United States Code, for fiscal year 2000, not to exceed $1,500,000 may be used to carry out this section.

TITLE IV—FAMILY ASSISTANCE

SEC. 401. RESPONSIBILITIES OF NATIONAL TRANSPORTATION SAFETY BOARD.

(a) PROHIBITION ON UNSOLICITED COMMUNICATIONS.—

(1) IN GENERAL.—Section 1136(g)(2) is amended—

(A) by striking ''transportation,'' and inserting ''transportation and in the event of an accident involving a foreign air carrier that occurs within the United States,'';

(B) by inserting after ''attorney'' the following: ''(including any associate, agent, employee, or other representative of an attorney)''; and

(C) by striking ''30th day'' and inserting ''45th day''.

(2) ENFORCEMENT.—Section 1151 is amended by inserting ''1136(g)(2),'' before ''or 1155(a)'' each place it appears.

(b) PROHIBITION ON ACTIONS TO PREVENT MENTAL HEALTH AND COUNSELING SERVICES.—Section 1136(g) is amended by adding at the end the following:

''(3) PROHIBITION ON ACTIONS TO PREVENT MENTAL HEALTH AND COUNSELING SERVICES.—No State or political subdivision may prevent the employees, agents, or volunteers of an organization designated for an accident under subsection (a)(2) from providing mental health and counseling services under subsection (c)(1) in the 30-day period beginning on the date of the accident. The director of family support services designated for the accident under subsection (a)(1) may extend such period for not to exceed an additional 30 days if the director determines that the extension is necessary to meet the needs of the families and if State and local authorities are notified of the determination.''.

(c) INCLUSION OF NONREVENUE PASSENGERS IN FAMILY ASSISTANCE COVERAGE.—Section 1136(h)(2) is amended to read as follows:

''(2) PASSENGER.—The term 'passenger' includes—

''(A) an employee of an air carrier or foreign air carrier aboard an aircraft; and

''(B) any other person aboard the aircraft without regard to whether the person paid for the transportation, occupied a seat, or held a reservation for the flight.''.

(d) LIMITATION ON STATUTORY CONSTRUCTION.—Section 1136 is amended by adding at the end the following:

''(i) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section may be construed as limiting the actions that an air carrier may take, or the obligations that an air carrier may have, in providing assistance to the families of passengers involved in an aircraft accident.''.

SEC. 402. AIR CARRIER PLANS.

(a) CONTENTS OF PLANS.—

(1) FLIGHT RESERVATION INFORMATION.—Section 41113(b) is amended by adding at the end the following:

''(14) An assurance that, upon request of the family of a passenger, the air carrier will inform the family of whether the passenger's name appeared on a preliminary passenger manifest for the flight involved in the accident.''.

(2) TRAINING OF EMPLOYEES AND AGENTS.—Section 41113(b) is further amended by adding at the end the following:

''(15) An assurance that the air carrier will provide adequate training to the employees and agents of the carrier to meet the needs of survivors and family members following an accident.''.

(3) CONSULTATION ON CARRIER RESPONSE NOT COVERED BY PLAN.—Section 41113(b) is further amended by adding at the end the following:

''(16) An assurance that the air carrier, in the event that the air carrier volunteers assistance to United States citizens within the United States in the case of an aircraft accident outside the United States involving major loss of life, the air carrier will consult with the Board and the Department of State on the provision of the assistance.''.

(4) SUBMISSION OF UPDATED PLANS.—The amendments made by paragraphs (1), (2), and (3) shall take effect on the 180th day following the date of enactment of this Act. On or before such 180th day, each air carrier holding a certificate of public convenience and necessity under section 41102 of title 49, United States Code, shall submit to the Secretary of Transportation and the Chairman of the National Transportation Safety Board an updated plan under section 41113 of such title that meets the requirement of the amendments made by paragraphs (1), (2), and (3).

(5) CONFORMING AMENDMENTS.—Section 41113 is amended—

(A) in subsection (a) by striking ''Not later than 6 months after the date of the enactment of this section, each air carrier'' and inserting ''Each air carrier''; and

(B) in subsection (c) by striking ''After the date that is 6 months after the date of the enactment of this section, the Secretary'' and inserting ''The Secretary''.

(b) LIMITATION ON LIABILITY.—Section 41113(d) is amended by inserting '', or in providing information concerning a flight reservation,'' before ''pursuant to a plan''.

(c) LIMITATION ON STATUTORY CONSTRUCTION.—Section 41113 is amended by adding at the end the following:

''(f) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section may be construed as limiting the actions that an air carrier may take, or the obligations that an air carrier may have, in providing assistance to the families of passengers involved in an aircraft accident.''.

SEC. 403. FOREIGN AIR CARRIER PLANS.

(a) INCLUSION OF NONREVENUE PASSENGERS IN FAMILY ASSISTANCE COVERAGE.—Section 41313(a)(2) is amended to read as follows:

''(2) PASSENGER.—The term 'passenger' has the meaning given such term by section 1136 of this title.''.

(b) ACCIDENTS FOR WHICH PLAN IS REQUIRED.—Section 41313(b) is amended by striking ''significant'' and inserting ''major''.

(c) CONTENTS OF PLANS.—

(1) IN GENERAL.—Section 41313(c) is amended by adding at the end the following:

''(15) TRAINING OF EMPLOYEES AND AGENTS.—An assurance that the foreign air carrier will provide adequate training to the employees and agents of the carrier to meet the needs of survivors and family members following an accident.

''(16) CONSULTATION ON CARRIER RESPONSE NOT COVERED BY PLAN.—An assurance that the foreign air carrier, in the event that the foreign air carrier volunteers assistance to United States citizens within the United States in the case of an aircraft accident outside the United States involving major loss of life, the foreign air carrier will consult with the Board and the Department of State on the provision of the assistance.''.

(2) SUBMISSION OF UPDATED PLANS.—The amendment made by paragraph (1) shall take effect on the 180th day following the date of enactment of this Act. On or before such 180th day, each foreign air carrier providing foreign air transportation under chapter 413 of title 49, United States Code, shall submit to the Secretary of Transportation and the Chairman of the National Transportation Safety Board an updated plan under section 41313 of such title that meets the requirement of the amendment made by paragraph (1).

SEC. 404. APPLICABILITY OF DEATH ON THE HIGH SEAS ACT.

(a) IN GENERAL.—Section 40120(a) is amended by inserting ''(including the Act entitled 'An Act relating to the maintenance of actions for death on the high seas and other navigable waters', approved March 30, 1920, commonly known as the Death on the High Seas Act (46 U.S.C. App. 761–767; 41 Stat. 537–538))'' after ''United States''.

(b) APPLICABILITY.—The amendment made by subsection (a) applies to civil actions commenced after the date of enactment of this Act and to civil actions that are not adjudicated by a court of original jurisdiction or settled on or before such date of enactment.

TITLE V—SAFETY

SEC. 501. CARGO COLLISION AVOIDANCE SYSTEMS DEADLINES.

(a) IN GENERAL.—The Administrator shall require by regulation that, no later than December 31, 2002, equipment be installed, on each cargo aircraft with a maximum certificated takeoff weight in excess of 15,000 kilograms, that provides protection from mid-air collisions using technology that provides—

(1) cockpit based collision detection and conflict resolution guidance, including display of traffic; and

(2) a margin of safety of at least the same level as provided by the collision avoidance system known as TCAS–II.

(b) EXTENSION OF DEADLINE.—The Administrator may extend the deadline established by subsection (a) by not more than 2 years if the Administrator finds that the extension is needed to promote—

(1) a safe and orderly transition to the operation of a fleet of cargo aircraft equipped with collision avoidance equipment; or

(2) other safety or public interest objectives.

SEC. 502. RECORDS OF EMPLOYMENT OF PILOT APPLICANTS.

Section 44936(f) is amended—

(1) in paragraph (1)(B) by inserting ''(except a branch of the United States Armed Forces, the National Guard, or a reserve component of the United States Armed Forces)'' after ''person'' the first place it appears;

(2) in paragraph (1)(B)(ii) by striking ''individual'' the first place it appears and inserting ''individual's performance as a pilot'';

(3) in paragraph (14)(B) by inserting ''or from a foreign government or entity that employed the individual'' after ''exists''; and

(4) by adding at the end the following:

''(15) ELECTRONIC ACCESS TO FAA RECORDS.—For the purpose of increasing timely and efficient access to Federal Aviation Administration records described in paragraph (1), the Administrator may allow, under terms established by the Administrator, a designated individual to have

electronic access to a specified database containing information about such records.''.

SEC. 503. WHISTLEBLOWER PROTECTION FOR FAA EMPLOYEES.

Section 347(b)(1) of the Department of Transportation and Related Agencies Appropriations Act, 1996 (49 U.S.C. 106 note; 109 Stat. 460) is amended by inserting before the semicolon at the end the following: '', including the provisions for investigation and enforcement as provided in chapter 12 of title 5, United States Code''.

SEC. 504. SAFETY RISK MITIGATION PROGRAMS.

Section 44701 is further amended by adding at the end the following:

''(g) SAFETY RISK MANAGEMENT PROGRAM GUIDELINES.—The Administrator shall issue guidelines and encourage the development of air safety risk mitigation programs throughout the aviation industry, including self-audits and self-disclosure programs.''.

SEC. 505. FLIGHT OPERATIONS QUALITY ASSURANCE RULES.

Not later than 30 days after the date of enactment of this Act, the Administrator shall issue a notice of proposed rulemaking to develop procedures to protect air carriers and their employees from civil enforcement actions under the program known as Flight Operations Quality Assurance. Not later than 1 year after the last day of the period for public comment provided for in the notice of proposed rulemaking, the Administrator shall issue a final rule establishing such procedures.

SEC. 506. SMALL AIRPORT CERTIFICATION.

Not later than 60 days after the date of enactment of this Act, the Administrator shall issue a notice of proposed rulemaking on implementing section 44706(a)(2) of title 49, United States Code, relating to issuance of airport operating certificates for small scheduled passenger air carrier operations. Not later than 1 year after the last day of the period for public comment provided for in the notice of proposed rulemaking, the Administrator shall issue a final rule on implementing such program.

SEC. 507. LIFE-LIMITED AIRCRAFT PARTS.

(a) IN GENERAL.—Chapter 447 is amended by adding at the end the following:

''§ 44725. Life-limited aircraft parts

''(a) IN GENERAL.—The Administrator of the Federal Aviation Administration shall conduct a rulemaking proceeding to require the safe disposition of life-limited parts removed from an aircraft. The rulemaking proceeding shall ensure that the disposition deter installation on an aircraft of a life-limited part that has reached or exceeded its life limits.

''(b) SAFE DISPOSITION.—For the purposes of this section, safe disposition includes any of the following methods:

''(1) The part may be segregated under circumstances that preclude its installation on an aircraft.

''(2) The part may be permanently marked to indicate its used life status.

''(3) The part may be destroyed in any manner calculated to prevent reinstallation in an aircraft.

''(4) The part may be marked, if practicable, to include the recordation of hours, cycles, or other airworthiness information. If the parts are marked with cycles or hours of usage, that information must be updated when the part is retired from service.

''(5) Any other method approved by the Administrator.

''(c) DEADLINES.—In conducting the rulemaking proceeding under subsection (a), the Administrator shall—

''(1) not later than 180 days after the date of enactment of this section, issue a notice of proposed rulemaking; and

''(2) not later than 180 days after the close of the comment period on the proposed rule, issue a final rule.

''(d) PRIOR-REMOVED LIFE-LIMITED PARTS.—No rule issued under subsection (a) shall require the marking of parts removed before the effective date of the rules issued under subsection (a), nor shall any such rule forbid the installation of an otherwise airworthy life-limited part.''.

(b) CIVIL PENALTY.—Section 46301(a)(3) is amended—

(1) in subparagraph (A) by striking ''or'' at the end;

(2) in subparagraph (B) by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

''(C) a violation of section 44725, relating to the safe disposal of life-limited aircraft parts; or''.

(c) CONFORMING AMENDMENT.—The analysis for chapter 447 is further amended by adding at the end the following:

''44725. Life-limited aircraft parts.''.

SEC. 508. FAA MAY FINE UNRULY PASSENGERS.

(a) IN GENERAL.—Chapter 463 is amended—

(1) by redesignating section 46316 as section 46317; and

(2) by inserting after section 46315 the following:

''§ 46316. Interference with cabin or flight crew

''An individual who interferes with the duties or responsibilities of the flight crew or cabin crew of a civil aircraft, or who poses an imminent threat to the safety of the aircraft or other individuals on the aircraft, is liable to the United States Government for a civil penalty of not more than $25,000.''.

(b) COMPROMISE AND SETOFF.—Section 46301(f)(1)(A)(i) is amended by inserting ''46316,'' before ''or 47107(b)''.

(c) CONFORMING AMENDMENT.—The analysis for chapter 463 is amended by striking the item relating to section 46316 and inserting after the item relating to section 46315 the following:

''46316. Interference with cabin or flight crew.
''46317. General criminal penalty when specific penalty not provided.''.

SEC. 509. REPORT ON AIR TRANSPORTATION OVERSIGHT SYSTEM.

Not later than March 1, 2000, and annually thereafter for the next 5 years, the Administrator shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a report on the progress of the Federal Aviation Administration in implementing the air transportation oversight system. At a minimum, the report shall indicate—

(1) any funding or staffing constraints that would adversely impact the Administration's ability to fully develop and implement such system;

(2) progress in integrating the aviation safety data derived from such system's inspections with existing aviation data of the Administration in the safety performance analysis system of the Administration; and

(3) the Administration's efforts in collaboration with the aviation industry to develop and validate safety performance measures and appropriate risk weightings for the air transportation oversight system.

SEC. 510. AIRPLANE EMERGENCY LOCATORS.

(a) REQUIREMENT.—Section 44712(b) is amended to read as follows:

''(b) NONAPPLICATION.—Subsection (a) does not apply to—

''(1) aircraft when used in scheduled flights by scheduled air carriers holding certificates issued by the Secretary of Transportation under subpart II of this part;

''(2) aircraft when used in training operations conducted entirely within a 50-mile radius of the airport from which the training operations begin;

''(3) aircraft when used in flight operations related to the design and testing, manufacture, preparation, and delivery of aircraft;

''(4) aircraft when used in research and development if the aircraft holds a certificate from the Administrator of the Federal Aviation Administration to carry out such research and development;

''(5) aircraft when used in showing compliance with regulations crew training, exhibition, air racing, or market surveys;

''(6) aircraft when used in the aerial application of a substance for an agricultural purpose;

''(7) aircraft with a maximum payload capacity of more than 7,500 pounds when used in air transportation; or

''(8) aircraft capable of carrying only one individual.''.

(b) COMPLIANCE.—Section 44712 is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following:

''(c) COMPLIANCE.—An aircraft meets the requirement of subsection (a) if it is equipped with an emergency locator transmitter that transmits on the 121.5/243 megahertz frequency or the 406 megahertz frequency, or with other equipment approved by the Secretary for meeting the requirement of subsection (a).''.

(c) EFFECTIVE DATE; REGULATIONS.—

(1) REGULATIONS.—The Secretary of Transportation shall issue regulations under section 44712(b) of title 49, United States Code, as amended by this section not later than January 1, 2002.

(2) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2002.

TITLE VI—WHISTLEBLOWER PROTECTION

SEC. 601. PROTECTION OF EMPLOYEES PROVIDING AIR SAFETY INFORMATION.

(a) GENERAL RULE.—Chapter 421 is amended by adding at the end the following:

''SUBCHAPTER III—WHISTLEBLOWER PROTECTION PROGRAM

''§ 42121. Protection of employees providing air safety information

''(a) DISCRIMINATION AGAINST AIRLINE EMPLOYEES.—No air carrier or contractor or subcontractor of an air carrier may discharge an employee or otherwise discriminate against an employee with respect to compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to a request of the employee)—

''(1) provided, caused to be provided, or is about to provide (with any knowledge of the employer) or cause to be provided to the employer or Federal Government information relating to any violation or alleged violation of any order, regulation, or standard of the Federal Aviation Administration or any other provision of Federal law relating to air carrier safety under this subtitle or any other law of the United States;

''(2) has filed, caused to be filed, or is about to file (with any knowledge of the employer) or cause to be filed a proceeding relating to any violation or alleged violation of any order, regulation, or standard of the Federal Aviation Administration or any other provision of Federal law relating to air carrier safety under this subtitle or any other law of the United States;

''(3) testified or is about to testify in such a proceeding; or

''(4) assisted or participated or is about to assist or participate in such a proceeding.

''(b) DEPARTMENT OF LABOR COMPLAINT PROCEDURE.—

''(1) FILING AND NOTIFICATION.—A person who believes that he or she has been discharged or

otherwise discriminated against by any person in violation of subsection (a) may, not later than 90 days after the date on which such violation occurs, file (or have any person file on his or her behalf) a complaint with the Secretary of Labor alleging such discharge or discrimination. Upon receipt of such a complaint, the Secretary of Labor shall notify, in writing, the person named in the complaint and the Administrator of the Federal Aviation Administration of the filing of the complaint, of the allegations contained in the complaint, of the substance of evidence supporting the complaint, and of the opportunities that will be afforded to such person under paragraph (2).

''(2) INVESTIGATION; PRELIMINARY ORDER.—

''(A) IN GENERAL.—Not later than 60 days after the date of receipt of a complaint filed under paragraph (1) and after affording the person named in the complaint an opportunity to submit to the Secretary of Labor a written response to the complaint and an opportunity to meet with a representative of the Secretary to present statements from witnesses, the Secretary of Labor shall conduct an investigation and determine whether there is reasonable cause to believe that the complaint has merit and notify, in writing, the complainant and the person alleged to have committed a violation of subsection (a) of the Secretary's findings. If the Secretary of Labor concludes that there is a reasonable cause to believe that a violation of subsection (a) has occurred, the Secretary shall accompany the Secretary's findings with a preliminary order providing the relief prescribed by paragraph (3)(B). Not later than 30 days after the date of notification of findings under this paragraph, either the person alleged to have committed the violation or the complainant may file objections to the findings or preliminary order, or both, and request a hearing on the record. The filing of such objections shall not operate to stay any reinstatement remedy contained in the preliminary order. Such hearings shall be conducted expeditiously. If a hearing is not requested in such 30-day period, the preliminary order shall be deemed a final order that is not subject to judicial review.

''(B) REQUIREMENTS.—

''(i) REQUIRED SHOWING BY COMPLAINANT.—The Secretary of Labor shall dismiss a complaint filed under this subsection and shall not conduct an investigation otherwise required under subparagraph (A) unless the complainant makes a prima facie showing that any behavior described in paragraphs (1) through (4) of subsection (a) was a contributing factor in the unfavorable personnel action alleged in the complaint.

''(ii) SHOWING BY EMPLOYER.—Notwithstanding a finding by the Secretary that the complainant has made the showing required under clause (i), no investigation otherwise required under subparagraph (A) shall be conducted if the employer demonstrates, by clear and convincing evidence, that the employer would have taken the same unfavorable personnel action in the absence of that behavior.

''(iii) CRITERIA FOR DETERMINATION BY SECRETARY.—The Secretary may determine that a violation of subsection (a) has occurred only if the complainant demonstrates that any behavior described in paragraphs (1) through (4) of subsection (a) was a contributing factor in the unfavorable personnel action alleged in the complaint.

''(iv) PROHIBITION.—Relief may not be ordered under subparagraph (A) if the employer demonstrates by clear and convincing evidence that the employer would have taken the same unfavorable personnel action in the absence of that behavior.

''(3) FINAL ORDER.—

''(A) DEADLINE FOR ISSUANCE; SETTLEMENT AGREEMENTS.—Not later than 120 days after the date of conclusion of a hearing under paragraph (2), the Secretary of Labor shall issue a final order providing the relief prescribed by this paragraph or denying the complaint. At any time before issuance of a final order, a proceeding under this subsection may be terminated on the basis of a settlement agreement entered into by the Secretary of Labor, the complainant, and the person alleged to have committed the violation.

''(B) REMEDY.—If, in response to a complaint filed under paragraph (1), the Secretary of Labor determines that a violation of subsection (a) has occurred, the Secretary of Labor shall order the person who committed such violation to—

''(i) take affirmative action to abate the violation;

''(ii) reinstate the complainant to his or her former position together with the compensation (including back pay) and restore the terms, conditions, and privileges associated with his or her employment; and

''(iii) provide compensatory damages to the complainant.

If such an order is issued under this paragraph, the Secretary of Labor, at the request of the complainant, shall assess against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorneys' and expert witness fees) reasonably incurred, as determined by the Secretary of Labor, by the complainant for, or in connection with, the bringing the complaint upon which the order was issued.

''(C) FRIVOLOUS COMPLAINTS.—If the Secretary of Labor finds that a complaint under paragraph (1) is frivolous or has been brought in bad faith, the Secretary of Labor may award to the prevailing employer a reasonable attorney's fee not exceeding $5,000.

''(4) REVIEW.—

''(A) APPEAL TO COURT OF APPEALS.—Any person adversely affected or aggrieved by an order issued under paragraph (3) may obtain review of the order in the United States Court of Appeals for the circuit in which the violation, with respect to which the order was issued, allegedly occurred or the circuit in which the complainant resided on the date of such violation. The petition for review must be filed not later than 60 days after the date of the issuance of the final order of the Secretary of Labor. Review shall conform to chapter 7 of title 5. The commencement of proceedings under this subparagraph shall not, unless ordered by the court, operate as a stay of the order.

''(B) LIMITATION ON COLLATERAL ATTACK.—An order of the Secretary of Labor with respect to which review could have been obtained under subparagraph (A) shall not be subject to judicial review in any criminal or other civil proceeding.

''(5) ENFORCEMENT OF ORDER BY SECRETARY OF LABOR.—Whenever any person has failed to comply with an order issued under paragraph (3), the Secretary of Labor may file a civil action in the United States district court for the district in which the violation was found to occur to enforce such order. In actions brought under this paragraph, the district courts shall have jurisdiction to grant all appropriate relief including, but not limited to, injunctive relief and compensatory damages.

''(6) ENFORCEMENT OF ORDER BY PARTIES.—

''(A) COMMENCEMENT OF ACTION.—A person on whose behalf an order was issued under paragraph (3) may commence a civil action against the person to whom such order was issued to require compliance with such order. The appropriate United States district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such order.

''(B) ATTORNEY FEES.—The court, in issuing any final order under this paragraph, may award costs of litigation (including reasonable attorney and expert witness fees) to any party whenever the court determines such award is appropriate.

''(c) MANDAMUS.—Any nondiscretionary duty imposed by this section shall be enforceable in a mandamus proceeding brought under section 1361 of title 28.

''(d) NONAPPLICABILITY TO DELIBERATE VIOLATIONS.—Subsection (a) shall not apply with respect to an employee of an air carrier, contractor, or subcontractor who, acting without direction from such air carrier, contractor, or subcontractor (or such person's agent), deliberately causes a violation of any requirement relating to air carrier safety under this subtitle or any other law of the United States.

''(e) CONTRACTOR DEFINED.—In this section, the term 'contractor' means a company that performs safety-sensitive functions by contract for an air carrier.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 421 is amended by adding at the end the following:

''SUBCHAPTER III—WHISTLEBLOWER PROTECTION PROGRAM

''42121. Protection of employees providing air safety information.''.

SEC. 602. CIVIL PENALTY.

Section 46301(a)(1)(A) is amended by striking ''subchapter II of chapter 421'' and inserting ''subchapter II or III of chapter 421''.

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. DUTIES AND POWERS OF ADMINISTRATOR.

Section 106(g)(1)(A) is amended by striking ''40113(a), (c), and (d),'' and all that follows through ''45302–45304,'' and inserting ''40113(a), 40113(c), 40113(d), 40113(e), 40114(a), and 40119, chapter 445 (except sections 44501(b), 44502(a)(2), 44502(a)(3), 44502(a)(4), 44503, 44506, 44509, 44510, 44514, and 44515), chapter 447 (except sections 44717, 44718(a), 44718(b), 44719, 44720, 44721(b), 44722, and 44723), chapter 449 (except sections 44903(d), 44904, 44905, 44907–44911, 44913, 44915, and 44931–44934), chapter 451, chapter 453, sections''.

SEC. 702. PUBLIC AIRCRAFT.

(a) RESTATEMENT OF DEFINITION OF PUBLIC AIRCRAFT WITHOUT SUBSTANTIVE CHANGE.—Section 40102(a)(38) (as redesignated by section 301 of this Act) is amended to read as follows:

''(38) 'public aircraft' means an aircraft—

''(A) used only for the United States Government, and operated under the conditions specified by section 40125(b) if owned by the Government;

''(B) owned by the United States Government, operated by any person for purposes related to crew training, equipment development, or demonstration, and operated under the conditions specified by section 40125(b);

''(C) owned and operated by the government of a State, the District of Columbia, a territory or possession of the United States, or a political subdivision of one of these governments, under the conditions specified by section 40125(c); or

''(D) exclusively leased for at least 90 continuous days by the government of a State, the District of Columbia, a territory or possession of the United States, or a political subdivision of one of these governments, under the conditions specified by section 40125(c).''.

(b) QUALIFICATIONS FOR PUBLIC AIRCRAFT STATUS.—

(1) IN GENERAL.—Chapter 401 is amended by adding at the end the following:

''§ 40125. Qualifications for public aircraft status

''(a) DEFINITIONS.—In this section, the following definitions apply:

''(1) COMMERCIAL PURPOSES.—The term 'commercial purposes' means the transportation of

persons or property for compensation or hire, but does not include the operation of an aircraft by one government on behalf of another government under a cost reimbursement agreement if the government on whose behalf the operation is conducted certifies to the Administrator of the Federal Aviation Administration that the operation is necessary to respond to a significant and imminent threat to life or property (including natural resources) and that no service by a private operator is reasonably available to meet the threat.

''(2) GOVERNMENTAL FUNCTION.—The term 'governmental function' means an activity undertaken by a government, such as firefighting, search and rescue, law enforcement, aeronautical research, or biological or geological resource management.

''(3) QUALIFIED NON-CREWMEMBER.—The term 'qualified non-crewmember' means an individual, other than a member of the crew, aboard an aircraft—

''(A) operated by the armed forces or an intelligence agency of the United States Government; or

''(B) whose presence is required to perform, or is associated with the performance of, a governmental function.

''(b) AIRCRAFT OWNED BY THE UNITED STATES.—An aircraft described in subparagraph (A) or (B) of section 40102(a)(38), if owned by the Government, qualifies as a public aircraft except when it is used for commercial purposes or to carry an individual other than a crewmember or a qualified non-crewmember.

''(c) AIRCRAFT OWNED BY STATE AND LOCAL GOVERNMENTS.—An aircraft described in subparagraph (C) or (D) of section 40102(a)(38) qualifies as a public aircraft except when it is used for commercial purposes or to carry an individual other than a crewmember or a qualified non-crewmember.''.

(2) CONFORMING AMENDMENT.—The analysis for chapter 401 is amended by adding at the end the following:

''40125. Qualifications for public aircraft status.''.

SEC. 703. PROHIBITION ON RELEASE OF OFFEROR PROPOSALS.

Section 40110 is amended by adding at the end the following:

''(d) PROHIBITION ON RELEASE OF OFFEROR PROPOSALS.—

''(1) GENERAL RULE.—Except as provided in paragraph (2), a proposal in the possession or control of the Administrator may not be made available to any person under section 552 of title 5.

''(2) EXCEPTION.—Paragraph (1) shall not apply to any portion of a proposal of an offeror the disclosure of which is authorized by the Administrator pursuant to procedures published in the Federal Register. The Administrator shall provide an opportunity for public comment on the procedures for a period of not less than 30 days beginning on the date of such publication in order to receive and consider the views of all interested parties on the procedures. The procedures shall not take effect before the 60th day following the date of such publication.

''(3) PROPOSAL DEFINED.—In this subsection, the term 'proposal' means information contained in or originating from any proposal, including a technical, management, or cost proposal, submitted by an offeror in response to the requirements of a solicitation for a competitive proposal.''.

SEC. 704. MULTIYEAR PROCUREMENT CONTRACTS.

Section 40111 is amended—

(1) by redesignating subsections (b) through (d) as subsections (c) through (e), respectively; and

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

''(b) TELECOMMUNICATIONS SERVICES.—Notwithstanding section 1341(a)(1)(B) of title 31, the Administrator may make a contract of not more than 10 years for telecommunication services that are provided through the use of a satellite if the Administrator finds that the longer contract period would be cost beneficial.''.

SEC. 705. FEDERAL AVIATION ADMINISTRATION PERSONNEL MANAGEMENT SYSTEM.

(a) MEDIATION.—Section 40122(a)(2) is amended by adding at the end the following: ''The 60-day period shall not include any period during which Congress has adjourned sine die.''.

(b) RIGHT TO CONTEST ADVERSE PERSONNEL ACTIONS.—Section 40122 is amended by adding at the end the following:

''(g) RIGHT TO CONTEST ADVERSE PERSONNEL ACTIONS.—An employee of the Federal Aviation Administration who is the subject of a major adverse personnel action may contest the action either through any contractual grievance procedure that is applicable to the employee as a member of the collective bargaining unit or through the Administration's internal process relating to review of major adverse personnel actions of the Administration, known as Guaranteed Fair Treatment or under section 347(c) of the Department of Transportation and Related Agencies Appropriations Act, 1996.

''(h) ELECTION OF FORUM.—Where a major adverse personnel action may be contested through more than one of the indicated forums (such as the contractual grievance procedure, the Federal Aviation Administration's internal process, or that of the Merit Systems Protection Board), an employee must elect the forum through which the matter will be contested. Nothing in this section is intended to allow an employee to contest an action through more than one forum unless otherwise allowed by law.

''(i) DEFINITION.—For purposes of this section, the term 'major adverse personnel action' means a suspension of more than 14 days, a reduction in pay or grade, a removal for conduct or performance, a nondisciplinary removal, a furlough of 30 days or less (but not including placement in a nonpay status as the result of a lapse of appropriations or an enactment by Congress), or a reduction in force action.''.

(c) APPLICABILITY OF MERIT SYSTEMS PROTECTION BOARD PROVISIONS.—Section 347(b) of the Department of Transportation and Related Agencies Appropriations Act, 1996 (109 Stat. 460) is amended—

(1) by striking ''and'' at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and inserting ''; and''; and

(3) by adding at the end the following:

''(8) sections 1204, 1211–1218, 1221, and 7701–7703, relating to the Merit Systems Protection Board.''.

(d) APPEALS TO MERIT SYSTEMS PROTECTION BOARD.—Section 347(c) of the Department of Transportation and Related Agencies Appropriations Act, 1996 is amended to read as follows:

''(c) APPEALS TO MERIT SYSTEMS PROTECTION BOARD.—Under the new personnel management system developed and implemented under subsection (a), an employee of the Federal Aviation Administration may submit an appeal to the Merit Systems Protection Board and may seek judicial review of any resulting final orders or decisions of the Board from any action that was appealable to the Board under any law, rule, or regulation as of March 31, 1996.''.

SEC. 706. NONDISCRIMINATION IN AIRLINE TRAVEL.

(a) DISCRIMINATORY PRACTICES.—Section 41310(a) is amended to read as follows:

''(a) PROHIBITIONS.—

''(1) IN GENERAL.—An air carrier or foreign air carrier may not subject a person, place, port, or type of traffic in foreign air transportation to unreasonable discrimination.

''(2) DISCRIMINATION AGAINST PERSONS.—An air carrier or foreign air carrier may not subject a person in foreign air transportation to discrimination on the basis of race, color, national origin, religion, or sex.''.

(b) INTERSTATE AIR TRANSPORTATION.—Section 41702 is amended—

(1) by striking ''An air carrier'' and inserting ''(a) SAFE AND ADEQUATE AIR TRANSPORTATION.—An air carrier''; and

(2) by adding at the end the following:

''(b) DISCRIMINATION AGAINST PERSONS.—An air carrier may not subject a person in interstate air transportation to discrimination on the basis of race, color, national origin, religion, or sex.''.

(c) DISCRIMINATION AGAINST HANDICAPPED INDIVIDUALS.—Section 41705 is amended by inserting ''or foreign air carrier'' after ''air carrier''.

(d) CIVIL PENALTY FOR VIOLATIONS OF PROHIBITION ON DISCRIMINATION AGAINST THE HANDICAPPED.—Section 46301(a)(3) is further amended by adding at the end the following:

''(D) a violation of section 41705, relating to discrimination against handicapped individuals.''.

(e) INTERNATIONAL AVIATION STANDARDS FOR ACCOMMODATING THE HANDICAPPED.—The Secretary of Transportation shall work with appropriate international organizations and the aviation authorities of other nations to bring about the establishment of higher standards, if appropriate, for accommodating handicapped passengers in air transportation, particularly with respect to foreign air carriers that code share with domestic air carriers.

SEC. 707. JOINT VENTURE AGREEMENT.

Section 41716(a)(1) is amended by striking ''an agreement entered into by a major air carrier'' and inserting ''an agreement entered into between 2 or more major air carriers''.

SEC. 708. EXTENSION OF WAR RISK INSURANCE PROGRAM.

Section 44310 is amended by striking ''after'' and all that follows and inserting ''after December 31, 2004.''.

SEC. 709. GENERAL FACILITIES AND PERSONNEL AUTHORITY.

Section 44502(a) is further amended by adding at the end the following:

''(6) IMPROVEMENTS ON LEASED PROPERTIES.—The Administrator may make improvements to real property leased for no or nominal consideration for an air navigation facility, regardless of whether the cost of making the improvements exceeds the cost of leasing the real property, if—

''(A) the improvements primarily benefit the Government;

''(B) the improvements are essential for accomplishment of the mission of the Federal Aviation Administration; and

''(C) the interest of the Government in the improvements is protected.''.

SEC. 710. IMPLEMENTATION OF ARTICLE 83 BIS OF THE CHICAGO CONVENTION.

Section 44701 is amended by—

(1) redesignating subsection (e) as subsection (f); and

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

''(e) BILATERAL EXCHANGES OF SAFETY OVERSIGHT RESPONSIBILITIES.—

''(1) IN GENERAL.—Notwithstanding the provisions of this chapter, the Administrator, pursuant to Article 83 bis of the Convention on International Civil Aviation and by a bilateral agreement with the aeronautical authorities of another country, may exchange with that country all or part of their respective functions and duties with respect to registered aircraft under the following articles of the Convention: Article 12 (Rules of the Air); Article 31 (Certificates of Airworthiness); or Article 32a (Licenses of Personnel).

''(2) RELINQUISHMENT AND ACCEPTANCE OF RESPONSIBILITY.—The Administrator relinquishes responsibility with respect to the functions and duties transferred by the Administrator as specified in the bilateral agreement, under the Articles listed in paragraph (1) for United States-registered aircraft described in paragraph (4)(A) transferred abroad and accepts responsibility with respect to the functions and duties under those Articles for aircraft registered abroad and described in paragraph (4)(B) that are transferred to the United States.

''(3) CONDITIONS.—The Administrator may predicate, in the agreement, the transfer of functions and duties under this subsection on any conditions the Administrator deems necessary and prudent, except that the Administrator may not transfer responsibilities for United States registered aircraft described in paragraph (4)(A) to a country that the Administrator determines is not in compliance with its obligations under international law for the safety oversight of civil aviation.

''(4) REGISTERED AIRCRAFT DEFINED.—In this subsection, the term 'registered aircraft' means—

''(A) aircraft registered in the United States and operated pursuant to an agreement for the lease, charter, or interchange of the aircraft or any similar arrangement by an operator that has its principal place of business or, if it has no such place of business, its permanent residence in another country; or

''(B) aircraft registered in a foreign country and operated under an agreement for the lease, charter, or interchange of the aircraft or any similar arrangement by an operator that has its principal place of business or, if it has no such place of business, its permanent residence in the United States.''.

SEC. 711. PUBLIC AVAILABILITY OF AIRMEN RECORDS.

Section 44703 is amended—

(1) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively; and

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

''(c) PUBLIC INFORMATION.—

''(1) IN GENERAL.—Subject to paragraph (2) and notwithstanding any other provision of law, the information contained in the records of contents of any airman certificate issued under this section that is limited to an airman's name, address, date of birth, and ratings held shall be made available to the public after the 120th day following the date of enactment of the Aviation Investment and Reform Act for the 21st Century.

''(2) OPPORTUNITY TO WITHHOLD INFORMATION.—Before making any information concerning an airman available to the public under paragraph (1), the airman shall be given an opportunity to elect that the information not be made available to the public.

''(3) DEVELOPMENT AND IMPLEMENTATION OF PROGRAM.—Not later than 60 days after the date of enactment of the Aviation Investment and Reform Act for the 21st Century, the Administrator shall develop and implement, in cooperation with representatives of the aviation industry, a one-time written notification to airmen to set forth the implications of making information concerning an airman available to the public under paragraph (1) and to carry out paragraph (2).''.

SEC. 712. APPEALS OF EMERGENCY REVOCATIONS OF CERTIFICATES.

Section 44709(e) is amended to read as follows:

''(e) EFFECTIVENESS OF ORDERS PENDING APPEAL.—

''(1) IN GENERAL.—Except as provided in paragraph (2), if a person files an appeal with the Board under section (d), the order of the Administrator is stayed.

''(2) EMERGENCIES.—If the Administrator advises the Board that an emergency exists and safety in air commerce or air transportation requires the order to be effective immediately, the order is effective, except that a person filing an appeal under subsection (d) may file a written petition to the Board for an emergency stay on the issues of the appeal that are related to the existence of the emergency. The Board shall have 10 days to review the materials. If any 2 members of the Board determine that sufficient grounds exist to grant a stay, an emergency stay shall be granted. If an emergency stay is granted, the Board must meet within 15 days of the granting of the stay to make a final disposition of the issues related to the existence of the emergency.

''(3) FINAL DISPOSITION OF APPEAL.—In all cases, the Board shall make a final disposition of the merits of the appeal not later than 60 days after the Administrator advises the Board of the order.''.

SEC. 713. GOVERNMENT AND INDUSTRY CONSORTIA.

Section 44903 is amended by adding at the end the following:

''(f) GOVERNMENT AND INDUSTRY CONSORTIA.—The Administrator may establish at individual airports such consortia of government and aviation industry representatives as the Administrator may designate to provide advice on matters related to aviation security and safety. Such consortia shall not be considered Federal advisory committees.''.

SEC. 714. PASSENGER MANIFEST.

Section 44909(a)(2) is amended by striking ''shall'' and inserting ''should''.

SEC. 715. COST RECOVERY FOR FOREIGN AVIATION SERVICES.

Section 45301 is amended—

(1) by striking subsection (a)(2) and inserting the following:

''(2) Services (other than air traffic control services) provided to a foreign government or to any entity obtaining services outside the United States, except that the Administrator shall not impose fees in any manner for production-certification related service performed outside the United States pertaining to aeronautical products manufactured outside the United States.''; and

(2) by adding at the end the following:

''(d) PRODUCTION-CERTIFICATION RELATED SERVICE DEFINED.—In this section, the term 'production-certification related service' has the meaning given that term in appendix C of part 187 of title 14, Code of Federal Regulations.''.

SEC. 716. TECHNICAL CORRECTIONS TO CIVIL PENALTY PROVISIONS.

Section 46301 is amended—

(1) in subsection (a)(1)(A) by striking ''46302, 46303, or'';

(2) in subsection (d)(7)(A) by striking ''an individual'' the first place it appears and inserting ''a person''; and

(3) in subsection (g) by inserting ''or the Administrator'' after ''Secretary''.

SEC. 717. WAIVER UNDER AIRPORT NOISE AND CAPACITY ACT.

(a) WAIVERS FOR AIRCRAFT NOT COMPLYING WITH STAGE 3 NOISE LEVELS.—Section 47528(b)(1) is amended in the first sentence by inserting ''or foreign air carrier'' after ''air carrier''.

(b) EXEMPTION FOR AIRCRAFT MODIFICATION OR DISPOSAL.—Section 47528 is amended—

(1) in subsection (a) by inserting ''or (f)'' after ''(b)''; and

(2) by adding at the end the following:

''(f) AIRCRAFT MODIFICATION OR DISPOSAL.—After December 31, 1999, the Secretary may provide a procedure under which a person may operate a stage 1 or stage 2 aircraft in nonrevenue service to or from an airport in the United States in order to—

''(1) sell the aircraft outside the United States;

''(2) sell the aircraft for scrapping; or

''(3) obtain modifications to the aircraft to meet stage 3 noise levels.''.

(c) LIMITED OPERATION OF CERTAIN AIRCRAFT.—Section 47528(e) is amended by adding at the end the following:

''(4) An air carrier operating stage 2 aircraft under this subsection may operate stage 2 aircraft to or from the 48 contiguous States on a nonrevenue basis in order to—

''(A) 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).''.

SEC. 718. METROPOLITAN WASHINGTON AIRPORT AUTHORITY.

(a) EXTENSION OF APPLICATION APPROVALS.—Section 49108 is amended by striking ''2001'' and inserting ''2004''.

(b) ELIMINATION OF DEADLINE FOR APPOINTMENT OF MEMBERS TO BOARD OF DIRECTORS.—Section 49106(c)(6) is amended by striking subparagraph (C) and by redesignating subparagraph (D) as subparagraph (C).

SEC. 719. ACQUISITION MANAGEMENT SYSTEM.

Section 348 of the Department of Transportation and Related Agencies Appropriations Act, 1996 (49 U.S.C. 106 note; 109 Stat. 460) is amended by striking subsection (c) and inserting the following:

''(c) CONTRACTS EXTENDING INTO A SUBSEQUENT FISCAL YEAR.—Notwithstanding subsection (b)(3), the Administrator may enter into contracts for procurement of severable services that begin in one fiscal year and end in another if (without regard to any option to extend the period of the contract) the contract period does not exceed 1 year.''.

SEC. 720. CENTENNIAL OF FLIGHT COMMISSION.

(a) MEMBERSHIP.—

(1) APPOINTMENT.—Section 4(a)(5) of the Centennial of Flight Commemoration Act (36 U.S.C. 143 note; 112 Stat. 3487) is amended by inserting '', or his designee,'' after ''prominence''.

(2) STATUS.—Section 4 of such Act (112 Stat. 3487) is amended by adding at the end the following:

''(g) STATUS.—The members of the Commission described in paragraphs (1), (3), (4), and (5) of subsection (a) shall not be considered to be officers or employees of the United States.''.

(b) DUTIES.—Section 5(a)(7) of such Act (112 Stat. 3488) is amended to read as follows:

''(7) as a nonprimary purpose, publish popular and scholarly works related to the history of aviation or the anniversary of the centennial of powered flight.''.

(c) CONFLICTS OF INTEREST.—Section 6 of such Act (112 Stat. 3488–3489) is amended by adding at the end the following:

''(e) CONFLICTS OF INTEREST.—At its second business meeting, the Commission shall adopt a policy to protect against possible conflicts of interest involving its members and employees. The Commission shall consult with the Office of Government Ethics in the development of such a policy and shall recognize the status accorded its members under section 4(g).''.

(d) EXECUTIVE DIRECTOR.—The first sentence of section 7(a) of such Act (112 Stat. 3489) is amended by striking the period at the end and inserting the following: ''or represented on the First Flight Centennial Advisory Board under subparagraphs (A) through (E) of section 12(b)(1).''.

(e) EXCLUSIVE RIGHT TO NAME, LOGOS, EMBLEMS, SEALS, AND MARKS.—

(1) USE OF FUNDS.—Section 9(d) of such Act (112 Stat. 3490) is amended by striking the period at the end and inserting the following: '', except that the Commission may transfer any

portion of such funds that is in excess of the funds necessary to carry out such duties to any Federal agency or the National Air and Space Museum of the Smithsonian Institution to be used for the sole purpose of commemorating the history of aviation or the centennial of powered flight.''.

(2) DUTIES TO BE CARRIED OUT BY ADMINISTRATOR OF NASA.—Section 9 of such Act (112 Stat. 3490) is amended by adding at the end the following:

''(f) DUTIES TO BE CARRIED OUT BY ADMINISTRATOR OF NASA.—The duties of the Commission under this section shall be carried out by the Administrator of the National Aeronautics and Space Administration, in consultation with the Commission.''.

SEC. 721. AIRCRAFT SITUATIONAL DISPLAY DATA.

(a) IN GENERAL.—A memorandum of agreement between the Administrator and any person that directly obtains aircraft situational display data from the Federal Aviation Administration shall require that—

(1) the person demonstrate to the satisfaction of the Administrator that such person is capable of selectively blocking the display of any aircraft-situation-display-to-industry derived data related to any identified aircraft registration number; and

(2) the person agree to block selectively the aircraft registration numbers of any aircraft owner or operator upon the Administration's request.

(b) EXISTING MEMORANDA TO BE CONFORMED.—The Administrator shall conform any memoranda of agreement, in effect on the date of enactment of this Act, between the Administration and a person under which that person obtains aircraft situational display data to incorporate the requirements of subsection (a) within 30 days after that date.

SEC. 722. ELIMINATION OF BACKLOG OF EQUAL EMPLOYMENT OPPORTUNITY COMPLAINTS.

(a) HIRING OF ADDITIONAL PERSONNEL.—For fiscal year 2000, the Secretary of Transportation may hire or contract for such additional personnel as may be necessary to eliminate the backlog of pending equal employment opportunity complaints to the Department of Transportation and to ensure that investigations of complaints are completed not later than 180 days after the date of initiation of the investigation.

(b) FUNDING.—Of the amounts appropriated pursuant to section 106(k) of title 49, United States Code, for fiscal year 2000, $2,000,000 may be used to carry out this section.

SEC. 723. NEWPORT NEWS, VIRGINIA.

(a) AUTHORITY TO GRANT WAIVERS.—Notwithstanding section 16 of the Federal Airport Act (as in effect on May 14, 1947) or section 47125 of title 49, United States Code, the Secretary shall, subject to section 47153 of such title (as in effect on June 1, 1998), and subsection (b) of this section, waive with respect to airport property parcels that, according to the Federal Aviation Administration approved airport layout plan for Newport News/Williamsburg International Airport, are no longer required for airport purposes from any term contained in the deed of conveyance dated May 14, 1947, under which the United States conveyed such property to the Peninsula Airport Commission for airport purposes of the Commission.

(b) CONDITIONS.—Any waiver granted by the Secretary under subsection (a) shall be subject to the following conditions:

(1) The Peninsula Airport Commission shall agree that, in leasing or conveying any interest in the property with respect to which waivers are granted under subsection (a), the Commission will receive an amount that is equal to the fair lease value or the fair market value, as the case may be (as determined pursuant to regulations issued by the Secretary).

(2) Peninsula Airport Commission shall use any amount so received only for the development, improvement, operation, or maintenance of Newport News/Williamsburg International Airport.

SEC. 724. GRANT OF EASEMENT, LOS ANGELES, CALIFORNIA.

The City of Los Angeles Department of Airports may grant an easement to the California Department of Transportation to lands required to provide sufficient right-of-way to facilitate the construction of the California State Route 138 bypass, as proposed by the California Department of Transportation.

SEC. 725. REGULATION OF ALASKA GUIDE PILOTS.

(a) IN GENERAL.—Beginning on the date of enactment of this Act, flight operations conducted by Alaska guide pilots shall be regulated under the general operating and flight rules contained in part 91 of title 14, Code of Regulations.

(b) RULEMAKING PROCEEDING.—

(1) IN GENERAL.—The Administrator shall conduct a rulemaking proceeding and issue a final rule to modify the general operating and flight rules referred to in subsection (a) by establishing special rules applicable to the flight operations conducted by Alaska guide pilots.

(2) CONTENTS OF RULES.—A final rule issued by the Administrator under paragraph (1) shall require Alaska guide pilots—

(A) to operate aircraft inspected no less often than after 125 hours of flight time;

(B) to participate in an annual flight review, as described in section 61.56 of title 14, Code of Federal Regulations;

(C) to have at least 500 hours of flight time as a pilot;

(D) to have a commercial rating, as described subpart F of part 61 of such title;

(E) to hold at least a second-class medical certificate, as described in subpart C of part 67 of such title;

(F) to hold a current letter of authorization issued by the Administrator; and

(G) to take such other actions as the Administrator determines necessary for safety.

(c) DEFINITIONS.—In this section, the following definitions apply:

(1) LETTER OF AUTHORIZATION.—The term ''letter of authorization'' means a letter issued by the Administrator once every 5 years to an Alaska guide pilot certifying that the pilot is in compliance with general operating and flight rules applicable to the pilot. In the case of a multi-pilot operation, at the election of the operating entity, a letter of authorization may be issued by the Administrator to the entity or to each Alaska guide pilot employed by the entity.

(2) ALASKA GUIDE PILOT.—The term ''Alaska guide pilot'' means a pilot who—

(A) conducts aircraft operations over or within the State of Alaska;

(B) operates single engine, fixed wing aircraft on floats, wheels, or skis, providing commercial hunting, fishing, or other guide services and related accommodations in the form of camps or lodges; and

(C) transports clients by such aircraft incidental to hunting, fishing, or other guide services, or uses air transport to enable guided clients to reach hunting or fishing locations.

SEC. 726. AIRCRAFT REPAIR AND MAINTENANCE ADVISORY PANEL.

(a) ESTABLISHMENT OF PANEL.—The Secretary of Transportation—

(1) shall establish an Aircraft Repair and Maintenance Advisory Panel to review issues related to the use and oversight of aircraft and aviation component repair and maintenance facilities (in this section referred to as ''aircraft repair facilities'') located within, or outside of, the United States; and

(2) may seek the advice of the panel on any issue related to methods to increase safety by improving the oversight of aircraft repair facilities.

(b) MEMBERSHIP.—The panel shall consist of—

(1) 9 members appointed by the Secretary as follows:

(A) 3 representatives of labor organizations representing aviation mechanics;

(B) 1 representative of cargo air carriers;

(C) 1 representative of passenger air carriers;

(D) 1 representative of aircraft repair facilities;

(E) 1 representative of aircraft manufacturers;

(F) 1 representative of on-demand passenger air carriers and corporate aircraft operations; and

(G) 1 representative of regional passenger air carriers;

(2) 1 representative from the Department of Commerce, designated by the Secretary of Commerce;

(3) 1 representative from the Department of State, designated by the Secretary of State; and

(4) 1 representative from the Federal Aviation Administration, designated by the Administrator.

(c) RESPONSIBILITIES.—The panel shall—

(1) determine the amount and type of work that is being performed by aircraft repair facilities located within, and outside of, the United States; and

(2) provide advice and counsel to the Secretary with respect to the aircraft and aviation component repair work performed by aircraft repair facilities and air carriers, staffing needs, and any balance of trade or safety issues associated with that work.

(d) DOT TO REQUEST INFORMATION FROM AIR CARRIERS AND REPAIR FACILITIES.—

(1) COLLECTION OF INFORMATION.—The Secretary, by regulation, shall require air carriers, foreign air carriers, domestic repair facilities, and foreign repair facilities to submit such information as the Secretary may require in order to assess balance of trade and safety issues with respect to work performed on aircraft used by air carriers, foreign air carriers, United States corporate operators, and foreign corporate operators.

(2) DRUG AND ALCOHOL TESTING INFORMATION.—Included in the information the Secretary requires under paragraph (1) shall be information on the existence and administration of employee drug and alcohol testing programs in place at the foreign repair facilities, if applicable. The Secretary, if necessary, shall work with the International Civil Aviation Organization to increase the number and improve the administration of employee drug and alcohol testing programs at the foreign repair facilities.

(3) DESCRIPTION OF WORK DONE.—Included in the information the Secretary requires under paragraph (1) shall be information on the amount and type of work performed on aircraft registered in and outside of the United States.

(e) DOT TO FACILITATE COLLECTION OF INFORMATION ABOUT AIRCRAFT MAINTENANCE.—The Secretary shall facilitate the collection of information from the National Transportation Safety Board, the Federal Aviation Administration, and other appropriate agencies regarding maintenance performed by aircraft repair facilities.

(f) DOT TO MAKE INFORMATION AVAILABLE TO PUBLIC.—The Secretary shall make any relevant information received under subsection (c) available to the public, consistent with the authority to withhold trade secrets or commercial, financial, and other proprietary information under section 552 of title 5, United States Code.

(g) TERMINATION.—The panel established under subsection (a) shall terminate on the earlier of—

(1) the date that is 2 years after the date of enactment of this Act; or

(2) December 31, 2001.

(h) DEFINITIONS.—The definitions contained in section 40102 of title 49, United States Code, shall apply to this section.

SEC. 727. OPERATIONS OF AIR TAXI INDUSTRY.

(a) STUDY.—The Administrator, in consultation with the National Transportation Safety Board and other interested persons, shall conduct a study of air taxi operators regulated under part 135 of title 14, Code of Federal Regulations.

(b) CONTENTS.—The study shall include an analysis of the size and type of the aircraft fleet, relevant aircraft equipment, hours flown, utilization rates, safety record by various categories of use and aircraft type, sales revenues, and airports served by the air taxi fleet.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Administrator shall transmit to Congress a report on the results of the study.

SEC. 728. SENSE OF CONGRESS CONCERNING COMPLETION OF COMPREHENSIVE NATIONAL AIRSPACE REDESIGN.

It is the sense of Congress that, as soon as is practicable, the Administrator should complete and begin implementation of the comprehensive national airspace redesign that is being conducted by the Administrator.

SEC. 729. COMPLIANCE WITH REQUIREMENTS.

Notwithstanding any other provision of law, in order to avoid unnecessary duplication of expense and effort, the Secretary of Transportation may authorize the use, in whole or in part, of a completed environmental assessment or environmental impact study for new construction projects on the air operations area of an airport, if the completed assessment or study was for a project at the airport that is substantially similar in nature to the new project. Any such authorized use shall meet all requirements of Federal law for the completion of such an assessment or study.

SEC. 730. AIRCRAFT NOISE LEVELS AT AIRPORTS.

(a) DEVELOPMENT OF NEW STANDARDS.—The Secretary of Transportation shall continue to work to develop a new standard for aircraft and aircraft engines that will lead to a further reduction in aircraft noise levels.

(b) REPORT.—Not later than March 1, 2000, and annually thereafter, the Secretary shall transmit to Congress a report regarding the application of new standards or technologies to reduce aircraft noise levels.

SEC. 731. FAA CONSIDERATION OF CERTAIN STATE PROPOSALS.

The Administrator is encouraged to consider any proposal with a regional consensus submitted by a State aviation authority regarding the expansion of existing airport facilities or the introduction of new airport facilities.

TITLE VIII—NATIONAL PARKS AIR TOUR MANAGEMENT

SEC. 801. SHORT TITLE.

This title may be cited as the ''National Parks Air Tour Management Act of 1999''.

SEC. 802. FINDINGS.

Congress finds that—

(1) the Federal Aviation Administration has sole authority to control airspace over the United States;

(2) the Federal Aviation Administration has the authority to preserve, protect, and enhance the environment by minimizing, mitigating, or preventing the adverse effects of aircraft overflights of public and tribal lands;

(3) the National Park Service has the responsibility of conserving the scenery and natural and historic objects and wildlife in national parks and of providing for the enjoyment of the national parks in ways that leave the national parks unimpaired for future generations;

(4) the protection of tribal lands from aircraft overflights is consistent with protecting the public health and welfare and is essential to the maintenance of the natural and cultural resources of Indian tribes;

(5) the National Parks Overflights Working Group, composed of general aviation, commercial air tour, environmental, and Native American representatives, recommended that the Congress enact legislation based on the Group's consensus work product; and

(6) this title reflects the recommendations made by that Group.

SEC. 803. AIR TOUR MANAGEMENT PLANS FOR NATIONAL PARKS.

(a) IN GENERAL.—Chapter 401 is further amended by adding at the end the following:

''§ 40126. Overflights of national parks

''(a) IN GENERAL.—

''(1) GENERAL REQUIREMENTS.—A commercial air tour operator may not conduct commercial air tour operations over a national park (including tribal lands) except—

''(A) in accordance with this section;

''(B) in accordance with conditions and limitations prescribed for that operator by the Administrator; and

''(C) in accordance with any applicable air tour management plan for the park.

''(2) APPLICATION FOR OPERATING AUTHORITY.—

''(A) APPLICATION REQUIRED.—Before commencing commercial air tour operations over a national park (including tribal lands), a commercial air tour operator shall apply to the Administrator for authority to conduct the operations over the park.

''(B) COMPETITIVE BIDDING FOR LIMITED CAPACITY PARKS.—Whenever an air tour management plan limits the number of commercial air tour operations over a national park during a specified time frame, the Administrator, in cooperation with the Director, shall issue operation specifications to commercial air tour operators that conduct such operations. The operation specifications shall include such terms and conditions as the Administrator and the Director find necessary for management of commercial air tour operations over the park. The Administrator, in cooperation with the Director, shall develop an open competitive process for evaluating proposals from persons interested in providing commercial air tour operations over the park. In making a selection from among various proposals submitted, the Administrator, in cooperation with the Director, shall consider relevant factors, including—

''(i) the safety record of the person submitting the proposal or pilots employed by the person;

''(ii) any quiet aircraft technology proposed to be used by the person submitting the proposal;

''(iii) the experience of the person submitting the proposal with commercial air tour operations over other national parks or scenic areas;

''(iv) the financial capability of the company;

''(v) any training programs for pilots provided by the person submitting the proposal; and

''(vi) responsiveness of the person submitting the proposal to any relevant criteria developed by the National Park Service for the affected park.

''(C) NUMBER OF OPERATIONS AUTHORIZED.—In determining the number of authorizations to issue to provide commercial air tour operations over a national park, the Administrator, in cooperation with the Director, shall take into consideration the provisions of the air tour management plan, the number of existing commercial air tour operators and current level of service and equipment provided by any such operators, and the financial viability of each commercial air tour operation.

''(D) COOPERATION WITH NPS.—Before granting an application under this paragraph, the Administrator, in cooperation with the Director, shall develop an air tour management plan in accordance with subsection (b) and implement such plan.

''(3) EXCEPTION.—

''(A) IN GENERAL.—If a commercial air tour operator secures a letter of agreement from the Administrator and the superintendent for the national park that describes the conditions under which the commercial air tour operation will be conducted, then notwithstanding paragraph (1), the commercial air tour operator may conduct such operations over the national park under part 91 of title 14, Code of Federal Regulations, if such activity is permitted under part 119 of such title.

''(B) LIMIT ON EXCEPTIONS.—Not more than 5 flights in any 30-day period over a single national park may be conducted under this paragraph.

''(4) SPECIAL RULE FOR SAFETY REQUIREMENTS.—Notwithstanding subsection (d), an existing commercial air tour operator shall apply, not later than 90 days after the date of enactment of this section, for operating authority under part 119, 121, or 135 of title 14, Code of Federal Regulations. A new entrant commercial air tour operator shall apply for such authority before conducting commercial air tour operations over a national park (including tribal lands). The Administrator shall act on any such application for a new entrant and issue a decision on the application not later than 24 months after it is received or amended.

''(b) AIR TOUR MANAGEMENT PLANS.—

''(1) ESTABLISHMENT.—

''(A) IN GENERAL.—The Administrator, in cooperation with the Director, shall establish an air tour management plan for any national park (including tribal lands) for which such a plan is not in effect whenever a person applies for authority to conduct a commercial air tour operation over the park. The air tour management plan shall be developed by means of a public process in accordance with paragraph (4).

''(B) OBJECTIVE.—The objective of any air tour management plan shall be to develop acceptable and effective measures to mitigate or prevent the significant adverse impacts, if any, of commercial air tours upon the natural and cultural resources, visitor experiences, and tribal lands.

''(2) ENVIRONMENTAL DETERMINATION.—In establishing an air tour management plan under this subsection, the Administrator and the Director shall each sign the environmental decision document required by section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332) (including a finding of no significant impact, an environmental assessment, and an environmental impact statement) and the record of decision for the air tour management plan.

''(3) CONTENTS.—An air tour management plan for a national park—

''(A) may limit or prohibit commercial air tour operations;

''(B) may establish conditions for the conduct of commercial air tour operations, including commercial air tour operation routes, maximum or minimum altitudes, time-of-day restrictions, restrictions for particular events, maximum number of flights per unit of time, intrusions on privacy on tribal lands, and mitigation of adverse noise, visual, or other impacts;

''(C) may apply to all commercial air tour operations;

''(D) shall include incentives (such as preferred commercial air tour operation routes and altitudes and relief from flight caps and curfews) for the adoption of quiet aircraft technology by commercial air tour operators conducting commercial air tour operations over the park;

''(E) shall provide a system for allocating opportunities to conduct commercial air tours if the air tour management plan includes a limitation on the number of commercial air tour operations for any time period; and

''(F) shall justify and document the need for measures taken pursuant to subparagraphs (A) through (E) and include such justifications in the record of decision.

''(4) PROCEDURE.—In establishing an air tour management plan for a national park (including tribal lands), the Administrator and the Director shall—

''(A) hold at least one public meeting with interested parties to develop the air tour management plan;

''(B) publish the proposed plan in the Federal Register for notice and comment and make copies of the proposed plan available to the public;

''(C) comply with the regulations set forth in sections 1501.3 and 1501.5 through 1501.8 of title 40, Code of Federal Regulations (for purposes of complying with the regulations, the Federal Aviation Administration shall be the lead agency and the National Park Service is a cooperating agency); and

''(D) solicit the participation of any Indian tribe whose tribal lands are, or may be, overflown by aircraft involved in a commercial air tour operation over the park, as a cooperating agency under the regulations referred to in subparagraph (C).

''(5) JUDICIAL REVIEW.—An air tour management plan developed under this subsection shall be subject to judicial review.

''(6) AMENDMENTS.—The Administrator, in cooperation with the Director, may make amendments to an air tour management plan. Any such amendments shall be published in the Federal Register for notice and comment. A request for amendment of an air tour management plan shall be made in such form and manner as the Administrator may prescribe.

''(c) DETERMINATION OF COMMERCIAL AIR TOUR OPERATION STATUS.—In making a determination of whether a flight is a commercial air tour operation, the Administrator may consider—

''(1) whether there was a holding out to the public of willingness to conduct a sightseeing flight for compensation or hire;

''(2) whether a narrative that referred to areas or points of interest on the surface below the route of the flight was provided by the person offering the flight;

''(3) the area of operation;

''(4) the frequency of flights conducted by the person offering the flight;

''(5) the route of flight;

''(6) the inclusion of sightseeing flights as part of any travel arrangement package offered by the person offering the flight;

''(7) whether the flight would have been canceled based on poor visibility of the surface below the route of the flight; and

''(8) any other factors that the Administrator considers appropriate.

''(d) INTERIM OPERATING AUTHORITY.—

''(1) IN GENERAL.—Upon application for operating authority, the Administrator shall grant interim operating authority under this subsection to a commercial air tour operator for commercial air tour operations over a national park (including tribal lands) for which the operator is an existing commercial air tour operator.

''(2) REQUIREMENTS AND LIMITATIONS.—Interim operating authority granted under this subsection—

''(A) shall provide annual authorization only for the greater of—

''(i) the number of flights used by the operator to provide such tours within the 12-month period prior to the date of enactment of this section; or

''(ii) the average number of flights per 12-month period used by the operator to provide such tours within the 36-month period prior to such date of enactment, and, for seasonal operations, the number of flights so used during the season or seasons covered by that 12-month period;

''(B) may not provide for an increase in the number of commercial air tour operations conducted during any time period by the commercial air tour operator above the number that the air tour operator was originally granted unless such an increase is agreed to by the Administrator and the Director;

''(C) shall be published in the Federal Register to provide notice and opportunity for comment;

''(D) may be revoked by the Administrator for cause;

''(E) shall terminate 180 days after the date on which an air tour management plan is established for the park or the tribal lands;

''(F) shall promote protection of national park resources, visitor experiences, and tribal lands;

''(G) shall promote safe operations of the commercial air tour;

''(H) shall promote the adoption of quiet technology, as appropriate; and

''(I) shall allow for modifications of the operation based on experience if the modification improves protection of national park resources and values and of tribal lands.

''(e) EXEMPTIONS.—

''(1) IN GENERAL.—Except as provided by paragraph (2), this section shall not apply to—

''(A) the Grand Canyon National Park;

''(B) tribal lands within or abutting the Grand Canyon National Park; or

''(C) any unit of the National Park System located in Alaska or any other land or water located in Alaska.

''(2) EXCEPTION.—This section shall apply to the Grand Canyon National Park if section 3 of Public Law 100–91 (16 U.S.C. 1a–1 note; 101 Stat. 674–678) is no longer in effect.

''(f) DEFINITIONS.—In this section, the following definitions apply:

''(1) COMMERCIAL AIR TOUR OPERATOR.—The term 'commercial air tour operator' means any person who conducts a commercial air tour operation.

''(2) EXISTING COMMERCIAL AIR TOUR OPERATOR.—The term 'existing commercial air tour operator' means a commercial air tour operator that was actively engaged in the business of providing commercial air tour operations over a national park at any time during the 12-month period ending on the date of enactment of this section.

''(3) NEW ENTRANT COMMERCIAL AIR TOUR OPERATOR.—The term 'new entrant commercial air tour operator' means a commercial air tour operator that—

''(A) applies for operating authority as a commercial air tour operator for a national park; and

''(B) has not engaged in the business of providing commercial air tour operations over the national park (including tribal lands) in the 12-month period preceding the application.

''(4) COMMERCIAL AIR TOUR OPERATION.—The term 'commercial air tour operation' means any flight, conducted for compensation or hire in a powered aircraft where a purpose of the flight is sightseeing over a national park, within ½ mile outside the boundary of any national park, or over tribal lands, during which the aircraft flies—

''(A) below a minimum altitude, determined by the Administrator in cooperation with the Director, above ground level (except solely for purposes of takeoff or landing, or necessary for safe operation of an aircraft as determined under the rules and regulations of the Federal Aviation Administration requiring the pilot-in-command to take action to ensure the safe operation of the aircraft); or

''(B) less than 1 mile laterally from any geographic feature within the park (unless more than ½ mile outside the boundary).

''(5) NATIONAL PARK.—The term 'national park' means any unit of the National Park System.

''(6) TRIBAL LANDS.—The term 'tribal lands' means Indian country (as that term is defined in section 1151 of title 18) that is within or abutting a national park.

''(7) ADMINISTRATOR.—The term 'Administrator' means the Administrator of the Federal Aviation Administration.

''(8) DIRECTOR.—The term 'Director' means the Director of the National Park Service.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 401 is further amended by adding at the end the following:

''40126. Overflights of national parks.''.

SEC. 804. ADVISORY GROUP.

(a) ESTABLISHMENT.—Not later than 1 year after the date of enactment of this Act, the Administrator and the Director of the National Park Service shall jointly establish an advisory group to provide continuing advice and counsel with respect to commercial air tour operations over and near national parks.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The advisory group shall be composed of—

(A) a balanced group of—

(i) representatives of general aviation;

(ii) representatives of commercial air tour operators;

(iii) representatives of environmental concerns; and

(iv) representatives of Indian tribes;

(B) a representative of the Federal Aviation Administration; and

(C) a representative of the National Park Service.

(2) EX OFFICIO MEMBERS.—The Administrator (or the designee of the Administrator) and the Director (or the designee of the Director) shall serve as ex officio members.

(3) CHAIRPERSON.—The representative of the Federal Aviation Administration and the representative of the National Park Service shall serve alternating 1-year terms as chairman of the advisory group, with the representative of the Federal Aviation Administration serving initially until the end of the calendar year following the year in which the advisory group is first appointed.

(c) DUTIES.—The advisory group shall provide advice, information, and recommendations to the Administrator and the Director—

(1) on the implementation of this title and the amendments made by this title;

(2) on commonly accepted quiet aircraft technology for use in commercial air tour operations over national parks (including tribal lands), which will receive preferential treatment in a given air tour management plan;

(3) on other measures that might be taken to accommodate the interests of visitors to national parks; and

(4) at request of the Administrator and the Director, safety, environmental, and other issues related to commercial air tour operations over a national park (including tribal lands).

(d) COMPENSATION; SUPPORT; FACA.—

(1) COMPENSATION AND TRAVEL.—Members of the advisory group who are not officers or employees of the United States, while attending conferences or meetings of the group or otherwise engaged in its business, or while serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(2) ADMINISTRATIVE SUPPORT.—The Federal Aviation Administration and the National Park Service shall jointly furnish to the advisory group clerical and other assistance.

(3) NONAPPLICATION OF FACA.—Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) does not apply to the advisory group.

SEC. 805. REPORTS.

(a) OVERFLIGHT FEE REPORT.—Not later than 180 days after the date of enactment of this Act, the Administrator shall transmit to Congress a report on the effects overflight fees are likely to have on the commercial air tour operation industry. The report shall include, but shall not be limited to—

(1) the viability of a tax credit for the commercial air tour operators equal to the amount of any overflight fees charged by the National Park Service; and

(2) the financial effects proposed offsets are likely to have on Federal Aviation Administration budgets and appropriations.

(b) QUIET AIRCRAFT TECHNOLOGY REPORT.—Not later than 2 years after the date of enactment of this Act, the Administrator and the Director shall jointly transmit a report to Congress on the effectiveness of this title in providing incentives for the development and use of quiet aircraft technology.

SEC. 806. EXEMPTIONS.

This title shall not apply to—

(1) any unit of the National Park System located in Alaska; or

(2) any other land or water located in Alaska.

SEC. 807. DEFINITIONS.

In this title, the following definitions apply:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Federal Aviation Administration.

(2) DIRECTOR.—The term ''Director'' means the Director of the National Park Service.

TITLE IX—TRUTH IN BUDGETING

SEC. 901. SHORT TITLE.

This title may be cited as the ''Truth in Budgeting Act''.

SEC. 902. BUDGETARY TREATMENT OF AIRPORT AND AIRWAY TRUST FUND.

Notwithstanding any other provision of law, the receipts and disbursements of the Airport and Airway Trust Fund established by section 9502 of the Internal Revenue Code of 1986—

(1) shall not be counted as new budget authority, outlays, receipts, or deficit or surplus for purposes of—

(A) the budget of the United States Government as submitted by the President,

(B) the congressional budget (including allocations of budget authority and outlays provided therein), or

(C) the Balanced Budget and Emergency Deficit Control Act of 1985; and

(2) shall be exempt from any general budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government.

SEC. 903. SAFEGUARDS AGAINST DEFICIT SPENDING OUT OF AIRPORT AND AIRWAY TRUST FUND.

(a) IN GENERAL.—Subchapter I of chapter 471 is further amended by adding at the end the following:

''§ 47138. Safeguards against deficit spending

''(a) ESTIMATES OF UNFUNDED AVIATION AUTHORIZATIONS AND NET AVIATION RECEIPTS.—Not later than March 31 of each year, the Secretary of Transportation, in consultation with the Secretary of the Treasury, shall estimate—

''(1) the amount which would (but for this section) be the unfunded aviation authorizations at the close of the first fiscal year that begins after that March 31, and

''(2) the net aviation receipts to be credited to the Airport and Airway Trust Fund during the fiscal year.

''(b) PROCEDURE IF EXCESS UNFUNDED AVIATION AUTHORIZATIONS.—If the Secretary of Transportation determines for any fiscal year that the amount described in subsection (a)(1) exceeds the amount described in subsection (a)(2), the Secretary shall determine the amount of such excess.

''(c) ADJUSTMENT OF AUTHORIZATIONS IF UNFUNDED AUTHORIZATIONS EXCEED RECEIPTS.—

''(1) DETERMINATION OF PERCENTAGE.—If the Secretary determines that there is an excess referred to in subsection (b) for a fiscal year, the Secretary shall determine the percentage which—

''(A) such excess, is of

''(B) the total of the amounts authorized to be appropriated from the Airport and Airway Trust Fund for the next fiscal year.

''(2) ADJUSTMENT OF AUTHORIZATIONS.—If the Secretary determines a percentage under paragraph (1), each amount authorized to be appropriated from the Airport and Airway Trust Fund for the next fiscal year shall be reduced by such percentage.

''(d) AVAILABILITY OF AMOUNTS PREVIOUSLY WITHHELD.—

''(1) ADJUSTMENT OF AUTHORIZATIONS.—If, after a reduction has been made under subsection (c)(2), the Secretary determines that the amount described in subsection (a)(1) does not exceed the amount described in subsection (a)(2) or that the excess referred to in subsection (b) is less than the amount previously determined, each amount authorized to be appropriated that was reduced under subsection (c)(2) shall be increased, by an equal percentage, to the extent the Secretary determines that it may be so increased without causing the amount described in subsection (a)(1) to exceed the amount described in subsection (a)(2) (but not by more than the amount of the reduction).

''(2) APPORTIONMENT.—The Secretary shall apportion amounts made available for apportionment by paragraph (1).

''(3) PERIOD OF AVAILABILITY.—Any funds apportioned under paragraph (2) shall remain available for the period for which they would be available if such apportionment took effect with the fiscal year in which they are apportioned under paragraph (2).

''(e) REPORTS.—Any estimate under subsection (a) and any determination under subsection (b), (c), or (d) shall be reported by the Secretary to Congress.

''(f) DEFINITIONS.—For purposes of this section, the following definitions apply:

''(1) NET AVIATION RECEIPTS.—The term 'net aviation receipts' means, with respect to any period, the excess of—

''(A) the receipts (including interest) of the Airport and Airway Trust Fund during such period, over

''(B) the amounts to be transferred during such period from the Airport and Airway Trust Fund under section 9502(d) of the Internal Revenue Code of 1986 (other than paragraph (1) thereof).

''(2) UNFUNDED AVIATION AUTHORIZATIONS.—The term 'unfunded aviation authorization' means, at any time, the excess (if any) of—

''(A) the total amount authorized to be appropriated from the Airport and Airway Trust Fund which has not been appropriated, over

''(B) the amount available in the Airport and Airway Trust Fund at such time to make such appropriation (after all other unliquidated obligations at such time which are payable from the Airport and Airway Trust Fund have been liquidated).''.

(b) CONFORMING AMENDMENT.—The analysis for subchapter I of chapter 471 is further amended by adding at the end the following:

''47138. Safeguards against deficit spending.''.

SEC. 904. APPLICABILITY.

This title (including the amendments made by this Act) shall apply to fiscal years beginning after September 30, 2000.

TITLE X—ADJUSTMENT OF TRUST FUND AUTHORIZATIONS

SEC. 1001. ADJUSTMENT OF TRUST FUND AUTHORIZATIONS.

(a) IN GENERAL.—Part C of subtitle VII is amended by adding at the end the following:

''CHAPTER 483—ADJUSTMENT OF TRUST FUND AUTHORIZATIONS

''Sec.
''48301. Definitions.
''48302. Adjustments to align aviation authorizations with revenues.
''48303. Adjustment to AIP program funding.
''48304. Estimated aviation income.

''§ 48301. Definitions

''In this chapter, the following definitions apply:

''(1) BASE YEAR.—The term 'base year' means the second fiscal year before the fiscal year for which the calculation is being made.

''(2) AIP PROGRAM.—The term 'AIP program' means the programs for which amounts are made available under section 48103.

''(3) AVIATION INCOME.—The term 'aviation income' means the tax receipts credited to the Airport and Airway Trust Fund and any interest attributable to the Fund.

''§ 48302. Adjustment to align aviation authorizations with revenues

''(a) AUTHORIZATION OF APPROPRIATIONS.—Beginning with fiscal year 2003, if the actual level of aviation income for the base year is greater or less than the estimated aviation income level specified in section 48304 for the base year, the amounts authorized to be appropriated (or made available) for the fiscal year under each of sections 106(k), 48101, 48102, and 48103 are adjusted as follows:

''(1) If the actual level of aviation income for the base year is greater than the estimated aviation income level specified in section 48304 for the base year, the amount authorized to be appropriated (or made available) for such section is increased by an amount determined by multiplying the amount of the excess by the ratio for such section set forth in subsection (b).

''(2) If the actual level of aviation income for the base year is less than the estimated aviation income level specified in section 48304 for the base year, the amount authorized to be appropriated (or made available) for such section is decreased by an amount determined by multiplying the amount of the shortfall by the ratio for such section set forth in subsection (b).

''(b) RATIO.—The ratio referred to in subsection (a) with respect to section 106(k), 48101, 48102, or 48103, as the case may be, is the ratio that—

''(1) the amount authorized to be appropriated (or made available) under such section for the fiscal year; bears to

''(2) the total sum of amounts authorized to be appropriated (or made available) under all of such sections for the fiscal year.

''(c) PRESIDENT'S BUDGET.—When the President submits a budget for a fiscal year under section 1105 of title 31, United States Code, the Director of the Office of Management and Budget shall calculate and the budget shall report any increase or decrease in authorization levels resulting from this section.

''§ 48303. Adjustment to AIP program funding

''On the effective date of a general appropriations Act providing appropriations for a fiscal year beginning after September 30, 2000, for the Federal Aviation Administration, the amount made available for a fiscal year under section 48103 shall be increased by the amount, if any, by which—

''(1) the total sum of amounts authorized to be appropriated under all of sections 106(k), 48101, and 48102 for such fiscal year, including adjustments made under section 48302; exceeds

''(2) the amounts appropriated for programs funded under such sections for such fiscal year.

Any contract authority made available by this section shall be subject to an obligation limitation.

''§ 48304. Estimated aviation income

''For purposes of section 48302, the estimated aviation income levels are as follows:

''(1) $10,734,000,000 for fiscal year 2001.

''(2) $11,603,000,000 for fiscal year 2002.

''(3) $12,316,000,000 for fiscal year 2003.

''(4) $13,062,000,000 for fiscal year 2004.''.

(b) CONFORMING AMENDMENT.—The table of chapters for subtitle VII of such title is amended by inserting after the item relating to chapter 482 the following:

''483. Adjustment of Trust Fund Authorizations ..... 48301''.

SEC. 1002. BUDGET ESTIMATES.

Upon the enactment of this Act, the Director of the Office of Management and Budget shall not make any estimates under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 of changes in direct spending outlays and receipts for any fiscal year resulting from this title and title IX, including the amendments made by such titles.

SEC. 1003. SENSE OF CONGRESS ON FULLY OFFSETTING INCREASED AVIATION SPENDING.

It is the sense of Congress that—

(1) air passengers and other users of the air transportation system pay aviation taxes into a trust fund dedicated solely to improve the safety, security, and efficiency of the aviation system;

(2) from fiscal year 2001 to fiscal year 2004, air passengers and other users will pay more than $14.3 billion more in aviation taxes into the Airport and Airway Trust Fund than the concurrent resolution on the budget for fiscal year 2000 provides from such Fund for aviation investment under historical funding patterns;

(3) the Aviation Investment and Reform Act for the 21st Century provides $14.3 billion of aviation investment above the levels assumed in that budget resolution for such fiscal years; and

(4) this increased funding will be fully offset by recapturing unspent aviation taxes and reducing the $778 billion general tax cut assumed in that budget resolution by the appropriate amount.

TITLE XI—EXTENSION OF AIRPORT AND AIRWAY TRUST FUND EXPENDITURE AUTHORITY

SEC. 1101. EXTENSION OF EXPENDITURE AUTHORITY.

(a) IN GENERAL.—Paragraph (1) of section 9502(d) of the Internal Revenue Code of 1986 (relating to expenditures from Airport and Airway Trust Fund) is amended—

(1) by striking ''October 1, 1998'' and inserting ''October 1, 2004'', and

(2) by inserting before the semicolon at the end of subparagraph (A) the following ''or the provisions of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 providing for payments from the Airport and Airway Trust Fund or the Interim Federal Aviation Administration Authorization Act or section 6002 of the 1999 Emergency Supplemental Appropriations Act or the Aviation Investment and Reform Act for the 21st Century''.

(b) LIMITATION ON EXPENDITURE AUTHORITY.—Section 9502 of such Code is amended by adding at the end the following new subsection:

''(f) LIMITATION ON TRANSFERS TO TRUST FUND.—

''(1) IN GENERAL.—Except as provided in paragraph (2), no amount may be appropriated or credited to the Airport and Airway Trust Fund on and after the date of any expenditure from the Airport and Airway Trust Fund which is not permitted by this section. The determination of whether an expenditure is so permitted shall be made without regard to—

''(A) any provision of law which is not contained or referenced in this title or in a revenue Act, and

''(B) whether such provision of law is a subsequently enacted provision or directly or indirectly seeks to waive the application of this subsection.

''(2) EXCEPTION FOR PRIOR OBLIGATIONS.—Paragraph (1) shall not apply to any expenditure to liquidate any contract entered into (or for any amount otherwise obligated) before October 1, 1999, in accordance with the provisions of this section.''.

The CHAIRMAN. No further amendments shall be in order except those printed in part B of that report. Each amendment may be offered only in the order specified, may be offered only by a Member designated in the report, shall be considered read, debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

It is now in order to consider amendment No. 1 printed in part B of House Report 106–185.

AMENDMENT NO. 1 OFFERED BY MR. SHUSTER

Mr. SHUSTER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B amendment No. 1 offered by Mr. SHUSTER:

At the end of section 102 of the bill, insert the following:

(c) ALASKA NATIONAL AIR SPACE COMMUNICATIONS SYSTEM.—Section 48101 is further amended by adding at the end the following:

''(e) ALASKA NATIONAL AIR SPACE COMMUNICATIONS SYSTEM.—Of the amounts appropriated under subsection (a) for fiscal year 2001, $7,200,000 may be used by the Administrator for the Alaska National Air Space Interfacility Communications System if the Administrator issues a report supporting the use of such funds for the System.''.

(d) AUTOMATED SURFACE OBSERVATION SYSTEM/AUTOMATED WEATHER OBSERVING SYSTEM UPGRADE.—Section 48101 is further amended by adding at the end the following:

''(f) AUTOMATED SURFACE OBSERVATION SYSTEM/AUTOMATED WEATHER OBSERVING SYSTEM UPGRADE.—Of the amounts appropriated under subsection (a) for fiscal years beginning after September 30, 2000, such sums as may be necessary for the implementation and use of upgrades to the current automated surface observation system/automated weather observing system, if the upgrade is successfully demonstrated.''.

In the matter to be added by section 103(a)(3) of the bill as paragraph (2) of section 106(k) of title 49, United States Code, strike ''and'' at the end of subparagraph (F)(ii) and strike the period at the end of subparagraph (G) and insert ''; and'' and the following:

''(H) such sums as may be necessary for the Secretary to hire additional inspectors in order to enhance air cargo security programs.

At the end of section 103 of the bill, insert the following:

(d) OFFICE OF AIRLINE INFORMATION.—There is authorized to be appropriated from the Airport and Airway Trust Fund to the Secretary $4,000,000 for fiscal years beginning after September 30, 2000, to fund the activities of the Office of Airline Information in the Bureau of Transportation Statistics of the Department of Transportation.

In section 104(h) of the bill, strike paragraph (1) and insert the following:

(1) in subparagraph (A)—

(A) by striking ''31 percent'' each place it appears and inserting ''34 percent'';

(B) in the first sentence by striking ''and for carrying out'' and inserting '', for carrying out''; and

(C) by striking the period at the end of the first sentence and inserting the following: '', and for noise mitigation projects approved in the environmental record of decision for an airport development project under this chapter.''.

In section 122 of the bill, strike ''and'' the last place it appears.

In section 123(c)(1) of the bill, strike the period following ''landing light systems'' and insert ''; and''.

In section 130(a)(1) of the bill, strike ''12 for fiscal year 2000'' and insert ''15 for fiscal year 2000''.

In section 130(a) of the bill, in the matter to be added as section 47118(f) of title 49, United States Code, strike ''at least 3 of the airports designated under subsection (a)'' and insert ''1 airport of the airports designated under subsection (a) for fiscal year 2000 and 3 airports for each fiscal year thereafter''.

In section 134 of the bill, in the matter proposed to be added as section 47137 of title 49, United States Code, redesignate subsections (d) through (g) as subsections (e) through (h), respectively, and insert after subsection (c) the following:

''(d) TECHNICAL ASSISTANCE.—

''(1) IN GENERAL.—The sponsor of a public-use airport carrying out inherently low-emission vehicle activities under the pilot program may use not to exceed 10 percent of the amounts made available for expenditure at the airport in a fiscal year under the pilot program to receive technical assistance in carrying out such activities.

''(2) ELIGIBLE CONSORTIUM.—To the maximum extent practicable, a sponsor shall use an eligible consortium (as defined in section 5506 of this title) in the region of the airport to receive technical assistance described in paragraph (1).

At the end of subtitle B of title I of the bill, add the following (and conform the table of contents of the bill accordingly):

SEC. 137. INTERMODAL CONNECTIONS.

(a) AIRPORT IMPROVEMENT POLICY.—Section 47101(a)(5) is amended to read as follows:

''(5) to encourage the development of intermodal connections between airports and other transportation modes and systems to promote economic development in a way that will serve States and local communities efficiently and effectively;''.

(b) AIRPORT DEVELOPMENT DEFINED.—Section 47102(3) is further amended by adding at the end the following:

''(I) constructing, reconstructing, or improving an airport, or purchasing capital equipment for an airport, for the purpose of transferring passengers, cargo, or baggage between the airport and ground transportation modes.''.

SEC. 138. STATE BLOCK GRANT PROGRAM.

Section 47128(a) is amended by striking ''9 qualified'' and inserting ''10 qualified''.

SEC. 139. ENGINEERED MATERIALS ARRESTING SYSTEMS.

(a) ELIGIBILITY.—Section 47102(3)(B) (as amended by this Act) is amended by adding at the end the following:

''(ix) engineered materials arresting systems as described in the Advisory Circular No. 150/5220–22 published by the Federal Aviation Administration on August 21, 1998.''.

(b) RULEMAKING.—The Administrator shall initiate a rulemaking proceeding to consider revisions to part 139 of title 14, Code of Federal Regulations, to improve runway safety through the use of engineered materials arresting systems, longer runways, and such other techniques as the Administrator considers appropriate.

In section 153(a)(1) of the bill, strike ''1999 through 2004'' and insert ''2000 through 2002''.

At the end of subtitle C of title I of the bill add the following (and conform the table of contents of the bill accordingly):

SEC. 157. AIRCRAFT NOISE PRIMARILY CAUSED BY MILITARY AIRCRAFT.

Section 47504(c) is amended by adding at the end the following:

''(6) AIRCRAFT NOISE PRIMARILY CAUSED BY MILITARY AIRCRAFT.—The Administrator may make a grant under this subsection for a project even if the purpose of the project is to mitigate the effect of noise primarily caused by military aircraft at an airport.''.

SEC. 158. TIMELY ANNOUNCEMENT OF GRANTS.

The Secretary of Transportation shall announce the making of grants with funds made available under section 48103 of title 49, United States Code, in a timely fashion after receiving necessary documentation for the making of such grants from the Administrator.

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

SEC. 308. FAILURE TO MEET RULEMAKING DEADLINE.

Section 106(f)(3)(A) is amended by adding at the end the following: ''If the Administrator does not meet a deadline specified in this subparagraph, the Administrator shall transmit to Congress notification of the missed deadline, including an explanation for missing the deadline and a projected date on which the action that was subject to the deadline will be taken.''.

SEC. 309. FEDERAL PROCUREMENT INTEGRITY ACT.

Section 348(b)(2) of the Department of Transportation and Related Agencies Appropriations Act, 1996 (49 U.S.C. 40110 note; 109 Stat. 460) is amended by striking the period and inserting the following: '', other than section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423); except that subsections (f) and (g) of such section 27 shall not apply to the Federal Aviation Administration's acquisition management system. Within 90 days following the date of enactment of the Aviation Investment and Reform Act for the 21st Century, the Administrator of the Federal Aviation Administration shall adopt definitions for the acquisition management system that are consistent with the purpose and intent of this section and that will allow the application of the criminal, civil and administrative remedies provided. The Administrator shall have the authority to take an adverse personnel action provided in subsection (e)(3)(A)(iv) of such section 27, but shall take any such actions in accordance with the procedures contained in the Federal Aviation Administration's personnel management system.''.

In the matter to be added by section 507(a) of the bill to chapter 447 of title 49, United States Code, as section 44725(b)(4) of the bill, insert ''every time the part is removed from service or'' after ''updated''.

In section 507(b)(3) of the bill, in the matter proposed to be added as section 46301(a)(3)(C) of title 49, United States Code, strike ''or''.

In section 508 of the bill, in the matter to be inserted as section 46316 of title 49, United States Code—

(1) insert ''(a) CIVIL PENALTY.—'' before ''An individual''; and

(2) strike the closing quotation marks and the final period at the end of subsection (a) (as so designated) and insert the following:

''(b) BAN ON FLYING.—If the Secretary finds that an individual has interfered with the duties or responsibilities of the flight crew or cabin crew of a civil aircraft in a way that poses an imminent threat to the safety of the aircraft or individuals aboard the aircraft, the individual may be banned by the Secretary for a period of 1 year from flying on any aircraft operated by an air carrier.

''(c) REGULATIONS.—The Secretary shall issue regulations to carry out subsection (b), including establishing procedures for imposing bans on flying, implementing such bans, and providing notification to air carriers of the imposition of such bans.''.

At the end of title V of the bill, add the following (and conform the table of contents of the bill accordingly):

SEC. 511. LANDFILLS INTERFERING WITH AIR COMMERCE.

(a) FINDINGS.—Congress finds that—

(1) collisions between aircraft and birds have resulted in fatal accidents;

(2) bird strikes pose a special danger to smaller aircraft;

(3) landfills near airports pose a potential hazard to aircraft operating there because they attract birds;

(4) even if the landfill is not located in the approach path of the airport's runway, it still poses a hazard because of the birds' ability to fly away from the landfill and into the path of oncoming planes;

(5) while certain mileage limits have the potential to be arbitrary, keeping landfills at least 6 miles away from an airport, especially an airport served by small planes, is an appropriate minimum requirement for aviation safety; and

(6) closure of existing landfills (due to concerns about aviation safety) should be avoided because of the likely disruption to those who use and depend on such landfills.

(b) LIMITATION ON CONSTRUCTION.—Section 44718(d) is amended to read as follows:

''(d) LIMITATION ON CONSTRUCTION OF LANDFILLS.—

''(1) IN GENERAL.—No person shall construct or establish a landfill within 6 miles of an airport primarily served by general aviation aircraft or aircraft designed for 60 passengers or less unless the State aviation agency of the State in which the airport is located requests that the Administrator of the Federal Aviation Administration exempt the landfill from this prohibition and the Administrator, in response to such a request, determines that the landfill would not have an adverse impact on aviation safety.

''(2) LIMITATION ON APPLICABILITY.—Paragraph (1) shall not apply to construction or establishment of a landfill if a permit relating to construction or establishment of such landfill was issued on or before June 1, 1999.''.

(c) CIVIL PENALTY FOR VIOLATIONS OF LIMITATION ON CONSTRUCTION OF LANDFILLS.—Section 46301(a)(3) is further amended by adding at the end the following:

''(D) a violation of section 41718(d), relating to limitation on construction of landfills; or''.

SEC. 512. AMENDMENT OF STATUTE PROHIBITING THE BRINGING OF HAZARDOUS SUBSTANCES ABOARD AN AIRCRAFT.

Section 46312 is amended—

(1) by striking ''A person'' and inserting ''(a) GENERAL.—A person''; and

(2) by adding at the end the following:

''(b) KNOWLEDGE OF REGULATIONS.—For purposes of subsection (a), knowledge by the person of the existence of a regulation or requirement related to the transportation of hazardous material prescribed by the Secretary under this part is not an element of an offense under this section but shall be considered in mitigation of the penalty.''.

SEC. 513. AIRPORT SAFETY NEEDS.

The Administrator shall initiate a rulemaking proceeding to consider revisions of part 139 of title 14, Code of Federal Regulations, to meet current and future airport safety needs—

(1) focusing, but not limited to, on the mission of rescue personnel, rescue operations response time, and extinguishing equipment; and

(2) taking into account the need for different requirements for airports depending on their size.

SEC. 514. LIMITATION ON ENTRY INTO MAINTENANCE IMPLEMENTATION PROCEDURES.

The Administrator may not enter into any maintenance implementation procedure through a bilateral aviation safety agreement unless the Administrator determines that the participating nations are inspecting repair stations so as to ensure their compliance with the standards of the Federal Aviation Administration.

SEC. 515. OCCUPATIONAL INJURIES OF AIRPORT WORKERS.

(a) STUDY.—The Administrator shall conduct a study to determine the number of persons working at airports who are injured or killed as a result of being struck by a moving vehicle while on an airport tarmac, the seriousness of the injuries to such persons, and whether or not reflective safety vests or other actions should be required to enhance the safety of such workers.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall transmit to Congress a report on the results of the study conducted under this section.

SEC. 516. AIRPORT DISPATCHERS.

(a) STUDY.—The Administrator shall conduct a study of the role of airport dispatchers in enhancing aviation safety. The study shall include an assessment of whether or not aircraft dispatchers should be required for those operations not presently requiring aircraft dispatcher assistance, operational control issues related to the aircraft dispatching function, and whether or not designation of positions within the Federal Aviation Administration for oversight of dispatchers would enhance aviation safety.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Administrator shall transmit to Congress a report on the results of the study conducted under this section.

SEC. 517. IMPROVED TRAINING FOR AIRFRAME AND POWERPLANT MECHANICS.

The Administrator shall form a partnership with industry to develop a model program to improve the curriculum, teaching methods, and quality of instructors for training individuals that need certification as airframe and powerplant mechanics.

In section 702(a) of the bill, in the proposed section 40102(a)(38) of title 49, United States Code, strike the closing quotation marks and the final period and insert the following:

''(E) owned by the armed forces or chartered to provide transportation to the armed forces under the conditions specified by section 40125(d).''.

In section 702(b) of the bill, in the matter to be added as section 40125(a) of title 49, United States Code—

(1) in paragraph (1) after ''does not include the operation of an aircraft'' insert ''by the armed forces for reimbursement when that reimbursement is required by Federal law or''; and

(2) in paragraph (2)—

(A) after ''such as'' insert ''national defense, intelligence missions,''; and

(B) after ''law enforcement'' insert ''(including transport of prisoners, detainees, and illegal aliens)''.

In section 702(b) of the bill, at the end of the matter to be added as section 40125(a) of title 49, United States Code, add the following:

''(4) ARMED FORCES.—The term 'armed forces' has the meaning given such term by section 101 of title 10.

In section 702(b) of the bill, in the matter to be added as section 40125(c), strike the closing quotation marks and the final period and insert the following:

''(d) AIRCRAFT OWNED OR OPERATED BY THE ARMED FORCES.—An aircraft described in section 40102(38)(E) qualifies as a public aircraft if—

''(1) the aircraft is operated in accordance with title 10; or

''(2) the aircraft is chartered to provide transportation to the armed forces and the Secretary of Defense (or the Secretary of the department in which the Coast Guard is operating) designates the operation of the aircraft as being required in the national interest.''.

At the end of section 702 of the bill, add the following:

(c) SAFETY OF PUBLIC AIRCRAFT.—

(1) STUDY.—The National Transportation Safety Board shall conduct a study to compare the safety of public aircraft and civil aircraft. In conducting the study, the Board shall review safety statistics on aircraft operations since 1993.

(2) REPORT.—Not later than 6 months after the date of enactment of this Act, the National Transportation Safety Board shall transmit to Congress a report containing the results of the study conducted under paragraph (1).

Strike section 706(c) of the bill and insert the following:

(c) DISCRIMINATION AGAINST HANDICAPPED INDIVIDUALS BY FOREIGN AIR CARRIERS.—Section 41705 is amended—

(1) by inserting ''(a) GENERAL PROHIBITION.—'' before ''In providing''; and

(2) by adding at the end the following:

''(b) PROHIBITION APPLICABLE TO FOREIGN AIR CARRIERS.—Subject to section 40105(b), the prohibition on discrimination against an otherwise qualified individual set forth in subsection (a) shall apply to a foreign air carrier in providing foreign air transportation.''.

In section 706(d) of the bill, in the matter to be added as section 46301(a)(3)(D) of title 49, United States Code, strike ''(D)'' and insert ''(E)''.

In section 711 of the bill, in the matter to be inserted as subsection (c)(1), strike ''date of birth''.

At the end of title VII of the bill, add the following (and conform the table of contents of the bill accordingly):

SEC. 732. CINCINNATI-MUNICIPAL BLUE ASH AIRPORT.

(a) APPROVAL OF SALE.—To maintain the efficient utilization of airports in the high-growth Cincinnati local airport system, and to ensure that the Cincinnati-Municipal Blue Ash Airport continues to operate to relieve congestion at Cincinnati-Northern Kentucky International Airport and to provide greater access to the general aviation community beyond the expiration of the city of Cincinnati's grant obligations, the Secretary of Transportation may approve the sale of Cincinnati-Municipal Blue Ash Airport from the city of Cincinnati to the city of Blue Ash upon a finding that the city of Blue Ash meets all applicable requirements for sponsorship and if the city of Blue Ash agrees to continue to maintain and operate Blue Ash Airport, as generally contemplated and described within the Blue Ash Master Plan Update dated November 30, 1998, for a period of 20 years from the date existing grant assurance obligations of the city of Cincinnati expire.

(b) TREATMENT OF PROCEEDS FROM SALE.—The proceeds from the sale approved under subsection (a) shall not be considered to be airport revenue for purposes of section 47107 and 47133 of title 49, United States Code, grant obligations of the city of Cincinnati, or regulations and policies of the Federal Aviation Administration.

SEC. 733. AIRCRAFT AND AIRCRAFT PARTS FOR USE IN RESPONDING TO OIL SPILLS.

(a) AUTHORITY TO SELL.—

(1) IN GENERAL.—Notwithstanding section 202 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 483) and subject to subsections (b) and (c), the Secretary of Defense may, during the period beginning June 15, 1999, and ending September 30, 2002, sell aircraft and aircraft parts referred to in paragraph (2) to a person or governmental entity that contracts to deliver oil dispersants by air in order to disperse oil spills, and that has been approved by the Secretary of the Department in which the Coast Guard is operating for the delivery of oil dispersants by air in order to disperse oil spills.

(2) COVERED AIRCRAFT AND AIRCRAFT PARTS.—The aircraft and aircraft parts that may be sold under paragraph (1) are aircraft and aircraft parts of the Department of Defense that are determined by the Secretary of Defense to be—

(A) excess to the needs of the Department;

(B) acceptable for commercial sale; and

(C) with respect to aircraft, 10 years old or older.

(b) CONDITIONS OF SALE.—Aircraft and aircraft parts sold under subsection (a)—

(1) may be used only for oil spill spotting, observation, and dispersant delivery; and

(2) may not be flown outside of or removed from the United States, except for the purpose of fulfilling an international agreement to assist in oil spill dispersing efforts or for other purposes that are jointly approved by the Secretary of Defense and the Secretary of Transportation.

(c) CERTIFICATION OF PERSONS AND ENTITIES.—The Secretary of Defense may sell aircraft and aircraft parts to a person or governmental entity under subsection (a) only if the Secretary of Transportation certifies to the Secretary of Defense, in writing, before the sale, that the person or governmental entity is capable of meeting the terms and conditions of a contract to deliver oil spill dispersants by air.

(d) REGULATIONS.—

(1) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary of Defense, in consultation with the Secretary of Transportation and the Administrator of General Services, shall issue regulations relating to the sale of aircraft and aircraft parts under this section.

(2) CONTENTS.—The regulations shall—

(A) ensure that the sale of the aircraft and aircraft parts is made at a fair market value as determined by the Secretary of Defense, and, to the extent practicable, on a competitive basis;

(B) require a certification by the purchaser that the aircraft and aircraft parts will be used in accordance with the conditions set forth in subsection (b);

(C) establish appropriate means of verifying and enforcing the use of the aircraft and aircraft parts by the purchaser and other users in accordance with the conditions set forth in subsection (b) or pursuant to subsection (e); and

(D) ensure, to the maximum extent practicable, that the Secretary of Defense consults with the Administrator of General Services and with the heads of other appropriate departments and agencies of the Federal Government regarding alternative uses for such aircraft and aircraft parts before the sale of such aircraft and aircraft parts under this section.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of Defense may require such other terms and conditions in connection with each sale of aircraft and aircraft parts under this section as the Secretary of Defense considers appropriate for such sale. Such terms and conditions shall meet the requirements of regulations issued under subsection (d).

(f) REPORT.—Not later than March 31, 2002, the Secretary of Defense shall submit to the Committee on Armed Services and the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Armed Services and the Committee on Transportation and Infrastructure of the House of Representatives a report on the Secretary of Defense's exercise of authority under this section. The report shall set forth—

(1) the number and types of aircraft sold under this section, and the terms and conditions under which the aircraft were sold;

(2) the persons or entities to which the aircraft were sold; and

(3) an accounting of the current use of the aircraft sold.

(g) CONSTRUCTION.—Nothing in this section may be construed as affecting the authority of the Administrator of the Federal Aviation Administration under any other provision of law.

(h) PROCEEDS FROM SALE.—The net proceeds of any amounts received by the Secretary of Defense from the sale of aircraft and aircraft parts under this section shall be deposited into the general fund of the Treasury as miscellaneous receipts.

SEC. 734. DISCRIMINATORY PRACTICES BY COMPUTER RESERVATIONS SYSTEMS OUTSIDE THE UNITED STATES.

(a) ACTIONS AGAINST DISCRIMINATORY ACTIVITY BY FOREIGN CRS SYSTEMS.—Section 41310 is amended by adding at the end the following:

''(g) ACTIONS AGAINST DISCRIMINATORY ACTIVITY BY FOREIGN CRS SYSTEMS.—The Secretary of Transportation may take such actions as the Secretary considers are in the public interest to eliminate an activity of a foreign air carrier that owns or markets a computer reservations system, or of a computer reservations system firm whose principal offices are located outside the United States, when the Secretary, on the initiative of the Secretary or on complaint, decides that the activity, with respect to airline service—

''(1) is an unjustifiable or unreasonable discriminatory, predatory, or anticompetitive practice against a computer reservations system firm whose principal offices are located inside the United States; or

''(2) imposes an unjustifiable or unreasonable restriction on access of such a computer reservations system to a foreign market.''.

(b) COMPLAINTS BY CRS FIRMS.—Section 41310 is amended—

(1) in subsection (d)(1)—

(A) by striking ''air carrier'' in the first sentence and inserting ''air carrier, computer reservations system firm,'';

(B) by striking ''subsection (c)'' and inserting ''subsection (c) or (g)''; and

(C) by striking ''air carrier'' in subparagraph (B) and inserting ''air carrier or computer reservations system firm''; and

(2) in subsection (e)(1) by inserting ''or a computer reservations system firm is subject when providing services with respect to airline service'' before the period at the end of the first sentence.

SEC. 735. ALKALI SILICA REACTIVITY DISTRESS.

(a) IN GENERAL.—The Administrator may make a grant to, or enter into a cooperative agreement with, a nonprofit organization for the conduct of a study on the impact of alkali silica reactivity distress on airport runways and taxiways and the use of lithium salts and other alternatives for mitigation and prevention of such distress.

(b) REPORT.—Not later than 18 months after making a grant, or entering into a cooperative agreement, under subsection (a) the Administrator shall transmit a report to Congress on the results of the study.

SEC. 736. PROCUREMENT OF PRIVATE ENTERPRISE MAPPING, CHARTING, AND GEOGRAPHIC INFORMATION SYSTEMS.

The Administrator shall consider procuring mapping, charting, and geographic information systems necessary to carry out the duties of the Administrator under title 49, United States Code, from private enterprises, if the Administrator determines that such procurement furthers the mission of the Federal Aviation Administration and is cost effective.

SEC. 737. LAND USE COMPLIANCE REPORT.

Section 47131 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:

''(5) a detailed statement listing airports that are not in compliance with grant assurances or other requirements with respect to airport lands and including the circumstances of such noncompliance, the timelines for corrective action, and the corrective action the Secretary intends to take to bring the airport sponsor into compliance.''.

SEC. 738. NATIONAL TRANSPORTATION DATA CENTER OF EXCELLENCE.

Of the amounts made available pursuant to section 5117(b)(6)(B) of the Transportation Equity Act for the 21st Century (23 U.S.C. 502 note; 112 Stat. 450), not to exceed $1,000,000 for each of fiscal years 2000 and 2001 may be made available by the Secretary of Transportation to establish, at an Army depot that has been closed or realigned, a national transportation data center of excellence that will—

(1) serve as a satellite facility for the central data repository that is hosted by the computer center of the Transportation Administrative Service; and

(2) analyze transportation data collected by the Federal Government, States, cities, and the transportation industry.

SEC. 739. MONROE REGIONAL AIRPORT LAND CONVEYANCE.

The Secretary of Transportation shall waive all terms contained in the 1949 deed of conveyance under which the United States conveyed certain property then constituting Selman Field, Louisiana, to the city of Monroe, Louisiana, subject to the following conditions:

(1) The city agrees that in conveying any interest in such property the city will receive an amount for such interest that is equal to the fair market value for such interest.

(2) The amount received by the city for such conveyance shall be used by the city—

(A) for the development, improvement, operation, or maintenance of a public airport; or

(B) for the development or improvement of the city's airport industrial park co-located with the Monroe Regional Airport to the extent that such development or improvement will result in an increase, over time, in the amount the industrial park will pay to the airport to an amount that is greater than the amount the city received for such conveyance.

SEC. 740. AUTOMATED WEATHER FORECASTING SYSTEMS.

(a) CONTRACT FOR STUDY.—The Administrator shall contract with the National Academy of Sciences to conduct a study of the effectiveness of the automated weather forecasting systems of covered flight service stations solely with regard to providing safe and reliable airport operations.

(b) COVERED FLIGHT SERVICE STATIONS.—In this section, the term ''covered flight service station'' means a flight service station where automated weather observation constitutes the entire observation and no additional weather information is added by a human weather observer.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Administrator shall transmit to the Congress a report on the results of the study.

SEC. 741. NOISE STUDY OF SKY HARBOR AIRPORT, PHOENIX, ARIZONA.

(a) IN GENERAL.—The Administrator of the Federal Aviation Administration shall conduct a study on recent changes to the flight patterns of aircraft using Sky Harbor Airport in Phoenix, Arizona, and the effects of such changes on the noise contours in the Phoenix, Arizona, region.

(b) REPORT.—

(1) IN GENERAL.—Not later than 90 days after the enactment of this section, the Administrator shall submit a report to Congress containing the results of the study conducted under subsection (a) and recommendations for measures to mitigate aircraft noise over populated areas in the Phoenix, Arizona, region.

(2) AVAILABILITY TO THE PUBLIC.—The Administrator shall make the report described in paragraph (1) available to the public.

SEC. 742. NONMILITARY HELICOPTER NOISE.

(a) IN GENERAL.—The Secretary of Transportation shall conduct a study—

(1) on the effects of nonmilitary helicopter noise on individuals; and

(2) to develop recommendations for the reduction of the effects of nonmilitary helicopter noise.

(b) CONSIDERATION OF VIEWS.—In conducting the study under this section, the Secretary shall consider the views of representatives of the helicopter industry and representatives of organizations with an interest in reducing nonmilitary helicopter noise.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study under this section.

At the end of section 40126(e) to be added to chapter 401 of title 49, United States Code, by section 803(a) of the bill, insert the following:

''(3) LAKE MEAD.—This section shall not apply to any air tour operator while flying over or near the Lake Mead National Recreation Area solely, as a transportation route, to conduct an air tour over the Grand Canyon National Park.

In title VIII of the bill, redesignate section 806 and 807 as sections 807 and 808, respectively, and insert after section 805 the following:

SEC. 806. METHODOLOGIES USED TO ASSESS AIR TOUR NOISE.

Any methodology adopted by a Federal agency to assess air tour noise in any unit of the national park system (including the Grand Canyon and Alaska) shall be based on reasonable scientific methods.

Strike section 202 of the bill and insert the following:

SEC. 202. FUNDING FOR AIR CARRIER SERVICE TO AIRPORTS NOT RECEIVING SUFFICIENT SERVICE.

(a) FUNDING FOR AIRPORTS NOT RECEIVING SUFFICIENT SERVICE.—Chapter 417 is amended by adding at the end the following:

''§ 41743. Airports not receiving sufficient service

''(a) TYPES OF ASSISTANCE.—The Secretary of Transportation may use amounts made available under this section—

''(1) to provide assistance to an air carrier to subsidize service to and from an underserved airport for a period not to exceed 3 years;

''(2) to provide assistance to an underserved airport to obtain jet aircraft service (and to promote passenger use of that service) to and from the underserved airport; and

''(3) to provide assistance to an underserved airport to implement such other measures as the Secretary, in consultation with such airport, considers appropriate to improve air service both in terms of the cost of such service to consumers and the availability of such service, including improving air service through marketing and promotion of air service and enhanced utilization of airport facilities.

''(b) PRIORITY CRITERIA FOR ASSISTING AIRPORTS NOT RECEIVING SUFFICIENT SERVICE.—In providing assistance to airports under subsection (a), the Secretary shall give priority to those airports for which a community will provide, from local sources (other than airport revenues), a portion of the cost of the activity to be assisted.

''(c) DEFINITIONS.—In this section, the following definitions apply:

''(1) UNDERSERVED AIRPORT.—The term 'underserved airport' means a nonhub airport or small hub airport (as such terms are defined in section 41731) that—

''(A) the Secretary determines is not receiving sufficient air carrier service; or

''(B) has unreasonably high airfares.

''(2) UNREASONABLY HIGH AIRFARE.—The term 'unreasonably high airfare', as used with respect to an airport, means that the airfare listed in the table entitled 'Top 1,000 City-Pair Market Summarized by City', contained in the Domestic Airline Fares Consumer Report of the Department of Transportation, for one or more markets for which the airport is a part of has an average yield listed in such table that is more than 19 cents.

''(d) AUTHORITY TO MAKE AGREEMENTS AND INCUR OBLIGATIONS.—

''(1) IN GENERAL.—The Secretary may make agreements and incur obligations from the Airport and Airway Trust Fund to provide assistance under this section. An agreement by the Secretary under this subsection is a contractual obligation of the Government to pay the Government's share of the compensation. Contract authority made available by this paragraph shall be subject to an obligation limitation.

''(2) AMOUNTS MADE AVAILABLE.—There shall be available to the Secretary out of the Fund not more than $25,000,000 for each of fiscal years 2000 through 2004 to incur obligations under this section. Amounts made available under this section shall remain available until expended.''.

(c) CONFORMING AMENDMENT.—The analysis for chapter 417 is amended by adding at the end the following:

''41743. Airports not receiving sufficient service.''.

In section 211(a) of the bill, in the second sentence of the matter proposed to be added as section 41763(b)(1)(E), insert '', subject to appropriations,'' after ''the Secretary''.

In section 211(a) of the bill, in the second sentence of the matter proposed to be added as section 41763(c)(3), insert '', subject to appropriations,'' after ''the Secretary''.

In section 211(a) of the bill, in the second sentence of the matter proposed to be added as section 41763(d)(2)(G), insert '', subject to appropriations,'' after ''the Secretary''.

Redesignate section 904 of the bill as section 905 and insert after section 903 of the bill the following (and conform the table of contents of the bill accordingly):

SEC. 904. ADJUSTMENTS TO DISCRETIONARY SPENDING LIMITS.

When the President submits the budget under section 1105(a) of title 31, United States Code, for fiscal year 2001, the Director of the Office of Management and Budget shall, pursuant to section 251(b)(1)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, calculate and the budget shall include appropriate reductions to the discretionary spending limits for each of fiscal years 2001 and 2002 set forth in section 251(c)(5)(A) and section 251(c)(6)(A) of that Act (as adjusted under section 251 of that Act) to reflect the discretionary baseline trust fund spending (without any adjustment for inflation) for the Federal Aviation Administration that is subject to section 902 of this Act for each of those two fiscal years.

Strike section 201 of the bill and insert the following:

SEC. 201. ACCESS TO HIGH DENSITY AIRPORTS.

(a) PHASEOUT OF SLOT RULE FOR O'HARE, LAGUARDIA, AND KENNEDY AIRPORTS.—Section 41714 is amended by adding at the end the following:

''(j) PHASEOUT OF SLOT RULE FOR O'HARE, LAGUARDIA, AND KENNEDY AIRPORTS.—

''(1) O'HARE AIRPORT.—The slot rule shall be of no force and effect at O'Hare International Airport—

''(A) effective March 1, 2000—

''(i) with respect to a regional jet aircraft providing air transportation between O'Hare International Airport and a small hub or nonhub airport—

''(I) if the operator of the regional jet aircraft was not providing such air transportation during the week of June 15, 1999; or

''(II) if the level of air transportation to be provided between such airports by the operator of the regional jet aircraft during any week will exceed the level of air transportation provided by such operator between such airports during the week of June 15, 1999; and

''(ii) with respect to any aircraft providing foreign air transportation;

''(B) effective March 1, 2001, with respect to any aircraft operating before 2:45 post meridiem and after 8:15 post meridiem; and

''(C) effective March 1, 2002, with respect to any aircraft.

''(2) LAGUARDIA AND KENNEDY.—The slot rule shall be of no force and effect at LaGuardia Airport or John F. Kennedy International Airport—

''(A) effective March 1, 2000, with respect to a regional jet aircraft providing air transportation between LaGuardia Airport or John F. Kennedy International Airport and a small hub or nonhub airport—

''(I) if the operator of the regional jet aircraft was not providing such air transportation during the week of June 15, 1999; or

''(II) if the level of air transportation to be provided between such airports by the operator of the regional jet aircraft during any week will exceed the level of air transportation provided by such operator between such airports during the week of June 15, 1999; and

''(B) effective January 1, 2007, with respect to any aircraft.''.

(b) ADDITIONAL EXEMPTIONS FROM SLOT RULE.—Section 41714 is amended by striking subsections (e) and (f) and inserting the following:

''(e) ADDITIONAL EXEMPTIONS FROM SLOT RULE.—

''(1) SLOT EXEMPTIONS FOR AIRPORTS NOT RECEIVING SUFFICIENT SERVICE.—

''(A) IN GENERAL.—Notwithstanding chapter 491, the Secretary may by order grant exemptions from the slot rule for Ronald Reagan Washington National Airport and O'Hare International Airport to enable air carriers to provide nonstop air transportation using jet aircraft that comply with the stage 3 noise levels of part 36 of title 14, Code of Federal Regulations, between the airport and a small hub or nonhub airport that the Secretary determines has (i) insufficient air carrier service to and from Reagan National Airport or O'Hare International Airport, as the case may be, or (ii) unreasonably high airfares.

''(B) NUMBER OF SLOT EXEMPTIONS TO BE GRANTED.—

''(i) REAGAN NATIONAL.—

''(I) MAXIMUM NUMBER OF EXEMPTIONS.—No more than 2 exemptions from the slot rule per hour and no more than 6 exemptions from the slot rule per day may be granted under this paragraph for Ronald Reagan Washington National Airport.

''(II) MAXIMUM DISTANCE OF FLIGHTS.—An exemption from the slot rule may be granted under this paragraph for Ronald Reagan Washington National Airport only if the flight utilizing the exemption begins or ends within 1,250 miles of such airport and a stage 3 aircraft is used for such flight.

''(ii) O'HARE AIRPORT.—20 exemptions from the slot rule per day shall be granted under this paragraph for O'Hare International Airport.

''(2) SLOT EXEMPTIONS AT O'HARE FOR NEW ENTRANT AIR CARRIERS.—

''(A) IN GENERAL.—The Secretary shall grant 30 exemptions from the slot rule to enable new entrant air carriers to provide air transportation at O'Hare International Airport using stage 3 aircraft.

''(B) PRIORITY CONSIDERATION.—In granting exemptions under this paragraph, the Secretary shall give priority consideration to an application from an air carrier that, as of June 15, 1999, operated or held fewer than 20 slots at O'Hare International Airport.

''(3) INSUFFICIENT APPLICATIONS.—If, on the 180th day following the date of enactment of the Aviation Investment and Reform Act for the 21st Century, the Secretary has not granted all of the exemptions from the slot rule made available under this subsection at an airport because an insufficient number of eligible applicants have submitted applications for the exemptions, the Secretary may grant the remaining exemptions at the airport to any air carrier applying for the exemptions for the provision of any type of air transportation. An exemption granted under paragraph (1) or (2) pursuant to this paragraph may be reclaimed by the Secretary for issuance in accordance with the terms of paragraph (1) or (2), as the case may be, if subsequent applications under paragraph (1) or (2), as the case maybe, so warrant.

''(f) REQUIREMENTS RELATING TO ADDITIONAL SLOT EXEMPTIONS.—

''(1) APPLICATIONS.—An air carrier interested in obtaining an exemption from the slot rule under subsection (e) shall submit to the Secretary an application for the exemption. No application may be submitted to the Secretary under subsection (e) before the last day of the 30-day period beginning on the date of enactment of the Aviation Investment and Reform Act for the 21st Century.

''(2) PERIOD OF EFFECTIVENESS.—An exemption from the slot rule granted under subsection (e) shall remain in effect only while the air carrier for whom the exemption is granted continues to provide the air transportation for which the exemption is granted.

''(3) TREATMENT OF CERTAIN COMMUTER AIR CARRIERS.—The Secretary shall treat all commuter air carriers that have cooperative agreements, including code share agreements with other air carriers, equally for determining eligibility for exemptions from the slot rule under subsection (e) regardless of the form of the corporate relationship between the commuter air carrier and the other air carrier.''.

(c) DEFINITIONS.—

(1) IN GENERAL.—Section 41714(h) is amended by adding at the end the following:

''(5) NONHUB AIRPORT.—The term 'nonhub airport' means an airport that each year has less than .05 percent of the total annual boardings in the United States.

''(6) REGIONAL JET AIRCRAFT.—The term 'regional jet aircraft' means a 2-engine jet aircraft with a design capacity of 70 or fewer seats, manufactured after January 1, 1992, that has an effective perceived noise level on takeoff not exceeding 83 decibels when measured according to the procedures described in part 36 of title 14, Code of Federal Regulations.

''(7) SLOT RULE.—The term 'slot rule' means the requirements of subparts K and S of part 93 of title 14, Code of Federal Regulations.

''(8) SMALL HUB AIRPORT.—The term 'small hub airport' means an airport that each year

has at least .05 percent, but less than .25 percent, of the total annual boardings in the United States.

''(9) UNREASONABLY HIGH AIRFARE.—The term 'unreasonably high airfare', as used with respect to an airport, means that the airfare listed in the table entitled 'Top 1,000 City-Pair Market Summarized by City', contained in the Domestic Airline Fares Consumer Report of the Department of Transportation, for one or more markets for which the airport is a part of has an average yield listed in such table that is more than 19 cents.''.

(2) REGULATORY DEFINITION OF LIMITED INCUMBENT CARRIER.—The Secretary shall modify the definition of the term ''limited incumbent carrier'' in subpart S of part 93 of title 14, Code of Federal Regulations, to require an air carrier or commuter operator to hold or operate fewer than 20 slots (instead of 12 slots) to meet the criteria of the definition. For purposes of this section, such modification shall be treated as in effect on the date of enactment of this Act.

(d) PROHIBITION ON SLOT WITHDRAWALS.—Section 41714(b) is amended—

(1) in paragraph (2)—

(A) by inserting ''at O'Hare International Airport'' after ''a slot''; and

(B) by striking ''if the withdrawal'' and all that follows before the period; and

(2) by striking paragraph (4) and inserting the following:

''(4) CONVERSION OF SLOTS.—Effective March 1, 2000, slots at O'Hare International Airport allocated to an air carrier as of June 15, 1999, to provide foreign air transportation shall be made available to such carrier to provide interstate or intrastate air transportation.''.

(e) CONFORMING AMENDMENTS.—Section 41714(c) is amended—

(1) by striking ''SLOTS FOR NEW ENTRANTS.—'' and all that follows through ''If the'' and inserting ''SLOTS FOR NEW ENTRANTS.—If the''; and

(2) by striking paragraph (2).

(f) AMENDMENTS REFLECTING PHASEOUT OF SLOT RULE FOR CERTAIN AIRPORTS.—Effective January 1, 2007, section 41714 is amended—

(1) by striking subsections (a), (b), (c), (e), (f), (g), (h), and (i);

(2) by redesignating subsections (d) and (j) as subsections (a) and (b), respectively;

(3) in the heading for subsection (a) (as so redesignated) by striking ''SPECIAL RULES FOR''; and

(4) by adding at the end the following:

''(c) DEFINITIONS.—

''(1) NONHUB AIRPORT.—The term 'nonhub airport' means an airport that each year has less than .05 percent of the total annual boardings in the United States.

''(2) REGIONAL JET AIRCRAFT.—The term 'regional jet aircraft' means a 2-engine jet aircraft with a design capacity of 70 or fewer seats, manufactured after January 1, 1992, that has an effective perceived noise level on takeoff not exceeding 83 decibels when measured according to the procedures described in part 36 of title 14, Code of Federal Regulations.

''(3) SLOT.—The term 'slot' means a reservation for an instrument flight rule takeoff or landing by an air carrier or an aircraft in air transportation.''.

''(4) SLOT RULE.—The term 'slot rule' means the requirements of subparts K and S of part 93 of title 14, Code of Federal Regulations (pertaining to slots at high density airports).

''(5) SMALL HUB AIRPORT.—The term 'small hub airport' means an airport that each year has at least .05 percent, but less than .25 percent, of the total annual boardings in the United States.

''(6) UNREASONABLY HIGH AIRFARE.—The term 'unreasonably high airfare', as used with respect to an airport, means that the airfare listed in the table entitled 'Top 1,000 City-Pair Market Summarized by City', contained in the Domestic Airline Fares Consumer Report of the Department of Transportation, for one or more markets for which the airport is a part of has an average yield listed in such table that is more than 19 cents.''.

The CHAIRMAN. Pursuant to House Resolution 206, the gentleman from Pennsylvania (Mr. SHUSTER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. SHUSTER).

Mr. SHUSTER. Mr. Chairman, I ask unanimous consent to yield half of my time for the purpose of control to the distinguished gentleman from Minnesota (Mr. OBERSTAR), the ranking member.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

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

Mr. Chairman, this is a bipartisan amendment largely, with various technical corrections and noncontroversial. The most significant change is the abolition of the slot rules have been delayed to accommodate concerns of Members whose districts would be impacted by aircraft noise.

In New York, for example, the slot restrictions will be lifted in 2007. In the meantime, airlines may use regional jets without any slot limitations as long as they are flying to small hubs or nonhubs.

At Chicago, the slot restrictions will be lifted in 2002. In the meantime, exceptions from the slot rules are provided for regional jets, service to underserved communities, international service, and flights in the morning.

There are a variety of other changes, and I will summarize the most significant ones. It authorizes the FAA to hire additional inspectors for air cargo security. It authorizes funding out of the Trust Fund to pay for the aviation activities of the Department's Bureau of Transportation Statistics. This is very important: It broadens the eligibility for noise mitigation projects. We recognize the importance of noise mitigation, and we broaden that eligibility.

It increases the number of military airports eligible to receive grants under the Military Airport Program from 12 to 15. It makes the construction of intermodal connections eligible for grants under the Airport Improvement Program, another very important change.

It increases the number of States eligible to participate in the State block grant program.

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

The CHAIRMAN. The Chair would like to clarify that, without objection, the gentleman from Minnesota (Mr. OBERSTAR) may control the time otherwise reserved for opposition, which would amount to 5 minutes.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Chairman, I yield myself 1¾ minutes.

The manager's amendment deserves our full support. It clarifies various items and addresses issues in fuller fashion on aviation safety, security, capacity and competition than the basic bill did, and adds a few items that I think are of significant importance.

We must ensure that firefighting/rescue efforts are sufficient at Nation's airports. The manager's amendment requires FAA to review its regulations to ensure that they are adequate, for airports to have the appropriate firefighting equipment depending on the size of the airport.

In addition, we call upon the administrator to form a partnership with industry to improve the curriculum, the teaching methods and quality of persons charged with training our Nation's aviation mechanics.

We are facing a huge shortfall of qualified airframe and power plant mechanics in the near future to address the maintenance of our Nation's aircraft fleet.

The role of aircraft dispatchers should not be minimized. The FAA is directed here to review the role of dispatchers in enhancing aviation safety and determine whether those operations not using airline dispatchers now should be required to do so in the future.

We also address the issue of competition with our amendments to changes in the high density rule. These and other important provisions make the manager's amendment necessary and an improvement to the bill and deserve our support.

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

Mr. SHUSTER. Mr. Chairman, I am very pleased to yield 2 minutes to the distinguished gentleman from Tennessee (Mr. DUNCAN), chairman of the Subcommittee on Aviation.

Mr. DUNCAN. Mr. Chairman, I just want to briefly touch on some things that the manager's amendment does.

We have attempted to clarify that if the Aviation Trust Fund is moved off budget, it is removed from the discretionary budget caps.

We have had added a provision clarifying language for the use of noise standards in the national parks overflights bill. This has been a very contentious issue, and I am glad we have been able to reach a compromise on this.

We have adjusted the slot restriction provisions to allow for regional jet exemptions early with a total phase-out for 2002 for Chicago and 2007 in New York. This will ensure that smaller airlines will have the opportunity to compete with larger airlines and open up flights to many underserved areas.

We have included the provision for the gentleman from Arkansas (Mr. HUTCHINSON) that would allow AIP funds to be spent for noise mitigation if more than 50 percent of the noise is caused by military aircraft. Currently the FAA does not allow AIP funds to be spent for noise mitigation if more than 50 percent of the noise is caused by military aircraft.

In addition, we have required that FAA notify Congress if it fails to meet its rulemaking deadlines. This is good public policy and will allow us to monitor the Agency's adherence to its stated goals.

We have also added the provision allowing for the banning of a passenger from flying if the Secretary determines that a ban is in order. Unruly passengers have become a significant issue on flights, and this provision gives the Transportation Department the ability to deal effectively with the issue.

We have increased the State Block Grant Program from 9 to 10 States on a request from the Utah delegation.

We have required that the National Academy of Sciences undertake a study on AWOS and the reliability of it when no human oversight is used. This is at the request of Mr. THOMPSON.

We have also requested that the FAA implement a mechanic training program at the request of the gentleman from Minnesota (Mr. OBERSTAR). This will ensure proper training for aircraft mechanics.

Finally, we have added a provision to direct the FAA to consider revisions to its regulations regarding airport fire and safety needs. This will ensure that airport safety needs are evaluated and updated if necessary.

In short, this amendment makes changes to the bill to try and meet some of the concerns people have voiced, and it grants many requests from Members.

Mr. Chairman, I urge support for this manager's amendment.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Illinois (Mr. LIPINSKI).

Mr. LIPINSKI. Mr. Chairman, I simply want to say that I support the manager's amendment totally and completely. I am very delighted that the Speaker of the House, my very good friend, the gentleman from Illinois (Speaker HASTERT), is going to support this bill. Of course, also my very good friend, the gentleman from Missouri (Mr. GEPHARDT), the Democratic leader of the House is going to support this bill.

I also want to make mention of the fact that I think that the staff have done an outstanding job on both sides of the aisle in regards to this bill. There has been a lot of changes, a lot of improvements. A tremendous amount of work has been done by Jack Schenendorf, Dave Schaffer, Paul Feldman, and all of the members of the Subcommittee on Aviation and all of the members of the Committee on Transportation and Infrastructure. I salute them all, and I thank them all.

Once again, I say I strongly support this manager's amendment.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. Mr. Chairman, I rise in support of the manager's amendment and in strong support of H.R. 1000, the Aviation Investment and Reform Act for the 21st Century.

I want to thank the gentleman from Pennsylvania (Chairman SHUSTER), the gentleman from Minnesota (Mr. OBERSTAR), the gentleman from Illinois (Mr. LIPINSKI), and the gentleman from Tennessee (Mr. DUNCAN) for their work on this outstanding bill.

The Aviation Investment and Reform Act for the 21st Century is a comprehensive reauthorization of the Federal Aviation Administration and the Airport Improvement Program. It seeks to address many of the problems plaguing our aviation system by making our airports and skies safer, by injecting competition into the airline industry, and by ensuring that the investment taxpayers have made in the Aviation Trust Fund is returned in the form of affordable, safe air travel.

Mr. Chairman, our Nation's aviation system, while once the envy of the world, is now beginning to show age. While we are seeing a dramatic increase in the number of air travelers taking to the skies, airport infrastructure and air traffic control modernization programs are currently being drastically underfunded.

But once again, Mr. Chairman, I again want to thank the gentleman from Pennsylvania (Chairman SHUSTER) and the gentleman from Minnesota (Mr. OBERSTAR) and others for their leadership and their accommodation to the New York delegation in the manager's amendment.

The CHAIRMAN. The gentleman from Minnesoata (Mr. OBERSTAR) has 1½ minutes remaining.

□ 1445

Mr. OBERSTAR. Mr. Chairman, I yield myself such time as I may consume to express my appreciation to the gentleman from New York for the statement just made and for the strong support of the New York City delegation for this legislation. I believe we have accommodated their concerns in this legislation and appreciate their strong support for it.

Mr. Chairman, I yield back the balance of my time.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. SHUSTER).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in part B of House Report 106–185.

AMENDMENT NO. 2 OFFERED BY MR. YOUNG OF FLORIDA

Mr. YOUNG of Florida. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. Young of Florida:

In section 103 of the bill, strike subsection (b) and redesignate subsequent subsections accordingly.

Strike titles IX and X of the bill and conform the table of contents of the bill accordingly.

The CHAIRMAN. Pursuant to House Resolution 206, the gentleman from Florida (Mr. YOUNG) and a Member opposed each will control 30 minutes.

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

Mr. YOUNG of Florida. Mr. Chairman, I ask unanimous consent to yield 15 minutes of my time for purposes of control to the distinguished gentleman from Wisconsin (Mr. OBEY).

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. YOUNG of Florida. Mr. Chairman, I yield myself such time as I may consume.

On the amendment itself, Mr. Chairman, I would like to say it is supportive of the bill. We do support the bill, but we do not support section 103(b) of the bill, and the reason is very simple. We spent nearly 2 weeks here in this House trying to find ways to save $10 million here and $100 million there. And after 2 weeks, in order to stay within the budget cap set in 1997, we finally saved $150 million, in round figures. We have about $16 billion more to go to get to where we have to be to appropriate within the budget cap.

Now, what this amendment that I offer for myself and the gentleman from Ohio (Mr. KASICH) would do is to try to help us stay within that budget cap, because otherwise we are going to bust the budget. We are going to make it $3 billion a year more difficult to stay within that 1997 budget cap if we allow this bill to go with section 103(b) still in the bill. There is a penalty clause in the language relative to the aviation bill that if they would eliminate that they could solve this problem that the committee is trying to solve today with section 103(b) of the bill.

We have got to maintain fiscal discipline in this House. What we are

going to see happen is, and we have all heard the talk about spending over the budget cap is going to take from Social Security, well, I want my colleagues to remember that; or spending over the budget cap is going to make it impossible to do a realistic tax cut. We need to remember that, because those same arguments will apply here with this budget-busting bill as long as it includes section 103(b) of the bill.

All this amendment does is take out that one section. It leaves everything else. We agree with most everything that was said here on the floor today. We are just trying to maintain the fiscal discipline that this House has insisted that we maintain and stay within the budget cap set in 1997 and allow this House to go forward with the appropriations bills that we must conclude before the end of this fiscal year.

As my colleagues have observed, Mr. Chairman, we have had great difficulty in getting spending bills through this House without bringing the spending amounts down to the amount that would be provided for in the budget cap. So I would hope that the House would support this amendment so that we could all support the bill. Because the items that were discussed are important. Airport safety is important. A lot of work needs to be done. But there should be a lot of work done on the fiscal responsibility of this agency. Their own Inspector General has suggested there was a tremendous amount of mismanagement and waste of the dollars put into this fund.

I would just like to make one further point before yielding. My friend, the gentleman from Alaska (Mr. YOUNG), made the comment he supported this bill. But the gentleman from Alaska has a follow-on bill that he has introduced that would take the funds for interior projects, land acquisition projects, and move them off budget into a trust fund. Once this process begins to start, the Members of this House lose control over the budget process. The Constitution provides that the House shall have control of the budget process. Moving money from the discretionary accounts to the mandatory accounts destroys the ability of this House to stay within the budget caps and to maintain control over the budget process.

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

Mr. SHUSTER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Pennsylvania (Mr. SHUSTER) is recognized for 30 minutes.

Mr. SHUSTER. Mr. Chairman, I ask unanimous consent to yield half my time to the distinguished gentleman from Minnesota (Mr. OBERSTAR), for purposes of control.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

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

Mr. Chairman, I am a bit puzzled, because my good friend from Florida, and he is my good friend, says that they really support the bill, it is just this provision that they want to knock out. Well, if we knock this provision out, there ain't no beef left in the hamburger. There is nothing there.

This is a killer amendment. This is an amendment that drives a stake into the heart of this legislation. In fact, there is no reason, should this amendment pass, for us to continue with the legislation. I shall pull the bill because there will not be anything here. There will not be any beef in order to improve our aviation system in America.

Further, my good friend talks about the budget problems. There is absolutely nothing in this legislation that affects fiscal year 2000. There is nothing at all, zero, zip, that affects the year 2000. We go out into fiscal 2001 and on out into the future. And why? Because we do not want to dip in to the Social Security surplus. We do not dip into the Social Security surplus. We only take this money from the tax cut, the $778 billion tax cut.

We are told that it is going to be quite a robbery of that $778 tax cut. Well, it is $14.3 billion of $778 million. My arithmetic tells me that is 1.8 percent of the tax cut. And it is only the money that is being paid by the aviation ticket taxes by the people that fly on our airplanes. To take that ticket tax and use it for a general tax cut is morally wrong. If we do not need the money, then we ought to reduce the ticket tax.

Even my good friend says that we have needs out there and we should address the needs. Well, we cannot have it both ways. Where is the money going to come from? It has to come from the Aviation Trust Fund. And, indeed, this amendment also, and get this, this amendment not only kills our effort with the Aviation Trust Fund, it also zeros out the general fund expenditure. So this amendment not only does not take us back to status quo, it takes us back below status quo. It means there will be less money available for aviation than there is today. The inadequate amount we spend today will be cut even further if this amendment were to pass.

We are told we need discipline. All the discipline is there and it continues. And as I said in my previous statement, one big difference between this legislation and TEA–21 last year, in TEA–21 we did mandate that the money be spent. We do not do that here.

The Committee on Appropriations has every bit the jurisdiction that they have today. They have the ability to put in obligation ceilings. They have the ability to reduce the expenditures. And so there is discipline. They have every bit as much discipline as they have today. What they do not have is the ability to take Aviation Trust Fund money and use it for other purposes.

Now, we have heard about the FAA mismanagement. There are problems at the FAA. That is the reason we have reform in this legislation. We provide for an oversight board for the FAA. But beyond that, it is the Committee on Appropriations and the Committee on Transportation and Infrastructure which has oversight jurisdiction over the FAA, and that oversight jurisdiction is unchanged. The Committee on Appropriations and the Committee on Transportation and Infrastructure will continue to have precisely the same oversight over the FAA. So nothing changes there.

For all these reasons, this amendment should be defeated. Because if it is not defeated, then we will not address the issues facing our aviation system. Indeed, when the Speaker of the House makes the extraordinary decision to come to this chamber and vote in favor of the legislation, and the distinguished Democratic leader likewise does the same, this gutting amendment will eliminate the opportunity for them to cast their vote for this legislation, which they do support. Therefore, this amendment should be overwhelmingly defeated.

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

Mr. OBEY. Mr. Chairman, I yield myself 3 minutes and 40 seconds.

Mr. Chairman, I strongly support the Young amendment and urge Members to vote for it. The gentleman from Pennsylvania (Mr. SHUSTER) is wrong. This amendment does not take the beef out of the burger, this takes the pork out of the pork barrel. That is what we are trying to do.

I strongly support airport modernization. My record here over the past 30 years shows that. But I oppose this bill because of two aspects of the Shuster bill. First of all, at a time of huge budget crunches, this bill takes airport spending off budget. The result is that there will be at least $23 billion in extra spending above the amount originally planned in the budget. That money comes out of the surplus. And in my view it is wrong to take it out of the surplus before we consider all other competing needs, including Social Security, cancer research, veterans' health care, and a host of other items.

Secondly, even with the manager's amendment, this bill still provides $12 to $16 billion less room for other high-priority programs, such as education and health and veterans, and that is wrong. Airport safety is a high priority, but I do not see why we ought to insulate them from cuts and yet, in the process, force even deeper cuts in other programs.

Under the budget we have already adopted, this next year alone we will be requiring about a 19 percent across-the-board cut in all of the programs funded under the Labor, Health, Education bill. That means a $3 billion cut in National Institutes of Health; it means denying 2.5 million children access to title I; it means cutting Pell Grants by $300; it means cutting a million families out of LIHEAP; it means cutting veterans' health care benefits by 8 percent. Why should we make those cuts even deeper in order to make sure that airports wind up as the number one funding priority of the government? It makes no sense.

I want to make one other point. The gentleman from Pennsylvania (Mr. SHUSTER) complains about the trust funds not being supported. That is absolutely not true. The trust funds guarantee airports a source of revenue. The trust funds were never meant to guarantee exemptions from a spending squeeze for anybody. And if my colleagues doubt that, they should read the GAO study, which makes clear two things:

Number one, it makes clear there is no reason why operating expenses should not be funded out of the trust fund; and, secondly, it makes quite clear that these funds were never intended to be exempted from the regular appropriations process. Read Senator Norris Cotton's statements during the debate on the bill if anyone should have any doubt about that.

Now, the gentleman from Pennsylvania said that the Committee on Appropriations would continue to have regular oversight. That is nonsense. In fact, what the Shuster bill does is remove any incentive for the Committee on Appropriations to apply any fiscal discipline whatsoever to the airport account because it requires that every dollar that is cut out of operating expenses be transferred into the AIP account. That is oversight without an ability to control funds. That is meaningless oversight.

Mr. Chairman, I do not want to have any Member come to the Committee on Appropriations and squawk again about an appropriations bill being over the limit in the budget if they support the Shuster bill. That would be the height of inconsistency. If Members believe in treating programs the same, they ought not vote for this.

□ 1500

If my colleagues think airports are more important than cancer research, if they think airports are more important than veterans' health care, then by all means, vote for the bill. I do not think that is true, which is why I support the Young amendment.

Mr. OBERSTAR. Mr. Chairman, I yield myself 3 minutes.

Those of the American public who may be watching this debate must be scratching their heads in astonishment and wonderment, because what they are seeing here is the epitome of inside-the-institution debate. ''What are they talking about?'' people must be saying to themselves. Because the average American citizen who boards an airplane knows one thing, they paid a special tax to arrive safely, to take off on time. And we are not using that tax for that purpose to the extent that the tax generate the revenue.

Here is the deal: In 1972, the Congress said to the American air traveling public, you pay a special tax debt dedicated to aviation and we, the Congress, will see that we improve aviation so that you can travel safely, secure, and get there on time. And then we came along for years and said, excuse me, but not all of that money, some that we are going to hold it back, and we held back another $6 billion not being spent for aviation purposes.

I take sharp objection to the characterization of this bill as pork. There are no individual projects designated for anyplace in America on this bill, unlike appropriations bills that come out with a little drab here and a little drab there.

The Committee on Appropriations will continue to have under the manager's amendment and under the law that will result all the authority they need to continue to impose obligation limits. That means withhold spending or not spend any at all if they choose. This is nonsense.

The argument that the Air 21 is going to hurt Social Security, baloney. The increased funding out of the tax that we reserve for aviation purposes will not touch the $700-billion surplus generated by Social Security over the next 5 years. Both the Congressional Budget Resolution and the President's budget spend a part of the surplus not generated by Social Security. Those both do.

Air 21 will spend $14 billion of the taxes we generate for aviation purposes. Do my colleagues not want to keep faith with the traveling public? There is not a member in this body who does not want his or her airport improved, better air traffic control systems, wind shear detection, microburst detection systems, runway improvements, air traffic control towers.

How do we do that? With that dedicated tax. Let us not continue to withhold it when we have a $90 billion surplus on the backs of aviation travelers in the next 10 years if we do not pass this legislation.

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

Mr. OBEY. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the issue is not whether the airport tax should be used for other purposes. It will not be, and it should not be. It is an issue of whether the general fund should continue to subsidize the airport trust fund, and it is an issue of whether or not airport spending should come before cancer research, before veterans' health care, before education, before any other priority in Government.

Obviously, it should not. And that is why we support the Young amendment.

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

Mr. YOUNG of Florida. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas (Mr. DELAY).

Mr. DELAY. Mr. Chairman, I rise in strong, strong support of the Young-Kasich amendment.

Discipline must be maintained in the appropriations process. Now, it is fashionable today to say that Government should be more responsible, but hard choices have to be made to turn this cliche into a reality. Today we have an opportunity to work toward that ultimate goal.

Taking the Aviation Trust Fund off budget in this way is irresponsible. My colleagues cannot have it both ways. They cannot say that they want to take the trust fund and spend it on aviation and, oh, by the way, we also want to keep all the general revenue, too. That is not fair. It is not fair to the appropriations process. It is not fair to the budgeting process. It is not fair to the American taxpayer.

Now, I am all for raising revenues from aviation facilities and from passengers and other ways to pay for aviation infrastructure. I am all for that. But I am not for doing it both ways. Because if they are one of those that want to take it off a trust fund, they ought to live within the budgetary restraints of that trust fund and not dip into the general fund paid by general tax and general taxpayers and have it both ways.

Now, I appreciate the importance of infrastructure. The gentleman from Pennsylvania and the gentleman from Minnesota have done an incredible job in building the infrastructure of this country over the years, and I appreciate what they are doing. I just disagree with them on this in this respect. I served on the Committee on Public Works and remain an avid supporter of infrastructure programs that keep the foundations of our Nation strong. But this bill and this issue goes too far and my colleagues have overstepped their bounds and they have stepped way too far out.

It does bust the spending caps, it does jeopardize Social Security in the way that it is written; and, in the long-term, it imperils tax cuts. And I say to my friend on my side of the aisle, if he wants tax cuts, he cannot vote against the Young-Kasich amendment because this does dip in our ability to allow our families to hold on to more of their hard-earned money. And absolutely none of the spending in this bill is offset.

We must shut this door today, and we must slam it shut for good.

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

Mr. Chairman, I want to thank the distinguished gentleman for his comments. I know he speaks for himself here today, he does not speak for the Republican Conference. Because the agreement was made that this would not be whip, that there would not be a Republican position on this issue. And so, I certainly respect his right to speak his own views and I salute him for doing that. But I also thank him very much for giving me the opportunity to emphasize that he is not speaking the Republican position.

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

Mr. YOUNG of Florida. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. KASICH) the distinguished chairman of the Committee on the Budget.

Mr. KASICH. Mr. Chairman, now, I know there are a lot of people in our offices watching this debate and they are hearing all this talk about the budget process and they do not have a clue what we are talking about. Let me put it to my colleagues in the simplest terms, as I understand it, and what my position is on this.

First of all, if my colleagues want to be in a position where they spend all of the trust fund money that gets collected, there is no disagreement on that. I do not know one person on this floor who says that we ought to raid that trust fund. And we would not raid that trust fund. We could put fire walls around that trust fund so all the money collected to improve the airports in America ought to be spent.

Now, it has been the tradition of the Congress to not only spend all the trust fund money but also to spend the general fund money. Well, that ought to be a decision that we make when we debate our priorities. We ought not to say not only are we going to spend all the trust fund money, but at the same time we are going to make sure that we spend general fund money. Because once we make that decision to make this the highest priority, then we have let go of our ability to establish priorities bill by bill.

And the fact is that if my colleagues are interested at all in giving mothers and fathers a little bit more money in their pocket, I mean if there is ever a time when people could understand the moral nature of tax cuts, when we look at the troubles that families are in in America today, if there is any sweeping thing the Federal Government can finally do is to let people have more money in their pocket, we ought to have that debate.

So, in my judgment, we must reject this amendment because it not only says we will spend all the money in the trust fund, but it also carves out a chunk of money out of the general fund that makes aviation the number one priority over tax cuts and over education or over health care research or over anything else.

So I would urge my colleagues to accept this amendment. And when we vote to accept this amendment, they are saying, we will not raid the trust fund and at the same time we are saying that we will decide on a case-by-case basis whether transportation ought to be funded additionally out of the general fund at the expense of the National Institutes of Health or out of the expense of tax cuts. It seems pretty simple.

So, in my judgment, if my colleagues are worried about going home and saying, we are not raiding the trust fund, they can have it, without further implications that in fact they can get at least the Republican party and those who are interested in letting mothers and fathers have more in their pocket, they can really have it both ways in this case.

So I would urge my colleagues to accept the Young-Archer-Kasich amendment, and I think they will be casting a vote that is in the best interests of their district if they have airports and if in fact they have families.

The CHAIRMAN. The Chair would inform Members that the gentleman from Florida (Mr. YOUNG) has 6 minutes remaining, the gentleman from Pennsylvania (Mr. SHUSTER) has 9½ minutes remaining, the gentleman from Wisconsin (Mr. OBEY) has 11 minutes remaining, and the gentleman from Minnesota (Mr. OBERSTAR) has 12 minutes.

Mr. SHUSTER. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Tennessee (Mr. DUNCAN), the chairman of our subcommittee.

Mr. DUNCAN. Mr. Chairman, I thank the gentleman from Pennsylvania for yielding me the time.

Mr. Chairman, before I make my brief comments, I would like to engage the chairman in a brief colloquy and ask the chairman simply this: Our good friend the gentleman from Texas (Mr. DELAY) said that if this bill passes, Mr. Chairman, that there would be no money left for tax cuts. And my understanding is that there would still be over $700 billion left for tax cuts over the next 10 years or so.

What are the correct figures on that?

Mr. SHUSTER. Mr. Chairman, if the gentleman would yield, the gentleman is absolutely correct. The tax cut is $778 billion. We are talking about $14.3 billion of that, which is only the aviation ticket tax money paid in there, which leaves $764 billion for the tax cut. So the aviation ticket tax portion of that is 1.8 percent. So there will still be 98.2 percent.

Mr. DUNCAN. Mr. Chairman, reclaiming my time, I think that is a very important point. And I am glad the chairman has made it that, even if this bill passes without this amendment, there would still be over $700 billion remaining for the tax cuts that many Members of our conference want.

Mr. Chairman, I rise in opposition to this amendment. This amendment really guts this bill and would not allow us even to keep the status quo, and would certainly not allow us to meet the needs that the expanded use of our aviation system is demanding.

The FAA has many national defense functions. In addition to national defense, the FAA also provides general government services, such as safety regulation certification, and inspection. As I mentioned earlier today, everyone benefits from a good aviation system, even people who do not fly but who use goods that are transported on planes, and people who want our economy to grow and prosper and remain strong.

There is no reason why aviation users should pay for these items that benefit our country as a whole. The general fund must continue to contribute to the FAA's budget in order to pay for these very important functions.

Furthermore, this amendment would continue the practice of using the Aviation Trust Fund to mask the Federal deficit or inflate the on-budget surplus. If this amendment passes, the amount of funding available for airport improvements would be drastically reduced, possibly by as much as 55 percent. The airline passengers, shippers, and general aviation pilots are now paying about $10 billion per year into the Aviation Trust Fund, with no assurance that the money could be spent under current budget rules.

This chart shows that if historic trends continue, the balance in the trust fund will skyrocket to over $90 billion by the year 2009. Since small and medium-size communities rely most heavily on the Federal program for airport funding, they will bear the brunt of the cuts that would be imposed by this amendment.

Our constituents in these areas, in these small and medium-size areas, continue to experience the highest fares and the most diminished air service. Without the additional funding available through AIR 21, small airports will not be able to build the capacity needed to accommodate more air carriers and improve air service.

I urge opposition to this amendment.

According to a study by GAO, as much as 30% of the country is worse off today than before deregulation.

This will get worse, not better, if we do not move the Aviation Trust Fund off-budget.

If you believe that the Trust Fund should be unlocked so that aviation taxes are spent for aviation purposes—so that the trust fund is truly a trust fund—and to help your local communities, vote "No" on this amendment.

This bill does not touch any other program—it simply means aviation money is spent for aviation purposes.

Mr. OBEY. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Minnesota (Mr. SABO).

Mr. SABO. Mr. Chairman, at some point I think public works has come up with a clever idea on how we solve our budget problem. We simply declare everything off budget, and then say that all restraints do not count, and we simply make some additions which are paid for by a reduction in an unpassed tax bill. It is basically what we are doing in this bill. It makes no sense.

Let us be clear about one thing. There is a surplus in the Airport Trust Fund today for one simple reason. We put over $55 billion of General Revenue Fund into the Airport Trust Fund over the years, taxes paid by people who do not travel the airlines, to subsidize the operations and the construction of airports. Maybe that is appropriate, but if it is, it should be decided within the context of overall budget discussion.

We have differing views on what should happen with the future of our budget caps. I happen to think they should be raised. Others do not think so. Some put more priority on some types of tax cuts, different size of tax cuts. But those issues have been debated and argued in totality. What we do in this bill is say that we are going to continue the raid of general revenue for airports and that building airports and the operations of the FAA is more important than anything else that we do. It is more important than housing, which is in a crisis in our State, it is more important that education, it is more important than veterans' health care, it is more important than whatever we do to deal with our educational problems in this country or whatever else my colleagues think is important, dealing with our agricultural crisis.

This bill says we are going to remove aviation, give them increased spending authority, totally out of context, to deal with what happens, be the priorities, of one particular industry, one particular group in our society and ignore the needs of the rest.

We should adopt the Young amendment, and if it is not adopted, we should defeat the bill.

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Illinois (Mr. LIPINSKI), the ranking member of the Subcommittee on Aviation.

Mr. LIPINSKI. Mr. Chairman, the question really is are we going to spend all the money out of the Aviation Trust Fund on aviation. If my colleagues think that it should be spent on aviation, as it was intended to be spent, then they should vote against this amendment.

Right now we have a $9 billion surplus in the Aviation Trust Fund. As was mentioned earlier, if we do not defeat this amendment, it is going to grow to $90 billion over the course of 10 years, money the American people have paid into the trust fund for aviation safety, capacity, overall improvement, overall development.

Now the other part of the question is is there going to be a contribution from the General Revenue Fund? Now, there should be a contribution from the General Revenue Fund because someone has to pay for the military and their use of the aviation system; governments, for their use of the aviation system; and for years 39 percent of the budget for aviation came out of the General Revenue Fund. It has been cut down recently to 32 percent. With our AIR 21 bill, it is going to be cut down to 23 percent.

So, if my colleagues believe that the military, government have an obligation to aviation, 23 percent of the overall bill that we are passing, should be a reasonable amount to come out of the General Revenue Fund, and if my colleagues believe like so many of them say, that they believe all money should be spent out of the Aviation Trust Fund, that goes into the Aviation Trust Fund for aviation, they should vote against this amendment.

Mr. Chairman, I want to say that I oppose this amendment and believe in fairness.

Mr. Chairman, I rise today in strong opposition to this amendment that will strike the general fund payment as well as the off-budget provisions from AIR 21. By unlocking the aviation trust fund and maintaining the general fund payment at the 1998 level, AIR 21 is able to significantly increase funding for aviation infrastructure needs without squeezing out funding for other federal programs. This will not be the case if this amendment passes.

Every American, whether he or she knows it or not, benefits from our national aviation system. The safe and efficient operation of a strong national aviation system allows our national economy to grow and thrive. As a result, the general fund contribution to aviation is more than justified. The general fund payment is used to fund a variety of FAA services that benefit society as a whole, such as safety regulation and certification and security activities to protect against terrorist attacks on U.S. aircraft. The general fund payment also reimburses the FAA for services it provides to military and other government aircraft that do not pay aviation taxes but still use the system.

There is no good reason to eliminate the general fund contribution to aviation. This is especially true under AIR 21 since the bill freezes the general fund contribution at 1998 levels, which results in a 23 percent average general fund share for the FAA. This is down from historic levels of 39 percent and recent levels of 32 percent.

The infrastructure needs of our national aviation system are tremendous. More and more people are flying each day but our aging air traffic control system and aging airports can hardly keep up with demand. Increased funding is needed today to make sure that our aviation system can handle increased demands tomorrow and in the future. The supporters of this amendment recognize this need for increased funding because they leave AIR 21 funding levels intact.

However, because this amendment does not take the aviation trust fund off-budget, the needed increases in aviation spending will squeeze out other discretionary federal programs under this amendment. The only way not to squeeze out other discretionary spending under this amendment would be to underfund aviation programs. This is clearly unacceptable and this is why we need AIR 21 as it is—with a modest general fund payment and off-budget provisions that will allow aviation taxes to be spent on aviation infrastructure needs but will not negatively affect other federal discretionary programs.

I urge my colleagues to oppose this amendment.

Mr. YOUNG of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DREIER) the very able and distinguished chairman of the Committee on Rules.

Mr. DREIER. Mr. Chairman, I want to commend my colleague, the gentleman from Pennsylvania (Mr. SHUSTER) for what clearly is a very good bill. The substantial increases in funding will create new terminals, gates and other airport infrastructure. This, in turn, allows additional air carriers to serve more fliers and more airports which increases competition and efficiency at our nation's airports.

What we have before us at this moment, Mr. Chairman, is a measure to make this a great bill, and it is, as it is currently written, H.R. 1000 does two things that I believe are fiscally unsound.

First, the bill takes the Aviation Trust Fund off budget which reduces accountability; second, the mandate that $3.3 billion from the general fund be spent on aviation programs every year means less tax relief for American families. This amendment will keep the Aviation Trust Fund on budget and allow Congress to make responsible annual decisions about FAA spending.

This debate is about the allocation and control of federal spending and about whether it makes sense to let the FAA run on automatic pilot. The bill spends $39 billion over the next 5 years, which is 14 billion above the baseline. By taking the Aviation Trust Fund off budget, Congress has no incentive to monitor how all that money will be spent.

I want to make sure the FAA is brought into the 21st century so that Americans continue to have the safest aviation system in the world. This amendment will allow this to happen while boosting economic growth through responsible tax relief. In our budget resolution we promised the American people tax relief that would not undermine the Social Security Trust Fund. We voted to save Social Security, provide tax relief, restore our defense capabilities and expand educational opportunities. Without adoption of this amendment, it would put aviation programs above all those priorities.

This amendment, Mr. Chairman, if it passes, the authorized funding levels in H.R. 1000 will not change. On an annual basis we will be able to provide the level of funds necessary to ensure airline safety while staying within the parameters of our budget resolution.

I urge my colleagues to support this bipartisan amendment.

Mr. OBERSTAR. Mr. Chairman I yield 1½ minutes to the distinguished gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. Mr. Chairman, I rise in opposition to the Young-Kasich amendment. This amendment would ensure a continuation of the unsatisfactory status quo in which the taxes contributed by aviation users are not spent to improve our Nation's airports and air traffic control system.

Mr. Chairman, AIR 21 seeks to unlock the Aviation Trust Fund and ensure that the investments necessary to keep our transportation system safe and efficient are made in a fiscally responsible manner without adversely affecting other discretionary programs or Social Security. Some supporters of this amendment would have us believe that AIR 21 will take funding away from Social Security. This is just not true. All of AIR 21's funding increases come from funds available outside of the Social Security part of our budget.

Mr. Chairman, based on the safety needs of our Nation's system, aviation system, the job opportunities which will be created and the fair and equitable treatment of budget issues in this bill. I strongly urge my colleagues to vote against the Kasich-Young amendment and permit our aviation taxes to be used to improve our Nation's airports and air traffic control system.

Mr. Chairman, a vote against this amendment is a vote for air traffic safety.

Mr. SHUSTER. Mr. Chairman, I yield 1 minute to the gentleman from New Hampshire (Mr. BASS).

Mr. BASS. Mr. Chairman, I thank the gentleman from Pennsylvania for yielding this time to me.

Mr. Chairman, enplanements, people getting on to airplanes, rose from 514 million to 642 million passengers per year. That is an increase of 128 million people a year, 25 percent. Total Aviation Trust Fund income in 1992 was $5.9 billion, and it rose to 8.7 billion in 1998. That is an increase of over 31 percent.

Did the money go into airport infrastructure improvements? No. The Aviation Trust Fund expenditures in 1992 were 6.637 billion, and in 1998 they were 5.7 billion. That is a decrease of 14 percent.

Now in 1998 the FAA experienced 101 significant system outages, and one of them lasted for more than 5 days. I would only suggest to my colleagues, Mr. Chairman, that the 642 million people who found themselves in the air in 1998 had no higher priority than taking the Aviation Trust Fund off budget.

Mr. YOUNG of Florida. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Texas (Mr. ARCHER) the distinguished chairman of the Committee on Ways and Means.

Mr. ARCHER. Mr. Chairman, I thank the gentleman for yielding this time to me, and I am very reluctant in standing here to speak for this amendment and, in effect, against the bill.

Our budgetary concept is a flawed one, but we have to live with it, and in order to protect our twin promise for meaningful tax relief and preservation of the Social Security surplus I rise in support of the Young-Kasich amendment.

Only 2 months ago we agreed that Americans were overtaxed at the highest peace-time tax take in history, and they need relief, and we approved a budget resolution instructing the Committee on Ways and Means to provide over the next 5 years $142 billion of net tax relief to hard-working Americans. According to the CBO, the bill before us in its current form would reduce projected surpluses over the same period of time by nearly $43 billion, leaving us with roughly a hundred billion only in tax relief over the next five years.

Colleagues will hear today differing estimates on the impact of H.R. 1000 on the budget surpluses, but they need to know that those estimates are based on the assumption that the administration will lower the spending caps next year. Now I will let my colleagues be a judge of that. We are having tremendous difficulty keeping the spending caps this year, and they are already scheduled to go lower next year under current law. This assumes they will go even lower. That just will not happen.

More troubling is that this bill could eliminate entirely any net tax relief for the year 2001 and force us to renege on our promise for early tax reduction at just about the same time voters head for the election booth next year.

I believe it is imperative that our country have a modern infrastructure and safe and efficient FAA operations. I also agree with the principle that trust fund dollars should be spent for their stated purpose, and a vote for the Young-Kasich amendment does not compromise those goals.

The choice is simple. Colleagues can vote for more government spending, or they can vote to preserve tax relief for retirement, health security, strengthening families and sustaining a strong economy.

I urge the House to vote for the Young-Kasich amendment.

Mr. SHUSTER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New York (Mr. BOEHLERT).

Mr. BOEHLERT. Mr. Chairman, the FAA estimates that passenger use of aviation infrastructure will increase by 43 percent over the next 10 years. Let me submit to my colleagues this is a public safety issue. We cannot safely increase passenger enplanements by 43 percent without making significant new investments in aviation infrastructure.

It is that simple. This bill begins to make the appropriate level of investment in our aviation infrastructure to make it safe.

Let me point out that the adoption of the Kasich amendment would place a critical environmental provision in jeopardy. We cannot afford to shortchange our investment in improving air quality, and this legislation includes provisions that will for the first time provide resources specifically to deal with the purchase of low emission vehicles at airports and air quality nonattainment areas.

□ 1530

Think how important that is.

The 10-airport, $20 million program will promote the expanded use of natural gas and electric vehicles at our Nation's airports, and I submit that is good public policy. I applaud the author, the gentleman from Pennsylvania (Mr. SHUSTER), and the ranking member, the gentleman from Minnesota (Mr. OBERSTAR).

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Ohio (Mr. TRAFICANT).

Mr. TRAFICANT. Mr. Chairman, if we had no trust fund, we would still finance FAA through the general fund. More people flying, more exposure, more risk. The appropriators with this bill still have the control. One of the great chairman, the gentleman from Florida (Mr. YOUNG), would still have that control, and our appropriators.

The Social Security Trust Fund should be used for Social Security. The Highway Trust Fund should be used for highways. The Aviation Trust Fund should be used for aviation. If you want to cut taxes and throw that in the equation, cut taxes.

We have been using trust funds to deceive the true budget and deficit picture in this country for too long. This is a dedicated tax. It should be used for aviation. We should pass it today, this bill, and oppose this amendment. This amendment is very similar to the gutting bill in the highway transportation package. We were able to defeat it then; we should defeat it today.

Mr. OBEY. Mr. Chairman, I yield 1 minute and 45 seconds to the gentleman from Virginia (Mr. WOLF), the chairman of the Subcommittee on Transportation of the Committee on Appropriations.

Mr. WOLF. Mr. Chairman, I rise in strong support of the Young amendment. I cannot believe that this Congress, let me put my words to this side, is ready to do what they may be going to do. There are 144 trust funds. We are not going to do anything for cancer research. We are not going to do anything for juvenile diabetes. We are not

going to do anything for Alzheimer's disease.

Read the Concord Coalition letter. They say this bill is an assault on fiscal discipline. Spending is spending. It is this kind of spending, it is that kind of spending. Spending is spending. My colleagues are going after Medicare, they are going after Social Security, they are going after cancer research, and they are going after, as the gentleman from Texas (Mr. ARCHER) said, the tax cut.

For the integrity of our party, we have worked hard to bring about a balanced budget. Let us not slip back. I strongly urge support of the Young-Kasich amendment.

Mr. OBERSTAR. Mr. Chairman, could I inquire as to the breakdown of time remaining?

The CHAIRMAN. The gentleman from Florida (Mr. YOUNG) has 2 minutes remaining; the gentleman from Pennsylvania (Mr. SHUSTER) has 4½ minutes remaining; the gentleman from Wisconsin (Mr. OBEY) has 7 minutes remaining; and the gentleman from Minnesota (Mr. OBERSTAR) has 7½ minutes remaining.

Mr. OBERSTAR. Mr. Chairman, I yield 1½ minutes to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman for yielding me this extremely generous period of time.

It is an interesting debate we have before us. We have heard that if we spend the Aviation Trust Fund, funds which are collected for the safety and capacity of the aviation system, we might not be able to give generous tax cuts.

Well, let me put a situation to my colleagues. I fly a lot, sit next to people and talk a lot about safety. If you have just been caught in a microburst, and your plane is heading toward the ground, and you are crossing yourself and saying your goodbyes, you are not going to feel really good about that $78 tax cut burning a hole in your pocket, and that is because you did not have the public funds for the Doppler radar to make the system safe for all Americans.

There are only some things you can do with public dollars and with trust funds and tax dollars, and some things individuals can do for themselves. Individuals are not going to get together frequent fliers and collect money for Doppler radar for the local airport. They are going to spend the money on something else. We need that safety investment.

It is also ironic that we are hearing that somehow this is an attack on Social Security. Many of the people are standing up who just voted for the Social Security lockbox because it is a trust fund. Guess what? This is a trust fund. The money is collected for capacity and safety from flying Americans; it should be spent on those purposes.

Now, the chairman of the committee said, it is not spent on anything else; it is true, he is right. We only underspend the money, there is $9 billion in the trust fund, replace it with IOUs, and then we spend it on something else. We are not really spending it on something else because we have replaced it with IOUs. We do not make the critical investments in capacity, we do not make the critical investments in safety, we jeopardize the flying public and the future of aviation in this country all with very shortsighted budget logic. Vote against this amendment.

Mr. SHUSTER. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from California (Mr. DOOLITTLE), a member of the committee.

Mr. DOOLITTLE. Mr. Chairman, I regret that I am in disagreement with some colleagues that oftentimes I am in agreement with, but I think, I really think, this amendment is the wrong way to go.

Anyone who flies knows how inconvenient air travel is becoming, the tremendously long waits that people are experiencing, the crowded conditions one is in, the canceled flights that happen all of a sudden. One knows that one is having traffic control difficulty because the plane cannot land at the destination airport.

All of these things are due to the tremendous increase in congestion at our airports. There is going to be a 10 percent annual increase in passenger miles from now on each year way into the future. We have to get ahead of the game. We have to build up our infrastructure in this manner. We are only asking to spend the money that is in the trust fund to do that. This amendment not only puts it all on budget again, but cuts off the general fund support for vitally needed things like the Doppler radar and other things. For that reason and others I would strongly urge my colleagues to reject this amendment, and let us move forward on the bill.

Mr. YOUNG of Florida. Mr. Chairman, would the Chair advise us as to how much time each of us has remaining?

The CHAIRMAN. The gentleman from Florida (Mr. YOUNG) has 2 minutes remaining; the gentleman from Pennsylvania (Mr. SHUSTER) has 3½ minutes remaining; the gentleman from Wisconsin (Mr. OBEY) has 7 minutes remaining; and the gentleman from Minnesota (Mr. OBERSTAR) has 6 minutes remaining.

Mr. OBEY. Mr. Chairman, I yield 30 seconds to the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. Mr. Chairman, with all due respect to the proponents of this legislation who, I think, are pursuing a worthy goal, it is simply not true that we can afford to do this at this time. The theory says, trust funds should be trust funds. But in reality, we cannot afford this legislation. The simple fact is that we are dipping into the general fund for 30 percent of these monies. We are dipping into the general fund for $3.3 billion.

H.R. 1000 will force Congress to break both the budget caps that we agreed to with the President and to spend part of the Social Security surplus. We simply cannot afford to do that at this time. I urge my colleagues to support the Young-Kasich amendment and to pass the legislation with that amendment.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia (Mr. RAHALL).

Mr. RAHALL. Mr. Chairman, I rise against this legislation for all of the reasons that have been given, but also because of the jeopardy that it imposes for small, quiet, rural areas of our country, those of us without a screaming Dulles Airport in our backyard. The members of this committee who represent small communities in rural areas should take a good look at this bill because it contains a number of initiatives aimed at helping small airports.

While a great deal of attention is often focused on the larger airports in big cities, the importance of airports in rural areas is increasing across our Nation. Indeed, these airports are more than a simple facility to serve the traveling public. They are becoming engines for economic development. Yet, since airline deregulation we have seen a number of serious declines in air service, while the cost of that service has increased. With AIR 21, we mean to do something about this decrease in service and increase in cost to the small airports and consumers across the Nation.

Mr. Chairman, this bill makes a great deal more funding available to these small airports to address their infrastructure needs. I urge defeat of the pending amendment.

Mr. SHUSTER. Mr. Chairman, I yield such time as he may consume to the gentleman from Utah (Mr. COOK).

Mr. COOK. Mr. Chairman, I rise in opposition to the Young/Kasich amendment.

For years we have told the American tax payers that they are paying gas taxes to improve their roads and airport taxes to improve their airports. In reality, they paid gas taxes and airport taxes to pay for welfare programs, the military, the Department of Education and a variety of other programs. This is not right. TEA–21 ensured that gas taxes are again used for our roads. This bill today will do the same for our airports. If we collect a tax for a specific purpose, we should use it for that purpose. If we don't need the money for our airports, then we shouldn't collect it. If we do collect it, then it should be used for airports.

I understand that my colleague Mr. KASICH is trying to be fiscally responsible. But I think the fiscally responsible thing to do is to be honest with the American people about where their money is going. I urge my colleagues to oppose this amendment.

Mr. SHUSTER. Mr. Chairman, I am happy to yield 1 minute to the gentleman from California (Mr. HORN).

Mr. HORN. Mr. Chairman, AIR 21 is a matter of trust with the American citizen. The citizen sees this trust fund as one which uses these excise taxes to assure aviation safety. This is the conservative way to fund programs. If we have to fund and make up for lost time with our aviation infrastructure, then we should be using every dime in that Aviation Trust Fund. If we are not going to keep faith with the American people, then close the fund and lower taxes. But do not come in here and say any funds in any trust fund can be utilized in any way. Presidents have tried to cloud their actual deficit. If we do not strengthen this trust fund, every Member will be after those funds. There will not be enough to sustain the needs for our aviation infrastructure.

Mr. Chairman, if we need expansion, we should expand that aviation tax. We should have several trust funds. We already have one and that is Social Security. We locked it up. So no President can dip into that fund to mask his deficit. We ought to have a separate Surplus Trust Fund beyond the needs of Social Security. That separate Surplus Trust Fund is the source to fund the lowering of the taxes. That would be keeping the trust fund faith with the American people.

Mr. OBERSTAR. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Iowa (Mr. BOSWELL), a pilot.

Mr. BOSWELL. Mr. Chairman, I rise in opposition of this amendment. It has been an interesting parade here this morning of all of the powers that be of this Congress to talk about this issue. Quite a list has been recorded here of things we need to do. But not from the ticket tax on the aviation fund.

Now, those of my colleagues, all of my colleagues fly, they fly a lot. They do not hear anybody complaining to them about that extra fee to fly. They want safety, they want timeliness, they want dependability. They want the air traffic control system to be upgraded. They really want things to be safe. Here is an opportunity to collect the funds for the purpose that it is intended for and use it for that purpose, and the need is great.

Some of my colleagues can give the statistics on how fast it is growing, the passenger traffic and freight traffic, and the need to modernize and extend airports like Miami all the way to California. We have got to do it. Oppose this amendment.

Mr. OBEY. Mr. Chairman, I yield myself 1½ minutes.

Mr. Chairman, I repeat once again, the issue is not whether the trust fund should be spent on other purposes other than aviation; it should not. The question is whether or not the general fund should be required to subsidize the Aviation Trust Fund above and beyond the money that is spent out of the trust fund, even if that subsidization means additional reductions in cancer research, in veterans' health care, in diabetes research, in education, in Pell grants; and, in my view, it should not.

The gentleman from Pennsylvania (Mr. SHUSTER) said the AFL–CIO is for his bill, the NFIB is for it, and the Chamber of Commerce is for it. If that is true, then we have a trifecta today. All three of them are wrong. If we want to preserve budget discipline, if we want to preserve budget discipline, if we want to preserve budget balance and fairness, my colleagues will support the Young amendment, and they will oppose the Shuster amendment unless the Young amendment carries.

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

□ 1545

Mr. OBEY. Mr. Chairman, I yield the balance of my time to the gentleman from South Carolina (Mr. SPRATT).

The CHAIRMAN. The gentleman from South Carolina (Mr. SPRATT) is recognized for 5½ minutes.

Mr. SPRATT. Mr. Chairman, I join my colleague, the gentleman from Ohio (Mr. KASICH) and rise in strong support of this amendment. This amendment strikes Title IX out of the bill. Title IX takes all airport and airway trust fund receipts and all spending off-budget.

We use that word ''off-budget'' around here loosely. What does it mean? In this case, off-budget means that airport and aviation spending will no longer be subject to the discretionary spending caps, one of the most effective devices for controlling the budget we have ever devised around here. It will no longer be subject, it will be so privileged and protected that it will no longer be subject to sequestration if we overshoot those caps.

It also means that when aviation spending is removed from these spending caps, these caps, which already are extremely tight, will have to be ratcheted down, screwed down, and made even tighter. The discretionary spending caps will have to be lowered by at least $8 billion to $10 billion to account for what the aviation trust fund has been taking in every year.

On top of that, about $3 billion, which I will explain in a minute, is effectively carved out of the general fund.

We have had a hard enough time this year. We have only begun bringing the budget to closure under the existing caps. It is going to get even tighter in future years. It will be even harder if we lower these limits even more.

Let me explain an additional problem. When this bill was first written, its authors knew if they just took the aviation trust fund off-budget, sure, they could gain all of the trust fund spending, but they would risk losing general fund spending. It would run as much as $3.5 billion over the last several years. To protect against that loss, they tried to put firewalls around their share of the general fund pie, equal to a little over $3 billion a year.

But it was soon perceived what they were doing. They were trying to have their pie and eat it, too. So the supporters of this bill rewrote the bill. They now say it leaves the Appropriations free to decide just how much should go to the FAA every year out of general revenues.

That argument will not stand up. This bill restricts the amount of the aviation trust fund that can be spent on operations of the FAA, and requires the general fund to make up the difference.

Sure, the Committee on Appropriations can decide not to make up the difference. They can refuse to appropriate the needed funds. If they fail to put up the money, though, the FAA will fall short of what it needs to keep air traffic safe. The firewalls are, in effect, still in place.

What is wrong with taking the aviation trust funds off-budget, or any trust fund off-budget? It sets a troubling precedent. The gentleman from Virginia (Mr. WOLF) just pointed to the problem. There are 144 trust funds in the Federal budget. Supporters of these other funds are already lining up for off-budget treatment, too.

Coming on the heels of this bill will be a nuclear waste bill, with the electric utilities pushing to go off-budget. Then the Land and Water Conservation Fund, with the environmentalists pushing to go off-budget. Why do they want to go off-budget? Because the budget is finally binding; because they want to escape these strictures. The budget which they have finally brought us delivered us from a world of deficits to a world of surpluses. They want to escape the budget, no secret.

If we take this step down this slippery slope, that is exactly what it will be. We risk the balkanization of the Federal budget. On the other hand, if we have the discipline and the forbearance, if we do not dissipate the budget surpluses we see rising on the horizon, within the next 4 to 5 years there should be sufficient surpluses without social security and without any of the 140 trust fund surpluses to allow user fees and dedicated and earmarked taxes to flow through most of the trust funds and still adequately fund other needs out of the general fund.

Every year we hear we are where we are with the budget because of the steps we have taken to stiffen the budget process, the pay-go rules, the discretionary spending limits, the sequestration rules. All of these things have worked. They are complex, they are arcane, but they have worked.

Vote to keep them working. Vote for budget discipline. Vote for this bipartisan, genuinely bipartisan amendment

which is offered by the gentleman from Ohio (Mr. KASICH) and me of the Committee on the Budget and the gentleman from Wisconsin (Mr. OBEY) and the gentleman from Florida (Mr. YOUNG) of the Committee on Appropriations. This is the right way to go.

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

Mr. Chairman, I rise as a volunteer member of the off-budget committee, as suggested by my distinguished friend and colleague, the gentleman from South Carolina (Mr. SPRATT).

Mr. Chairman, I have heard more red herrings in this debate this afternoon than I have heard in a long time on the House floor: No fiscal discipline, all restraints do not count.

Baloney. The aviation tax is a restraint. We cannot get more than the taxes provide. The general revenue limit in this bill, that is a restraint. We do not allow the general revenue funds to increase. Any increase demanded by operations is going to come out of the ticket tax fund. The Committee on Appropriations has the ability to limit obligations. That is a restraint.

Ignore the rest of the budget? Baloney. The same gang that cannot shoot straight today could not shoot straight last year. They said last year on T–21, oh, my God, the sky is falling if we pass this bill. We will not be able to do health care, we will not be able to do education, we will not be able to do all the other good things we want in this Federal budget.

Well, we are doing them. The construction crews are out there on the highways building the road improvements, building the bridge improvements that America wants and needs, making the transit improvements in America's cities they need. All we want is to do the same thing, have the same fairness with the aviation trust fund.

Will our good friends and colleagues on the Committee on Appropriations guarantee a commitment to spend out the revenues into the aviation trust fund that come in from the ticket tax every year? I did not hear any of that in the preceding debate. I did not hear any commitments to assure that the taxes and the interest thereon will be invested for the purpose for which air travelers are taxed. We did not hear any of that debate.

We heard all this stuff about the general revenues of the United States, of the Federal government. Other agencies provide safety services to the public, including the Food and Drug Administration, the Food Safety Inspection Service, the Occupational Safety and Health Administration, environmental protection. They get 80 percent of their budgets, at least, from the general fund. The FAA is going to get about 23 percent.

We are assuring that the taxes into the trust fund will go to cover the cost of general revenues.

Mr. YOUNG of Florida. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding and raising that point.

Mr. Chairman, I am here to tell the gentleman that the Committee on Appropriations will guarantee and does guarantee by this amendment that the income from that aviation tax going into the trust fund would remain there. The interest would remain there. We have not and would not attempt to use that funding for any other purpose. I want the gentleman to be assured of that.

Mr. OBERSTAR. Reclaiming the little bit of time I have left, Mr. Chairman, I appreciate the gentleman and would be delighted if he would just include firewalls. That is all that is missing from that language. What we need to have is real firewalls.

Ultimately, Mr. Chairman, this amendment comes down to how does it affect each Member's State and each Member's airport. Here, come to this desk. Here is a glimpse of the future. Take a look at how the cuts that will result from this amendment will affect Members' airports. We can show them how that will affect their airport.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Wisconsin.

Mr. OBEY. I think there is another question that ought to be asked: How will it affect the country if we blow the budget?

Mr. OBERSTAR. It will affect the country by improving airports, increasing the efficiency of air travel, improving the national economy, keeping America the leader in the world in aviation.

Let us vote for the 21st century. Let us vote for this bill, and vote down on this amendment.

Mr. SHUSTER. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SHUSTER. Mr. Chairman, I have been informed that there is a problem in the Capitol as a result of an event that is taking place in the Rotunda right now, and that Members will not be, though it is a wonderful event taking place, Members will not be able to get here for the vote.

Therefore, in consultation with the gentleman from Florida (Chairman YOUNG), the two of us have agreed that I will make a motion in a few seconds that the committee do now rise, and it will be for about 30 minutes, I am told.

Then we will come back and the two remaining speakers on this amendment will be the gentleman from Florida (Chairman YOUNG) and myself.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. SHUSTER. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I would simply observe that this is not the first time there has been a problem in the Capitol. But I agree with the gentleman's solution.

Mr. SHUSTER. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. WOLF) having assumed the chair, Mr. BONILLA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1000) to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes, had come to no resolution thereon.

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 57 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1655

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. THORNBERRY) at 4 o'clock and 55 minutes p.m.

AVIATION INVESTMENT AND REFORM ACT FOR THE 21ST CENTURY

The SPEAKER pro tempore. Pursuant to House Resolution 206 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1000.

□ 1656

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1000) to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes, with Mr. BONILLA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole House rose earlier today, pending was Amendment Number 2 printed in part B of House Report

106–185 by the gentleman from Florida (Mr. YOUNG).

The gentleman from Florida (Mr. YOUNG) has 2 minutes remaining in debate, and the gentleman from Pennsylvania (Mr. SHUSTER) has 2½ minutes remaining in debate.

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

Mr. YOUNG of Florida. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the Young-Kasich amendment.

This amendment guarantees that aviation will get its fair share of the funding. Our amendment allows us to spend all of the aviation revenues and spend them only on authorized aviation purposes.

Since the trust fund was created in 1970, we have appropriated all of the ticket tax revenues and more. And my amendment does nothing to undermine that policy. This is a policy that is fair to the traveling public.

Our amendment deletes those parts of the bill which bust the budget and put FAA spending on autopilot. Without the amendment, AIR 21 makes already strained budget cap problems $3 billion worse each year because it guarantees a locked-in amount for general fund appropriations.

Our amendment preserves the ability of this Congress to control aviation spending and provide real tax relief for American families. This amendment is endorsed by all of the leading budget watchdog groups, including Citizens Against Government Waste, the Concord Coalition, and Americans for Tax Reform.

Also, we have been advised that because of this section 103(b), the administration is recommending a veto on the bill.

So I would suggest that it would be in all of our best interest and in the best interest of the aviation industry and the flying public and in the best interest of those who are committed to balancing the budget and preserving the surplus for Social Security and, hopefully, in the future for a tax break that we support this amendment and take out the onerous part of this bill that is a budget buster.

I would ask that our colleagues when they come to the floor to take the opportunity to read the handouts that we will have to show just exactly how this is a budget buster and to be assured that we are not taking one penny away from the monies in the trust fund that have been paid in by the traveling public, the people who fly in airlines all over this great Nation of ours.

So the concern that was expressed by my colleague the gentleman from Minnesota (Mr. OBERSTAR) earlier in the debate that that would happen is just not the case. That is guaranteed. That is protected. That is there until somebody changes the basic law. This amendment does not change that. This amendment keeps this bill from being a budget buster.

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

Mr. Chairman, I have been absolutely astonished at the misinformation that has been put out during the course of this debate. People are entitled to different opinions, but they are not entitled to different facts.

Read the bill. Fact one is, this does not break the budget caps. This is funded outside of the budget through a tiny portion of the tax cut.

Fact number 2, this does not touch the Social Security surplus.

Fact number 3, this eliminates general funding.

We hear about general funding, the use of the general fund, as though this were something new. This has been a part of the aviation bill from day one.

Indeed, the very commission that we created indicated that it is proper for there to be general funding for aviation because it is in the public interest.

□ 1700

Fact No. 4: We actually freeze the level of general funding so there can be no increase in spending from the general fund, which takes pressure off the appropriators in the future.

And Fact No. 5: When my colleagues come to the floor, they should look at what this does to their airport if this passes. Primary airports will lose 67 percent of their entitlements; cargo airports will lose two-thirds of their entitlements. General aviation airports will lose all of their entitlements.

The Speaker of the House supports our legislation, the Democratic Leader supports our legislation. Indeed, the Speaker has said he will come to the floor not only supporting this legislation, but actually will vote in favor of our legislation.

So defeat this killer amendment so that we can proceed to do what is right for America and improve America's aviation system. Mr. Chairman, I urge opposition to this amendment.

The SPEAKER pro tempore (Mr. BONILLA.) The question is on the amendment offered by the gentleman from Florida (Mr. YOUNG).

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

RECORDED VOTE

Mr. OBEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 179, noes 248, not voting 7, as follows:

[Roll No. 207]

AYES—179

Aderholt
Archer
Armey
Baldwin
Ballenger
Barrett (NE)
Barrett (WI)
Barton
Becerra
Bentsen
Berman
Biggert
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Boyd
Brown (OH)
Burr
Callahan
Calvert
Canady
Cardin
Castle
Chabot
Chambliss
Clayton
Clyburn
Coburn
Condit
Conyers
Cox
Cramer
Cunningham
Davis (FL)
DeLauro
DeLay
Dickey
Dicks
Dixon
Doggett
Dooley
Dreier
Dunn
Edwards
Ehrlich
Emerson
Eshoo
Etheridge
Everett
Farr
Foley
Fossella
Frelinghuysen
Gibbons
Gillmor
Goodlatte
Goss
Graham
Granger
Green (WI)
Hall (OH)
Hall (TX)
Hayworth
Hefley
Herger
Hinchey
Hobson
Hoeffel
Hoekstra
Holt
Hoyer
Hulshof
Hunter
Hyde
Istook
Jackson (IL)
Johnson (CT)
Johnson, Sam
Jones (NC)
Kaptur
Kasich
Kilpatrick
Kind (WI)
Kingston
Knollenberg
Kolbe
LaFalce
Latham
Levin
Lewis (CA)
Linder
Lofgren
Lowey
Luther
McCrery
McInnis
McIntosh
McKeon
Meehan
Miller (FL)
Miller, George
Minge
Mollohan
Moran (VA)
Morella
Murtha
Myrick
Nethercutt
Obey
Olver
Ose
Oxley
Packard
Pastor
Pelosi
Pickering
Pitts
Porter
Portman
Price (NC)
Ramstad
Regula
Riley
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanford
Sawyer
Scarborough
Schaffer
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Skeen
Skelton
Smith (MI)
Smith (TX)
Smith (WA)
Snyder
Spratt
Stearns
Stenholm
Stump
Sununu
Tancredo
Taylor (NC)
Thomas
Thompson (MS)
Thornberry
Thurman
Tiahrt
Toomey
Vento
Visclosky
Walsh
Wamp
Watkins
Watt (NC)
Waxman
Weller
Weygand
Wicker
Wolf
Wu
Young (FL)

NOES—248

Abercrombie
Ackerman
Allen
Andrews
Bachus
Baird
Baker
Baldacci
Barcia
Barr
Bartlett
Bass
Bateman
Bereuter
Berkley
Berry
Bilbray
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Borski
Boswell
Brady (PA)
Brady (TX)
Brown (FL)
Bryant
Burton
Buyer
Camp
Campbell
Cannon
Capps
Capuano
Carson
Chenoweth
Clay
Clement
Coble
Collins
Combest
Cook
Cooksey
Costello
Coyne
Crane
Crowley
Cubin
Cummings
Danner
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeMint
Deutsch
Diaz-Balart
Dingell
Doolittle
Doyle
Duncan
Ehlers
Engel
English
Evans
Ewing
Fattah
Filner
Fletcher
Forbes
Ford
Fowler
Frank (MA)
Franks (NJ)
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gilman
Gonzalez
Goode
Goodling
Gordon
Green (TX)
Greenwood
Gutierrez
Gutknecht
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinojosa
Holden
Hooley
Horn
Hutchinson
Inslee
Isakson
Jackson-Lee (TX)
Jenkins
John
Johnson, E.B.

Jones (OH)
Kanjorski
Kelly
Kennedy
Kildee
King (NY)
Kleczka
Klink
Kucinich
Kuykendall
LaHood
Lampson
Lantos
Largent
Larson
LaTourette
Lazio
Leach
Lee
Lewis (KY)
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McIntyre
McKinney
McNulty
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller, Gary
Mink
Moakley
Moore
Moran (KS)
Nadler
Napolitano
Neal
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Owens
Pallone
Pascrell
Paul
Payne
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickett
Pombo
Pomeroy
Quinn
Radanovich
Rahall
Rangel
Reyes
Reynolds
Rivers
Ros-Lehtinen
Rothman
Rush
Sanchez
Sanders
Sandlin
Saxton
Schakowsky
Scott
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Slaughter
Smith (NJ)
Souder
Spence
Stabenow
Stark
Strickland
Stupak
Sweeney
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Terry
Thompson (CA)
Thune
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Vitter
Walden
Waters
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Wexler
Whitfield
Wilson
Wise
Woolsey
Wynn
Young (AK)

NOT VOTING—7

Boucher
Brown (CA)
Hostettler
Houghton
Jefferson
Lewis (GA)
Pryce (OH)

□ 1727

Messrs. BRADY of Texas, HILLEARY, WEXLER, FLETCHER, WELDON of Florida and Ms. MILLENDER-MCDONALD changed their vote from ''aye'' to ''no.''

Messrs. DOGGETT, CLYBURN, FOSSELLA, WATT of North Carolina, MINGE, HALL of Texas, GEORGE MILLER of California and SAWYER changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider Amendment No. 3 printed in Part B of House Report 106–185.

AMENDMENT NO. 3 OFFERED BY MR. JACKSON OF ILLINOIS

Mr. JACKSON of Illinois. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B amendment No. 3 offered by Mr. JACKSON of Illinois:

In section 105(a) of the bill, at the end of the matter proposed to be added as section 40117(b)(4) of title 49, United States Code, strike the closing quotation marks and the final period and insert the following:

''(5)(A) If a passenger facility fee is being imposed (or will be imposed) at O'Hare International Airport under paragraph (1) or (4), the Secretary may authorize under this section the State of Illinois to impose a passenger facility fee of not to exceed $1.50 on each paying passenger of an air carrier or foreign air carrier boarding an aircraft at the Airport to finance an eligible airport-related project, including making payments for debt service on indebtedness incurred to carry out the project, at an airport located (or to be located) in the State if the Secretary finds that the project meets the criteria described in paragraph (4)(A).

''(B) The maximum amount of a passenger facility fee that can be imposed at O'Hare International Airport by an eligible entity under paragraph (4) shall be reduced by the amount of any passenger facility fee imposed at the airport by the State of Illinois under this paragraph.

''(C) Except as otherwise determined by the Secretary, if the State of Illinois submits an application to impose a passenger facility fee under this paragraph, the State shall be subject to the same requirements as an eligible entity submitting an application to impose a passenger facility fee under paragraph (1) or (4).

''(D) Paragraph (2) shall not apply to a passenger facility fee imposed under this paragraph.''.

Strike section 105(c)(2) of the bill and insert the following:

(2) by striking ''an amount equal to'' and all that follows through the period at the end and inserting the following: ''an amount equal to—

''(A) in the case of a fee of $3 or less, 50 percent of the projected revenues to the airport from the fee in the fiscal year but not by more than 50 percent of the amount that otherwise would be apportioned under this section; and

''(B) in the case of a fee of more than $3, 75 percent of the projected revenues to the airport from the fee in the fiscal year but not by more than 75 percent of the amount that otherwise would be apportioned under this section.''; and

The CHAIRMAN. Pursuant to House resolution 206, the gentleman from Illinois (Mr. JACKSON) and a Member opposed each will control 5 minutes.

Mr. SHUSTER. Mr. Chairman, although I am opposed to the amendment in its present form, I ask unanimous consent that the time for this amendment be increased from a total of 10 minutes to a total of 16 minutes so that the gentleman will have an extra 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Each side will, under the unanimous consent agreement, have 3 additional minutes.

The gentleman from Pennsylvania (Mr. SHUSTER) and the gentleman from Illinois (Mr. JACKSON) each will control 8 minutes.

The Chair recognizes the gentleman from Illinois (Mr. JACKSON).

□ 1730

Mr. JACKSON of Illinois. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to urge support for an amendment that I actually am planning on withdrawing. I am proud to offer this amendment with my distinguished colleague, the gentleman from Illinois (Mr. HYDE).

Mr. Chairman, this amendment will allow the Illinois Department of Transportation to petition for 50 percent of increased PFC revenues authorized by this bill that will be earned by the Chicago Airport Authority so that PFC funds earned in Illinois will be used in a way that Congress originally intended.

The stated purpose of the Passenger Facility Act was to, and I quote, ''Enhance safety or capacity of the national air transportation system, reduce noise from airports, and furnish opportunities for enhanced competition among or between the carriers.''

Mr. Chairman, this amendment does not impose extra fees on travelers through Chicago. It merely allows the State of Illinois the opportunity to share in additional PFC revenues provided by Air 21 to help meet the needs of all Illinois residents and honor Congress' intent.

Authorizing a division of funds in this way between the city and the State allows for balanced growth. Appropriate use of PFCs has been an ongoing problem since they were instituted in 1990. The city of Chicago collects the $3 ticket tax to the tune of about $100 million a year, although much of this revenue stream is not being used as Congress intended; that is, to increase capacity. Instead, the city uses the PFCs in a number of ways: Number one, to finance a $1 billion facelift at O'Hare Airport that will not ensure one new flight will land at that airport.

In the district of the gentleman from Illinois (Mr. LIPINSKI) where Midway Airport is located, they are using the PFCs to finance a $7 million terminal expansion at Midway. This is Midway Airport. As Members can see, they have the longest runway, of 6,446 feet. 21st Century aircraft, 747s, 767s, and 777s, will never land, I say to the gentleman from Minnesota (Mr. OBERSTAR) at Midway Airport. The runway is too short. It has always been too short.

Therefore, the $76 million that are being used at parking lots and terminal expansion without increasing runway length or space between runways and taxiways at Midway Airport is just another example of how taxpayers and air travelers are paying resources, increased resources under Air 21, without enhancing capacity at some of our Nation's larger airports.

This is Midway Airport. This is O'Hare Airport, under its present configuration. As Members can see, O'Hare Airport, while the busiest airport in the world, is in need of several major improvements in order to increase the length of its runways so that 21st century aircraft can land at this airport.

Mr. Chairman, unless we use passenger facility charges in a way to expand runways, to lengthen runways, to lengthen the space between runways and taxiways, to take airspace more seriously and spacing between aircraft, and not just use the passenger facility charge for offsite airport projects, including the building of highways and light rail across our country, we will indeed never meet the expectations of Air 21.

Mr. SHUSTER. Mr. Chairman, I yield 4 minutes to the gentleman from Minnesota (Mr. OBERSTAR).

Mr. JACKSON of Illinois. Mr. Chairman, I yield 30 seconds to the gentleman from Minnesota (Mr. OBERSTAR).

The CHAIRMAN. The gentleman from Minnesota (Mr. OBERSTAR) is recognized for 4½ minutes.

Mr. OBERSTAR. Mr. Chairman, I, of course, rise in opposition to the amendment offered by the gentleman from Illinois (Mr. JACKSON), but I respect enormously the sincerity and integrity with which he offers this amendment. I appreciate very much his concerns about the use of PFC charges.

When in 1990, as chair of the Subcommittee on Aviation, I crafted the passenger facility charge in conjunction with my colleagues on the Republican side, then our ranking member, the gentleman from Pennsylvania, Mr. Clinger, and with then Secretary of Transportation Sam Skinner, we had in mind that the increased revenues from the PFC would be invested in taxiways, runway improvements; airside, hardside improvements.

But as it turned out over the years, airlines opposed those improvements, airport neighbors opposed major runway improvement projects, and airports turned their attention to the ground side; that is, the access for passengers to the gates and to their aircraft.

Over the years, 23 percent of the PFCs were invested in the hard side improvements and in increasing capacity for airports, increasing competition by adding gates for new competitors.

However, in the nearly decades since the PFC has been in operation, those earlier obstructions to investment in runway and taxiway improvements have been overcome. More of the PFC dollars now are being invested in competition-enhancing projects, and the need for those projects is only growing in the future. We have to give airports the ability to meet those requirements through this additional PFC.

The basic problem with gentleman's amendment, Mr. Chairman, is that it would give another level of government control over what has been a local Airport Authority power.

The prohibition in Federal law that we adjusted in 1990 with the PFC was to lift the prohibition on airport authorities to impose revenue-generating measures. That prohibition applies to the Airport Authority. We did not give such power or legal authority to State government.

The gentleman's amendment would provide that the State of Illinois, not a government authority that has responsibility directly for O'Hare, would gain control over a portion of PFCs that would be generated by O'Hare. In fact, the provision would allow the fees collected at O'Hare to be used for any airport project anywhere else within the State.

That is not appropriate. That violates the integrity of the PFC and of the concept that we initiated in 1990 with the passenger facility charge.

Mr. JACKSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Illinois.

Mr. JACKSON of Illinois. I thank the gentleman for yielding.

Mr. Chairman, if the gentleman would kindly respond to a question, there are no present plans, according to the gentleman from Illinois (Mr. LIPINSKI), as heard earlier by most Members who were present and those who were listening by way of C–Span, indicating that one PFC dollar, according to the mayor of the city of Chicago, will be used for new runways; that not one PFC dollar would be used to expand the 6,446-foot runway at Midway Airport.

My specific question is, since the mayor of the city of Chicago has indicated that PFC revenues will not be used to expand or lengthen runways, they are using most of the PFC revenues, if not all, as the gentleman from Illinois (Mr. LIPINSKI) said earlier, for offsite rail projects, offsite airport projects.

I am interested in gentleman's position on capacity and expanding capacity consistent with the 1991 Act.

Mr. LIPINSKI. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Illinois.

Mr. LIPINSKI. Mr. Chairman, I would just like to say that the gentleman asked me a question earlier in regard to what Mayor Daley had to say at a meeting of the Illinois delegation. He made the statement that he would not use any of the PFC money for the extension of runways or additional runways at O'Hare Airport.

I said to the gentleman, that is what I heard him say, but that is all I agreed to. I didn't say anything about off the airport or anything like that.

Mr. JACKSON of Illinois. Mr. Chairman, I yield 30 seconds to the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, the gentleman from Illinois (Mr. JACKSON) is absolutely, positively right. I was here when the proposal was made for this tax, and foolishly I believed that it was for providing funds to build a third airport, something I am for and something Chicago desperately needs, so I voted for it.

When the third airport fell through because it had to be built in Chicago or it could not be built, then the money was diverted for other purposes. It has never gone for the purpose for which it was promised and intended. That is wrong. The amendment of gentleman from Illinois (Mr. JACKSON) is right and ought to be supported.

They say, we cannot beat City Hall. We are proving it again today. I am for the amendment offered by the gentleman from Illinois (Mr. JACKSON).

Mr. SHUSTER. Mr. Chairman, I yield my remaining 4 minutes to the gentleman from Illinois (Mr. LIPINSKI).

Mr. LIPINSKI. Mr. Chairman, I thank the chairman of the full committee for yielding time to me.

Mr. Chairman, I would like to say, in regard to this particular amendment, I can certainly understand the position of the gentlemen from Illinois, Mr. JACKSON and Mr. HYDE, but I definitely disagree with them. I very strongly oppose this amendment.

Mr. Chairman, first of all, as the gentleman from Wisconsin (Mr. OBERSTAR) made mention, the law states that money collected by an airport or an airport authority is to be spent at that airport or by that airport authority.

The gentlemen from Illinois, Mr. JACKSON and Mr. HYDE, want to move the ability to spend PFC money collected at Midway or O'Hare to the State of Illinois. The State of Illinois has tried once before to do this. A Federal appellate court has turned them down and said that this would be illegal. The money must be spent at O'Hare and Midway Airport.

On top of that, though, the new outstanding Republican Governor of Illinois, Mr. George Ryan, has categorically stated privately and publicly that he wants no PFC money from Midway Airport or from O'Hare Airport to go into any other airport in the State of Illinois.

Mr. Chairman, the gentleman has a very nice blown-up picture there of Midway Airport. If the gentleman went a little bit farther west, the gentleman would even have my home in that picture. Unfortunately, the gentleman did not manage to do that.

But the gentleman did mention the fact that we are spending a lot of money on building a new terminal at Midway Airport. The gentleman said that this is not going to increase capacity. That is an error on gentleman's part. The new terminal being built on the east side of Cicero Avenue will enable us to install 12 new gates at Midway Airport. This will definitely increase the capacity at Midway Airport.

Right now Midway Airport emplanes about 1.1 million people a year. With

the new terminal and the new gates and the increased availability of that facility to people all over Chicagoland, we will have a capacity of close to 8 million emplanements a year.

So I say to my good friend, the gentlemen from Illinois, Mr. JACKSON and Mr. HYDE, that I understand their amendment, but their amendment goes against everything that the PFC has gone for in the past. I ask my colleagues here today, if this comes to a vote, to strongly reject this amendment.

□ 1745

Mr. SHUSTER. Mr. Chairman, I yield back the balance of my time.

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

Mr. WELLER. Mr. Chairman, I rise in strong support of this amendment, an amendment which will help move forward an important project for Chicago and the south suburbs, a third airport which is badly needed.

People often say well, tell us why a third airport is needed for the city of Chicago. So I would like to list three reasons. One, of course, is, as we know, air travel is growing. Air travel is expected to triple in the next 25 years, triple to the point where we will have 90 million passengers travel through the Chicago metropolitan area.

O'Hare and Midway will only be able to accommodate 60 million. Clearly, if we are going to accommodate that growth in air travel, the tripling of air travel, we must expand our capacity. The only way to expand our capacity is a south suburban third airport.

The second reason, in a metropolitan area of 7½ million people in the Chicago metropolitan area, there are 2½ million who reside within a 45-minute radius of the proposed site near Peotone University Park, which is located in the district that I represent, the Chicago south suburbs.

A population of 2½ million people justifies an airport in Baltimore or St. Louis.

Third, when we think about the old adage that when we improve transportation we create jobs, we have to be honest and that does give us the opportunity to bring a quarter million new jobs to the Chicago metropolitan area. We can use them on the Chicago south side, the south suburbs.

A south suburban third airport has bipartisan support. I am pleased that we have the support in leadership from our new Governor George Ryan, our new Senator PETER FITZGERALD, as well as bipartisan support within the House delegation from Illinois, from the gentlemen from Illinois (Mr. JACKSON), (Mr. HYDE), (Mr. EWING), (Mr. RUSH) and myself.

It is that kind of bipartisan support that has made this a good project that is important to aviation, as well as the Chicago area.

I would also like to note that this past week the Illinois State legislature, as well as the Governor, approved $75 million by the State of Illinois to begin purchasing land and begin the process of moving forward on a south suburban third airport, and that was the key part of Governor Ryan's Illinois First Project proposal which was signed into law last week.

This amendment is important because what it does is provides a revenue string to match what the State is already doing, to move forward with the south suburban third airport. I ask for bipartisan support.

Mr. JACKSON of Illinois. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from Illinois (Mr. RUSH).

Mr. RUSH. Mr. Chairman, I want to commend the gentleman from Illinois (Mr. JACKSON) for this amendment. I am just sorry that the amendment will be withdrawn.

This idea, this approach, toward building a third airport in the city of Chicago is much needed. It is much needed for many reasons, as has been stated by many, many others. Let me just say that in my district, the first district of Illinois, we depend on this type of economic development engine to help create jobs in my district, jobs that have been lost over the many, many years, particularly with the closure of the U.S. steel works there in the city of Chicago.

I commend the gentleman from Illinois (Mr. JACKSON) for this amendment. I strongly support a third airport, and I believe that this House should help achieve that particular objective.

Mr. JACKSON of Illinois. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, the stated purpose of the PFC Act was to, and I quote, enhance safety or capacity of the national air transportation system, reduce noise from airports and furnish opportunities for enhanced competition among or between the carriers. In theory, this is a good policy. Today, with the passage of Air 21, that passenger facility charge or ticket tax will go from $3 to $6. While I have shown my colleagues that not one dollar is going to be spent on site for this particular airport, this airport with a 6,446 foot runway, a 747 will never land at this airport, a 767 will never land at this airport, a 777 will never land at this airport, because they are spending a billion dollars creating first class waiting areas for passengers; not only at Midway Airport, but the same thing is occurring at O'Hare Airport and airports all across our country, because Air 21 fails to define the word ''capacity,'' leaving mayors in many municipalities with the ability to spend passenger facility charges as they so choose.

Mr. Chairman, I am respectfully withdrawing this amendment, but the next amendment, which we will debate for the next hour, I look forward to supporting. I thank the ranking member for the opportunity, I thank the chairman of this committee, the gentleman from Pennsylvania (Mr. SHUSTER), for the opportunity to debate this issue.

Mr. Chairman, I ask unanimous consent to withdraw amendment No. 3.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. It is now in order to consider amendment No. 4 printed in part B of House Report 106–185.

AMENDMENT NO. 4 OFFERED BY MR. GRAHAM

Mr. GRAHAM. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B amendment No. 4 offered by Mr. GRAHAM:

Strike section 105 of the bill and redesignate section 106 of the bill as section 105. Conform the table of contents of the bill accordingly.

The CHAIRMAN. Pursuant to House Resolution 206, the gentleman from South Carolina (Mr. GRAHAM), and a Member opposed, each will control 20 minutes.

The Chair recognizes the gentleman from South Carolina (Mr. GRAHAM).

Mr. GRAHAM. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, a quick summary of where we are at, as I understand it and believe it to be, there are a couple of things about the bill that are long overdue. The gentleman from Pennsylvania (Mr. SHUSTER) has quite eloquently pleaded his case that the trust fund, the Aviation Trust Fund, where we collect taxes for aviation purposes, should be taken off budget and should be used for the purposes intended.

I think he used the term it was morally wrong to do otherwise. I am not so sure I would go that far but it is certainly not good business practices, and I applaud the gentleman for wanting to do that because we need to stop masking the debt, and these trust funds are in the asset column of the Federal Government in a general way and they should not be. We should not take people's tax money designated for a specific purpose and misappropriate it. The gentleman from Pennsylvania (Mr. SHUSTER) is absolutely right for doing that.

The problem that I see is that we have done far more than that. We have taken the trust fund that has, I think, an $8 billion surplus this year and projected to be $86 billion by 2008 and we have emptied it out this year or are in the process of emptying it out.

Beyond trust fund money, there are general revenue funds, and in 1997 we came up with a balanced budget agreement and we assigned a number to every function of the government that we deal with; and families and businesses do that every day. We gave this area of our Federal Government a number, and unfortunately what we have done is not only have we taken the trust fund off budget and dumped all the money out, the surpluses and otherwise, between now and 2004 the Office of Management and Budget predicts that we will be missing the mark by $21 billion. We will spend $21 billion more than we have allocated in our budget process, and that money has to come from somewhere.

My concern is, what if the economy turns down? What happens to the next worthy cause that comes to the floor of this House where a case can be made for deviating from that number? What will happen is that all the gains we have achieved in the last 4 or 5 years will go down the tubes, and we will wake up one day when the economy chills out, and we will set in place spending plans that we just do not have enough money for and we are either going to raise taxes or cut government, and I do not really see much of a desire to cut government in good times or bad.

So, unfortunately, the sum of where we are at now is that we have done one good thing and created a very bad thing and we are about to create another bad thing. Part of this bill allows for a doubling of the passenger facility charge that came into being in 1990. Ten years later we are going to double that under this bill.

The gentleman from Illinois (Mr. JACKSON) and others have made a very good case that maybe it does not work right already so taking the trust fund off budget was a good thing. Spending a lot more money than allocated under the agreement is a horrible thing that is going to catch up with all of us, and to add on top of that doubling a facility charge that we are really not so sure how it works is just unnecessary.

Mr. SHUSTER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Pennsylvania (Mr. SHUSTER) is recognized for 20 minutes.

Mr. SHUSTER. Mr. Chairman, I ask unanimous consent that 10 minutes, one-half of that time, be allocated to the gentleman from Minnesota (Mr. OBERSTAR), the distinguished ranking member, for purposes of control.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

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

Mr. Chairman, I rise in opposition to this amendment because there is a well-defined, indeed strictly defined, narrowly defined need to give the local airport authorities the flexibility to increase their passenger facility charges if they can make a case that it is necessary.

This is a very, very carefully crafted part of this legislation, because we are in agreement that airport authorities simply should not be able to willy-nilly raise the PFC, but where they can demonstrate a clear-cut need, then I believe a case can be made.

Let me say particularly to my conservative friends that those of us who are conservatives believe strongly that more and more power should be sent back home to the local area. PFCs are decisions made by the local airport authorities; either directly elected, in some cases, or appointed by the local elected officials. So we are sending back home this decision-making process.

However, we are saying that it will be subject to more vigorous Federal oversight. A PFC can be raised above the $3 level only if the FAA finds the following: That it is needed to pay for high-priority safety, security, noise reduction or capacity enhancement projects and that the project cannot be paid for by available airport improvement grants, which are very significantly increased in this bill; in the case of a building, a road project, that the airside needs of the airport will first be met.

Now, with the higher spending levels in this bill, the increased PFC will probably only be needed at the larger airports. However, it will be needed in some cases. The GAO has identified a $3 billion gap between the airport infrastructure needs and the available airport funds to meet those needs.

Now, the higher trust fund spending in this bill closes two-thirds of that gap, but the PFC increase is needed to close the remainder of that gap in some areas and ensure that the airport safety and capacity projects are fully paid for. This is not a Federal tax but it is a local charge that local governing bodies can make the decision over so the battle can be fought out back home and not made here in Washington, D.C.

So for all of those reasons, I would urge my colleagues to defeat this amendment

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

Mr. OBERSTAR. Mr. Chairman, I yield 2 minutes to the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON).

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, let me express my appreciation to our ranking member and to our chairman for the careful work that has been orchestrated in this bill. I rise in opposition to the GRAHAM amendment, and rise in strong support of Air 21 and especially the provision raising the passenger facility charge cap from $3 to $6.

This provision complements Air 21's prime focus to ensure that our aviation system receives the funding it needs to be safe, efficient and able to meet its needs as we enter the new millennium. All of us want to have safe planes and I do not think there is anyone here who would work for anything less than that.

Also, in my particular area, our Dallas-Fort Worth airport has been the economic beacon for that entire area. We simply do not have the dollars in any other way but to continue to try to get the assistance of this fund for the expansions and improvements that are needed.

□ 1800

By paying a price equal to the cost of a cup of coffee in a terminal, each passenger flying out of an airport can help make that airport faster, safer, and stronger. Instead of making everyone pay for these improvements, the PFCs charge only those people who use and benefit from the airport.

The PFC provision provides flexibility to airports in using the PFCs for airport expansions and improvements. The provision in AIR21 allows airports to use PFCs in the construction of gates and related areas, which is defined to include the basic shell of terminal buildings.

This will allow airports to use the PFC funds to finance expansion projects, which will increase competition and reduce congestion at our Nation's busiest airports. Further, this provision gives local officials the ability to use funds generated by local airports to build terminals at that particular airport.

This, in conjunction with Federal aviation planning, will bring us fully into the 21st century.

Raising the cap on PFCs give airports flexibility in revenue production. For example, I have the pleasure of representing part of Dallas/Fort Worth International Airport.

D/FW's customers would receive great benefits if the PFC cap were raised. The tax on aviation fuel, which is traditionally passed on to the passenger, is part of the aviation funding system. For every dollar D/FW customers pay in aviation fuel taxes, D/FW receives 11 cents in Airport Improvement Program funds.

In contrast, for every dollar in PFCs paid by D/FW customers, D/FW Airport receives 97 cents. PFCs are the most cost-effective way for airports to make improvements to benefit those who use the airport.

Mr. Chairman, PFCs make a difference. This attempt to strip the PFC provisions is short-sighted and politically motivated. I urge my colleagues to look toward the future. I urge my colleagues to look at PFCs in context and see that this minimal charge makes a world of difference. Please vote against the amendment.

Mr. GRAHAM. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, as I understand the statements just made, the only thing

protecting one and one's wallet is some Federal Government agency going to say no to some local government agency they regulate in terms of taxes. If that makes my colleagues feel good, then vote for this. But the consequence is that they are going to double this tax, and it is going to cost $1.425 billion a year to the consuming public.

All of these accounting gimmicks we are talking about up here are inside the Beltway. But there is only one taxpayer no matter what kind of budget one is talking about. It comes out of one wallet, and we are trying to protect people.

This bill has spent more than it should, and we are adding a tax on top of it.

Mr. Chairman, I yield 3 minutes to the gentleman from Illinois Mr. JACKSON).

Mr. JACKSON of Illinois. Mr. Chairman, I thank the gentleman from South Carolina for yielding me this time.

Mr. Chairman, competition and capacity concerns are not new. In fact, many of the same issues were raised in 1991 when the mayor of the city of Chicago came to this House under then the leadership of the very powerful Ways and Means Chairman Dan Rostenkowski where he proposed building a third airport in the city of Chicago.

Heeding warnings from the FAA, the mayor hoped to ease overcrowding and boost competition with a new airport on Chicago's south side. At the time, the Federal Government was cutting funds for new airport construction. But then our most powerful Democratic Ways and Means chairman pushed through legislation which created a $3 passenger facility charge, and the stated purpose of that PFC was to do this, enhance safety or capacity of the national air transportation system, reduce noise from airports, and furnish opportunities for enhanced competition among or between carriers.

Now, what does that have to do with the parking lot? What does that have to do with light rail being built to and from inner-city areas to airports? It has absolutely nothing to do with them, because local mayors are using the passenger facility charge for their own purpose.

How about this? In Chicago, the mayor's third airport was never built. Yet he continues to collect a $3 passenger facility charge. Because of AIR21, he is going to get a $6 passenger facility charge, $6.

So how do we increase capacity? Here is one of the shortcomings of the bill, Mr. Chairman, it does not define capacity for the passenger facility charge to be used on site. How do most pilots define capacity? Not first-class waiting areas and red carpet rooms at airports or more beverages or more leather seats for passengers waiting to get on a flight.

They define capacity in the air, in the air, spacing between planes. That is a safety concern. They define it on the ground, the length of a runway. 747s, 767s, 777s, hey, a trend is emerging here. Aircraft are getting larger. They are not landing on little bitty runways. They need longer runways. Because their wing spans are getting wider, guess what, they also need more space between runways and taxiways. But the passenger facility charge is not being used for that purpose.

So I stand in support of the amendment of the gentleman from South Carolina (Mr. GRAHAM). I am urging you, my colleagues, to support the Graham amendment. It makes sense.

Until Congress is willing to define the passenger facility charge consistent with the 1991 intent of Congress, and that is to enhance competition amongst the carriers and capacity of our national air transportation system, that has nothing to do with the space between first class and coach on an aircraft, I say to the gentleman from Illinois (Mr. LIPINSKI). It has nothing to do with that. It has everything to do with the length of runways and space between runways.

Our FAA Administrator has just recently argued that we need 10 new airports the size of O'Hare in order to handle the capacity concerns. That is where the passenger facility charge revenue should be going, taking pressure off of existing systems as opposed to trying to find more ways to add pressure to existing systems.

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

Mr. Chairman, first of all, the bill and the law makes it very clear that PFCs can only be spent on airport property.

Secondly, there is an implication here that we must not trust local government, because no PFC can be increased unless it not only meets these conditions that we place upon it, but also it is something that the local government, the local airport authority decides to do. I thought we conservatives trusted local government in many cases more than we trust the Federal Government.

The last point I would make is that it is incorrect to assume that just because we increase PFCs, that airports will automatically adopt them. Indeed, today in America, with a $3 passenger facility charge, there are numerous large hub airports which do not charge PFCs, including the busiest airport in America, which is the Atlanta airport, charges zero PFC. In fact, there are seven of the largest hubs of America that charge no PFCs, and 15 of the medium-sized hubs which charge no PFCs. So the suggestion that one is just going to run out and charge PFCs simply is not supported by the facts.

Mr. Chairman, I am happy to yield 4 minutes to the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE. Mr. Chairman, in 1998, there were 648 million passenger enplanements. So this is not some theoretical esoteric subject that most people have no knowledge of.

We all know what it is like to fly today. We all know there are tremendous problems with it, problems that are developing because of the increased usage of air transportation. It is a good thing that this is increasing, but we need to keep up with the development of our capacity in order to handle it.

In 1998, 23 percent of major air carrier flights were delayed. Everyone has experienced that kind of a delay.

Although aircraft technology continues to improve, the time to fly between several major cities has increased over the past 10 years simply due to congestion. To account for delays, airlines have increased scheduled flight times on nearly 75 percent of the 200 highest volume domestic routes.

I might add, we have all experienced that situation where we take off late because the destination airport is exercising control and will not let us take off because they have got too much traffic. We have also been in the air where we circle around and around and around waiting for the ability to land.

American Airlines, just to take one airline, has estimated that, by the year 2014, it expects delays to increase by a factor of 3, or 300 percent, bringing its hub and spoke systems to its knees. Mr. Chairman, this is not just American Airlines. This will be the case more or less to the same extent with all of the other major airlines.

So what are we going to do about it now to avoid a crisis in the future? We are going to let local airports increase the fee they charge on tickets in order to improve their airports. What is the matter with that? That is real local control. It is ridiculous to call this a tax increase, in my humble opinion.

Now, good friends like the gentleman from South Carolina (Mr. GRAHAM) and others feel differently. I respect their reasoning. I just disagree with them. When a local jurisdiction imposes a new fee, I do not call it a Federal tax.

Let me just quote, if I may, now as an illustration of what happens when we increase the fee. It does not mean automatically everybody pays a little more, because there is competition. When we allow these airports to charge those fees, they add new gates. When they add new gates, they get new airlines coming in. When new airlines come in, there is competition, and the price of the ticket drops.

Just consider what happened to take BWI, Baltimore Washington International Airport around here. They used their passenger facility charge to build gates. Southwest Airlines moved into those gates, both in Providence and at BWI, and they commenced service between Providence and BWI.

The Department of Transportation analysis showed that the average one-way fare plummeted from $181 to $53, a drop of 71 percent. Passenger traffic for the 3-month period increased by 884 percent. So obviously the public liked it.

Mr. Chairman, a passenger is much better off paying a PFC, a passenger facilities charge, on top of a $53 fare rather than paying $181 without a PFC. So in many cases, these PFC charges actually result in a great net reduction in cost to the consumer. The consumer should support this.

For that reason, I oppose the Graham amendment and urge all of my colleagues to support the principle of local control and of competition and of improvement in our airport facilities. Oppose this amendment.

Mr. OBERSTAR. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. LIPINSKI), the distinguished ranking member of the Subcommittee on Aviation.

Mr. LIPINSKI. Mr. Chairman, I rise today in strong opposition to the Graham amendment which will strike the provision in AIR21 that allows local airports to increase their passenger facility charge from $3 to $6. In 1990, when the PFC was established, the gentleman from Minnesota (Mr. OBERSTAR) and I worked very diligently in its behalf. We were the strongest supporters of the PFC in this House of Representatives. I today am still one of its strongest supporters.

PFCs are a critical local source of funding for airport infrastructure. Unfortunately, PFCs are the only type of local revenue that is capped by the Federal Government. I want to run that by my colleagues once again. Unfortunately, PFCs are the only type of local revenue that is capped by the Federal Government. However, just because the Federal Government sets the cap on PFCs, it does not mean that PFCs are a Federal tax and that an increase in PFCs is a Federal tax increase.

PFCs are not collected by the Federal Government, are not spent by the Federal Government, and are never deposited in the U.S. Treasury. Rather, PFCs are collected locally, spent locally, and fund important local airport projects. Unlike a Federal tax, the PFC is paid only by air passengers who use and benefit from the airport.

PFC revenues allow local airports to fund needed safety, security, capacity, competition, and noise projects that otherwise would have to wait years for Federal AIP funds or may not be eligible for AIP funds. For example, many airports throughout the Nation have used PFC revenues to build shared and common use gates which can be used by any carrier wishing to serve the airport. The additional gates which are not eligible under the AIP program have helped increase the capacity of the airports as well as help increase competition, which is very, very important today.

Because local airport authorities best know their airport and how it operates, they also know the best way to use scarce aviation funding sources. PFCs are the most often used on projects that provide tangible benefits to passengers using the airport, increasing the comfort and convenience of air travel.

It is important to note that PFCs are not just a free pot of money for local airport authorities. PFCs cannot be collected until a local airport needing funding is identified, and they must expire after a specific project is completed, and it must be planned from beginning to completion.

In addition, PFCs cannot be spent on just any airport project, but only on specific eligible airport development projects approved by the FAA.

□ 1815

Please, I ask my colleagues all to oppose this amendment.

Mr. GRAHAM. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. SAM JOHNSON).

Mr. SAM JOHNSON of Texas. Mr. Chairman, increasing passenger facility charges are, in reality, increased taxes on America's airline passengers. I think it is kind of ludicrous to say they are not just because they are local. They require a Federal approval; therefore, we do control it, and it does go into the national system.

Supporters argue it is just a user fee. We are too fond of using fancy words and arguments to hide our intentions. In Texas, we call it a tax, and that is what it is. Calling this tax a facility charge is like calling airline food dinner.

This tax will just force passengers to pay more for their ticket. And any time the government takes more of our hard-earned money, that is a tax increase. It is regressive, and it will harm those who can least afford it; namely, families and small business people who use airline service to visit relatives and grow their businesses.

We continue to hear the rhetoric about how we must take steps to protect the rights of airline passengers. What better way to start than by not allowing a tax increase and letting Americans keep more of what they earn? This bill is already using up part of the surplus we were going to use for tax relief. I think it is criminal we would deny Americans the tax relief they deserve.

We must not pass another tax on the American consumer. Their burden is already too high. We should be pushing for tax relief, not tax increases.

I urge my colleagues to support the Graham amendment and stop taxing the consumers' paychecks.

Mr. GRAHAM. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Chairman, I rise in strong support of the Graham amendment. In providing both adequate and fair funding for our Nation's aviation infrastructure to carry us into the 21st century, I believe that costs to individual airline passengers must not be increased.

Under current law, local airports are authorized to collect a $3 per passenger per flight segment charge, with a maximum of $12 per round trip ticket. This legislation proposes to double this charge to $6, breaking the current $12 cap and allowing a maximum of $24 per round-trip ticket.

According to CBO, this airfare increase will cost American taxpayers, Mr. Chairman, $475 annually for each $1 increase in the passenger facility charge. If each airport decides to double their PFC, as AIR 21 proposes, this charge will ultimately cost taxpayers over $1.4 billion annually.

I believe this cost increase is both unnecessary and unfair to American airline passengers and taxpayers. Further increasing the PFC negatively impacts the growing low-fare airline industry which provides both competition and reasonably priced air transportation.

The passenger facility charge essentially functions as a tax, hitting hardest those who can least afford it, such as families, leisure travelers and those operating small businesses. As we all know, summer is a highly traveled time, when affordable air travel is vital for Americans traveling across the country to visit their family and friends.

The amendment of the gentleman from South Carolina (Mr. GRAHAM) ensures that the current $3 passenger facility charge will not be doubled to $6.

Mr. Chairman, let us remember the taxpayers and vote for the Graham amendment.

Mr. OBERSTAR. Mr. Chairman, I yield myself 4½ minutes.

Well, we have heard all the arguments now, or virtually all of them, but the one that keeps coming back is the PFC is a tax, it is a burden on America's airline passengers.

Well, let me just take us all back where we started with all this in 1990: 7½ million hours of delay annually, costing Americans $14 billion; need for capacity; need for access to the runways of this Nation's airports. And it was the business travelers of America, it was the Airline Passengers Association and the business traveler, now called the Business Traveler Coalition Organization, that came to my ranking member at the time, Mr. Bill Clinger, and John Paul Hammersmith, the ranking Republican on the full committee, and me, and said we need help; we are ready to support an additional charge to supplement the airport improvement program in order to build the capacity we need at the Nation's airports.

Why are the business travelers important? They are only 10 percent of the passengers, but they generate 50 percent of the revenues. And they said it is important to us to build capacity at the Nation's airports and we are ready to support a passenger facility charge. And we included it in that legislation and we passed it.

It is needed for competition. This bill requires that large and medium hubs dominated by one or two airlines have to file a competition plan before they can have their PFC approved or receive an AIP grant. Competition with the PFC has been important for one of the Nation's most progressive low-fare carriers, Southwest Airlines.

At Columbus, Southwest and Delta wound up with gates built with PFCs; Oakland, new terminal gates to be built with PFCs; Ontario, California, two new terminals with PFCs to serve Southwest Airlines; Orlando accommodated Southwest; PFC to build terminal expansion and capacity for Southwest Airlines; Tampa; and others are in the works. Southwest Airlines is one of the prime beneficiaries, as are many other carriers who did not come in and ask for but benefitted from these capacity enhancements.

Safety is critical. No airport under this legislation will be permitted to impose a PFC above $3 unless they ensure in their plan submitted to the FAA that airside safety needs are being met.

Capacity. Overall, capital development projects take 5 to 7 years to build at airports across this country. They are complex, large projects that need long lead times for design and engineering and they need a guaranteed revenue stream. The PFC provides that guaranteed revenue stream that the airports can use to improve capacity and enhance safety, provide competition, and ensure that America's travelers get to and from their destinations in the time that they require.

And, finally, this is a local initiative. No one directs or requires an airport to impose a PFC. They make that decision on their own. As one after another of my colleagues on the other side of the aisle has said, this is a good conservative issue. Conservatives support it, liberals support it, moderates support it. It passed overwhelmingly. Airports support it, airlines support it, travelers support it; and let this body support it by defeating this amendment and moving America into the 21st century.

Mr. GRAHAM. Mr. Chairman, I yield 2 minutes to the gentlewoman from North Carolina (Mrs. MYRICK).

Mrs. MYRICK. Mr. Chairman, under current law, the local airports are authorized to collect a $3 per passenger fee. I represent one of the busy airports in the country, a medium-sized airport, which has not currently charged the fee. I realize our airport is definitely the economic engine for our community and we rely on it a lot, and it is very important to what happens in growth because we are a fast-growing area. But no matter how we cut it, this is a tax increase.

There is currently a surplus in the aviation trust account, and I just do not think it is right for Congress to be at this point placing an added burden on small businesses and families. We are talking about tax relief and we have been promising that to the American people, and I believe it is pretty hypocritical of us to come back now and implement a $3 tax increase on each airline ticket that the people in this country purchase.

Mr. Chairman, I just want to state that I will support this worthwhile amendment.

Mr. GRAHAM. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman from South Carolina (Mr. GRAHAM) has 8½ minutes remaining; the gentleman from Pennsylvania (Mr. Shuster) has 1½ minutes remaining; and the gentleman from Minnesota (Mr. Oberstar) 1 minute remaining.

Mr. GRAHAM. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. Shadegg).

Mr. SHADEGG. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, right now airline passengers face an 8 percent domestic ticket tax; they face a $12 international departure and arrival charge; they face paying taxes of 4.3 cents per gallon on domestic jet fuel; and right now they face up to a maximum of a $3, by the year 2000, domestic per-flight segment fee. This legislation raises that fee.

My colleagues, a tax increase is a tax increase is a tax increase. Fundamentally, this money is reaching into the pockets of the American people and increasing the charge on those who want to fly. Sure, our airports are economic engines and they need funds to operate, but the case that they need these funds has not yet been made. And for many people the ability to take a discounted short flight to go on their vacation is vitally important to them.

Why do we need to double this fee from $3 to $6 at this particular point in time? The National Taxpayers Union has written on this point and will score this vote, and they say there is no need for this tax increase. At a time when we should be cutting taxes for the American people, at a time when virtually everyone in this room agrees that the American people are taxed and taxed very heavily, instead of cutting taxes, we are increasing taxes. We are giving the local authorities the ability to raise the fees they already charge passengers.

Is the 8 percent domestic ticket tax not enough? Is the $12 international departure and arrival charge not enough? Is the 3.4 cent per gallon domestic jet fuel tax not enough? No, the answer is we need to increase it. Right now we will increase it from $3 to a maximum of $6 per flight segment. The cumulative rate will go from $12 per flight to $24 per flight.

We in Phoenix, Arizona lots of times like to go to San Diego, California for the weekend, and we can do that for $39. If we pass this and they add on what they might be able to add on, perhaps as much as $24 or even $12 for that flight, we will have taken a $39 ticket and raised it to $41, $49, $51, maybe even more than that.

This is a regressive tax which is not needed. I urge my colleagues to join me and support the GRAHAM amendment.

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

As we close out the debate, I think it is appropriate now to go over some of the arguments and talk about what we conservatives believe about this bill in general.

One of the arguments is that local control is better than Washington control. Count me in on that argument. But if my colleagues are going to define local control this way, count me out.

Here is what the opposition is saying. The Congress in 1990 authorized airport groups to be able to tax the consumer, and now we are going to let them double that tax 10 years later. But the only way they can do it is to have a Federal Government agency saying no to them. How many people feel good about that? Is that the type of local control we signed up for when we came to Congress; to authorize a tax at the Federal level, to be implemented at the local level with a Federal agency saying yes or no?

If my colleagues want their fingerprints on this, vote ''no.'' If my colleagues believe taxing people to the tune of $475 million a year by raising it every dollar should be on their watch and they do not care if their fingerprints are on it, vote ''yes.'' But that is not local control. That is bastardizing the concept of local control.

This is not a fiscally sound measure. Taking the trust fund off budget is the right thing to do, I say to the gentleman from Pennsylvania (Mr. Shuster). On that he is absolutely right. But to accomplish that good goal, we blow a hole in the budget caps and we spend $21 billion over the next 4 years that has to come from somebody else's pocket, either from the tax cuts or some other part of the government. We conservatives should stick to the budget numbers. And if we want to fix one bad part of the government, we should not create two other bad things in its wake. That is how we wake up with $5.4 trillion of debt.

It is a good thing to take it off budget; it is a bad thing to overspend in this

area of the government to the tune of $21 billion. And a lousy thing to do in the name of being a conservative is tax people with a new way of taxing them; call it local when it is not and add a $3 tax when they are not administering the tax they created in 1990 in a correct fashion.

And does it affect people? Seventy-five percent of the people that get on airplanes have this tax hit them.

□ 1830

Four hundred and seventy-five million dollars for every dollar they increase. I do not know what Washington is about any longer in terms of conservative and liberal. But I know this, that they are paying taxes, that the American public, no matter what we call it, whether we call it a trust fund, whether we call it general revenue, it comes out of their pocket. That is the one thing in common.

There is one group of people sending us all this money, and we think of a million ways to spend more of it and distance ourselves from it. We busted the budget. We have emptied the trust fund. And we are going to tax people $1.4 billion and say it is somebody else's problem. Stop that.

This bill is excessive enough. Do some good for those people working real hard out there and who cannot stand to have any more money taken out of their pocket, and stop bastardizing concepts in the name of doing good.

Mr. OBERSTAR. Mr. Chairman, how much time remains on this side?

The CHAIRMAN. The gentleman from Minnesota (Mr. OBERSTAR) has 1 minute remaining. The gentleman from Pennsylvania (Mr. SHUSTER) has 1½ minutes remaining.

Mr. OBERSTAR. Mr. Chairman, I yield myself the remaining one minute.

Mr. Chairman, let us get this straight. No airport is required to impose a passenger facility charge. Before a passenger facility charge can be imposed by an airport, it must file a plan. That plan must, under this bill, include provisions for the safety, competition, and show how it is going to enhance capacity. That is what the passenger facility charge was intended for in the first place.

Of the Nation's 531 primary airports, 161 of them in the last 9 years have chosen not to impose a passenger facility charge. No one is required. It is a local decision.

Do my colleagues want their airport to be able to compete in the Nation's airspace? Do my colleagues want their business people to be able to compete in the market in which they are operating? Do they want their passengers to be able to have access to the airport?

If the decision is yes, then they put the PFC in and they do the things that the passengers need and they make it a public policy process. That is what this is all about.

It could not be fairer. It could not be better. It could not for better for America for now and for into the 21st century. Vote down this amendment.

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

Mr. Chairman, I strongly oppose this amendment. A couple of the comments that have recently been made, I am sure inadvertently, factually are not accurate.

For example, this does not bust the budget. The funds are taken from the $788 billion tax cut. Indeed, CBO scores this as a $14.3 billion increase, all of which comes from the aviation ticket tax. But that was another debate that has already taken place, and the House has spoken overwhelmingly in support of our legislation in that regard.

This indeed is a local tax. The gentleman from Minnesota (Mr. OBERSTAR) has quite accurately described it. And it is limited, limited to safety, capacity, noise, and security.

The gentleman from California (Mr. DOOLITTLE) made an excellent point when he reminded us that PFCs enable us to build more gates at airports, and more gates mean more competition. And indeed, most significantly, where we have more competition, we see the price go down.

The example he used, of course, was the Baltimore flight, where close to $100 is saved. So a $3 PFC is really minuscule by comparison. And most importantly perhaps, this is not only a local decision, but it is a decision where many airports have chosen not to impose PFCs which they are able to impose today should they choose to do so.

Indeed, along with over a hundred airports that the gentleman from Minnesota (Mr. OBERSTAR) mentioned that do not have passenger facility charges, 46 of our hubs today do not have PFCs.

So let us let the local people make the decision so they can do what is best for their economy and their community. Vote down this amendment.

Mr. BARCIA. Mr. Chairman, I rise in opposition to this amendment because I strongly believe that the funds collected to improve our airline industry should be dedicated for their intended purpose. The legislation will ensure that future aviation taxes will be dedicated to promptly fund the capital needs of our aviation system and to provide a safe travel environment for the American people.

I believe the issue is very simple. Money collected for air improvements should be used for that purpose as they become available. We all have needs in our district. Bishop airport in Flint needs new radar, Harry Browne in Saginaw needs an instrument landing system and Wurtsmith's runway needs massive improvements. Why should these projects wait if the dollars are available?

We have all had frustrating experiences with air travel, whether it be delays for mechanical reasons or the plane is over-booked. It is because more people are using air transportation than ever before and we have been unable to keep up with consumer demands on the airline industry. This has resulted in congestion problems, flight delays and problems with air traffic control systems. It is important for the general public's safety that we support every effort to make our airports and airplanes as reliable, secure and as safe as possible. AIR–21 is a comprehensive and common-sense approach that will lead to safer travel for the flying public.

AIR–21 will provide support to airports to modernize their systems and will provide long term investments by increasing funding for the Airport Improvement Program for upkeep with the runways and other capital investments. This legislation also increases support for smaller airports who often have limited resources to keep up with technology.

By taking the trust funds off budget, we will be able to dedicate more funds to increase the safety and security of the traveling public—our constituents. I urge my colleagues to oppose this amendment and support final passage of this important bill.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for debate on this amendment has expired.

The question is on the amendment offered by the gentleman from South Carolina (Mr. GRAHAM).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. GRAHAM. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 183, noes 245, not voting 6, as follows:

[Roll No. 208]

AYES—183

Aderholt	Doggett	Jackson (IL)
Andrews	Edwards	Johnson, Sam
Archer	Emerson	Jones (NC)
Armey	Etheridge	Kasich
Ballenger	Everett	Kind (WI)
Bartlett	Fletcher	King (NY)
Barton	Foley	Kingston
Bentsen	Ford	Knollenberg
Biggert	Fossella	Kolbe
Bliley	Franks (NJ)	Kuykendall
Blunt	Frelinghuysen	Largent
Boehner	Gallegly	LaTourette
Bono	Gibbons	Lazio
Brady (TX)	Gilman	Levin
Bryant	Goode	Lewis (KY)
Burr	Goodlatte	Linder
Burton	Goss	LoBiondo
Calvert	Graham	Lucas (KY)
Camp	Greenwood	Lucas (OK)
Cannon	Gutknecht	Maloney (CT)
Capuano	Hall (OH)	McCollum
Cardin	Hall (TX)	McCrery
Castle	Hansen	McInnis
Chabot	Hayes	McIntosh
Chambliss	Hayworth	McIntyre
Coble	Hefley	McKeon
Coburn	Herger	Miller (FL)
Collins	Hill (IN)	Miller, Gary
Combest	Hill (MT)	Mink
Condit	Hobson	Moore
Cook	Hoeffel	Morella
Cox	Holt	Myrick
Crane	Hoyer	Nethercutt
Cunningham	Hulshof	Northup
Danner	Hutchinson	Norwood
Deal	Hyde	Nussle
DeLay	Inslee	Obey
DeMint	Istook	Ose

Packard
Pallone
Pascrell
Paul
Pickering
Pickett
Pitts
Portman
Price (NC)
Ramstad
Regula
Reynolds
Riley
Roemer
Rogan
Rohrabacher
Rothman
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sanford
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shimkus
Shows
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (TX)
Smith (WA)
Souder
Spence
Spratt
Stearns
Stenholm
Strickland
Stump
Sununu
Talent
Tancredo
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Turner
Wamp
Waters
Watkins
Watts (OK)
Weldon (PA)
Weller
Wexler
Whitfield
Wilson
Wolf
Wu
Young (FL)

NOES—245

Abercrombie
Ackerman
Allen
Bachus
Baird
Baker
Baldacci
Baldwin
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bass
Bateman
Becerra
Bereuter
Berkley
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Blumenauer
Boehlert
Bonilla
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Buyer
Callahan
Campbell
Canady
Capps
Carson
Chenoweth
Clay
Clayton
Clement
Clyburn
Conyers
Cooksey
Costello
Coyne
Cramer
Crowley
Cubin
Cummings
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Engel
English
Eshoo
Evans
Ewing
Farr
Fattah
Filner
Forbes
Fowler
Frank (MA)
Frost
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gonzalez
Goodling
Granger
Green (TX)
Green (WI)
Gutierrez
Hastings (FL)
Hastings (WA)
Hilleary
Hilliard
Hinchey
Hinojosa
Hoekstra
Holden
Hooley
Horn
Hunter
Isakson
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kilpatrick
Kleczka
Klink
Kucinich
LaFalce
LaHood
Lampson
Lantos
Larson
Latham
Leach
Lee
Lewis (CA)
Lipinski
Lofgren
Lowey
Luther
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHugh
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller, George
Minge
Moakley
Mollohan
Moran (KS)
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Ney
Oberstar
Olver
Ortiz
Owens
Oxley
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pombo
Pomeroy
Porter
Quinn
Radanovich
Rahall
Rangel
Reyes
Rivers
Rodriguez
Rogers
Ros-Lehtinen
Roybal-Allard
Rush
Sabo
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Scott
Serrano
Shaw
Shays
Sherman
Sherwood
Shuster
Slaughter
Smith (NJ)
Snyder
Stabenow
Stark
Stupak
Sweeney
Tanner
Tauscher
Tauzin
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Traficant
Udall (CO)
Udall (NM)
Upton
Velázquez
Vento
Visclosky
Vitter
Walden
Walsh
Watt (NC)
Waxman
Weiner
Weldon (FL)
Weygand
Wicker
Wise
Woolsey
Wynn
Young (AK)

NOT VOTING—6

Brown (CA)
Gordon
Hostettler
Houghton
Lewis (GA)
Pryce (OH)

□ 1857

Mr. CLAY, Mr. BALDACCI, Mrs. MCCARTHY of New York and Ms. CARSON changed their vote from ''aye'' to ''no.''

Mr. MOORE, Mrs. WILSON and Messrs. TERRY, ROEMER, CONDIT, BRYANT, FLETCHER, HUTCHINSON and LOBIONDO changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. It is now in order to consider Amendment No. 5 printed in Part B of House Report 106–185.

AMENDMENT NO. 5 OFFERED BY MR. ANDREWS

Mr. ANDREWS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B amendment No. 5 offered by Mr. ANDREWS:

In section 126 of the bill—

(1) insert ''(a) STATE BLOCK GRANT PROGRAM AND FISCAL YEAR 2000.—'' before ''Section 47109(a)''; and

(2) insert at the end the following:

(b) AIRPORTS SUBJECT TO EMERGENCY RESPONSE AGREEMENTS.—Section 47109 is amended—

(1) in subsection (a) by striking ''subsection (b)'' and inserting ''subsections (b) and (d)''; and

(2) by adding at the end the following:

''(d) AIRPORTS SUBJECT TO EMERGENCY RESPONSE AGREEMENTS.—If the sponsor of an airport and the Federal Emergency Management Agency or a State or local government entity, that has jurisdiction over emergency responses at the airport or in an area that includes the airport, enter into an agreement that makes the airport subject to the control of such Agency or entity during an emergency for the conduct of emergency response activities by such Agency or entity and such sponsor submits to the Secretary of Transportation a copy of such agreement, the United States Government share of allowable project costs incurred for a project at the airport while the agreement is in effect shall be 100 percent.''.

The CHAIRMAN. Pursuant to House Resolution 206, the gentleman from New Jersey (Mr. ANDREWS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. ANDREWS).

□ 1900

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

Mr. Chairman, this summer and throughout the year around our country, we will unfortunately be faced with many natural disasters: forest fires, floods, other significant storms that deal a great blow to local communities. One of the key aspects of our disaster relief and disaster prevention effort is the use of airplanes in an emergency situation. Whether it is to put out fires or to airlift supplies and materiel, the use of our aircraft in a time of emergency is an essential ingredient towards solving a problem. Equally essential is the use of small airports and airfields around our country.

For example, in my area of New Jersey, there is a small airport that often serves as a point of departure for airplanes that fight forest fires in the New Jersey pinelands. It is very important that these airports remain a part of our national air system, whether it is for emergency relief or whether it is for business or personal travel.

Many of these airports are very challenged when they apply under the Airport Improvement Program because of the local match requirement. Some of the airports are run by public and municipal authorities that have a hard time raising the matching funds; others are privately owned, usually small business people, also finding it difficult to struggle to meet the matching funds.

The idea behind my amendment is that the real measurable and tangible economic value of that disaster relief be credited toward the local matched portion of the AIP grant. In other words, a small airport that is instrumental in our efforts to prevent or provide relief from disaster would be credited on a dollar-for-dollar basis for the value of the emergency service that that airport is rendering, the lost income that that airport is rendering, as a matching requirement for the AIP grant.

Mr. Chairman, I believe that this proposal makes sense from the point of view of emergency disaster relief. It is a fair measure economically for small airports, and I believe it would serve our Nation's air traffic system in a common-sense way.

I have been privileged to discuss this matter with the chairman of the committee and members of the staff, and I understand that he has expressed an interest in working with us to try to facilitate these concerns.

Mr. Chairman, I yield to the gentleman from Pennsylvania (Mr. SHUSTER), the chairman of the Committee on Transportation.

Mr. SHUSTER. Mr. Chairman, I would concur with the gentleman. It would be my hope that we could work

this out, and on that basis I understand the gentleman is prepared to withdraw the amendment, and we will see what we can do; we will certainly try to work something out.

Mr. ANDREWS. Mr. Chairman, reclaiming my time, I thank the chairman and ranking minority Member for their willingness to work out a solution to this problem.

Mr. OBERSTAR. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New Jersey.

This amendment would substantially undermine a basic concept of our airport program: that an airport receiving a federal grant should provide a local matching share of from 10 to 25 percent to demonstrate local commitment to and support of a project.

Under the amendment, any airport could escape the requirement for the local share by signing an agreement with the Federal Emergency Management Agency or a local emergency service, such as a fire department, giving that federal or local entity control over the airport in case of an emergency. We have no information available on how many airports already have these agreements. Nor do we have any indication that any response unit feels that these incentives are necessary to encourage airports to cooperate with them.

I am concerned that under this amendment large numbers of airports would enter into agreements with emergency response units to gain a waiver of the requirement of a local match for AIP grants. In the absence of a strong showing that this incentive is needed to ensure the protection of human life and safety, I do not think we should undermine the requirement for a local match for AIP funds.

I urge Members to oppose the amendment.

Mr. ANDREWS. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. It is now in order to consider Amendment No. 6 printed in part B of House Report 106–185.

AMENDMENT NO. 6 OFFERED BY MR. MORAN OF VIRGINIA

Mr. MORAN of Virginia. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B amendment No. 6 offered by Mr. MORAN of Virginia:

At the end of section 201 of the bill, insert the following:

(c) MITIGATION PROGRAMS.—

(1) IN GENERAL.—Before the Secretary of Transportation may take any action under subsections (e), (f), and (j) of section 41714 of title 49, United States Code (as amended by subsections (a) and (b) of this section), that would result in additional flights to or from a high density airport (as defined in section 41714(h) of such title), the airport operator must submit to the Secretary, and the Secretary must approve, a program for mitigating aviation noise in areas surrounding the airport that would otherwise result from the additional flights.

(2) CONSULTATION AND PUBLIC NOTICE.—An operator may submit a program to the Secretary under paragraph (1) only after—

(A) consulting with public agencies and planning authorities in the area surrounding the airport, United States Government officials having local responsibility for the airport, and air carriers using the airport; and

(B) providing notice and an opportunity for a public hearing.

(3) CONTENTS.—A program submitted under paragraph (1) shall state the measures the operator has taken or proposes to take to mitigate aviation noise described in paragraph (1).

(4) APPROVALS.—

(A) IN GENERAL.—The Secretary shall approve or disapprove a program submitted under paragraph (1) not later than 180 days after receiving the program. The Secretary shall approve a program that—

(i) has been developed in accordance with the requirements of this subsection; and

(ii) provides satisfactory mitigation of aviation noise described in paragraph (1).

(B) DEADLINE.—A program is deemed to be approved if the Secretary does not act within the 180-day period.

(C) FLIGHT PROCEDURES.—The Secretary shall submit any part of a program related to flight procedures to control the operation of aircraft to the Administrator of the Federal Aviation Administration. The Administrator shall approve or disapprove that part of the program.

(5) AIRPORT NOISE OR ACCESS RESTRICTIONS.—Notwithstanding section 47524 or any other provision of law, the Secretary may approve, and an airport operator may implement, as part of a program submitted under paragraph (1) airport noise or access restrictions on the operation of any aircraft that was not originally constructed as a stage 3 aircraft.

The CHAIRMAN. Pursuant to House Resolution 206, the gentleman from Virginia (Mr. MORAN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Chairman, I offer this amendment to help address one of the most contentious issues in this bill, as it affects four large metropolitan airports. For more than two decades, National, JFK, LaGuardia, and O'Hare Airports have operated with a slot reservation system. It was developed for safety reasons, to limit the number of airplanes serving these congested airports.

According to the Department of Transportation, this system is no longer necessary. The technology now in use in our air traffic control system can permit more flights at these four airports without compromising safety, apparently. Earlier this year, the Department of Transportation announced its support of a repeal of the slot reservation system.

Some may question that call to repeal the system. I do not believe, though, that adequate consideration was given to the local communities that will be inundated with increased noise as a result of more flights. These communities and the local governments that represent them have made long-term decisions on the assumption that the total number of flights would remain fixed. Congress, in fact, placed in statute the total number of flights per hour at National Airport in return for transferring the day-to-day operations to a local, regional authority that was capable of raising capital to undertake the major improvements that we have seen at National and Dulles International Airport. The local authority, the Washington Metropolitan Airport Authority and the citizens kept their part of the bargain.

If a majority of Congress is now inclined to mandate more flights at National and the other three slot-controlled airports, I think it is only fair that the local citizens should have a right to work with the airport operators on finding ways to offset the increased noise that these additional flights will inevitably bring.

So in fairness to these communities, any increase in service should be premised on providing the communities adjacent to the airports with an opportunity to revise existing noise abatement programs. The amendment that the gentlewoman from Maryland (Mrs. MORELLA) and the gentlewoman from the District of Columbia (Ms. NORTON) and I are offering would condition new air service at these four airports on the Secretary's approval of a new airport noise reduction program that would include local public input. As part of the noise reduction program, the local airport operators can include restrictions on the use of aircraft originally built for Stage 2 compliance.

The amendment also addresses a growing concern about this potential loophole that can be exploited by some airlines to permit older, noisier Stage 2 commercial aircraft to remain in service beyond the December 31, 1999 deadline for Stage 3 compliance.

Few are aware that FAA regulations on Stage 3 compliance allow older commercial aircraft to meet those requirements simply by modifying their operational manual and reducing the plane's fuel load. Operating with a reduced weight and fuel load, these carriers can recertify old Stage 2 airplanes to meet the upper noise level range permitted under Stage 3 requirements. Thus, these older, noisier Stage 2 planes can remain in commercial use at an airport with predominantly short-haul traffic like LaGuardia and National that serve smaller communities within a defined perimeter or provide frequent short-distance shuttles to major, larger cities. As a result, these airports could receive a disproportionate share of older Stage 2 airplanes, causing a major increase in aircraft noise.

Mr. Chairman, it is not the intent of the Airport Noise and Capacity Act of 1990, which mandated this Stage 3 compliance, to allow older Stage 2 aircraft with no engine modifications to continue to use our Nation's commercial

airports. We need to fix this problem, and the first place to start is at those airports that can anticipate a significant increase in noise and flights.

I think this is a reasonable amendment. I think that it finds a middle ground, and I would urge support for it.

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

Mr. SHUSTER. Mr. Chairman, I rise in strong opposition to this amendment, and I ask unanimous consent that the ranking member of our committee, the gentleman from Minnesota (Mr. OBERSTAR), control one-half of our time, or 2½ minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The gentleman from Minnesota (Mr. OBERSTAR) will control 2½ minutes.

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

I am a bit surprised. I thought we had worked with the gentleman from Virginia to limit the number of flights at Reagan National Airport. But if we did not have an agreement there, then I accept that, and we will have to proceed accordingly.

This is a bad amendment. It is a bad amendment particularly because it would allow local airports to prohibit aircraft with hush kits, while at the very same time the U.S. Government was in a trade dispute with the Europeans over this issue. Our government argued that the Europeans had no right to ban hush-kitted aircraft, and many of these aircraft are just as quiet as Stage 3 aircraft. The airlines spent millions on hush kits with the promise that they would be able to use them. This amendment would break that promise. Indeed, this House weighed in on this trade dispute, and we passed legislation earlier this year to ban the Concorde from flying here if the Europeans banned our hush-kitted aircraft.

So it would be ironic, if not hypocritical, for us to now ban hush-kitted aircraft in our own country after the position that we have taken with the Europeans.

Mr. Chairman, I oppose this amendment, and I reserve the balance of my time.

Mr. OBERSTAR. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, this amendment rolls back the clock on noise abatement. In 1990, this was a major issue: noise at America's airports. As chair of the Subcommittee on Aviation, I held 50 hours of hearings on this subject, along with my good friend and former Member Bill Clinger. In the end, in the legislation of that year, we crafted a requirement that all Stage 2 aircraft, 2,340 in the Nation's fleet at that time, would, by the end of this year, comply with Stage 3 requirements. We are there. By the end of this year, all aircraft in the domestic fleet will meet that requirement. This amendment deals not with whether aircraft meet that requirement, but how they meet that requirement.

The point is that all aircraft will meet Stage 3 requirements by the end of this year. That should be sufficient. That was the standard. That was set so that we would not have each individual airport a patchwork quilt of regulations all across America; one aircraft could fly into this airport, but not into another one. That is nonsense. That is chaos.

The reason we put on a standard is that we would have all airports on the same ground. However, National Airport has a stricter requirement on its curfew. Mr. Chairman, a 757 with a Pratt & Whitney JT8D cannot land at National Airport after 10 o'clock. They have to go to Dulles. How much more does the gentleman want to do? How much more chaos do we want to put in the aviation system? When there is a storm in the Midwest and aircraft are coming in, do we inconvenience passengers because this one aircraft with that engine does not meet this airport's stringent requirements? If we do this all across America, we will again be Balkanized in our aviation system.

The point of Stage 3 was to set the standard: 288.3 decibels. Hush-kitted aircraft meet that standard. Reengineered aircraft meet that standard. It is good enough for all of America, and it ought to be good for this airport as well.

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

Mr. SHUSTER. Mr. Chairman, I reserve the right to close.

Mr. MORAN of Virginia. Mr. Chairman, I yield the balance of my time to the gentlewoman from Maryland (Mrs. MORELLA).

The CHAIRMAN. The gentlewoman from Maryland (Mrs. MORELLA) is recognized for 30 seconds.

Mr. MORAN of Virginia. Mr. Chairman, I ask unanimous consent to give the gentlewoman from Maryland (Mrs. MORELLA) 1 additional minute.

The CHAIRMAN. The Chair can only recognize a unanimous consent request that would extend time equally for both sides.

Mr. SHUSTER. Mr. Chairman, it is my understanding that the time is equally divided, so if the gentleman is asking for 1 minute to be evenly divided so that the gentlewoman gets 30 seconds, plus another 30 seconds on our side, that is fine with me.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mrs. MORELLA. Mr. Chairman, I thank the gentleman for yielding me this time, and I thank him for this amendment, which I have also cosponsored with the gentlewoman from the District of Columbia (Ms. NORTON). Actually, it conditions new service at Reagan National, Kennedy, LaGuardia, and O'Hare Airports on approval of an airport noise program, developed with local input, by the Department of Transportation. The policies that are responsive to local concerns will help the aviation industry remain a good neighbor to the community it serves.

I have to tell my colleagues, there is an awful lot of noise that impacts on our community. It is a growing problem, and we have had many people who have discussed with us the fact that they cannot even entertain on their patios; cannot even do anything but lock themselves into their homes with the increasing noise.

Unlike oil spills or landfills, noise is an invisible pollutant, but the hazards are just as real. It causes stress, much the same as a traffic jam or the threat of a recession. According to experts, noise causes hearing loss, impaired health, and antisocial behavior.

□ 1915

I believe that the people of Maryland, Virginia, and the District of Columbia must have a voice in the ultimate determination of airport noise regulations. After all, these are the people whose lives will be affected for better or for worse by whatever rules are enacted.

The Federal Government should not be in the business of operating airports. The Federal Government has plenty of clout over airports through the airport trust fund and its ability to overturn local decisions.

The Moran Amendment would effectively address the concerns of the communities surrounding the high-density airports, and at the same time address the safety and economic concerns of the airport transportation system. So I urge a yes on the Moran Amendment.

Mr. SHUSTER. Mr. Chairman, I yield the balance of my time to the gentleman from Tennessee (Mr. DUNCAN), a distinguished member of our subcommittee.

The CHAIRMAN. The gentleman from Tennessee (Mr. DUNCAN) is recognized for 1½ minutes.

Mr. DUNCAN. Mr. Chairman, let me simply say this, Air 21 already provides the largest ever increase in noise mitigation measures and funding. However, this amendment goes too far, and would end up eliminating service to and from many cities, and ultimately would drive up the cost of air fares all over the Nation.

Hush-kitted aircraft already meet the very strict FAA stage 3 requirements. Hush-kitted aircraft are just as quiet as any aircraft currently available. These hush kit measures have been approved by the FAA as acceptable means to meet the quieter, more restrictive stage 3 requirements.

Hush kits are manufactured in the U.S., and hush-kitted aircraft are

mainly U.S. aircraft. Restricting their operation for noise operations would be at odds with the FAA's finding that this technology satisfies the very highest noise requirements. It would also adversely affect U.S. manufacturers of hush kits and the value of U.S. hush-kitted planes.

Finally, in February the House passed H.R. 661, threatening sanctions against the European Union if it implemented restrictive noise measures that would adversely affect hush-kitted aircraft. It would be totally inconsistent, Mr. Chairman, for this House to threaten the Europeans if they did this, and then come in and do it ourselves for some of our domestic flights.

This measure proposed by the gentleman from Virginia (Mr. MORAN) is at odds with the spirit of H.R. 61, and would adversely affect U.S. manufacturers of hush kits and hush-kitted aircraft.

I urge defeat of this amendment.

The CHAIRMAN. All time for debate on this amendment has expired.

The question is on the amendment offered by the gentleman from Virginia (Mr. MORAN).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. PORTER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 206, further proceedings on the amendment offered by the gentleman from Virginia (Mr. MORAN) will be postponed.

The point of no quorum is considered withdrawn.

It is now in order to consider amendment No. 7 printed in Part B of House Report 106–185.

AMENDMENT NO. 7 OFFERED BY MR. HYDE

Mr. HYDE. Mr. Chairman, I offer an amendment made in order under the rule.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Part B amendment No. 7 printed in House Report 106–185 offered by Mr. Hyde:

Strike section 201 of the bill.

Redesignate subsequent sections of the bill, and conform the table of contents of the bill, accordingly.

The CHAIRMAN. Pursuant to House Resolution 206, the gentleman from Illinois (Mr. HYDE) and a Member opposed each will control 20 minutes, the Chair believes. The Chair is trying to determine right now what the designated time under the rule is.

If the chairman of the committee will bear with the Chair, he will have that information momentarily.

Mr. SHUSTER. I believe the gentleman from Illinois has 40 minutes under the rule, Mr. Chairman.

The CHAIRMAN. The Parliamentarian is at this time just verifying that.

Mr. HYDE. Mr. Chairman, I ask unanimous consent that we have 20 minutes on one side and 20 on the other, if that solves the problem.

Mr. SHUSTER. If the gentleman makes that unanimous consent request, I agree with it.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The proponent and an opponent will each be recognized to control 20 minutes which the Chair is advised is consistent with the rule as submitted for printing.

The Chair recognizes the gentleman from Illinois (Mr. HYDE).

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

Mr. Chairman, my amendment strikes section 201 of the bill and maintains current law with respect to the high-density rule. Section 201, as amended by the manager's amendment, eliminates the high-density rule for three of the four slot-controlled airports, O'Hare, LaGuardia, and JFK in New York, and modifies it for the fourth, Reagan National.

Although the manager's amendment makes that elimination somewhat slower than was contemplated under the reported bill, the bottom line is that new flights start coming right away.

Let me give some background about why I feel so strongly about this issue. Mr. Chairman, in 1968, the Federal Aviation Administration promulgated the high-density rule, or the slot rule. This was done to manage demand so that delays did not rise above unacceptable levels. That system worked well for 25 years.

In response to demands to lift the rule, Congress in 1994 required the U.S. Department of Transportation to conduct a detailed study to determine whether there was additional capacity at the high-density rule airports and whether the high-density rule should be lifted.

In May 1995, the Department of Transportation published its report in four volumes. One month later, the Department announced that based on this study, it would not change the slot limits at O'Hare or any other high-density-rule airport. This exhaustive study was released just 5 years ago. If anything has changed since then, it is that the air traffic situation at these airports has gotten worse.

Why does this matter to us? Many like to view the high-density rule as a parochial issue of importance only to Chicago, New York, and Washington. This is wildly inaccurate. The high-density rule is a safety issue and a national issue, particularly at O'Hare.

According to the FAA study I just mentioned, O'Hare's maximum safe level is 155 operations per hour. O'Hare is already operating above that level without adding one more flight. Let me repeat, O'Hare is operating above its maximum safe level today without adding one more flight. Even under the changes made by the manager's amendment, we will start adding more flights right away; as I calculated, 80 new more flights a day.

I appreciate the efforts of the gentleman from Pennsylvania (Mr. SHUSTER) in the manager's amendment to ease the pain of this change, but I cannot in good conscience support one more flight into O'Hare. By eliminating the high-density rule, by adding one more flight to O'Hare, much less 80 a day, we are courting disaster. We are shortening the odds that a crash will occur sooner or later.

But this amendment is important to Members for another reason. Eliminating the high-density rule will cause traffic backups at O'Hare. In 1995, in the study, the Department found that eliminating the high-density rule would more than double, do Members hear me, double delays for all travelers using O'Hare. Traffic backups at O'Hare invariably cause ripple effects throughout the entire air traffic system.

If Members want to spend more time sitting on airplanes stuck on the tarmac, then by all means, oppose my amendment. If Members want the air traffic system to work better and faster and safer, then they should vote for my amendment.

I have tried to talk about why this amendment is important to those who do not represent Chicago, New York, or Washington. Let me talk for a moment about the impact on my constituents.

As I have already made clear, my district is the home of O'Hare airport, one of the busiest airports in the world. I am pleased to have O'Hare in my district. It creates numerous jobs, and by facilitating commerce, it build greater wealth for all of us.

However, it also creates a substantial burden on those who live around it, all of whom are my constituents. As policymakers, we must balance the benefits against the burden. It is in that spirit I am offering this amendment.

No one wants to live in a cloud of jet exhaust fumes. The FAA and the EPA do regulate the emissions from individual aircraft, but no one takes care of the problem of accumulating emissions around O'Hare. This is already severe. O'Hare is one of the three top toxic pollutant emitters in Illinois. It emits benzene, formaldehyde, and carcinogenic polynuclear aromatic hydrocarbons. Pardon me if I resist dumping more of these pollutants into my constituents' neighborhoods, and pardon them if they do not want their children around these materials.

Eliminating the high-density rule brings more flights and more pollution. These are not the only pollutants from O'Hare. The same is true for noise.

Many airplanes are still loud. They are getting better, but they are still loud. If you live around an airport, you suffer. If you live around O'Hare, you suffer severely. Eliminating the high-density rule means more flights, more noise, and more rattling windows for my constituents. I think they deserve better, so I urge Members' support for this amendment.

Some have asked, why can I not simply accept the changes to the high-density rule embodied in the manager's amendment. Let me explain, again, I appreciate the efforts of the gentleman from Pennsylvania (Chairman SHUSTER). He has a big bill and he has to balance a lot of interests. He does a remarkably good job in balancing those interests.

However, my loyalty is to my constituents and I must put their interests first. I have already set out the reasons why they cannot accept one more slot. Even under the changes made in the manager's amendment, there will be a limited number of new slots for flights to underserved cities and new entrant carriers immediately.

Even under these changes, there will be an unlimited number of new slots on March 1, 2000, for regional jet aircraft. Even under those changes, there will be an unlimited number of new slots for all aircraft in the late afternoon and early evening on March 1, 2001. Even with the changes, there will be an unlimited number of new slots for all aircraft at all times on March 1, 2002. That is simply more than we ought to bear.

Mr. Chairman, it is not very often I come to the floor and tell my colleagues that I hope I am wrong. Today I have that sad duty. I hope that I am wrong and there will not be an airline disaster at O'Hare. I hope that I am wrong and there will not be delays. I hope that I am wrong and there will not be more pollution and more noise in my district.

Unfortunately, I fear that I am right. For that reason, I urge Members to support this amendment.

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

Mr. SHUSTER. Mr. Chairman, I ask unanimous consent that the ranking member of our committee, the gentleman from Minnesota (Mr. OBERSTAR) control one-half of the time, or 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

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

Mr. Chairman, I rise in strong opposition to this amendment from my good friend, the gentleman from Illinois (Mr. HYDE). The reason I must rise in opposition to this amendment from my very good friend is because slots are an anachronism. They were first imposed in 1969 because air traffic control at that time could not handle increased traffic.

Since then, the FAA has developed a flow system that meters the air traffic so controllers can handle it. This system is being further improved. At other busy airports around the country, Atlanta, Dallas, L.A., Boston, Newark, there are no slot controls. Some of these airports are busier and more congested and just as landlocked as slot-controlled airports.

There is no reason to continue slot controls. This bill phases out the slot rules in a timely and orderly fashion. In Chicago, slots are not eliminated until 2002. In New York, 2007, except for new regional jet service.

There is no safety reason to keep the slot controls, and from the very same report that my good friend quoted from, let me quote from page 3: ''Changing the high-density rule will not affect air safety. Let me say it again, changing the high-density rule will not affect air safety.'' So it is not a safety issue any longer.

The FAA administrator testified earlier this year, and of course the report that my good friend and I both have referred to is 4 years old, but the FAA administrator testified earlier this year that there is no safety reason for slot rules. The slot rules restrict competition and result in higher air fares by keeping out new airlines.

I totally respect my friend's position in looking at it from a local perspective for his constituents. We have to look at this from a national perspective, and from the concern and the interest of air passengers all across America.

□ 1930

The slot rules hurt small and midsized communities in the East and the Midwest by blocking their access to Chicago and New York.

The 1993 Presidential Commission recommended the elimination of the slot rules. In a March 1999 report, this year, not 4 years ago but this year, GAO found that the slot rules restrict competition and result in higher airfares, and all the new service allowed by the elimination of slot rules will have to be provided by the quiet stage 3 aircraft.

Indeed, stage 3 aircraft is much more quiet. One stage 2 DC–10 makes as much noise as 9 new Boeing 777s. In fact, in 1975 there were 7 million people who were exposed to 65 decibels or higher.

In 1995, that figure is down to 1.7 million, and by 2000 that figure will be down to 600,000. So very, very substantial improvements are being made in noise reduction. Indeed in Air 21, we have $612 million for noise reduction as opposed to $246 million which was in the previous bill. So we are very mindful of the issue of noise, very mindful of the issue of safety and very mindful of the issue of the high costs which are imposed when one limits access to airports such as O'Hare and other airports.

We need more competition. One of the ways to do it is by lifting the slot rules which were imposed 30 years ago in a different time. It is not realistic to expect the air traffic system to be frozen indefinitely in the face of the rising demand, especially when new service can be accommodated safely.

For all of these reasons, I must with reluctance, out of respect for my dear friend, but nevertheless vigorously, oppose this amendment.

Mr. Chairman, I reserve the balance of my time

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

Mr. Chairman, I would just say to my dear friend from Pennsylvania (Mr. SHUSTER) that opposing a third airport is the way to stifle competition. God forbid we should have a third airport and open up more slots and more gates and invite other airlines in. American and United would not like that. So to say that my amendment hampers competition, no, my amendment is designed ultimately to get to a third airport which Chicago is going to have, whether we stand in the way or not, it has to have, but that is the way to eliminate competition.

Now, anybody who says air density has no connection with safety never looks out the window as the plane is circling in bad weather. Believe me, the more flights that fill the air, if one does not think that creates a safety problem then I do not know what pilots they are talking to. O'Hare has 900,000 flights a year. It is the busiest airport in the United States, and to make it more busy may satisfy the balance sheet but I do not think it answers the human equation.

Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Chicago, Mr. JACKSON.

Mr. JACKSON of Illinois. Mr. Chairman, I thank the gentleman from Illinois (Mr. HYDE), the distinguished chairman of the Committee on the Judiciary, for yielding me the time.

Mr. Chairman, I rise in strong support of the Hyde-Morella amendment to address the high-density rule at hub airports that are essentially at capacity.

It does not take a rocket scientist to understand the nature of the problem here, I would say to the ranking member and to the chairman; not a rocket scientist at all. There are 875,000 take-offs and landings at the busiest airport in the world, 875,000 per year; at Midway Airport in the city of Chicago, 175,000 take-offs and landings every year. At operational capacity, O'Hare essentially reached it 6 years ago and now there is an effort afoot by this Congress, which this amendment fortunately stops, an effort afoot to add

more than 875,000 operations at O'Hare Airport every year; 875,000. The head of the FAA, Jane Garvey, has suggested that air transportation in the future, particularly in this region, will grow as much as a million additional operations at the O'Hare Airport and in the midwest region, 1 million.

Without that high-density rule, we are now trying to squeeze 1,875,000 potential operations at O'Hare Airport, an airport that is incapable of handling the kinds of operations that the gentleman from Illinois (Mr. HYDE) and I have been articulating for the last couple of hours today.

So what is the airport doing to accommodate 875,000 operations? They are now cross-landing flights at O'Hare Airport. That is not half of it; cross-landing flights at O'Hare Airport at night. The pilots' union has objected to it, saying that it is dangerous.

Most recently, maybe within the last year, year and a half or so ago, a British Airways flight was in the process of taking off, a 747 taking off on one runway, I believe it was 32 left, at O'Hare Airport; a 727 was landing. They had approval to take off and land on cross-runways at the same time, and because the British Airways pilot saw it, he hit his brakes and blew out six tires because he realized that the 727 was incapable of stopping.

We just implemented this cross-landing procedure at O'Hare Airport within the last 2 years to address the capacity problem, and so because smaller air flights are now being cancelled from rural Illinois and other parts of Illinois into O'Hare field, our effort now is to try our best to increase competition amongst the carriers by lifting the high-density rule so that smaller aircraft can arrive at O'Hare Airport. It always works in the short run, but the high-density rule was specifically put in place for safety reasons, and that is critical and it is also very, very important. In particular, because when one looks at the reality that most of these routes are not as profitable for the larger carriers, once they get the slots they end up cancelling the small aircraft to smaller rural areas in favor of larger international flights and longer distance hubs. It keeps happening at O'Hare and that is why Archer Daniels Midland no longer has access to O'Hare Airport. That is why aircraft traveling directly from Moline, Illinois no longer have access to O'Hare Airport because the larger aircraft need the slot space, and that will not happen and be addressed until we balance this growth and build a third airport.

Mr. OBERSTAR. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Illinois (Mr. LIPINSKI), the ranking member of the Subcommittee on Aviation.

Mr. LIPINSKI. Mr. Chairman, I rise in strong opposition to the Hyde-Morella amendment that will strike section 201 access to high-density airports from H.R. 1000. I will focus today on the high-density airport of greatest interest to my friend, my colleague, the gentleman from Illinois (Mr. HYDE), and myself: Chicago O'Hare International Airport.

The high-density rule was issued by the FAA in 1968 as a temporary, I repeat a temporary, measure to reduce delays at congested airports. The high-density rule was never designed for safety purposes. I will run that by once again. The high-density rule was never designed for safety purposes. In fact, on February 11, 1999, Jane Garvey, administrator of the FAA, testified before the Subcommittee on Aviation that there are no safety reasons for the high-density rule.

In addition, facility representatives of the air traffic controllers working in O'Hare's tower wrote that the controllers support the elimination of the high-density rule and agree that O'Hare, and I quote, is capable of handling an increase in traffic without adversely affecting safety. Therefore, contrary to what others want us to believe, eliminating the high-density rule will in no way affect air safety.

In fact, the FAA has sophisticated air traffic control programs and procedures in place to provide for safety.

For example, the FAA's central flow control system limits air traffic to operational safety levels based on the capacity of runways and airports, and it is implemented independently of the limits of the high-density rule. Air traffic controllers will continue to apply these programs and procedures for providing safety, regardless of whether the high-density rule is in place or not. Simply put, the FAA will never put more planes in the air than the system could adequately handle, and eliminating the high-density rule is not going to change that fact. There are no safety reasons for the high-density rule.

In addition, the high-density rule is no longer needed for its intended purpose of reducing delays and congestion. In fact, as a result of air traffic control improvements, congestion-related delays at O'Hare have decreased approximately 40 percent over the last decade as operations have increased. Unfortunately, O'Hare cannot fully benefit from all the improvements that enhance capacity and reduce delays. Although O'Hare could easily and efficiently handle an increase in air traffic, it cannot because of the artificial constraints of the high-density rule. In other words, the high-density rule does not reflect the capacity of O'Hare Airport but, rather, unnecessarily limits the capacity of the airport.

As for the issue of noise, which I know my colleague from Illinois is very concerned about, the high-density rule does not really serve as a noise mitigation tool. In fact, one effect of the high-density rule has been to increase operations between 6:45 a.m. and after 9:15 p.m., the hours the slot rule is in effect, because aircraft do not need slots to operate at these times.

Elimination of the high-density rule will actually reduce noise at night and in the early morning hours because airlines will have more scheduling flexibility to operate during the day.

More importantly, in 2002 when the high-density rule is eliminated, only the quieter stage 3 aircraft will be able to serve O'Hare Airport. A 1995 study of the high-density rule by the Department of Transportation found that the removal of the high-density rule at O'Hare, in conjunction with the mandated phase-out of noisier stage 2 aircraft by the year 2000, would shrink the number of people adversely impacted by noise near O'Hare from 112,349 in 1995 to 20,820 in 2005, a net decrease of 91,529.

This is also supported by the City of Chicago's projected noise contour for O'Hare in the year 2000.

It is clear that there is no real reason to keep the high-density rule in place. However, eliminating the high-density rule will provide immediate and substantial benefits. Today, very few new entrant carriers are able to serve O'Hare because it is extremely costly to either buy a slot or go through the political process of obtaining a slot exemption. Lifting the high-density rule will create new opportunities for new entrant airlines. This will increase competition and lower fares for consumers. Without slots, carriers will also have the scheduling flexibility to serve more destinations. In fact, carriers may be more inclined to serve small- and medium-sized communities because they will no longer have to worry about using their precious few slots on the most profitable routes. Eliminating the high-density rule allows all airlines, big or small, new or old, to serve O'Hare Airport, giving consumers more choice, lower fares, and greater convenience.

I urge my colleagues to oppose the Hyde/Morella amendment. The Committee has already conceded to significant changes to Section 201, including delaying the elimination of the high-density rule at Chicago O'Hare to the year 2002. Let O'Hare Airport operate safely and efficiently like every other slot-free airport in the nation by opposing this amendment.

Mr. SHUSTER. Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee (Mr. DUNCAN), the distinguished chairman of our subcommittee.

Mr. DUNCAN. Mr. Chairman, I thank the gentleman from Pennsylvania (Mr. SHUSTER) for yielding me this time.

Mr. Chairman, I rise in opposition to this amendment. This amendment would continue the practice of unnecessarily limiting the number of flights to and from O'Hare, Kennedy, LaGuardia, and Reagan National Airports.

This is an anticonsumer amendment, an anticompetition, anti-free enterprise amendment.

The slot rule has unfairly prevented new service by new entrant carriers at

these airports. New entrants are unable to secure enough slots during desirable peak periods to provide viable service.

Furthermore, established air carriers are discouraged from serving small communities since it is most profitable to allocate their precious slots to routes that carry the most passengers.

In some cases, airlines use the slot rule to protect their market dominance. At LaGuardia, carriers use smaller prop planes in jet slots to meet their usage requirements. This prevents the FAA from revoking their slots and giving them to competitors.

According to the DOT study that has been mentioned already here, the elimination of the slots will reduce airfare and encourage new service. Consumer benefits would total at least $1.3 billion annually.

□ 1945

According to this study, airfares on flights through LaGuardia, Reagan National, and O'Hare would drop an average of 5 percent. This amendment, however, will go in the opposite direction, lead to higher fares, less service, and lose the $1.3 billion in consumer benefits the DOT study found are possible.

The DOT found that the airports in New York and Chicago could easily accommodate many new flights every day. Planes, Mr. Chairman, are much quieter now than 30 years ago when slots were first imposed. Small and medium-sized communities would benefit most from these additional flights, receiving the access they need to these major markets.

Contrary to some claims, lifting the restrictions will not adversely affect safety. The FAA has assured us on this. In fact, the administration's own FAA reauthorization bill also contained provisions to eliminate slot restrictions.

Many large airlines do not use all of their slots that they presently have, and lifting slot restrictions would, I think, not lead to any noticeable increase in the actual number of flights. I oppose this amendment.

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

Mr. Chairman, I want to correct a statement I made previously. I indicated previously that we had allocated $612 million for noise abatement. That was what was in our original bill. However, when we had to scale back the cost of the bill to conform with our agreement with the Speaker. One of the figures that was reduced was that, and it was reduced to $406 million. That is the accurate figure. It still is nearly twice as much as the previous legislation.

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

Mr. HYDE. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman from Illinois (Mr. HYDE) has 7 minutes remaining.

Mr. HYDE. Mr. Chairman, I yield 5 minutes to the distinguished gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Chairman, I thank the gentleman from Illinois for yielding me the time.

Mr. Chairman, I rise in strong support of the Hyde-Morella amendment which would strike the provisions in the bill that would eliminate the slot rule, the limitations on take-offs and landings at O'Hare, LaGuardia and Kennedy Airports, and would add six flights to Reagan National Airport.

I urge my colleagues not to tamper with the slot rule at our Nation's high-density airports. In 1968, the slot rule was established as a solution from traffic congestion and delays at five high-density airports. Since that time, only Newark Airport has eliminated the slot rule, and Newark now has one of the highest rates of delays in the country.

Eliminating the slot rule at Kennedy, LaGuardia, and O'Hare and adding flights to National means the traffic congestion will increase at these airports. Passengers will be the ones to suffer the frustrating delays.

Over the years, the slot rule has evolved into a noise issue and a quality of life issue for citizens who live in the vicinity of the high-density airports. The existing slot rule at Reagan National Airport was a compact among Federal, local and airport officials. Its establishment by the Federal Aviation Administration was in response to the many appeals of citizens and local elected officials for relief from airport noise. Its preservation is essential to the promises that were made during the development of legislation, providing for the transfer of National and Dulles Airports from FAA control to the Metropolitan Washington Airports Authority.

Any attempts to alter the slot rule would be a breach of the good faith agreement between the FAA and the local community. Changes in the slot rule would destroy years of hard work by citizens, Members of Congress, the Washington regional government, and airport officials to provide genuine relief to the surrounding communities that are impacted by airport noise.

Limiting flights in and out of airports is an effective way to cut down on airport noise. I happened to notice in the CONGRESSIONAL RECORD that another bill, the National Parks Overflights Act, would manage and limit commercial air tour flights over and around national parks. The rationale behind this measure is that visitors to our national parks deserve a safe and quality visitor experience. 'Natural quiet,' or the ambient sounds of the environment without the intrusion of manmade noise, is a highly valued resource for visitors to our national parks. As commercial air tour flights increase, their noise also increases, and this increase in noise could hinder the opportunity for visitors on the ground to enjoy the natural quiet of the park.

In many ways, the District of Columbia is like a national park. Millions of tourists flock here each year to visit the monuments, the White House, the Smithsonian, and the Capitol. Anyone who has spent a solemn moment in front of the Vietnam Memorial knows that their solemnity is constantly interrupted by noisy overflights. The District is our Nation's Capitol, and we have every responsibility to protect the quiet and safety of our visitors who want to savor the history of our national city in a peaceful setting.

What about safety? According to pilots, Reagan National is not the easiest place to land a jumbo jet full of passengers. Even the most seasoned pilots admit it is hard to maneuver over a densely populated area and four major bridges while avoiding the White House airspace and all five of the Pentagon's rooflines.

Last year, I repeatedly pressed the FAA to respond expeditiously to the rash of radar outages that plagued the National Airport just after the opening of its new terminal. Recently, I was informed by the FAA that they are having trouble with their radar computer replacement system called STARS, and, consequently, they are going to install an interim software system until STARS is ready.

According to Richard Swauger, national technology coordinator of the National Air Traffic Controllers Association, that interim software system is slower. Does it make sense to add more flights at the high-density airports when the FAA's new, but slower, interim system will most likely increase delays for airline passengers?

Well, additional flights at our high-density airports will increase delays. I think it will impair safety and increase noise. The rules governing the use of the high-density airport should be left to the purview of the local authorities and the surrounding local jurisdictions, not the U.S. Congress and the Federal Government. Only 1.2 percent of the Nation's air travelers use Reagan National Airport. It is highly doubtful that the added slots, which has only one runway and is in the center of a densely populated area, will increase competition and create lower prices.

So I certainly urge my colleagues to vote yes on the Hyde-Morella amendment.

Mr. OBERSTAR. Mr. Chairman, may I ask how much time is remaining?

The CHAIRMAN. The gentleman from Minnesota (Mr. OBERSTAR) has 5 minutes remaining. The gentleman from Illinois (Mr. HYDE) has 3 minutes remaining. The gentleman from Pennsylvania (Mr. SHUSTER) has 3½ minutes remaining.

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

Let me set the stage for this issue. We have a national aviation system, not a collection of individual airports around America. We have a national integrated system of airports. Aviation depends on all of them functioning together. They are linked by the FAA

with the full control center out at Herndon so that at times of stress, as we had yesterday, when there are weather patterns moving around the country, that central flow control can coordinate among all those airports and prevent aircraft from congregating in areas where they may be exposed to unacceptable levels of weather and, therefore, delays and possible accidents.

We have large hubs, medium hubs, small hubs, general aviation airports, reliever airports. The 29 large hubs in America account for 67 percent of all passenger boardings in this country. O'Hare is the largest of the hubs. It is not just the largest, it is the largest in the world, the largest airport, the most important airport in the world.

Without O'Hare, small towns like Des Moines, Iowa, find their business community drying up. If they cannot get into O'Hare, they cannot conduct business. Small towns like Duluth, Minnesota, need access to O'Hare Airport. We have to be able to access our business community to that marketplace.

Why is O'Hare important? Because Chicago is the hub of mid-America, agriculture, business, jobs, exports. Within 300 miles of O'Hare are 40 percent of all of America's exports. Within 500 miles of O'Hare is 45 percent of the Nation's agriculture. To be competitive in the Nation's and the world's marketplace, one needs access to O'Hare.

Eight years ago, I worked with my dear friend for whom I have enormous respect for the courage and leadership that he has taken on the right to life issue, and we made right to less noise an issue. We have got this country on a downward spiral on noise. From 7½ million people 9 years ago, or 8 years ago, exposed to unacceptable levels of noise, we will be down to 115,000 all over America; 115,000 total. That is all. We have got all aircraft in the Nation's fleet down to Stage 3.

Now, what about this high density rule? It was imposed because FAA in the 1960s could not manage the traffic. Today they have the air traffic control tools to manage that traffic. I have met several times with the career professional chief of air traffic control at the O'Hare TRACON; that is the terminal radar control facility which manages approach control.

''We will never allow safety to be compromised,'' he said. ''We will hold to the 100 per hour arrival rate. We can do better throughout the day. We can distribute those aircraft throughout the day on a better basis and accommodate more communities, but we will never allow safety to be compromised.''

That is the real issue here. Secretary Slater has said the high density rule was never designed for safety purposes. Administrator Garvey of the FAA, says, ''There are no safety reasons for continuing to maintain the high density rule. There are no competitive reasons for maintaining the high density. We will increase competition without necessarily increasing unacceptable levels of noise,'' as the gentleman rightly is concerned about, but we will increase competition.

Why should airlines that received free the right to serve O'Hare, LaGuardia, Kennedy, National Airport, received that free, have been permitted to convert a public good into a private right with value that they can now sell for as much as a million dollars apiece for arrival and departure? That is unacceptable.

If I had my way, we would eliminate the high density as of the enactment of this legislation, but we are accommodating people all across this country, accommodating various interests and various concerns and doing it in a fair way.

This amendment is unnecessary. It is unwise. It is counter to competition, counter to fairness, and counter to those people who wish to be protected from noise. We should defeat this amendment.

Mr. HYDE. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Maryland (Mr. WYNN).

Mr. WYNN. Mr. Chairman, I thank the gentleman from Illinois for allowing me this opportunity to speak on this measure.

Mr. Chairman, I rise in strong support of this measure, and I also would like to compliment the gentlewoman from Maryland (Mrs. MORELLA) for her leadership as well.

This is not just about competition. This is not just about economic interests. This is also about people and neighborhoods and livability. It is about noise.

One of the issues that I want to talk about is the increased level of noise associated with increased flights. Lest my colleagues think this is an all-Illinois battle, I hasten to add that Reagan National Airport impacts the citizens of my district along the Potomac in Maryland. We are already in negotiations with the FAA over the noise problem affecting my constituents.

Now, we understand that we have to have flights, and we understand that commerce must continue, but it seems to me that there ought to be a reasonable balance and a fair consideration given to the concerns of Joe Citizen. What the citizens are saying is that they cannot enjoy their homes because of frequent flights. They cannot enjoy their homes because of cracked walls due to airport noise. They cannot enjoy their homes when their furniture and their artifacts rattle across the dining room table.

What they are saying to us is we need to control the increase of air flights coming into their community. That is what this amendment does. It enables us to consider the interests of the average citizen as we determine our national policy.

Reagan National Airport is unique. Unlike many airports that are far outside the city limits, those of us in Congress, of course, know Reagan National Airport is practically in Washington. That is how we make our flights home, those of us who have to leave. That means that it impacts a lot of communities. To add additional flights to this airport is particularly onerous because it affects citizens of the District, citizens from northern Virginia, citizens in Maryland, and it affects them in an unfair way that is not necessary.

We have a reasonable balance under the existing law. We ought to maintain that and continue to work to take into consideration the interests of Joe Citizen.

□ 2000

Mr. HYDE. Mr. Chairman, I yield myself the balance of my time.

My colleagues, when the good Lord makes more airspace over O'Hare Field, then we can have more flights in there. But when there are more flights, we use up the space, we use up the air, we use up the ground, and there is not any more.

We are already the busiest airport in the world. We get some pretty bad weather in Chicago, and by stuffing or shoveling more flights into O'Hare, we create lots of problems for my constituents and for everybody that is flying around the country, because those backups and delays are going to radiate and ripple out.

I ask my colleagues to consider safety, to consider noise, to consider pollution, and to consider the status quo, which is serving us well, until we build more airports and more capacity. We are not doing that now and we should not add more flights.

Mr. Chairman, I yield back the balance of my time.

Mr. SHUSTER. Mr. Chairman, I yield myself the balance of my time, and I would simply say, in closing, that I have enormous respect for my friend from Illinois. I understand he is representing well his constituency. But on our committee we must take the view of what is best for the entire Nation, and on that basis we must oppose the amendment of my good friend, the gentleman from Illinois (Mr. HYDE). I urge its defeat.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All debate time on this amendment has expired.

The question is on the amendment offered by the gentleman from Illinois (Mr. HYDE).

The amendment was rejected.

AMENDMENT NO. 6 OFFERED BY MR. MORAN OF VIRGINIA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Virginia (Mr. MORAN).

Mr. PORTER. Mr. Chairman, I ask unanimous consent to withdraw my demand for a recorded vote on the Moran amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The demand for a recorded vote is withdrawn.

So the amendment was rejected.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. CALVERT) having assumed the chair, Mr. BONILLA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1000) to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes, pursuant to House Resolution 206, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 316, noes 110, not voting 9, as follows:

[Roll No. 209]

AYES—316

Abercrombie
Ackerman
Allen
Andrews
Armey
Bachus
Baird
Baker
Baldacci
Barcia
Barr
Bartlett
Barton
Bass
Bateman
Becerra
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Bonior
Bono
Borski
Boswell
Boucher
Brady (PA)
Brown (FL)
Bryant
Burton
Buyer
Calvert
Camp
Campbell
Canady
Cannon
Capps
Capuano
Cardin
Carson
Chambliss
Clay
Clayton
Clement
Coble
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Coyne
Cramer
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Ewing
Fattah
Filner
Fletcher
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Granger
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hoekstra
Holden
Holt
Hooley
Horn
Hunter
Hutchinson
Isakson
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson, E.B.
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy
Kildee
Kind (WI)
King (NY)
Kleczka
Klink
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Larson
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McIntyre
McKeon
McKinney
McNulty
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller, Gary
Mink
Moakley
Mollohan
Moore
Moran (KS)
Murtha
Nadler
Napolitano
Neal
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Ose
Owens
Oxley
Pallone
Pascrell
Payne
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pombo
Pomeroy
Price (NC)
Quinn
Rahall
Rangel
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Rothman
Rush
Ryan (WI)
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Scott
Serrano
Shaw
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stabenow
Strickland
Stupak
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thune
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Vento
Vitter
Walden
Walsh
Watkins
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weygand
Whitfield
Wicker
Wilson
Wise
Woolsey
Wu
Young (AK)

NOES—110

Aderholt
Archer
Baldwin
Ballenger
Barrett (NE)
Barrett (WI)
Bentsen
Boehner
Bonilla
Boyd
Brown (OH)
Burr
Callahan
Castle
Chabot
Chenoweth
Clyburn
Coburn
Cox
Crane
Davis (FL)
DeLay
Doggett
Edwards
Emerson
Everett
Farr
Foley
Frelinghuysen
Gibbons
Goss
Graham
Hall (TX)
Hayworth
Herger
Hobson
Hoeffel
Hoyer
Hulshof
Hyde
Inslee
Istook
Jackson (IL)
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kilpatrick
Kingston
Knollenberg
Kolbe
Largent
Lowey
Luther
McInnis
McIntosh
Meehan
Miller (FL)
Miller, George
Minge
Moran (VA)
Morella
Myrick
Nethercutt
Obey
Olver
Packard
Pastor
Paul
Pelosi
Pitts
Porter
Portman
Ramstad
Regula
Riley
Rohrabacher
Roukema
Roybal-Allard
Royce
Ryun (KS)
Sabo
Salmon
Sanford
Scarborough
Sensenbrenner
Sessions
Shadegg
Shays
Smith (WA)
Snyder
Spratt
Stark
Stearns
Stenholm
Stump
Sununu
Taylor (NC)
Thornberry
Thurman
Tiahrt
Toomey
Visclosky
Wamp
Waters
Watt (NC)
Weller
Wexler
Wolf
Wynn

NOT VOTING—9

Brady (TX)
Brown (CA)
Gordon
Hostettler
Houghton
Lewis (GA)
Pryce (OH)
Radanovich
Young (FL)

□ 2028

Messrs. GEORGE MILLER of California, LUTHER, EVERETT, and Mrs. LOWEY changed their vote from ''aye'' to ''no.''

Messrs. PICKERING, McKEON, FLETCHER, and Ms. GRANGER changed their vote from ''no'' to ''aye.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. BRADY of Texas. Mr. Speaker, on roll-call No. 209, I was unavoidably detained. Had I been present, I would have voted "yes."

GENERAL LEAVE

Mr. SWEENEY. 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 H.R. 1000, the bill just considered.

The SPEAKER pro tempore (Mr. HAYES). Is there objection to the request of the gentleman from New York?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 1000, AVIATION INVESTMENT AND REFORM ACT FOR THE 21ST CENTURY

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent that the enrolling

clerk be authorized to make technical and conforming changes in the engrossment of H.R. 1000, the bill just considered.

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

There was no objection.

PERSONAL EXPLANATION

Mr. GREEN of Texas. Mr. Speaker, on Thursday, June 10, I missed 12 votes because I was unavoidably detained in my district.

Had I been present, I would have voted ''no'' on rollcall 192, 193, 194, 195, 196, 197, 198, 199, 200 and 201, and ''aye'' on rollcall 202, and ''no'' on rollcall 203.

Yesterday, on June 14, I was detained by weather when landing at Washington National Airport.

I would have voted ''aye'' on rollcall 204.

□ 2030

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. HAYES) laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 15, 1999.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Under Clause 2(g) of Rule II of the Rules of the House of Representatives, I hereby designate Martha C. Morrison, Deputy Clerk, in addition to Gerasimos C. Vans, Assistant to the Clerk, and Daniel J. Strodel, Assistant to the Clerk, to sign any and all papers and do all other acts for me under the name of the Clerk of the House which she would be authorized to do by virtue of this designation, except such as are provided by statute, in case of my temporary absence or disability.

This designation shall remain in effect for the 106th Congress or until modified by me.

With best wishes, I am

Sincerely,

JEFF TRANDAHL,
Clerk of the House.

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.

ARMY SANCTIONING WICCA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES of North Carolina. Mr. Speaker, in recent weeks we have learned that the United States military recognizes witchcraft as a religion. Witchcraft, or wicca, as it is often called, professes no belief in the Christian concept of God.

While I find this fact disturbing in itself, it was on my drive back to Washington yesterday that my attention was called to something that I find much more upsetting. The Washington Post ran an article on June 8 on the military's religious tolerance. It points out that the Army chaplains' handbook lists religious choices open to soldiers that include wicca, black Judaism and the Church of Satan. While I might not agree that such belief systems ought to be recognized or ought to be encouraged by the United States military, I accept the diversity of thought and opinion. What I cannot understand is what the article reports, that Army Chaplain John Walton, who served at Fort Hood for 5½ years was admonished for mentioning Jesus in his sermons.

According to the article, in the interests of maintaining religious tolerance on base, Walton was allegedly sent to sensitivity training where he was asked to refrain from mentioning the name of Christ so that he would not offend others; this, at an Army base that officially sanctioned the practice of witchcraft years ago.

Mr. Speaker, I hope what I read is not true. If it is, I am incensed. America is a Nation of many faiths, but to ask that a Christian chaplain deny Christ by asking him or her to drop His name from their sermons is like asking them to reject the essential nature of their beliefs. Doing so would stray from the religious principles this great Nation was founded upon.

Mr. Speaker, it was Thomas Jefferson who called the Bible the cornerstone of liberty and our country's first President, George Washington, said, and I quote: ''It is impossible rightly to govern the world without God and the Bible.''

Those same ideals apply to the men and women who defend and protect this country. Our Nation's soldiers risk their lives for my colleagues and for me and for this country. Those who choose to practice Christianity deserve the right to hear Jesus' name spoken by their chaplains.

Mr. Speaker, I am a man of strong religious convictions. My faith is an extremely important part of my life, and I respect others' right to practice their beliefs. But if the United States military begins removing fundamental tenets of the Christian faith this great Nation was founded upon, it is clear that we have gone too far in our effort not to upset.

Mr. Speaker, the instructions given to our military chaplains to offend no one can be easily viewed as religious bigotry to those with deeply-rooted beliefs.

Perhaps this anti-religious attitude is simply reflective of the times. Just weeks ago, the Washington Post featured a front-page article about a Calvert County, Maryland high school graduation ceremony in which students ignored a school ban on prayer and recited the Lord's prayer.

The reporter called the students a defiant group, as if to imply that the peaceful inclusion of God in the ceremony caused harm, but it received front page coverage simply because one young graduating student took offense at the prayer and left the building.

Mr. Speaker, have we become so sensitive to being insensitive that we can no longer say what we think or question other ideas? It is our diversity of opinion and diversity of culture that makes this country great. But if we continue down a path of religious intolerance from banning our Nation's students from praying in school, or asking our United States Christian ministers from uttering the name Jesus, we as a Nation accomplish nothing.

For that reason I have called upon Defense Secretary William Cohen to provide me with an explanation of how and why the military goes about training its chaplains to suppress such fundamental religious beliefs.

In the words of William McKinley, and I quote, ''The great essential to our happiness and prosperity is that we adhere to the principles upon which this government was established and insist upon the faithful observance.''

Mr. Speaker, this Nation was founded on Judeo-Christian principles. When we start forcibly suppressing those beliefs and principles, we threaten the very foundation and strength of this country, and if this trend continues, America is in deep trouble.

MIAMI RIVER

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Mr. Speaker, the Miami River project must be a major priority when Congress acts on the energy, water and appropriations bill later this year. At long last. The Miami River appears headed for a long overdue clean-up and revitalization. For the first time, a broad-based coalition of community leaders, business interests, and officials at the Federal, State, and local levels have united to work for this goal which is vitally important for both the future of our growing trade with our neighbors to the south as well as for preserving a waterway which is a key part of our ecosystem.

I am working with members of the south Florida congressional delegation, with the Miami River Commission and the Miami River Marine Group to ensure that the Miami River is a top funding priority in the energy and water appropriations bill later this year.

Recently the prospects of a Miami River clean-up brightened considerably after the U.S. Army Corps of Engineers announced that it would pick up the majority of the costs of disposing contaminated sediments from the River. This new policy came after a meeting with Corps officials, with representatives from my office and Senator BOB GRAHAM's office, and the Miami River Commission managing director, David Miller. This decision will allow the 4-year phase dredging project proposed by the Miami River Commission to become a reality.

Under this plan the Federal Government would pay 47 million of the total cost of the 64 million required to dredge the River. The first step in funding this plan will be the approval of a $5 million initial Federal appropriations in the energy appropriations bill. These are important economic and environmental reasons which have led us to this broad-based effort to clean up the Miami River.

The initial effort at the Federal level was begun by my predecessor, the late Claude Pepper, who placed the original language for the Miami River in the bill in 1986 and helped pass the original feasibility study of the Miami River in 1972. This resulted in the Army Corps of Engineers 1990 recommendations for navigational maintenance dredging of the River. The Miami River needs to be dredged because, after years of neglect, it has become the most polluted River in our State.

This problem originated in the 1930s when the River was dredged as a Federal navigation channel. Recent studies of bottom sediments of the River have uncovered a 65-year history of pollution from a wide variety of sources.

South Florida's post-war growth created over 69 square miles of mainly industrialized urban land areas which have loaded the River with pollutants via storm water systems. Numerous studies by the U.S. Army Corps of Engineers and State and local agencies all confirm that the Miami River has the most contaminated sediments in Florida and that only dredging can remove this pollution.

The need for prompt action to dredge the River is reinforced by its role as the major part of Biscayne Bay. The bay is one of the most significant water bodies in the United States, providing recreational and economic opportunities for over 2 million south Florida residents and supporting a great variety of marine life. Continued delay in dredging the River will permit the sediment to pollute this important water preserve. Failure to dredge could prevent the Miami River from becoming a major contributor to international trade and economic growth in south Florida.

As Florida's fifth largest port, the Miami River helps cargo carriers serve over 83 ports in the Caribbean and Latin America, and I urge my colleagues to support this inclusion in the bill later this year.

COMMUNITIES CAN NATIONAL AWARD

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina (Mrs. CLAYTON) is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, I am proud to announce that Goldsboro, located in the First Congressional District of North Carolina, was named 1 of 5 communities chosen from a national search to be awarded the Community of Excellence Award by Communities Can, a national coalition of communities.

Communities Can is a growing national network of communities dedicated to serving all children and their families, including those who are at risk or with special needs. Goldsboro has demonstrated many abilities in an effort to foster collaboration and cooperation among the many public and private programs that can serve and support young children and families. They have shown diligence and a serious level of involvement with designing and implementing programs that have proven beneficial to families.

Over the years this community has demonstrated an inclusive approach to serving children with special needs and an innovative spirit in utilizing the complex public program to meet the specific needs of their families.

For all of these reasons Goldsboro, North Carolina was chosen from among 48 nominees by members of the Communities Can Team at the Georgetown University Child Development Center for Child Health and Mental Health Policy.

There are several key aspects to the kind of quality, service, and support for young children and families in this community essential to making things work. For instance, in Goldsboro there is one pediatric practice that provides a true medical home for almost every child in the county. They attend to children with or without insurance, although a generous SCHIP program in North Carolina has made arrangements so that very few children in the community are without coverage.

Further, Wayne Action Group of Economic Solvency, which is the community action group and Head Start grantee in town, serves as an umbrella for a good number of family and child service efforts.

In addition, a local hospital foundation funds a person who is responsible for community organization/grant writing to assist with the implementation of ideas from the community planning efforts.

Mr. Speaker, this is the kind of comprehensive collaboration of efforts that completes a full circle enabling children and families to effectively identify and remedy the many problems that exist and need to be addressed. I am privileged and proud to represent a community with such dedication to its children and families.

Congratulations to Goldsboro, North Carolina. I wish them much future success.

□ 2045

OLDER AMERICANS ACT

The SPEAKER pro tempore (Mr. HAYES). Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

Mr. MORAN of Kansas. Mr. Chairman, 1999 has been designated the International Year of Older Persons. The year marks a time to reflect upon the contributions of our seniors and assess our efforts to secure their continued health and well-being. During this year, we honor those who contribute to our communities as grandparents, parents, workers, volunteers, and as role models. They are the keepers of our traditions and the teachers of our values. While honoring these heroes this year, we must also work to support them where help is needed. This means looking to the future and ensuring the strength of our programs that serve our elders.

The next century is anticipated to be a golden age for seniors, with life expectancy increasing and predictions that older persons will outnumber children for the first time in our history. America's seniors are more physically and mentally fit than ever before. Yet with these positive changes, we can anticipate a greater burden for our health care system.

One way of preparing for the future is to renew the Older Americans Act, which has not been reauthorized since 1995. Since that time, our Nation's seniors and the programs established to serve them have faced an uncertain future. Because these programs help our seniors to remain active, healthy and part of their communities, I have asked the House leadership to make it a priority for passage this year.

The Older Americans Act has been a special program for over 34 years. Using a small slice of the Federal budget, the Older Americans Act has provided hot meals, legal assistance, employment for seniors and services for the home-bound. I have seen firsthand how these programs assist and benefit seniors in my home State of Kansas.

Kansas seniors have given a lifetime of service. Renewing these programs that preserve their well-being allows us to give back a little to those who have made our country what it is today.

We take pride in celebrating older Americans who demonstrate new horizons for what is thought impossible for older persons. Both Bob Dole and John

Glenn are these types of heroes who continue to defy limitations and inspire others to play leading roles in their communities. However, there are other, lesser-known older Americans who have been important to their own communities and now make use of the services of the Older Americans Act. The least we can do is to assist those who have given all they can and want to continue to live healthy and active lives.

Long life is a gift we treasure, and along with this gift comes a responsibility. Renewing the Older Americans Act is responsible action that provides security for the next century and will foster longer, healthier, and more productive lives for all Americans.

AMERICAN AGRICULTURE IS IN CRISIS AND NEEDS HELP NOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. ETHERIDGE) is recognized for 5 minutes.

Mr. ETHERIDGE. Mr. Speaker, this past week it was announced that North Carolina farmers' earnings had dropped by $1 billion in 1998 over 1997. I was astounded when I read the article. But similar problems are being experienced all over America by our farmers. The farm crisis in America should be a concern for every American.

I have said many times that the people in this country must realize that food does not just come from the grocery store or from the supermarket. It comes from the blood, sweat, and tears and hard work of some of the hardest-working, God-fearing people in this country, and their families work hard. We cannot stand by and allow the farmers of this country to go out of business and let our farms be turned into strip malls and parking lots.

Whether it is the wheat farmer in the Midwest, the cotton farmer in Texas, the vegetable farmer in Florida, or the tobacco farmer in North Carolina, farmers help build this country, and they deserve to have us stand by them in times of crisis. If we do not, we will pay the price through the devastation of our rural communities and higher prices at the grocery store ultimately.

I am committed to working with Congress to find solutions that will restore profitability to agriculture in America and allow mothers and fathers to pass on this honored professional farming to their sons and daughters, because a lot of young people in this country are getting out of the profession because they cannot make a living. We must restore the farm safety net in this Nation before more farmers and their families fall through the cracks.

Mr. Speaker, the bumper crop of wheat last year and again this year that is now being harvested and is being seen in many parts of the country are suffering from some of the lowest prices in recent years. Farmers are finding out that they cannot produce themselves into prosperity with the low prices we are having. In some parts of the country, some farmers are already reeling from drought. This Congress must do something before it is too late for our farmers and their families.

We must start by reforming crop insurance, breaking down trade barriers, providing greater access to low-interest loans and credit for new and struggling producers, and provide support to farmers in times of dramatically low commodity prices like we are seeing now, all commodity prices. However, the first thing we need to do is to realize, and my colleagues in this Congress need to understand, that American agriculture is in a crisis, and it requires action now.

Just last week this Congress passed an agriculture bill at a time of crisis in agriculture, and what did it do? It cut $102 million out of it. That is how we care about farmers. I want my colleagues to know I voted against it, because I think it was the wrong thing to do at the wrong time. North Carolina farmers and the North Carolina economy cannot afford another loss like we had in 1998, and I am going to continue to call on my colleagues in this body to stand up and be counted, because the farmers of this country cannot be allowed to go broke. Another $1 billion loss over last year's economy would put most farmers out of business.

Mr. Speaker, I want to share just a few comments out of an article in the Wilson paper this week. It talked about a farmer who was harvesting his wheat. He had the best wheat harvest he has had in years on winter wheat. He had reduced his production from 200 acres to 160 acres. For the folks in the Midwest, that might not sound like a lot of wheat. In North Carolina it is a considerable crop. He planted wheat because all of the other commodities were so low, and he could double-crop and put in soybeans behind it. Well, when he put it in for market this past week, it was $2.15 a bushel. A loaf of bread is about $1.65 a loaf, so I can tell you who is making the money, and it is not the guy who is producing the wheat, it is someone in between.

Here is what he had to say. He said, all of the other commodities were also down other than wheat, but we had to plant something, and wheat was a good crop to plant when one wants to double-crop and plant behind it. He was fortunate. Even in the drought times we are now feeling in North Carolina, he got three-tenths of an inch of rain on Sunday and is now planting soybeans behind the wheat. Anyone that knows anything about agriculture knows that if it is dry and you get three-tenths of water, that will settle the dust maybe, but not much more.

My friends, we have to pay attention to American agriculture if we want to continue to eat and have the farmers continue to produce.

ENVIRONMENTAL JUSTICE SHOULD INCLUDE JUSTICE FOR ALL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. FOSSELLA) is recognized for 5 minutes.

Mr. FOSSELLA. Mr. Speaker, in Washington there are a lot of well-intentioned policies that are often misguided and often result in unintended consequences. There are those who claim they want to unite the country and bring people together, but in reality, the policies in and of themselves divide people. I will give my colleagues a perfect illustration of what I am talking about.

There is a doctrine that has recently been the goo-goo of so many folks here in Washington across the country called environmental justice. Now, according to the proponents of this doctrine, there are actions that have been taken by governments, local, State or otherwise, that disproportionately affect minority communities. The problem here is happening and occurring right in my community in Staten Island. I will give an example.

We have the country's largest landfill. All of the garbage generated in New York City right now, about 9,000 tons per day, ends up in Staten Island. Staten Island happens to be a community that is 80 percent white. So what happened several months ago as we stepped up our efforts to close the landfill on Staten Island? The EPA and the White House Counsel on Environmental Quality and about 60 other officials marched in New York City, not to look at the landfill, but to look at transfer stations in the south Bronx. Their reasoning is that the south Bronx has a problem, but where the disconnect is and what these proponents of things like environmental justice seem to forget is that if there is a health problem or if there is a problem that adversely affects one person, it does not matter if the person is white, African-American, Latino, Chinese-American; if it is bad for one, it is bad for everybody.

So as they parade these 60 officials through New York, they do not even come across the bridge to Staten Island. So how is it logical that we can have a transfer station problem in the south Bronx where the garbage is transient, and we do not have a problem with an open, unpermitted garbage dump that is about 160 feet high right now of rotting garbage? And what is the response? Well, you do not have a remedy under environmental justice because you are not in a minority community. That, folks, is not American.

This Nation is about equal opportunity, and, by God, if there is a problem in the south Bronx with the transfer stations, if there are young children or there are families that are adversely affected by what is occurring there, then somebody needs to fix it. I am not saying that because whether it is black or white or Latino, but you cannot look me in the eye and tell me that the same should not apply to a community that happens to be 80 percent white. Because I say to my colleagues, and the folks who may be listening and the folks at the White House and the folks at EPA, the folks who are espousing this doctrine across the country, we have a lot of African-Americans who live around the landfill, we have a lot of Latino-Americans, a lot of Chinese-Americans, and they are just as adversely affected by the odor and stench of the landfill.

I would hope they would open their eyes to what this country is all about. They talk about environmental justice. This country is about justice for all. I hope they wake up and see the light. The people of Staten Island have been adversely affected by this; they have been adversely affected by the decisions that they are making on a daily basis, and as we asked today, the reason why I am standing here today is when we asked for parity, when we asked for quality, when we asked for the same level, if not less, than what they did for the south Bronx, we were told ''no.'' That is not justice, environmental or otherwise.

CHILD SAFETY LOCK ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. MILLENDER-MCDONALD) is recognized for 5 minutes.

Ms. MILLENDER-MCDONALD. Mr. Speaker, tonight I stand with members of the Women's Caucus to urge this House to vote on sensible and purposeful gun control legislation.

Mr. Speaker, these last few months have been a sobering experience for us in this country with the rash of gun-related deaths of our children. However, I had long known that the acts of youth violence that permeate our schools and communities were real in my district. This is why I introduced the Child Safety Lock Act in the 105th Congress because of the ravishing gun violence in my district. We must provide safe havens and an environment for our children that will be conducive to their well-being and safe from fear.

I have reintroduced this bill in the 106th Congress because it was not the climate at that time for gun legislation, as it is now. It is time, Mr. Speaker, for us to act now, or we will continue to see a repeat of Littleton. No one wants that.

My Child Safety Lock Act defines what a locking device is and provides for locking devices and warnings on handguns and penalties related to locking devices. It also establishes general authority for the Secretary of the Treasury to prescribe regulations on governing trigger locks.

□ 2100

It allows the Secretary of the Treasury to issue an order and/or inspections regarding a trigger lock device which is in violation of the law. However, the debate cannot just be solely on handgun control.

It must be on education, as well. This is why I take 2 percent of the firearms tax revenue and use it for public education on the safe storage and use of firearms.

In addition to the child safety lock, Mr. Speaker, last year I introduced the PAAT Act, which prohibits the shipment and delivery of alcohol to minors through the mail and over the Internet. This bill requires senders and/or shippers placing packages for shipment in interstate commerce that contain any alcoholic beverages to place a label on the package in accordance with regulations prescribed by the Secretary.

It requires that packages containing alcoholic beverages of any kind be accompanied by documentation showing the full legal name and address of the sender and shipper. It also requires age verification prior to shipment, and an adult's signature upon delivery. It levies fines to senders and shippers violating the provisions of this act.

These amendments, Mr. Speaker, will protect our children, our most precious resource, and will help to create a safe haven and a conducive environment for them. They deserve just that.

Mr. Speaker, I urge the House to pass very sensible gun legislation. We must have the courage to stand firm and avoid the continued senseless bloodshed and loss of lives of our children around the country. A sensible gun bill and amendments can protect our children, and in doing so, we are protecting our future.

ONLY A MORAL SOCIETY WILL MAKE OUR CITIZENS AND THEIR GUNS LESS VIOLENT

The SPEAKER pro tempore (Mr. BRADY of Texas). Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Mr. Speaker, we will this week fully debate the issue of school violence. If we had remained a constitutional republic, this debate would not be going on. I sincerely believe this kind of violence would be greatly reduced, and for the violence that did occur, it would be dealt with as a local and school issue. Responding emotionally with feel-good legislation in the Congress serves no worthwhile purpose, but makes the politician feel like he is doing something beneficial.

In dealing with the problem of violence, there is a large group here in the Congress quite willing to attack the first amendment while defending the second. Likewise, there is a strong contingency here for attacking the second amendment while defending the first.

My question is this: Why can we not consistently defend both? Instead, we see plans being laid to appease everyone and satisfy no one. This will be done in the name of curbing violence by undermining first amendment rights and picking away at second amendment rights.

Instead of protecting the first and second amendment, we are likely in the name of conciliation to diminish the protections afforded us by both the first and second amendment. It does not make a lot of sense.

Curbing free expression, even that which is violent and profane, is un-American and cannot solve our school problem. Likewise, gun laws do not work, and more of them only attack the liberties of law-abiding citizens. Before the first Federal gun law in 1934, there was a lot less gun violence, and guns were readily accessible to everyone. However, let me remind my colleagues, under the Constitution, gun regulations and crime control are supposed to be State issues.

There are no authentic anti-gun proponents in this debate. The only argument is who gets the guns, the people or the Federal bureaucrats. Proponents of more gun laws want to transfer the guns to the 80,000 and growing Federal Government officials who make up the national police force.

The argument made by these proponents of gun control is that freedom is best protected by the people not owning guns in that more BATF and other agency members should have them and become more pervasive in our society.

It is disingenuous by either side to imply that those who disagree with them are unconcerned about violence. Everyone wants less violence. Deciding on the cause of the hostile environment in our public schools is the key to solving this problem.

A few points I would like to make.

Number one, private schools are much safer than public schools.

Number two, public school violence has increased since the Federal government took over the public school system.

Number three, discipline is difficult due to the rules, regulations, and threats of lawsuits as a consequence of Federal Government involvement in public education.

Number four, reading about violence throughout history has not been a cause of violence.

Number five, lack of gun laws has not been a cause of violence.

Number six, the government's practice of using violence to achieve social

goals condones its use. All government welfare is based on the threat of government violence.

Number seven, Star Wars technology, casually displayed on our TV screens showing the blowing up of bridges, trains, sewer plants, and embassies all in the name of humanitarianism glibly sanctions violence as a proper tool for bringing about change.

Number eight, the Federal government's role in Waco and the burning alive of innocent children in the name of doing good sends a confused message to our youth.

Number nine, government's role in defending and even paying to kill a half-born child cannot but send a powerful message to our young people that all life is cheap, both that of the victims and the perpetrators of violence.

More gun laws expanding the role of the Federal government in our daily lives while further undermining the first and second amendment will not curb the violence. Understanding the proper constitutional role for government and preventing the government itself from using illegal force to mold society and police the world would go a long way in helping to diminish the violence.

Ultimately, though, only a moral society, with the family its key element, will make the citizens and the government less violent.

TRIBUTE TO FORMER CONGRESSMAN RICHARD RAY FROM THE THIRD DISTRICT OF GEORGIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. COLLINS) is recognized for 5 minutes.

Mr. COLLINS. Mr. Speaker, I rise today to pay tribute to former Congressman Richard Ray, representative of Georgia's Third District from 1983 to 1992.

Congressman Ray died on May 29 of this year and was laid to rest in Perry, Georgia, the town he loved and served for over four decades. He is survived by his wife, two sons, a daughter, and three grandchildren.

My colleagues who had the privilege of serving with Congressman Richard Ray may offer many stories of his accomplishments and his tenacious spirit, but I have a unique perspective of the legacy of Richard Ray. That is his service in Congress, because I had the difficult task of following directly in his footsteps as representative of the Third District.

I learned quickly that Richard Ray had truly been a public servant. His constituents knew him personally, and felt free to call upon him for assistance. He was personally involved with every town and city in the district, and visited each one regularly.

As far as the people of the Third District were concerned, Richard Ray had set a high standard for a congressional service, and I count it a privilege to continue that tradition.

Richard Belmont Ray was born in Fort Valley, Georgia, and grew up working the family farm with his father and brothers and sisters. His only lengthy venture outside the state of Georgia as a young man was during his service in the Navy toward the end of World War II.

That service gave him his first glimpse of the world outside his home State, although I am sure it never occurred to young sailor on board the U.S.S. *Rowan* that the next time he visited Japan he would be an influential member of the Committee on Armed Services of the House of Representatives.

After completing his service, Richard Ray returned home to Georgia and married Barbara Giles of Byron, Georgia, the woman who worked with him to build a business, a home, and a family over the next five decades.

Richard began public service when he was building a small business in Perry, Georgia. His early service as a city councilman and as mayor ingrained in him the importance of working directly with the people he represented.

Senator Sam Nunn recognized the value of Richard Ray and his focus on constituents and local issues, and appointed him Chief of Staff in 1972.

When Congressman Jack Brinkley announced his retirement in 1982, Richard ran and was elected Congressman to the Third District of Georgia. He brought to this position years of political experience, a humble attitude, and a determination to make a difference in the lives of his constituents.

The new Congressman had three primary goals: To establish effective services, stop deficit spending by the Federal government, and ensure that the U.S. military regained its status as the greatest fighting force in the world.

He committed himself to these goals with a focus and energy that was uniquely Richard Ray's. Working 7 days a week, usually more than 12 hours a day, Richard accomplished more in his 10 years of service than many Congressmen do in several decades.

Mr. Speaker, I cannot begin to list all of Richard's accomplishments in Congress, but I want to submit for the RECORD a few that have special meaning for the people of the Third District of Georgia.

Richard Ray was a man who valued integrity, hard work, family, and his Lord, above all else. Mr. Speaker, Congressman Richard Ray will be greatly missed.

Mr. Speaker, Richard Ray's strong desire to stay directly in touch with the people of the Third District led him to develop a series of Advisory Committees and regular meetings that would allow a time for questions and exchange of information. In the early 1980's, Richard was breaking new ground by establishing a regular series of meetings to be held in the Third District to commemorate Black History Month. Although controversial at first, the Third District Black History Month breakfast and meetings grew and expanded over the years, eventually taking on a life of their own and raising thousands of dollars for the Pettigrew Scholarship Fund at Ft. Valley State College and the House of Mercy, a homeless shelter in Columbus, GA. This tradition continues to this day, and I am proud to take part in this annual event begun by Congressman Ray.

His service on the House Armed Services Committee was one of the high points of Richard's career. He was committed both to a strong defense and to a good quality of life for the soldiers, sailors, and airmen who serve our country. Richard's approach to committee work was to immerse himself in the details of an issue, studying it intently, talking with representatives of all sides, and then analyzing all factors before making a decision. He was never quick to make a judgement on a defense issue or to use his position to seek headlines. So, when he did get involved in an issue, his colleagues knew that Richard had thought it through and that his position had merit.

Many of the issues he took on for the committee were not glamorous, but they were critical and the committee chairmen always knew that Richard could be relied on to work hard behind the scenes to solve a problem. And, they knew that if Richard got involved in an issue, he would win in the end. Richard Ray never let go of a problem until he had solved it. Perhaps one of the most striking examples of his tenacity occurred when Richard learned that U.S. airbases in Europe did not have adequate air defense systems. The reasons for this deficiency were many and since it was a joint Army/Air Force program, the path for resolution of the problem was not clear. But, for Richard Ray, the problem had to be solved and he turned his energy to identifying and then enacting a solution. Quickly Army and Air Force representatives learned not to show up at a hearing unless they could answer questions on air base defense. When Richard became convinced that the solutions to the problem were coming too slow, he took decisive action to focus attention on this critical deficiency—he simply passed an amendment stopping production of the Air Force's prize fighter unless sufficient resources were put to air base defense. Thanks to his efforts, a program of adequate defenses was established for U.S. airbases. We saw the legacy of Richard Ray's work when our forces went to the Persian Gulf and used air defense systems effectively. The quiet yet constant persistence of this man ensured that our nation's forces could protect themselves from air attack with air defense missiles.

Richard Ray was asked to chair the first Defense Environmental Restoration Panel in 1987. He served as chairman of the panel until he left office in 1992. Under his leadership, U.S. and foreign bases began cleaning up decades of environmental contamination and began implementing new environmentally-conscious practices and procedures. Richard helped to chart the U.S. through a difficult time

as the implementation of new environmental regulations and laws threatened to completely shut down the U.S. military. With his commitment both to a strong military and to a clean environment, Richard was able to help the military chart a path through the evolving environmental laws that allowed for compliance, yet did not prohibit readiness and training.

Richard had many other legislative accomplishments during his ten years in Congress but few were as meaningful to him as establishing the Jimmy Carter National Historic Site in Plains, Georgia. Working with the National Park Service, former President and Mrs. Carter, and the citizens of Plains, Richard Ray enacted legislation establishing both a permanent tribute to President Carter and a historic site presenting a comprehensive look at the rural south during the first half of the twentieth century.

Mr. Speaker, I also ask to have reprinted in the RECORD this selection chosen by Barbara Ray as a tribute to her husband. It is truly a fitting remembrance of his life—for he was a man who valued integrity, hard work, family and his Lord above all else.

MY CREED

I do not choose to be a common man. It is my right to be uncommon—if I can.

I seek opportunity—not security. I do not wish to be a kept citizen, humbled and dulled by having the state look after me. I want to take the calculated risk; to dream and to build, to fail and to succeed.

I refuse to barter incentive for a dole. I prefer the challenges of life to the guaranteed existence; the thrill of fulfillment to the stale calm of Utopia. I will not trade freedom for beneficence nor my dignity for a handout.

I will never cower before any monster nor bend to any threat. It is my heritage to stand erect, proud and unafraid; to think and act for myself, enjoy the benefit of my creations and to face the world boldly and say: This I have done.

All this is what it means to be an American.

H.R. 1000, THE AVIATION INVESTMENT AND REFORM ACT FOR THE 21ST CENTURY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Dakota (Mr. THUNE) is recognized for 5 minutes

ENVIRONMENTAL ISSUES IN SOUTH DAKOTA

Mr. THUNE. Mr. Speaker, I would like to just briefly harken back to something my friend, the gentleman from New York (Mr. FOSSELLA) said earlier about environmental justice, because we are dealing with a number of environmental issues that are very important in my State of South Dakota.

In the beautiful Black Hills, we have this little pest called the pine beetle which, if not managed effectively, will destroy thousands of acres of forest in the Black Hills. The Clinton-Gore administration recently revoked a previously-agreed upon order that would have allowed the Forest Service to manage the problem. That is crazy.

I want to talk about another thing. We have another little pest called the prairie dog which, if Members can believe this, is scheduled to go on the endangered species list.

Ranchers have been trying for generations to eradicate prairie dogs because they destroy the grass where ranchers allow cattle to graze. This, too, is crazy. I do not know what bureaucrats in Washington know about prairie dogs. These are issues that the people who live off the land are trying to manage. They are good conservationists.

We are dealing with another one right now having to do with wetlands regulations, trying to bring some common sense, some sense of balance, to these issues, and consistently we run into resistance from this administration, proving once again that common sense I think is in very rare supply in this city and in this administration.

What I would like to do this evening, Mr. Speaker, is talk, if I might briefly, about something that is a very positive development from my State, which we passed today. That is H.R. 1000, the Aviation Investment and Reform Act for the 21st Century. It will make important and long overdue strides towards restoring the integrity of the aviation trust fund.

As was the case with the Highway Trust Fund, the American people have been paying use taxes into what they thought was a dedicated trust fund reserved for maintaining and improving airport safety and capacity. Unfortunately, like in a lot of other areas, the Federal government for years has been less than honest in the way they have handled this fund. Passengers, aviators, and the airlines have paid billions of dollars to the Federal government in the form of taxes on tickets, fuel, and air freight.

They have expected these funds will go to keep the infrastructure repaired and in working condition, and to improve the efficiency of air travel, and most importantly, to ensure the safety of air travel. South Dakota's two busiest airports highlight this principle, painting the stark difference between the investment and the return.

The passengers and other aviation users in Sioux Falls Regional Airport, the State's largest airport, paid approximately $8 million in aviation taxes to the Federal government in 1997. Yet the airport received only $1.3 million in aviation improvement funds from the FAA.

Users of the Rapid City Regional Airport paid in nearly $7 million and received $850,000 in return. While both receive other indirect contributions through the presence of FAA personnel and air traffic control operations, these contributions hardly make up for the difference between contributions to the trust and payments made to the airports.

Air 21 would attempt to bring us closer to closing that gap. As my colleagues were probably aware, the bill would triple the airport improvement program entitlements to all airports, taking the minimum grant level from today's level of 500,000 to 1.5 million.

For South Dakota, this tripling would provide $1.5 million annually for the airports serving the cities of Aberdeen, Pierre, and Watertown. For Rapid City and Sioux Falls, their entitlements respectively rise from about $832,000 to an estimated $2.5 million for Rapid City and from about $1.3 million to an estimated $3.9 million for the city of Sioux Falls.

Thankfully, Air 21 does not just stop at aiding the larger airports in South Dakota and across this Nation. The bill also includes a number of important provisions that would assist our general aviation airports, those airports which serve rural areas and smaller communities.

Perhaps the most significant contribution the bill makes directly to our general aviation airports would come in the form of a new direct entitlement grant program for general aviation airports.

□ 2115

These grants would be in addition to the amounts provided for the States for distribution to various general aviation airports. With increased access to air service, one can clearly see that economic activity would increase.

It is no secret that one of the top factors businesses and companies consider is access to safe, reliable and affordable transportation. The bill proposes a number of important reforms that would help improve deficiency in competition. Among other issues, I commend the chairman for moving a proposal forward that would improve access to Chicago O'Hare International Airport. I firmly believe that today's high density rule is outdated and acts only as an artificial barrier for competition for areas of the nation, including South Dakota.

Fortunately, Air 21 would open access to this airport potentially for cities like Sioux Falls that might be able to provide competitive options for its travelers and profitable routes for air carriers that might not be able to access O'Hare today.

Mr. Speaker, I recently organized a series of meetings with community leaders across South Dakota to discuss air service issues. While they are generally pleased with the level of service they have today, they also believe there is room for improvement. Air 21 will bring needed improvement and see that the hard earned dollars of America's taxpayers are used for the purpose for which they were intended.

THE SCOURGE OF ILLEGAL DRUGS

The SPEAKER pro tempore (Mr. BRADY of Texas). Under the Speaker's

announced policy of January 6, 1999, the gentleman from Florida (Mr. MICA) is recognized for 60 minutes as the designee of the majority leader.

Mr. MICA. Mr. Speaker, I am pleased to come to the floor again tonight to talk about a subject that I feel I have a particularly important responsibility on and that is the question of the problem of illegal drugs and its impact upon our society.

I try in these weekly talks to my colleagues in the Congress to stress some of the problems that illegal narcotics have created for this Congress, and for our American society and for millions and millions of American families who have been ravaged by illegal drugs with their loved ones.

So tonight I am going to talk about, again, the impact of illegal narcotics on our society and families.

I want to talk a little bit about the history of the drug war. I always think that is important. No matter how many times I have told the story of how we got into this situation with a record number of deaths and abuse, drug abuse, among our teenagers and hard drug overdoses among our young people at record levels, it is amazing how many people really are not listening to the problem that we have in this Nation.

Additionally, I would like to talk a little bit about a hearing that we plan to conduct tomorrow and hearings in the future. I have the privilege and honor of serving as the Chair of the Subcommittee on Criminal Justice, Drug Policy and Human Resources. Tomorrow our subcommittee will launch on a series of hearings dealing with drug legalization, decriminalization and also looking at alternatives for harm reduction, which seem to be sort of the popular rage.

We are going to attempt, through those hearings, series of hearings, to bring more public light on those issues that are getting so much attention right now. Then I plan to talk a little bit about some studies, one in particular in New York, that debunks some of the myths about people who are incarcerated, or part of our criminal justice system, because of drug offenses.

An interesting New York study I thought I would share with the House of Representatives tonight and talk a little bit more about some of the problems we have had with extraditing individuals from Mexico and talk about the source of most of the hard drugs coming in to the United States, which is through Mexico.

Mexico does not produce all of these drugs but certainly is the transit point, and I would like to bring the House and other interested individuals up to date on what is taking place in Mexico; again with the problems we have incurred in getting their cooperation and our effort to combat trafficking and production of illegal narcotics.

Finally, I would like to talk a little bit about what we are doing in a positive vein to deal with this very serious problem that has affected my community and, as I said, millions of American families, and what this new majority is doing since we have inherited the responsibility to govern, to legislate and to create a new drug policy in a void really where we had no policy.

So those are some of the objectives tonight. Again, I want to go over the situation because unless we have some tragedy, an airplane crash, a Columbine, some explosion, some tremendous loss of life in one instantaneous CNN-covered event, it seems that the American people and the Congress do not pay much attention.

What we have here is the slow death of thousands and thousands every month, more and more Americans dying, due to drug-related causes. Right now the hard statistics are last year over 14,000 Americans lost their lives as a direct result of drug-related causes. Most of those are overdoses.

Really, what I find very interesting in just the last 8 months of assuming this responsibility, one would think we would have hard figures on all the people that die as a result of illegal narcotics, and we really do not. We are finding that many of the suicides, some of the murders, many of the other deaths that we read about, traffic accidents, are not counted in the statistics. I am told that we could easily approach 20,000-plus per year that are dying truly as a result of drug-related deaths in this country.

Since the beginning of this administration, we have had over 100,000 deaths. So put that in perspective and now the problem of drug-related deaths has affected millions and millions of American families.

I would venture to say if we talked to school children, if we talked to families across the country, almost every one of them can tell a story of someone they know, if not a relative a friend, who has had a young person, in particular young people are afflicted by this problem, die of a drug-related cause.

So it is a silent but deadly, devastating rage and epidemic across our Nation; not only in the sheer numbers of people that have been lost but the impact on so much of our American society; on the medical system; on our judicial system; health care; on society's responsibility to help families that have lost a wage earner who is afflicted by drug dependency, who is incarcerated in our legal system. So, again, this has had a very damaging effect and it has many consequences.

Let me read a few statistics, if I may, and cite them, about the problems that are occurring. For example, in 1995 almost 532,000 drug-related emergencies occurred nationwide. In 1995, the retail value of the illicit drug business totalled $49 billion. It is estimated that the problem of illegal drugs now approaches a quarter of a trillion dollars every year. That is taking into account all the direct costs, the indirect costs, incarceration, the judicial system, hospitalization, social costs, disruption in our society, lost productivity. There are incredible costs and an incredible price tag to us as a nation.

Additionally, in Congress, and I only have a tiny bit of responsibility in the House of Representatives, and that is to oversee some of our drug budget, which is proposed by the administration, that totals about $17.9 billion in direct dollars that we can identify, another part of this expensive price tag that we face.

According to the 1997 National Household Survey on Drug Abuse, 77 million Americans, that is 35.6 percent of all Americans age 12 and older, reported some use of an illicit drug at least once during their lifetime; 11.2 percent reported use during the past year, and 6.4 percent reported use in the last month before the survey was conducted. This is our most recent survey that shows, again, the impact of illegal narcotics on our society; and again almost 36 percent of all Americans over age 12 have been involved with illegal narcotics.

According to the 1998 monitoring of the future study, and this is a study conducted every year, 54 percent of high school seniors reported use of an illegal drug at least once in their lives. So we passed the halfway mark. We see, again, the statistics in deaths. We see the statistics in addiction. We see the problems that we have with our young people and we have just under 55; 54 percent of all of our high school seniors reported use of an illegal drug at least once in their lives.

What is interesting is we conducted at least half a dozen hearings on the various subjects about drug abuse in the past few months, and one hearing that we held additionally in an area of responsibility was one hearing that addressed the problem of violence in our schools, and that certainly has been a topic of conversation in the Congress and throughout the country since the Columbine incident.

It is interesting to note, and we had principals, we had psychologists, we had law enforcement people, but almost every one of them who testified in our subcommittee hearing said that one of the major problems that we have and at the root of violence in our schools is drug abuse and substance abuse. This was repeated over and over.

It is interesting, when we talk about control of weapons and explosives that we do not address the question of control of substances that really lead to some of the problems that we have seen, and that is violence in our schools. It is sad that, again, we address sort of the periphery in Congress.

We do not go to the root of the problems.

In these hearings we heard time after time from expert after expert that illegal narcotics are at the root of violence in our schools and in the communities. So this is, again, the startling statistic that we have passed the halfway mark with our high school seniors. At least close to 55 percent have used illegal narcotics. Forty-one percent reported the use, in this study, of an illegal drug within the past year. That is 41 percent of our high school seniors now have reported the use of an illegal drug within the past school year.

Nearly 26 percent reported the use of an illegal drug within the past month, and this is the latest study and report that we have showing, again, some startling statistics about the use of illegal narcotics among our young people.

Today I had an opportunity to meet with several different representatives, of different organizations involved in combatting illegal narcotics. One of the individuals that I had the pleasure of discussing this subject with was Mr. Ron Brooks. Mr. Brooks is the President of the National Narcotics Officers Association and he is really on the frontline with many of the other narcotics officers across this country who from day to day sometimes risk their lives and deal on the street and in our communities with the problem of illegal narcotics.

□ 2130

What is incredible is Mr. Brooks, again president of the National Narcotics Officers Association, said that methamphetamines are becoming a national epidemic in this country. We have discussed the situation that we find ourselves in with methamphetamines, commonly called meth.

We have conducted also our subcommittee hearings in several locations in Florida and Atlanta and Washington, and we heard reports from United States attorneys, from police chiefs, from border patrol officers, from law enforcement officials across this Nation in surprising locales.

We had a law enforcement officer from the heart of the country in Iowa testify. We had information from Minnesota where one would not think that there would be much of a methamphetamine problem; Georgia, Texas, and the list goes on and on. Mr. Brooks, and we had representatives from California talking today about the meth epidemic in that State. So we have another, in addition to heroin epidemic, which we have experienced in Florida, we have in many parts of our land a methamphetamine epidemic that really needs attention.

Let me describe a little bit about meth and what it is and the problem that we face. Methamphetamine is a highly addictive drug that can be manufactured by using products commercially available anywhere in the United States. Methamphetamine is by far the most prevalent synthetic controlled substance which is clandestinely manufactured in the United States today.

In 1997, it was estimated that 5.3 million Americans, that is 2½ percent of our population, had already tried methamphetamines in their lifetime, up significantly from a 1994 estimate of 1.8 million Americans.

The meth problem, as I said, is epidemic. Not only can it be manufactured by commercially available products that are available in the United States, we found an interesting side note here; and that is that most of the methamphetamine and some of the chemicals that are used in its processing come from Mexico.

It was startling to find officials from Minnesota, from Iowa, from Texas, and other States who actually traced the methamphetamines back to Mexico, an incredible trail, an incredible tale of this deadly substance coming across our borders, and again far flung into communities we would never expect that now are experiencing epidemics of methamphetamine use and abuse.

All of this, of course, has a toll on the Congress and the American taxpayer. I cited some of the toll in dollars and cents and lost lives. One of the big problems that we have is that we have people incarcerated in our prisons, in our local jails across this Nation.

It is also interesting to note when we conduct these hearings and we have sheriffs, like we had our local sheriffs testify, and I am very privileged in central Florida to have several outstanding sheriffs, Sheriff Bob Fogel of Volusia County, who has had an incredible reputation of going after drug dealers, taking a lot of heat for his aggressiveness in going after them, but done a tremendous job in directing resources of our community in Volusia County in central Florida to go after those dealing in illegal narcotics.

Sheriff Don Eslinger of Seminole County. These counties are between Orlando and Daytona Beach that I represent. Don Eslinger has just done a magnificent job, not only as sheriff and chief law enforcement of our major county in my district, but also in heading up a high-intensity drug traffic area, getting that off the ground, which we designated 2 years ago.

That is interesting because, under Federal law, we can designate a community as a high-intensity drug traffic area and bring in Federal resources; and that has been done repeatedly. Sometimes I would like to make the whole United States a high-intensity drug traffic area. That would be a great goal. It would be a great objective if we could do that.

But right now we are limited, because we have limited resources to pick those areas that have been disproportionately impacted and that can justify additional Federal resources designating them as a high-intensity drug traffic area, then providing resources to the local community to deal with that problem.

That is what we have done in Central Florida. Legislatively, I was able to achieve that with the help of Senator GRAHAM, with the help of other colleagues in central Florida. We did get central Florida, the corridor from Daytona Beach over to the Tampa west coast, designated as a high-intensity drug traffic area with $1 million in initial contributions from the Federal Government to go to beef up these activities. This past year, we added $2.5 million.

What is really fabulous is we have seen results. The headlines of the papers just in the last week trumpeted some of the success that we have had. Don Eslinger helped lead that effort, our sheriff, and the individual who helped us start our high-intensity drug traffic area. So Don Eslinger also testified before our hearings.

He told our subcommittee, in hearings in central Florida that we conducted, in fact, right out of the box when I took over this responsibility of chair of the Subcommittee on Criminal Justice, Drug Policy, and Human Resources, in those hearings, Don testified that, in fact, 70 to 80 percent of those incarcerated and that he has arrested are there because of drug-related offenses, an incredible statistic.

We find that, if we look at our Federal prisons and other penitentiaries and jails across the country in similar testimony, we see that 60 to 70 percent of those that are behind bars in this country are there because, again, drug offenses. Now we are approaching 2 million. We have 1.8 million incarcerated in jails. Just imagine what this country would be like if we could eliminate 60 to 70 percent of the crime, 60 to 70 percent of those incarcerated, how we could use those resources. Imagine the tremendous waste of human beings' life to have them sitting behind bars because they have committed a felony and drug offense.

The statistics, again, are just startling about use by those in prison. A recent survey that we had submitted to us, our subcommittee, said that overall 82 percent of all jailed inmates in 1996 had used an illegal drug—up 78 percent from 1989. We had, again, a huge increase in those in prison who were there because of a drug-related crime.

We also find that a large, large percentage, 82 percent of all jail and inmates, had used illegal narcotics. Eighty-one percent of individuals selling drugs test positive at the time of arrest, including 56 percent for cocaine and 13 percent for heroin.

This is interesting because we have people who are selling and involved in

trafficking of narcotics are also drug users and involved in the hard drugs of heroin and cocaine.

A study by the Parent Resource and Information on Drug Report, which is called PRIDE, reported recently of high school students who reported having carried guns to school, 31 percent use cocaine compared to 2 percent of the students who had never carried guns to school. The same relationship was found among junior high school students. Nineteen percent of gang members reported cocaine use, compared to 2 percent among use who were not in gangs.

So it is interesting that not only our prisons, those involved in felonies, involved with illegal narcotics, that even those young people who cause the disruption in our schools by bringing weapons into schools are involved with the hard narcotics and at the statistic level that we cited in this report. These are, again, some of the problems we face with incarceration.

I wanted to talk for a minute, since tomorrow's topic of discussion before our subcommittee will be the question of pros and cons of drug legalization, decriminalization, and harm reduction. Tomorrow, again, is just the first in a series of hearings that we will be holding to address these issues.

We will hear administration policy and pleas that we are going to lead off with our Drug Czar Barry McCaffrey, who has helped the new majority in Congress restart the war on drugs. I know he does not like that term, and I could see why, because this administration, before he assumed the responsibility of the Chief Executive Officer and Director of our Office of National Drug Control Policy, before he came on board, we basically had a vacuum. We had a closing down of the war on drugs. General McCaffrey has helped restart that.

We will also hear, in addition to the Chief National Drug Enforcement Officer that controls our national policy, our Drug Czar, Dr. Alan Leshner, Director of the National Institute on Drug Abuse, and hear what the National Institute on Drug Abuse feels about legalization, decriminalization, and how we should approach harm reduction.

Then we will hear from the Deputy Administrator of our Drug Enforcement Administration, Mr. Donnie Marshall. It is sad, as I said, that we recently learned of the retirement this summer, pending retirement, of Tom Constantine. I cannot sing enough praises of Mr. Constantine. He has been the Administrator of the Drug Enforcement Administration. He has sometimes taken up positions that are difficult with an administration that has not always been willing to cooperate, but he has done so with great integrity, with great honesty, gained the trust of almost every Member of Congress and certainly their respect.

Tomorrow we will hear from Donnie Marshall, his deputy, and see how the administration feels about these proposals again to liberalize and legalize and decriminalize some of our drug laws.

I am pleased also that we will have Jim McDonough. Jim McDonough was a deputy in the National Drug Czar's Office and has moved on to direct Florida's effort under the able leadership of our new Governor Jeb Bush, who, right from the beginning, found one of the best individuals in the country to come to Florida and help us with the mounting problem that we have had there.

Jim McDonough is no stranger to the Office of Drug Control Policy. As I said, he was a deputy there, admirably served, and now is serving us in Florida; and we will hear his opinion from the State level. I am pleased to welcome him at our hearing.

□ 2145

Then we will also hear from Mr. Scott Elders, a senior policy analyst with the Drug Foundation. And then we are going to hear from Robert L. Maginnis, who is the Senior Director of the Family Research Council. And Mr. David Boaz, Executive Vice President of the Cato Institute. And Mr. Ira Glasser, Executive Director of the American Civil Liberties Union.

This is only our first hearing on this subject. We intend to look at the medical use of marijuana. We intend to look at some of the programs across the country that have dealt with decriminalization; some of the efforts in Arizona and others that have been touted recently.

As sort of a prelude to that hearing, I tried to assemble some of the most recent reports relating to decriminalization. One of the interesting things in my position is many people come to me asking why we do not look at not incarcerating people for drug use. They think drug use is something personal. If someone wants to get stoned or someone wants to walk around in a cloud, it does not do any harm. These people are sitting in our prisons. This is a waste of taxpayer money. And most of the people in prison, they would have us believe, they are first-time users or have not committed a serious offense, only personal use and possession of illegal narcotics.

One of the most recent studies which I obtained a copy of is Narrow Pathways to Prison, and it is entitled ''The Selective Incarceration of Repeat Drug Offenders in the State of New York.'' This is the most recent report that I found. Rather thorough. It was produced by Catherine Lapp, the Director of Criminal Justice, in April. Just released in the last month or two. And I thought I would try to debunk a few of the myths about some of the things that have been said; that, again, these are first-time offenders; that these are people who only had personal use of some illegal substance and have done no harm.

Let me just read from this report, and, again, a pretty factual and well documented report, about what they found. ''Advocates seeking to reduce or eliminate incarceration of drug offenders often focus their concerns on the following two types of offenders. First, incarcerated drug offenders with no prior felony arrest histories; and, second, incarcerated drug offenders whose only prior felony arrest, and perhaps convictions, involved drug offenses. This report helps to eliminate the circumstances underlying the incarceration of those two groups of offenders. It reveals that the vast majority of these offenders never receive prison sentences. And most of those who are sentenced to prison have failed to abide by conditions of community supervision.'' An interesting finding.

Now, there are two parts to this report, and I will just read the summaries and then the conclusion.

Part one. And it is entitled ''Drug Offenders With No Prior Felony Arrests or Conviction.''

Few felony drug arrestees without prior felony histories receive prison sentences in New York State. As shown in one of their charts, fewer than 10 percent of disposed felony drug arrestees without a prior felony arrest or conviction are sentenced to prison. The other 90 percent are diverted from the criminal justice system prior to conviction or sanctioned locally. These data suggest that the criminal justice system is very selective in its use of prison for first-time offenders.

So this is New York. It is one very comprehensive study, just completed a few months ago, and its conclusion is that these first-time offenders are not going into prison.

There is a second part to this study which is quite interesting, and the title of the second part is ''Drug Offenders Whose Only Prior Felony History, Arrest or Conviction Involves Drug Offenses.'' Now we are going to look at those who have had a history of felony arrests which involved drug offenses, and this is the second part and second conclusion.

Most suspects who are arrested for felony-level drug crimes, and whose prior felony histories are limited to drug crimes, do not receive prison sentences in New York State. As shown in one of the charts they provide, approximately 70 percent of the disposed felony arrests are either diverted from the criminal justice system prior to conviction or sanctioned locally. Again, the data indicates a very selective use of prison even when the arrestee has a prior drug felony arrest history.

So these folks that are sitting in our prisons are not one-time users, they

are not first-time users. And the conclusion of this report is quite interesting. Again, I thought I would provide verbatim the conclusion that was reached in this New York study.

This report provides an accurate and objective insight into the manner in which New York State's criminal justice system adjudicates persons charged with drug offenses. Contrary to images portrayed by Rockefeller Drug Law Reform Advocates, the drug offenders serving time in our State prison system today are committed to prison because of their repeated criminal behavior, leaving judges with few options short of prison. In the past decade, numerous alternatives to prison and prison diversion programs have been implemented to target non-violent drug abusing offenders in an effort to reduce unnecessary reliance on prison and reduce recidivism among this category of offenders. The programs range from merit time to shock incarceration, detab, and the Willard Drug Treatment Program.

Our subcommittee intends to look at some of these diversion programs in future hearings and future investigations. These programs and others have yielded promising results. However, as this report clearly demonstrates, when offenders continue to flaunt the system and fail to abide by the conditions of their release, the court must take swift action and impose appropriate sentences of imprisonment in order to protect society and break the cycle of crime.

This is a very interesting report, and I will make that a part of the record of our hearing tomorrow as we discuss in one of the rare times that I can recall that Congress has addressed the question of drug legalization, decriminalization. A very interesting factual report, and it blows away some of the myths about who is in prison, who is behind bars, and what brought them to prison.

Tonight, again, in addition to talking about the hearings that we have held and the hearings we are going to hold tomorrow, I want to repeat a little bit of the history of how we got ourselves into this situation. I do not mean to beat a dead horse, but, again, it is amazing how many people do not know the story of really this administration and this President's direct efforts to close down the war on drugs in 1993.

When they gained control, from 1993, of the House of Representatives, of the other body, the United States Senate, and of the White House, the first thing they did was dismantle the drug czar's office. Most of the people that were cut from the White House staff were cut from the staff of the drug czar's office, which has been part of the Executive Office of the President.

What was sad, and I sat on the then-Committee on Government Reform and Oversight, and had been on the Committee on Government Operations prior to that, is this administration completely ignored national drug policy for 2 years. For 2 years, when I came as a freshman in 1993, I repeatedly made requests of the chairman, of the Committee on Government Operations that was responsible for drug policy oversight, for hearings.

Repeatedly we requested that there be some oversight of what was happening as they dismantled the war on drugs, as they took the military out of the war on drugs, as they cut the Coast Guard budget in half in the war on drugs, as they began a systematic dismantling of the source country program, which was stopping illegal narcotics most cost-effectively in the few nations and areas where those illegal narcotics are produced.

I called for and others signed letters. In fact, at one point I believe we had over 130 Members, Republican and Democrat, who asked for hearings and policy review of what was going on with the destruction, dismantling and ending of the war on drugs by this administration. During that entire time there was one hearing, which was approximately 1 hour, where they had the drug czar, Lee Brown.

Lee Brown, and I say this with protection of immunity on the floor of the House of Representatives, was probably the worst public official in the history of not only this administration but for every administration of this century. He did more to oversee the dismantling and destruction of a policy that had proven effective to deal with illegal narcotics than any other human being on the face of the map of the United States. And he came and testified, I will never forget, in a hearing that lasted less than an hour, I think the record would prove, talking about that. And that was only after nearly a disruption of the entire committee process to get one hearing in 2 years on national drug policy as this so-called drug czar oversaw that effort.

The results are incredible. Because from taking the war on drugs apart and dismantling that, hiring a Surgeon General who said ''Just say maybe,'' from sending the wrong message, ''If I had it to do over again, I'd inhale,'' all of these things added up to where, today, we have, since 1993, an 875 percent increase in heroin use by our teenagers.

My colleagues heard the statistics on methamphetamines, the statistics on the death and destruction, particularly among our young people. This has had very devastating results, and it was due to a very concentrated effort by a few people and a majority that took control of this Congress from 1993 to 1995.

What is amazing, too, is that we have known, and I have repeated this on the floor of the House, we have known the source of most of the illegal narcotics. We know that cocaine was produced in only three countries, and 90 percent of it, until this administration took control, 90 percent of all the coca in the world that came into the United States was produced in Peru and Bolivia. Now, in 6 years, they managed to shift that production to, today, to Colombia. And I will talk in a minute about how we got into the situation with Colombia now becoming the major producer of cocaine, also through a direct policy of this administration, which was to stop all resources, assistance, aid, ammunition, helicopters, anything they could stop getting to Colombia and the Colombian National Police to deal with the narcotics production and trafficking problem. That was a direct policy of this administration that failed to deal with that problem.

□ 2200

The good news was that the House of Representatives and the other body went into the hands of the other party. And let me say that I had the honor and privilege of serving under the gentleman from Illinois (Mr. HASTERT), now the Speaker of the House of Representatives, when he took on the responsibility under the leadership of the new majority to put the war on drugs and begin to effectively reassemble what had been started by the Reagan and Bush administration, again a real war on drugs.

The first thing that the gentleman from Illinois (Mr. HASTERT) did was to work with Bolivian and Peruvian officials to aid their effort and restart the source country programs for eradicating cost-effectively drugs at their source.

Again, I cited that most of the cocaine produced in the world and coming into the United States in 1993 to 1995 was from Peru and Bolivia. So the gentleman from Illinois (Mr. HASTERT) went to the source. I went with him. We went out into the fields. We met with the national officials, the Presidents, and they restarted those efforts.

Through that effort, in the last 2, 3 years, those two countries, Peru and Bolivia, through the leadership of Hugo Bonzer, the President of Bolivia, through the leadership of Mr. Fujimori, the President of Peru, they have cut the production of coca in half, 50 percent. And they have plans in the next 2 years to try to eliminate the production.

The only problem is, while we were making progress there and asking the administration to get assistance to Colombia, which was becoming a new source of the cultivation of coca, this administration blocked all of those efforts, and we saw and we have seen in the last few years Colombia, again through a direct policy we can relate to this administration, become the number one producer of cocaine and coca, the base of cocaine, in the world.

What is absolutely startling is from 1993 to 1995, if we go back and look at Colombia, there was almost no production, zero, almost nada, zip, production of heroin from Colombia. Most of it came in from Southeast Asia, a little bit from Mexico. This administration, again through its direct policies, has made Colombia the number one producer.

Colombia is known for its beautiful flowers that are imported around the world and a natural place to start growing poppies, and they did because this administration stopped the resources from getting to Colombia and to the national police.

Only in the last year or two has this new majority been able to appropriate over the wishes of this administration and also even see the delivery in the last few months of equipment, ammunition, resources, helicopters to the Republic of Colombia to combat those illegal narcotics that are being grown and shipped and transhipped through Colombia.

So we know Colombia is the number one source. We know what the problem has been. And I think we have effectively dealt with it with, again, this new majority in Congress initiative, not with any help of the administration.

Then the second area that we know there has been incredible volumes of hard narcotics coming into the United States, of course, is Mexico. The situation with Mexico gets even worse. Last week in Mexico we had the death of one of the stars of Mexico who was brutally machine-gunned downed on the streets of Mexico and come to find out even the hard-core Mexicans were shocked by this death. I believe it was in open daylight in Mexico, and come to find out it is a drug-related death, and this individual was involved with illegal substances and was gunned down, probably by traffickers. We will know more about that.

The news, as I said, gets even worse about Mexico. Mexico, in a report that I just was briefed on this afternoon, it appears, and this will be in the media in the coming days, it appears that both the former President Salinas and his brother had some direct involvement in one of the, I believe, religious leaders in that country, who is also a candidate, he was brutally slain. And there are reports now from reliable sources that because this individual had that information, the former President and his brother wanted him rubbed out, and that even the military was involved in this action to gun down and murder an outstanding religious and potential political figure of Mexico.

The news, as I said, gets even worse. This past week, Tim Golden reported in the New York Times, and he does an excellent job revealing and investigating what is going on with Mexico, which is involved up to its eyeballs and at every level with corruption, with illegal narcotics dealing, Tim Golden revealed that the secretary to the current President Zedillo, Mr. Sines, has managed to avoid a thorough investigation. Even our officials have turned their backs on seeing that Mr. Sines is properly investigated, highest assistant to the President of Mexico.

There are some very, very serious allegations of his involvement with illegal narcotics trafficking and activity and corruption in that country that should be investigated fairly and honestly and not swept under the table by U.S. officials or by Mexican officials.

The news about Mexico gets even worse. As I reported, we conducted a hearing on Mexico, and, in fact, several hearings on Mexico, and found evidence and testimony was given by one of our former Customs officials of a general attempting to launder $1.1 billion in illegal narcotics profits through legitimate U.S. sources.

So again, it is a very sad situation. We fail to have the cooperation of Mexico in trafficking. And again, a majority of illegal narcotics, even those produced in Colombia, are transited through Mexico and enter the United States. They enter Mexico. They enter Florida. They enter the entire United States.

We have provided through the trade benefits we have given to Mexico free and open commercial borders, and we have asked very little in return. We have just asked Mexico to cooperate in seizing heroin and in seizing cocaine and seizing methamphetamines. And what does the report show? In fact, it shows that in 1998, rather than seizing more illegal hard narcotics, the Mexicans are seizing less. Opium and heroin seizures in 1998 versus 1997 were down 56 percent. Cocaine seizures by Mexican officials over that same period were down 35 percent.

So rather than help us in seizing illegal narcotics, instead of helping the United States, who has been a good ally, assisting Mexico in very difficult financial times, we underwrote the Mexican financial institutions and their currency, we opened our trade to Mexican commercial activities, and instead of cooperation, we actually have a lesser level of cooperation.

And this administration has consistently certified Mexico. This Congress some 2 years ago plus passed a resolution asking Mexico to cooperate to pass a maritime agreement and enter into a maritime agreement so that we could seize drugs on the open waters. To date they have not signed a maritime agreement.

We asked Mexico to extradite major drug traffickers, Mexican nationals. To date not one major Mexican national has been extradited. When we introduced just in the past few days a bill in Congress, myself and the gentleman from Florida (Mr. MCCOLLUM) and others, legislation that will go after the U.S. assets and other assets of major drug kingpins, we finally got the extradition of one Mr. Martin, a United States national who we had requested extradition on.

We have requested over 275 extradition requests of the Mexicans over the past decades or less. There are over 40 major drug traffickers whose extradition we have requested. To date not one Mexican national has been extradited.

What is really sad is the major producers, the major traffickers in methamphetamines were the Amezcua brothers. And recently, to kick sand in our face, to really slap the United States, Mexican judicial officials threw out the charges on two of the Amezcua brothers, and they, in fact, still have not been extradited to the United States. Indicted in the United States, requests for extradition, and again over 40 major drug traffickers, Mexican nationals, not one extradited to the United States.

Also we requested radar in the South to stop the trafficking coming up through Central and South America, and that has not been done by the Mexicans. We have asked that our DEA agents, after we had the murder of one of our agents some years ago, that they be armed to be able to protect themselves. And we have a very limited number of DEA agents because Mexico has limited the number of agents. And we still to this date have not had cooperation in allowing our agents to defend themselves.

So we see a situation that is very critical in the United States; incredible numbers of death, the effect on our young people, the cost to our society, the cost to this Congress, the cost to mothers and fathers and brothers and sisters who have lost loved ones. We have seen a close-down of the war on drugs in 1993 and 1995 and a restarting by this new majority where we put the resources back in. We started the source country programs, the interdiction. We brought the military and the Coast Guard back into the effort, a real effort.

This new majority also passed a 190-million-plus program, unprecedented, to start dealing with demand reduction, educating our young people. And that money is matched by private sector donations, very cost-effective. So we have taken some steps. We do not want to take a step backward.

Tomorrow we will hear about drug legalization, decriminalization, and harm reduction from those leaders of the administration. It is my hope again to continue this effort before the House of Representatives, before the Congress, because it is the most important social question, the most important criminal justice question, the most important societal question facing the

American people and our Congress again in great cost in lives and money. And we will be back.

So tonight, as I conclude, I thank those who have listened, Mr. Speaker, and who are willing to take up arms and efforts in combatting illegal narcotics. I thank my colleagues for their attention. And I promise, as General MacArthur said, I shall return and will continue to bring this topic before the Congress and the American people.

NAVAL CONFRONTATION BETWEEN SOUTH KOREA AND NORTH KOREA

The SPEAKER pro tempore (Mr. BRADY of Texas). Under the Speaker's announced policy of January 6, 1999, the gentleman from Arizona (Mr. HAYWORTH) is recognized for 60 minutes.

Mr. HAYWORTH. Mr. Speaker, I rise this evening to speak of a challenge and a threat that has not diminished, but indeed has grown more apparent with each passing day.

Indeed, Mr. Speaker, as this legislative day began during morning hour, I came to the well of this House to discuss disturbing reports that appeared on the international news wires and in various publications and in the electronic media earlier today concerning trouble in yet another dangerous location in this world, news that there had, in fact, been a naval confrontation between South Korea and the outlaw nation we know as North Korea.

I was astounded, Mr. Speaker, to hear a spokesman for our government recount the action this morning by saying, well, typically when there has been a confrontation at sea between two vessels involving North and South Korea, the North Koreans in the past have chosen to not engage in any way, and we do not know why the North Koreans chose to engage in this particular instance.

Mr. Speaker, I was surprised at that expression of amazement on the part of one of our government spokesmen, because it has become readily, painfully, dangerously apparent that the outlaw nation of North Korea, short as it is on food for its people, confronting of famine, depleted as it is from any notion of freedom, ruled by a despot, but ironically empowered as it is by the proliferation of nuclear technologies, all these factors come together to show us why North Korea as an outlaw nation is no shrinking violet on the international scene.

Indeed, Mr. Speaker, as we catalogue the state of affairs confronting our national security, and as we are mindful of our constitutional duty to provide for the common defense, there are some disturbing realities: A bipartisan commission of this House exposing the unauthorized, unlawful transfers of technology to Communist China; subsequent reports and investigations indicate that the Chinese theft of our nuclear secrets and that the espionage is ongoing; coupled with the proliferation to other nations; the nuclear genie out of the bottle; the sharing of technologies with Pakistan; and the aforementioned rise of North Korea also through the sharing of information.

□ 2215

But more disturbing, Mr. Speaker, than the espionage, if that is possible, is, once again, the tragic dereliction of duties that this administration has engaged in, and perhaps that is a term that works at cross-purposes for what I want to discuss tonight.

Mr. Speaker, I can recall in the days following my election to this institution, prior to being sworn in to the 104th Congress, I had occasion to meet with the now former Secretary of Defense, William Perry. Secretary Perry was an apostle of a notion of strategic partnership, constructive engagement, and ultimately, the transfer of technology to North Korea. I was disturbed as a private citizen, reading even then in the early days of this administration that it was the intent of this administration to share nuclear technologies, albeit ostensibly for power and peaceful purposes, with the outlaw Nation of North Korea, the insistence of this administration to give the North Koreans a pair of nuclear reactors. My question of the Secretary that morning is a question that every American should ask: Why indeed would our Nation be so willing to give nuclear technology to the North Koreans? The upshot of the response from then Secretary of Defense Perry was that I was new to government and I really ought to get a briefing.

I subsequently saw former United Nations Ambassador Jeanne Kirkpatrick at another seminar for new Members of Congress, and she concurred with my analysis that no further briefing was necessary, that it did not take a great deal of expertise, nor a list of academic credentials a mile long, or even the length of my arm, to ascertain if someone has turned on the eye of the stove, it is not a good idea to place your hand there because you will be burned. That rather simple observation perhaps does not do justice to the threat that confronts us now in North Korea where this administration continued, Mr. Speaker, in what I believe to be incredibly dangerous, breathtakingly naive, in an almost indescribably irresponsible action, insisting upon giving the North Koreans nuclear technology, and ultimately giving the North Koreans two nuclear reactors.

Mr. Speaker, I came to this House several weeks ago to report a story that has appeared in some quarters in our free press, but strangely, the major publications, Newsweek, cable news networks, broadcast networks have not followed up on the story, which is the subsequent fate of the two nuclear reactors given by the United States to the outlaw Nation of North Korea. U.N. inspectors finally were granted access to North Korea, finally got a chance to check on those two reactors, and Mr. Speaker, one reactor had its core intact, but the core of the second reactor was missing. Even more disturbing, the report in the Washington Times went on to state that a State Department official who accompanied U.N. inspectors on this visit to North Korea was called in front of congressional committees, and that State Department official was instructed by higher-ups at the State Department, Mr. Speaker, not to inform the Congress of the United States and its committees of jurisdiction of the missing reactor core.

Some years ago, Mr. Speaker, John F. Kennedy as a private citizen wrote an historical account of what transpired in England in the days prior to the outbreak of World War II, or at least British involvement in that war. The title of the book was Why England Slept. At this hour, in this place, for compelling reasons we might also ask, can this constitutional republic fall into a slumber? Can the health of our economy somehow obscure the clear and present dangers presented by those who oppose us overseas? Can defining deviancy down, to use the phrase first popularized by the senior Senator from New York State, can defining the presidency down, can defining State craft and foreign policy down, to a method of spin control somehow obscure the clear and present dangers we confront? That is the situation we must face as a constitutional republic in the closing years of the 20th century.

There are many pundits, many who willingly engage in what has been popularized as a spin cycle in this town, many who believe that State craft is now a matter of stage craft; that it is how one manages the public relations of embarrassing disclosures, how one feigns inattention in the wake of incredible derelictions of duty, how one somehow laughs off the stunning revelations that either through naivete or conscious, deliberate actions, those charged with defending our Constitution, providing for the common defense, and those at the very highest levels of our government have turned a deaf ear and a blind eye to incredible abuses, or worse, Mr. Speaker, have actively engaged in some of those abuses.

Mr. Speaker, I have observed before that at times, our Capitol city appears to be somehow transported part and parcel into an Allen Drury novel come to life. The accusations are so disturbing, the findings so compelling, the threats so real that it is as if we engage in a collective form of deception to avoid them.

Mr. Speaker, I would call to my colleagues' attention and, by extension, to those who may join us a work pending

by Bill Gertz, the defense of national security reporter for the Washington Times. Mr. Speaker, the book is accurately, sadly entitled, Betrayal. For whether through naivete or a distorted sense of self-interest, our secrets, our defense capabilities, our national security has been betrayed.

Perhaps because the findings are so disturbing, we choose to avert our eyes. It is true that through American history there have been good and great leaders; there have also been, quite frankly, Mr. Speaker, our share of scalawags and scoundrels, but nevertheless, Mr. Speaker, we have seen elected constitutional officers willingly and, by some descriptions gladly, share sensitive information or create conditions in which sensitive information can be shared with foreign powers whose goals and aims are diametrically opposed to the national interests of the United States.

□ 2230

That is the sad juncture at which we find ourselves in this late part of the 20th century.

It is unbelievable, in one sense, and sadly, as the reports continue to emanate of nuclear proliferation, as the instability infects Korea once again, as the Russian republic acts provocatively now during peacekeeping operations at Pristina, as Chinese leaders continue to act cavalierly, indeed, with the spectacle in 1995 of a Chinese leader basically threatening the United States, saying, with reference to what was transpiring on Taiwan, oh, we don't believe that you value Taiwan more than you value Los Angeles, with that type of threat we must act.

For if there are those who, for whatever reason, fail to take their oaths of office seriously, fail to understand the almost reflexive, what I believe to be almost instinctive need and desire to provide for the common defense, if there are those who, for whatever reasons, find themselves incapable of that action, we must move ahead and provide that leadership in this Congress, and provide those policies which in fact provide for our common defense.

Bill Gertz, in his work ''Betrayal,'' not only offers accounts of an incredible dereliction of duty, but also offers solutions that he believes and I believe, Mr. Speaker, our constitutional republic must seek in the days and years ahead if we are to protect every American family, if we are indeed to provide for our common defense.

I read now in part from Bill Gertz's work, ''Betrayal.''

The first area is leadership. ''The United States must find and place in key position leaders who have two fundamental characteristics: Honesty and courage. The fact that no single senior U.S. official, with one possible exception . . . resigned to protest the national security policies of this president has revealed a crisis in leadership at all levels of government and the military. Military leaders should abandon the ''business mentality'' imposed on them by this administration's corporate-government axis. Instead, leaders must be found who do and say what is right, not merely what their superiors want to hear. The military must instill in its leaders a renewed spirit of ''attack and win'', not the vague, flabby corporate concepts of dominance and conflict prevention and peacetime activities that are common today.''

Secondly, Bill Gertz suggests missile defense. Again quoting from his work, ''The greatest strategic threat to the United States is not instability in southern Europe, Saddam Hussein's Iraq, or even international terrorism. It is the danger of long-range strategic missiles. Unless this most serious danger is handled, the military and civilian national security bureaucracy will have no incentive to tackle'' those other problems.

''Military power: For America to continue acting as a force for positive change, U.S. military capabilities—naval, airborne, spaceborne, and ground-based —must be strengthened and missions refined and limited to being used when vital American interests are at stake.

''Business and foreign policy: The United States has to end this Administration's mercantilism by separating the too-close ties between government and the private business sector. The focus on free trade should be continued, but it cannot come before protecting U.S. national security interests.

When it comes to China, ''America must treat China as a rival for power and not as a strategic partner. Dismissing current and future threats posed by China is dangerous and could lead to devastating miscalculation and war. The 1995 threat,'' I mentioned prior to reading this text, ''The 1995 threat by'' a Communist Chinese general ''to use nuclear weapons against Los Angeles if the United States came to the military defense of Taiwan should be taken as a clear warning of things to come.''

With reference to Russia, ''The United States must promote true democratic reform in Russia with economic incentives for opening up a true free market economy. But with that carrot should be the stick of harsh sanctions for selling weapons of mass destruction to rogue States.

''Defense and foreign policy make for serious business.''

Mr. Speaker, I would define that in even starker fashion: Defense and foreign policy make for national survival in the nuclear age.

Mr. Speaker, it gives me no glee to speak of these things, but I am mindful, even when confronted with what at once seemed to be insurmountable problems and difficulties, it has been the strength of the people in our constitutional republic, the reverence for our laws, the reverence for our Constitution, the resolute nature of our people, once informed, to stand together and work to correct the problems; Mr. Speaker, it is in that spirit that I come to the floor tonight to elaborate on these prescriptions to remedy the current sad state of affairs in foreign affairs and national security that confronts us.

At long last, Mr. Speaker, after insistence from day one when I joined this House and the new commonsense majority emerged in the 104th Congress, at long last, in the wake of revelations that the Chinese communists had stolen our secrets, we were finally able to achieve a bipartisan consensus on the need for strategic military defense.

How sad it was to soon discover that the President took a very legalistic interpretation of that stated goal by the Congress of the United States when he sought, through back channels, to reassure the Chinese government that no actions to establish a strategic missile defense system would really be taken on his watch. Amazing and stupefying though it may be, there were accounts that the President reached out through back channels to do exactly that.

So this Congress again reaffirmed and put in even stronger language the need to establish a national missile defense.

Mr. Speaker, one cannot help but notice the paradox confronting this administration and the American people in terms of national security when our president, during his term in office, has committed more American troops in more venues of peacekeeping than anyone else, and indeed, all his predecessors put together in the post World War II era, and yet, paradoxically, resources for our national defense have continued to dwindle. Real spending for national defense has been cut in essence some 16 percent.

To put a face or a human element on what seems to be dry numbers, understand that we are keeping those who wear the uniforms of our country proudly to defend our interests, we are keeping those folks on the front lines for longer periods of time with less ammunition, with less force replacement, asking them to do more with less, asking them to change the essential role of their missions as constituted by the Constitution of the United States and by the time-honored traditions of what our military has existed for, and we basically have strung our military out and not adequately paid, fed, clothed, or equipped the members of our military.

That is why, again, this House has moved to make those tough decisions to appropriate such funds as necessary to counteract the dereliction of duty

by those who, for whatever reason, naivete or a notion of a socialist utopia, believe that all our secrets should be shared; or more sinister still, Mr. Speaker, that there was political gain, and indeed, there were campaign contributions that awaited them if they would turn a blind eye and avoid any domestic embarrassment while seeking political advantage.

When it comes to business and foreign policy, and our disposition vis-a-vis China or the former Soviet Union, now the Russian republic, Mr. Speaker, I would call to mind the words of that great and good man, our Supreme Allied Commander in Europe during World War II and the 34th president of the United States, Dwight David Eisenhower, who warned us in his farewell address of the threats to our constitutional republic from the military-industrial complex.

There is no doubting the dedication of Eisenhower as a warrior and then as our Commander in Chief. There is no doubting his devotion to the military he helped command. But what Ike was warning us about we see the conditions and the symptoms of today, for we see a situation in which business interests and indeed allegiance to the corporation it would seem for many sadly usurps allegiance to one's Nation.

I think of the disturbing reports of the bipartisan Cox committee, how Hughes Electronics deliberately sought to circumvent the law, working with administration.

As we saw, a change in the evaluation of technological transfers as that authority was transferred from the State and Defense Departments to the Department of Commerce, more business-friendly; as we saw the unique political interactions that worked there; as we saw the aggressive attitudes of the Hughes CEO at the time, C. Michael Armstrong; as we saw the provocative actions at Loral missile defense, and Bernard Schwartz, who ironically was the number one contributor to Democrat campaigns in the 1996 cycle, how those two firms in fact supplied the Chinese communists with technology that has improved the guidance systems of the Chinese nuclear missiles, and how this is no longer a remote threat.

Mr. Speaker, everyone within the sound of my voice in the continental United States and, indeed, in Alaska and Hawaii, and in other American possessions in the Pacific, the sad fact tonight, Mr. Speaker, every one of us is vulnerable to a missile attack from Communist China.

Words and statements have consequences. I can recall a night a few years ago when the President of the United States entered this Chamber for a Joint Session of Congress and spoke from the podium behind me here. The President on that evening boasted that on that particular night, no longer were our children targeted by foreign nuclear missiles. Mr. Speaker, I believe we can forgive the American people if they have grown calloused and cynical to those breathtakingly incorrect observations offered by one who constitutionally must provide for our common defense as Commander in Chief. Again, to be diplomatic, I suppose the President was sorely mistaken.

At any rate, whatever the interpretation, events have overtaken us and we stand at a crossroads.

□ 2245

Will we protect the American nation? Will we act in our national interest? Will we rebuild and revitalize our military, taking seriously our constitutional charge to provide for the common defense? Will we adopt a trade policy that is realistic, that is built not on dreams and desires and esoteric wishes but a trade policy predicated on the harsh realities that we confront? Will we distinguish between widgets and weapons? Will we understand the difference between consumer goods and technologies that can threaten our own people?

We must stand ready to protect the American people, even if we wish this burden to be passed to others because of the cynical nature of the spin cycle, because of the personal comfort it might provide, because of the temptation of false reassurance to those who seek solace in the Dow Jones Industrial Average rather than stark realities of the threats we face.

We cannot turn our backs. Again, it gives me no glee to speak of these things, but we must. It is our duty, as Americans, and this transcends political philosophy or partisan stripe. Indeed, we are our strongest, Mr. Speaker, when we approach problems and meet challenges head on, not as Republicans or as Democrats but as Americans, and that is the task at hand.

However, to understand the best way to address and offer solutions to the threats we confront, we should also stand ready to understand the full extent of the problems presented.

The allegations are that Wen Ho Lee, a Chinese scientist, gave unfettered access to communist China of our most crucial nuclear technology and know-how, the legacy codes that in layman's parlance offer the width and breadth of our knowledge of how to defend our Nation from nuclear attack, the technological advancements that we had that most defense observers believe at least gave us a generation separating us in sophistication from the communist Chinese. Those technological advantages were gone with the stroke of a computer key and the downloading of that sensitive information into unsecured computers.

In the fullness of time, we understand that it has been demonstrated that the Chinese pilfered that knowledge, but more disturbingly, Mr. Speaker, is the knowledge that on an unsecured computer basically open season existed. We do not know the full extent of just who may have pilfered that know-how and knowledge, and so the threat is there.

There were those, Mr. Speaker, who sadly were engaged in, at the very least, derelictions of duty. Our colleague, the gentleman from Pennsylvania (Mr. WELDON) has been a leader in calling for the establishment of a national missile defense. The gentleman from Pennsylvania (Mr. WELDON) on his web site, as well as on my web site, has chronicled the relationships and the time lines of those ostensibly in the service of our government who at the same time either for political considerations or other concerns chose to turn a blind eye, those who through naivete or other motivations chose to open our national labs and invite unfettered access to those who may not have the national interest of the United States at heart, and we as a people need to understand the full implications and the possible consequences of such actions.

Mr. Speaker, in the days ahead I look forward to working with my colleagues in this body in a bipartisan fashion to address these very genuine concerns to rebuild our national defense and to provide for our national security. After all, Mr. Speaker, when we raised our right hands to take the oath of office to uphold and defend the Constitution of the United States from all enemies, foreign and domestic, we were not paying lip service to this document.

It is true that in today's body politic there are those who would take the Constitution of the United States and put it on a shelf to gather dust, to be offered lip service from time to time in a sanctimonious, pseudo-patriotic fashion, but when one raises their right hand to take an oath, it is not an oath of political convenience. It is an oath of personal conviction.

Accordingly, Mr. Speaker, I call on all of our colleagues to join us, people of goodwill who may have legitimate disagreements but who understand, whatever the temporary political embarrassments, our very national survival depends on a sober, rational reassessment of how we provide for the common defense and how we ultimately provide family security for our constitutional republic through our national security.

Mr. Speaker, I do not know if anyone else engages in that annual rite known as spring training, or spring cleaning, and pardon me for the Freudian slip but in the great State of Arizona we also have many major league baseball teams who join us for that annual rite known as spring training, but in this instance I was away from the ball park and instead ensconced in my garage at the behest of my life's partner, my dear bride, involved in spring cleaning.

In going through my belongings, I found something that I regard as a treasure. It is a textbook of American history written in 1889, published in 1890 by the American Book Company of Cincinnati. Mr. Speaker, what is compelling about this work is that my home State of Arizona literally does not appear in the text of this history until the next to last page. As one takes that book and reads through it, they cannot help but realize that over a century has passed. Indeed, Mr. Speaker, the book was written almost a quarter century prior to the Arizona territory becoming the 48th state. One reads the words of that book and they are acutely aware that they were written before a President Roosevelt of either major party, before what was called the war to end all wars, World War I, before a Great Depression, before World War II, before a space race, before a so-called war on poverty, before men on the moon, before an Information Age, before a nuclear age.

As one reads those words, one cannot help but wonder what will those who follow 100 years from now say of us? Will they say that sadly in a cynical age they succumbed to a cult of celebrity and personality that led them to owe their allegiance not to the Constitution but to the opinion cycle of the media; that they chose to focus on a false prosperity and security that was offered by economic indicators while ignoring the clear and present dangers that confronted them? Or will they instead say that despite the rhetoric of revolution and reinvention, Americans in the late 20th Century and early 21st Century engaged in restoration, to rally around their constitution, to take into account legitimate political and philosophical differences of people of goodwill but at the same time responded, mindful of their constitutional obligations, whether a citizen or an elected official, to provide for the common defense, to ensure our liberties for ourselves and our posterity?

Mr. Speaker, I pray that it is the latter that our descendants will remember us by. For, I dare say, Mr. Speaker, if we fail to follow that latter course of action there may be no opportunity for any reflection on the former.

So in the best spirit of what makes us Americans, Mr. Speaker, let us unite to deal clearly, calmly but rationally and rapidly to the threats that confront us. Let us do so not out of weakness, not out of embarrassment but out of the most basic goals and highest ideals that those who have gone before have presented to us.

Mr. Speaker, it is in that spirit that I come to the well of this House tonight with entreaties to the Almighty to continue to bless this constitutional republic and those so fortunate to live in it.

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 10:58 p.m.), the House stood in recess subject to the call of the Chair.

□ 0049

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SESSIONS) at 12 o'clock and 49 minutes a.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1501, CONSEQUENCES FOR JUVENILE OFFENDERS ACT OF 1999; AND REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2122, MANDATORY GUN SHOW BACKGROUND CHECK ACT OF 1999

Mr. DREIER, from the Committee on Rules, submitted a privileged report (Rept. No. 106–186) on the resolution (H. Res. 209) providing for consideration of the bill (H.R. 1501) to provide grants to ensure increased accountability for juvenile offenders, and for consideration of the bill (H.R. 2122) to require background checks at gun shows, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 659, THE PATRIOT ACT

Mr. DREIER, from the Committee on Rules, submitted a privileged report (Rept. No. 106–187) on the resolution (H. Res. 210) providing for consideration of the bill (H.R. 659) to authorize appropriations for the protection of Paoli and Brandywine Battlefields in Pennsylvania, to direct the National Park Service to conduct a special resource study of Paoli and Brandywine Battlefields, to authorize the Valley Forge Museum of the American Revolution at Valley Forge National Historical Park, and for other purposes, which was referred to the House Calendar and ordered to be printed.

THANKS TO STAFF

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

Mr. DREIER. Mr. Speaker, I first would like to express my appreciation on behalf of the Committee on Rules to all the staff here, and to express my appreciation to the staff of the Committee on Rules for the long hours that they have put in. I would also like to say that in 9 hours we will be beginning a very interesting and rigorous debate on the issues that the reading clerk has just provided for us.

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. GREEN of Texas) to revise and extend their remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.
Ms. NORTON, for 5 minutes, today.
Mrs. CLAYTON, for 5 minutes, today.
Mr. ETHERIDGE, for 5 minutes, today.

(The following Members (at the request of Mr. FOSSELLA) to revise and extend their remarks and include extraneous material:)

Mr. GEKAS, for 5 minutes, on June 22.
Mr. BILIRAKIS, for 5 minutes, on June 22.
Mr. FOSSELLA, for 5 minutes, today.
Mr. PAUL, for 5 minutes, today.
Mr. COLLINS, for 5 minutes, today.
Mr. THUNE, for 5 minutes, today.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, a bill of the House of the following title:

On June 14, 1999:

H.R. 435. To make miscellaneous and technical changes to various trade laws, and for other purposes.

ADJOURNMENT

Mr. DREIER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 50 minutes a.m.), the House adjourned until today Wednesday, June 16, 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:

2603. A letter from the Administrator, Foreign Agricultural Service, Department of Agriculture, transmitting the Department's final rule—Programs to Help Develop Foreign Markets for Agricultural Commodities (Foreign Market Development Cooperator Program) (RIN: 0551–AA26) received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

2604. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Regulation of Fuel and Fuel Additives: Modification of Compliance Baseline [AMS–FRL 6354–5] (RIN: 2060–AI29) received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2605. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants Emissions: Group IV Polymers and Resins [AD–FRL–6355–5] (RIN: 2060–AH47) received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2606. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Ohio [OH118–1a; FRL–6353–2] received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2607. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision; El Dorado County Air Pollution Control District [CA 211–0127c; FRL–6356–1] received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2608. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, South Coast Air Quality Management District, San Joaquin Valley Unified Air Pollution Control District, Siskiyou County Air Pollution Control District, and Bay Area Air Quality Management District [CA 011–0146; FRL 6353–1] received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2609. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; Enhanced Inspection and Maintenance Program Network Effectiveness Demonstration [PA 122–4086; FRL–6355–2] received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2610. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Acquisition Regulation: Service Contracting—Avoiding Improper Personal Services Relationships [FRL–6353–9] received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2611. A letter from the Director, Office of Regulatory Management Information, Environmental Protection Agency, transmitting the Agency's final rule—Adequacy of State Permit Programs Under RCRA Subtitle D [FRL–6354–7] received June 3, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2612. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Solid Waste Programs; Management Guidelines for Beverage Containers; Removal of Obsolete Guidelines [FRL–6362–4] received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2613. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; State of Missouri [MO 077–1077; FRL–6361–9] received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2614. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Regional Haze Regulations [Docket No. A–95–38] [FRL–6353–4] (RIN: 2060–AF32) received June 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2615. A letter from the Chairman, Office of the Chief Financial Officer, Nuclear Regulatory Commission, transmitting the Commission's final rule—Revision of Fee Schedules; 100% Fee Recovery, FY 1999 (RIN: 3150–AG08) received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

2616. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Guidelines Establishing Test Procedures for the Analysis of Pollutants; Measurement of Mercury in Water (EPA Method 1631, Revision B); Final Rule [FRL–6354–3] (RIN: 2040–AD07) received June 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

2617. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Charitable Split-Dollar Insurance Transactions [Notice 99–36] received June 14, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLILEY: Committee on Commerce. H.R. 10. A bill to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, and for other purposes; with an amendment (Rept. 106–74, Pt. 3). Referred to the Committee of the Whole House on the State of the Union.

Mr. DREIER: Committee on Rules. House Resolution 209. Resolution providing for consideration of the bill (H.R. 1501) to provide grants to ensure increased accountability for juvenile offenders, and for consideration of the bill (H.R. 2122) to require background checks at gun shows, and for other purposes (Rept. 106–186). Referred to the House Calendar.

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 210. Resolution providing for consideration of the bill (H.R. 659) to authorize appropriations for the protection of Paoli and Brandywine Battlefields in Pennsylvania, to direct the National Park Service to conduct a special resource study of Paoli and Brandywine Battlefields, to authorize the Valley Forge Museum of the American Resolution at Valley Forge National Historical Park, and for other purpose (Rept. 106–187). 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. 434. Referral to the Committee on Ways and Means and Banking and Financial Services extended for a period ending not later than June 16, 1999.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Ms. WOOLSEY:

H.R. 2202. A bill to authorize the Secretary of the Interior to make grants to promote the voluntary protection of certain lands in portions of Marin and Sonoma Counties, California, and for other purposes; to the Committee on Resources.

By Mr. ANDREWS:

H.R. 2203. A bill to eliminate corporate welfare; to the Committee on Ways and Means, and in addition to the Committees on Resources, Agriculture, Commerce, Transportation and Infrastructure, and the Budget, 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. BACHUS:

H.R. 2204. A bill to establish an Office of National Security within the Securities and Exchange Commission, provide for the monitoring of the extent of foreign involvement in United States securities markets, financial institutions, and pension funds, and for other purposes; to the Committee on Commerce, and in addition to the Committees on International Relations, Banking and Financial Services, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BILBRAY (for himself, Mr. HUNTER, Mrs. BONO, and Mr. REYES):

H.R. 2205. A bill to amend section 4723 of the Balanced Budget Act of 1997 to assure that the additional funds provided for State emergency health services furnished to undocumented aliens are used to reimburse hospitals and their related providers that treat undocumented aliens and to increase the funds so available for fiscal years 2000 and 2001; to the Committee on Commerce.

By Mr. GORDON (for himself, Mr. BRYANT, and Mr. CLEMENT):

H.R. 2206. A bill to extend the period for beneficiaries of certain deceased members of the uniformed services to apply for a death gratuity under the Servicemembers' Group Life Insurance policy of such members; to the Committee on Veterans' Affairs.

By Mr. HAYWORTH:

H.R. 2207. A bill to suspend temporarily the duty on a certain fluorinated compound; to the Committee on Ways and Means.

H.R. 2208. A bill to suspend temporarily the duty on a certain light absorbing photo dye; to the Committee on Ways and Means.

H.R. 2209. A bill to suspend temporarily the duty on filter blue green photo dye; to the Committee on Ways and Means.

H.R. 2210. A bill to suspend temporarily the duty on certain light absorbing photo dyes; to the Committee on Ways and Means.

H.R. 2211. A bill to suspend temporarily the duty on 4,4'-Difluorobenzophenone; to the Committee on Ways and Means.

H.R. 2212. A bill to suspend temporarily the duty on a certain fluorinated compound; to the Committee on Ways and Means.

By Ms. KAPTUR:

H.R. 2213. A bill to allow an exception from making formal entry for a vessel required to

anchor at Belle Isle Anchorage, Port of Detroit, Michigan, while awaiting the availablity of cargo or for the purpose of taking on a pilot or awaiting pilot services, prior to proceeding to the Port of Toledo, Ohio; to the Committee on Ways and Means.

H.R. 2214. A bill to suspend temporarily the duty on the chemical DiTMP; to the Committee on Ways and Means.

H.R. 2215. A bill to suspend temporarily the duty on the chemical EBP; to the Committee on Ways and Means.

H.R. 2216. A bill to suspend temporarily the duty on the chemical HPA; to the Committee on Ways and Means.

H.R. 2217. A bill to suspend temporarily the duty on the chemical APE; to the Committee on Ways and Means.

H.R. 2218. A bill to suspend temporarily the duty on the chemical TMPDE; to the Committee on Ways and Means.

H.R. 2219. A bill to suspend temporarily the duty on the chemical TMPME; to the Committee on Ways and Means.

By Mr. LEWIS of California:

H.R. 2220. A bill to suspend temporarily the duty on tungsten concentrates; to the Committee on Ways and Means.

By Mr. MCINTOSH:

H.R. 2221. A bill to prohibit the use of Federal funds to implement the Kyoto Protocol to the United Nations Framework Convention on Climate Change until the Senate gives its advice and consent to ratification of the Kyoto Protocal, and to clarify the authority of Federal agencies with respect to the regulation of emissions of carbon dioxide; to the Committee on Commerce.

By Mr. GEORGE MILLER of California (for himself, Mr. MCGOVERN, Ms. PELOSI, Mr. HINCHEY, Mrs. TAUSCHER, Mr. MEEHAN, Mr. TIERNEY, Mr. KENNEDY of Rhode Island, Mr. BROWN of Ohio, Ms. DELAURO, Mr. STARK, Ms. RIVERS, Mr. MOORE, Mr. BONIOR, Mr. LUTHER, Mr. GUTIERREZ, Ms. SCHAKOWSKY, Mr. VENTO, Ms. SLAUGHTER, and Ms. ESHOO):

H.R. 2222. A bill to establish fair market value pricing of Federal natural assets, and for other purposes; to the Committee on Resources, and in addition to the Committees on Agriculture, and the Budget, 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. MINK of Hawaii:

H.R. 2223. A bill to amend the Elementary and Secondary Education Act of 1965 to provide grants to State and local educational agencies to pay such agencies for one-half of the salary of a teacher who uses approved sabbatical leave to pursue a course of study that will improve his or her classroom teaching; to the Committee on Education and the Workforce.

H.R. 2224. A bill to express the sense of Congress regarding the need to carefully review proposed changes to the governance structure of the Civil Air Patrol before any such change is implemented and to require studies by the Comptroller General and the Inspector General of the Department of Defense regarding Civil Air Patrol management and operations; to the Committee on the Judiciary, 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. PICKERING:

H.R. 2225. A bill to amend the Federal Crop Insurance Act to improve crop insurance coverage and administration, and for other purposes; to the Committee on Agriculture.

By Mr. ROHRABACHER:

H.R. 2226. A bill to amend the Immigration and Nationality Act to specify that imprisonment for reentering the United States after removal subsequent to a conviction for a felony shall be under circumstances that stress strenuous work and sparse living conditions, if the alien is convicted of another felony after the reentry; to the Committee on the Judiciary.

By Mr. STARK:

H.R. 2227. A bill to amend the Internal Revenue Code of 1986, the Employee Retirement Income Security Act of 1974, and the Public Health Service Act to permit extension of COBRA continuation coverage for individuals age 55 or older; to the Committee on Education and the Workforce, and in addition to the Committees on Commerce, 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. STARK (for himself, Mr. BROWN of Ohio, Mr. GEPHARDT, Mr. RANGEL, Mr. DINGELL, Mr. BARRETT of Wisconsin, Ms. BERKLEY, Mr. BONIOR, Mr. BORSKI, Mr. BRADY of Pennsylvania, Mrs. CAPPS, Mr. CAPUANO, Mr. CARDIN, Mrs. CHRISTENSEN, Mrs. CLAYTON, Mr. COYNE, Mr. CROWLEY, Mr. CUMMINGS, Ms. DELAURO, Mr. DEUTSCH, Mr. DIXON, Mr. ENGEL, Mr. FALEOMAVAEGA, Mr. FILNER, Mr. FRANK of Massachusetts, Mr. FROST, Mr. GEJDENSON, Mr. GREEN of Texas, Mr. HASTINGS of Florida, Mr. HINCHEY, Mr. HOEFFEL, Mr. HOYER, Mr. JEFFERSON, Mr. KANJORSKI, Ms. KAPTUR, Ms. KILPATRICK, Mr. KLECZKA, Mr. KUCINICH, Mr. LAFALCE, Mr. LANTOS, Mr. LEWIS of Georgia, Mr. LIPINSKI, Ms. LOFGREN, Mr. MCDERMOTT, Mr. MCGOVERN, Mrs. MALONEY of New York, Mr. MALONEY of Connecticut, Mr. MARKEY, Mr. MATSUI, Mr. MEEHAN, Mr. MENENDEZ, Mr. GEORGE MILLER of California, Mr. MOAKLEY, Mr. MORAN of Virginia, Mr. MURTHA, Mr. NADLER, Ms. NORTON, Mr. OBERSTAR, Mr. OLVER, Mr. PALLONE, Mr. PASCRELL, Ms. PELOSI, Mr. RAHALL, Mr. ROMERO-BARCELO, Mr. RUSH, Mr. SANDERS, Mr. SERRANO, Mr. SHOWS, Ms. SLAUGHTER, Mr. STUPAK, Mr. TIERNEY, Mr. TOWNS, Mr. UDALL of New Mexico, Mr. UNDERWOOD, Mr. WAXMAN, Mr. WEINER, Mr. WEYGAND, Mr. WISE, Ms. WOOLSEY, and Mr. WU):

H.R. 2228. A bill to amend title XVIII of the Social Security Act and the Employee Retirement Income Security Act of 1974 to improve access to health insurance and Medicare benefits for individuals ages 55 to 65 to be fully funded through premimums and anti-fraud provisions, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Commerce, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STARK:

H.R. 2229. A bill to amend titles XI and XVIII of the Social Security Act to combat waste, fraud, and abuse in the Medicare Program; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

H.R. 2230. A bill to amend title XVIII of the Social Security Act to prohibit the inclusion in the adjusted community rate for Medicare+Choice plans of costs that would be unallowable under Medicare principles or the Federal Acquisition Regulation; 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. TRAFICANT:

H.R. 2231. A bill to amend section 107 of the Housing and Community Development Act of 1974 to authorize the Secretary of Housing and Urban Development to make grants from community development block grant amounts to the City of Youngstown, Ohio, for the construction of a community center and the renovation of a sports complex in such city; to the Committee on Banking and Financial Services.

By Ms. WATERS (for herself, Mr. FRANK of Massachusetts, Ms. LEE, and Ms. SCHAKOWSKY):

H.R. 2232. A bill to provide bilateral and multilateral debt relief to countries in sub-Saharan Africa; to the Committee on International Relations, and in addition to the Committee on Banking and Financial 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. WATTS of Oklahoma:

H.R. 2233. A bill to provide relief from Federal tax liability arising from the settlement of claims brought by African American farmers against the Department of Agriculture for discrimination in farm credit and benefit programs and to exclude amounts received under such settlement from means-based determinations under programs funding in whole or in part with Federal funds; to the Committee on Ways and Means.

By Mr. MORAN of Virginia (for himself, Mr. TAUZIN, Mr. CLEMENT, Mr. BACHUS, Mr. BENTSEN, and Mr. SANFORD):

H. Con. Res. 133. Concurrent resolution recognizing the severity of the disease of colon cancer, the preventable nature of the disease, and the need for education in the areas of prevention and early detection, and for other purposes; to the Committee on Commerce.

By Mr. PITTS:

H. Res. 207. A resolution expressing the sense of the House of Representatives with regard to community renewal through community- and faith-based organizations; to the Committee on Education and the Workforce.

By Ms. BROWN of Florida (for herself and Mr. EVANS):

H. Res. 208. A resolution calling on the National Cemetery Administration of the Department of Veterans Affairs to provide veterans reasonable access to burial in national cemeteries; to the Committee on Veterans' Affairs.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

111. The SPEAKER presented a memorial of the Legislature of the State of Alaska, relative to House Joint Resolution No. 21 memorializing the President, the Congress, and

the Secretary of Defense to establish new Joint Cross-Service Groups this year to study issues of power projection and deployment, joint training, joint operations, and other total force considerations; to the Committee on Armed Services.

112. Also, a memorial of the Legislature of the State of Alaska, relative to SCS CSHJR 12(FIN) memorializing the Congress to enact and the President to sign legislation to prohibit any federal claim against money obtained by settlement of state tobacco litigation; to the Committee on Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Mr. TANNER introduced a bill (H.R. 2234) to provide for the reliquidation of certain entries of printing cartridges; which was referred to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 49: Mr. COYNE.
H.R. 65: Mr. RODRIGUEZ.
H.R. 116: Mr. PICKETT and Mr. BOSWELL.
H.R. 218: Mr. PAUL and Mr. OSE.
H.R. 248: Mr. LARGENT and Mr. MCINTOSH.
H.R. 303: Mr. RODRIGUEZ, Mr. PICKETT, and Mr. RAMSTAD.
H.R. 306: Mr. GILCHREST, Mr. CLYBURN, and Mr. GARY MILLER of California.
H.R. 315: Mr. DEUTSCH.
H.R. 347: Mr. LAHOOD.
H.R. 353: Mr. KILDEE, Mr. MENENDEZ, Mr. BACHUS, Mrs. JONES of Ohio, Mr. CAMP, Mr. SABO, and Mr. MALONEY of Connecticut.
H.R. 360: Mr. GOODLATTE and Mr. TRAFICANT.
H.R. 362: Mr. CRAMER.
H.R. 363: Mr. DICKS.
H.R. 382: Mr. RUSH, and Ms. KILPATRICK.
H.R. 383: Mr. BORSKI.
H.R. 430: Mr. SMITH of Michigan.
H.R. 453: Mr. GREEN of Texas, Mr. WELDON of Pennsylvania, Mr. CAPUANO, Mr. WEINER, Mr. COLLINS, Mrs. MORELLA, Mr. NADLER, Mr. EVANS, Mr. RAHALL, Mrs. JOHNSON of Connecticut, Mr. STARK, Mr. NEAL of Massachusetts, Mr. BERMAN, Mr. ENGLISH, Mr. LANTOS, Mr. PASCRELL, Mr. BONIOR, Mr. OLVER, Mr. WHITFIELD, Mr. LEACH, and Mr. COOK.
H.R. 516: Mr. WICKER.
H.R. 518: Mr. WICKER.
H.R. 541: Mr. HASTINGS of Florida and Ms. SANCHEZ.
H.R. 611: Mr. TANCREDO.
H.R. 648: Mr. PICKERING.
H.R. 653: Mr. CAMPBELL.
H.R. 670: Mr. ABERCROMBIE, Mr. LAHOOD, Mr. SESSIONS, and Mr. BOUCHER.
H.R. 731: Ms. RIVERS, Mr. NADLER, Ms. PELOSI, Mr. CAPUANO, Mr. PAYNE, Mr. RAHALL, and Mr. LANTOS.
H.R. 776: Mr. WEINER, Ms. MCCARTHY of Missouri, Mr. DAVIS of Illinois, and Ms. BALDWIN.
H.R. 783: Mr. ROEMER, Mr. STARK, and Mr. CRAMER.
H.R. 827: Mr. DEFAZIO, Mr. HALL of Ohio, and Mr. RAHALL.
H.R. 834: Mr. COYNE.
H.R. 837: Mr. BISHOP.
H.R. 859: Mr. FOLEY.
H.R. 860: Mr. CLEMENT and Mr. CRAMER.
H.R. 895: Mr. SABO and Mr. FARR of California.
H.R. 922: Mr. HILLIARD and Mr. HOBSON.
H.R. 933: Ms. DELAURO and Mr. WEXLER.
H.R. 953: Ms. BERKLEY, Mr. WATT of North Carolina, Ms. PELOSI, Mr. FALEOMAVAEGA, Mr. CLAY, Mr. DIXON, Mr. FATTAH, Mr. MALONEY of Connecticut, Mr. SHAYS, Mrs. ROUKEMA, and Ms. ESHOO.
H.R. 961: Mr. BURTON of Indiana, Ms. PELOSI, Mr. CALVERT, Mr. RANGEL, and Mr. GUTIERREZ.
H.R. 963: Mr. BONIOR and Mr. MARTINEZ.
H.R. 986: Mr. MCCOLLUM.
H.R. 997: Mr. SPRATT, Mr. BARCIA, Mr. GOODLATTE, Mr. LANTOS, Mr. WELLER, Mr. WU, Mr. BECERRA, and Mr. PETERSON of Pennsylvania.
H.R. 1032: Mr. BONILLA and Mr. GOODLATTE.
H.R. 1046: Mr. BACHUS.
H.R. 1063: Mr. MINGE.
H.R. 1071: Mr. DOOLEY of California, Ms. MCCARTHY of Missouri, and Mr. VENTO.
H.R. 1080: Mr. COYNE.
H.R. 1083: Mr. POMBO, Mr. TAYLOR of North Carolina, and Mr. SCHAFFER.
H.R. 1102: Ms. ROS-LEHTINEN, Ms. KAPTUR, Mr. WEINER, Mr. BOSWELL, and Mr. ANDREWS.
H.R. 1111: Mr. GOODE, Mr. SISISKY, and Mr. ENGEL.
H.R. 1116: Mr. HOSTETTLER.
H.R. 1129: Ms. VELÁZQUEZ, Mr. BOUCHER, and Mr. ENGEL.
H.R. 1130: Mr. PALLONE.
H.R. 1168: Mr. TURNER and Mr. GALLEGLY.
H.R. 1177: Mr. TANCREDO.
H.R. 1194: Mr. WAMP, Ms. VELÁZQUEZ, and Mr. GARY MILLER of California.
H.R. 1196: Mr. HINCHEY.
H.R. 1216: Mr. WEINER, Mr. BROWN of Ohio, Mr. LUCAS of Kentucky, and Mr. DIXON.
H.R. 1248: Mr. CALVERT.
H.R. 1256: Mr. GRAHAM, Mr. HOSTETTLER, and Mr. BLUNT.
H.R. 1281: Mr. NORWOOD.
H.R. 1296: Mr. ISAKSON.
H.R. 1300: Mr. CUMMINGS, Mr. BATEMAN, and Mr. DUNCAN.
H.R. 1317: Mr. SHAW.
H.R. 1325: Mr. KOLBE, Mr. GREENWOOD, Mr. FATTAH, and Mr. LEWIS of Kentucky.
H.R. 1342: Mr. WU and Ms. NORTON.
H.R. 1357: Mr. TIAHRT and Ms. MCKINNEY.
H.R. 1358: Mr. SHOWS.
H.R. 1413: Mr. GREEN of Texas, Mr. RODRIGUEZ, and Mr. SMITH of Texas.
H.R. 1445: Mr. BLAGOJEVICH.
H.R. 1456: Mr. GREEN of Texas, Mr. BRADY of Pennsylvania, Mr. BALDACCI, and Ms. DELAURO.
H.R. 1462: Mr. EVANS.
H.R. 1475. Mr. RAMSTAD.
H.R. 1476: Mr. BUYER.
H.R. 1484: Mr. BALDACCI and Mr. REYES.
H.R. 1495: Mr. VENTO and Mr. LARSON.
H.R. 1496: Mr. HOEKSTRA, Mr. SCHAFFER, and Ms. MCCARTHY of Missouri.
H.R. 1504: Mr. PICKETT, Mr. SHOWS, Mr. MCHUGH, Mr. CASTLE, Mr. CALVERT, and Mr. CUNNINGHAM.
H.R. 1507: Mr. STUMP and Mrs. CUBIN.
H.R. 1525: Mr. HOEFFEL, Mrs. MINK of Hawaii, Mr. BRADY of Pennsylvania, Mr. PALLONE, Mr. ABERCROMBIE, and Mr. RUSH.
H.R. 1540: Mr. CAMPBELL.
H.R. 1603: Mr. BUYER, Mr. REYES, and Mrs. MINK of Hawaii.
H.R. 1606: Mr. GONZALEZ and Mr. NEAL of Massachusetts.
H.R. 1614: Ms. MILLENDER-MCDONALD.
H.R. 1620: Mr. BRADY of Texas, Mr. PITTS, and Mr. MCCOLLUM.
H.R. 1622: Mr. MEEHAN, Mr. WEINER, and Mr. LARSON.
H.R. 1649: Mr. STEARNS.
H.R. 1661: Mr. ACKERMAN.
H.R. 1671: Ms. MCKINNEY.
H.R. 1675: Mr. NADLER.
H.R. 1687: Mr. BAKER.
H.R. 1689: Mr. MCCOLLUM.
H.R. 1702: Ms. NORTON.
H.R. 1750: Mr. TIERNEY.
H.R. 1778: Mr. GOSS, Mrs. FOWLER, Mr. LINDER, Mr. SCHAFFER, Mr. CHAMBLISS, and Mr. MCINNIS.
H.R. 1795: Mr. BALDACCI, Mr. LANTOS, Mr. DAVIS of Florida, and Mr. THOMPSON of California.
H.R. 1812: Ms. WOOLSEY.
H.R. 1841: Mr. LAFALCE and Mr. BERMAN.
H.R. 1842: Mr. CHAMBLISS and Mr. CUNNINGHAM.
H.R. 1849: Ms. EDDIE BERNICE JOHNSON of Texas, and Ms. KAPTUR.
H.R. 1863: Mr. BLUMENAUER.
H.R. 1871: Ms. KAPTUR, Mr. CUMMINGS, Mr. ENGLISH, and Ms. NORTON.
H.R. 1886: Mr. SHOWS, Mr. MCHUGH, Mrs. THURMAN, and Mr. FOLEY.
H.R. 1895: Mr. BENTSEN.
H.R. 1929: Ms. WOOLSEY.
H.R. 1932: Mr. TAUZIN, Mr. CLYBURN, Ms. ROS-LEHTINEN, Mr. HINOJOSA, Mr. JOHN, Mr. REYES, Ms. SANCHEZ, Mr. SMITH of Washington, Mr. OWENS, Mr. BOYD, Mr. BERMAN, Mr. JACKSON of Illinois, Mr. GEORGE MILLER of California, Mr. MOAKLEY, Mr. MOLLOHAN, Mr. RAHALL, and Mr. HYDE.
H.R. 1977: Mr. GUTIERREZ and Mr. FOLEY.
H.R. 1979: Mr. CHAMBLISS.
H.R. 1993: Mr. PHELPS.
H.R. 1995: Mr. DREIER, Mr. GARY MILLER of California, Mr. TALENT, Mr. DEAL of Georgia, Mr. DEMINT, Mr. BAKER, Mr. HORN, Mr. DICKEY, Mr. GREEN of Wisconsin, Mr. FOSSELLA, Mr. BOEHNER, Mr. CALVERT, Mr. HOSTETTLER, and Mr. SHIMKUS.
H.R. 2030: Mr. CRANE.
H.R. 2031: Mr. BLAGOJEVICH, Mr. GREEN of Texas, Mr. BARRETT of Wisconsin, Ms. KILPATRICK, Mr. BACHUS, Mr. SHOWS, Mr. KLECZKA, Mr. DUNCAN, Mr. GOODE, Mr. LUCAS of Kentucky, Mr. PICKETT, and Mr. STUMP.
H.R. 2067: Mr. GILMAN and Mr. BARRETT of Wisconsin.
H.R. 2081: Mr. KUCINICH, Mr. EVANS, Mr. BONIOR, Mr. MCGOVERN, Mr. HILL of Indiana, Mr. WEINER, and Ms. NORTON.
H.R. 2088: Mr. CANADY of Florida.
H.R. 2120: Mr. BENTSEN, Mr. ABERCROMBIE, Mr. BAIRD, Mr. BALDACCI, Ms. BALDWIN, Ms. BERKLEY, Mr. BERMAN, Mr. BLAGOJEVICH, Mr. CAPUANO, Mrs. CAPPS, Mr. CONYERS, Mr. DEFAZIO, Mr. FARR of California, Mr. FATTAH, Mr. FILNER, Mr. HILLIARD, Mr. HOLT, Mr. INSLEE, Ms. KILPATRICK, Mrs. MALONEY of New York, Mr. MATSUI, Mr. MCDERMOTT, Mrs. MEEK OF FLORIDA, Mrs. MINK of Hawaii, Mr. NADLER, Mr. OLVER, Mr. RUSH, Mr. SANDERS, Ms. SCHAKOWSKY, Mr. SHERMAN, Mr. SMITH of Washington, Mr. STARK, Mrs. TAUSCHER, and Mrs. THURMAN.
H.R. 2125: Mr. GREEN of Texas.
H.R. 2128: Mr. LAMPSON, Mr. FOLEY, Mr. REYES, Mr. FROST, Mr. ORTIZ, Mr. HINOJOSA, and Mr. SANDLIN.
H.R. 2162: Mr. EHLERS.
H.J. Res. 46: Mr. TOWNS, Mr. BOEHLERT, Mr. FOLEY, Ms. BERKLEY, Mr. LIPINSKI, Mr. SHAYS, Mr. HOBSON, and Mr. ENGEL.
H.J. Res. 47: Mr. ENGEL.
H.J. Res. 55: Mr. HAYWORTH and Mr. STUMP.
H.J. Res. 57: Mr. BONIOR, Mr. STARK, and Mr. SCARBOROUGH.
H.J. Res. 58: Ms. SANCHEZ and Mr. SMITH of New Jersey.
H. Con. Res. 30: Mr. CHABOT and Mr. WALDEN of Oregon.
H. Con. Res. 34: Mr. WAXMAN.
H. Con. Res. 75: Mr. SMITH of New Jersey, Mr. FARR of California, Mr. MEEKS of New

York, Mr. OWENS, Mr. MCNULTY, Mrs. CLAYTON, Mr. HILLIARD, Mr. GEPHARDT, and Ms. MCKINNEY.

H. Con. Res. 77: Ms. ROS-LEHTINEN and Mr. WEINER.

H. Con. Res. 94: Mr. TIAHRT.

H. Con. Res. 117: Mr. SAXTON, Mr. SHOWS, Mrs. MALONEY of New York, Mr. CROWLEY, Mrs. MORELLA, Ms. ROS-LEHTINEN, Mr. BERMAN, Mr. LATOURETTE, Mr. PALLONE, Mr. FORBES, Mr. SHAYS, Mr. DELAY, Mr. SHERMAN, Mr. ACKERMAN, Mr. DEAL of Georgia, Mr. ENGEL, Mr. LANTOS, Ms. SCHAKOWSKY, and Mr. SALMON.

H. Con. Res. 120: Mr. TRAFICANT, Mr. TURNER, Mr. BISHOP, Mr. SHERMAN, Mr. STUPAK, Mr. GALLEGLY, Mr. OXLEY, Mr. THOMPSON of California, and Mr. ENGEL.

H. Con. Res. 124: Mr. HERGER, Ms. LOFGREN, Mr. OSE, and Mr. DAVIS of Illinois.

H. Con. Res. 130: Mr. ACKERMAN.

H. Res. 62: Ms. NORTON.

H. Res. 187: Mr. MCGOVERN, Mr. BALLENGER, Ms. NORTON, Ms. MCKINNEY, Mrs. KELLY, Mr. GUTIERREZ, and Mrs. MORELLA.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 659

OFFERED BY MR. GREENWOOD

AMENDMENT NO. 1: Page 10, after line 3, strike ''and''.

Page 10, after line 3, insert the following new paragraph:

(6) authorize the Society to accept on loan private collections of American Revolutionary War-era artifacts for exhibit at the museum and to provide for assessment and authenticity evaluations of such collections; and

Page 10, line 4, strike ''(6)'' and insert ''(7)''.

H.R. 1501

OFFERED BY MR. ROEMER

AMENDMENT NO. 4: At the end of the bill, add the following (and make such technical and conforming changes as may be appropriate):

SEC. 3. AMENDMENTS TO JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT OF 1974.

Section 223(a)(10) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633(a)(10)) is amended—

(1) in subparagraph (N) by striking ''and'' at the end,

(2) in subparagraph (O) by striking the period at the end and inserting ''; and'', and

(3) by adding at the end the following:

''(P) programs that provide support for Drug Abuse Resistance Education (D.A.R.E.) officers and education programs.''.

H.R. 1501

OFFERED BY MR. ROEMER

AMENDMENT NO. 5: At the end of the bill, add the following (and make such technical and conforming changes as may be appropriate):

SEC. 3. AMENDMENTS TO JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT OF 1974.

Section 223(a)(10) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633(a)(10)) is amended—

(1) in subparagraph (N) by striking ''and'' at the end,

(2) in subparagraph (O) by striking the period at the end and inserting ''; and'', and

(3) by adding at the end the following:

''(P) programs that provide for improved security at schools and on school grounds, including the placement and use of metal detectors and other deterrent measures.''.

EXTENSIONS OF REMARKS

DRUG COVERAGE MEANS EXTRA COST

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. BEREUTER. Mr. Speaker, this Member commends to his colleagues an excellent editorial pointing out the need for realistic premiums to cover the additional cost that would result from including prescription drugs under Medicare coverage which appeared in the Norfolk (Nebraska) Daily News, on June 11, 1999.

[From the Norfolk Daily News, June 11, 1999]

DRUG COVERAGE MEANS EXTRA COST

PRESIDENT HAS A PLAN FOR INCLUDING PRESCRIPTIONS UNDER MEDICARE PROGRAM

President Clinton believes he has a plan for including prescription drugs under Medicare coverage that is superior to the one suggested by the co-chairmen of his 17-member advisory commission. The latter plan advanced by Sen. John Breux, D–La., and Rep. Bill Thomas, R–Calif., would provide the elderly participants under Medicare with a fixed amount for purchasing either a public or private health plan, which could include expenses for prescription drugs.

That had the advantage of simplicity, but a political disadvantage of not providing opportunity for presidents and members of Congress to get credit for periodic improvement of all kinds of health care benefits.

The Clinton plan, promised to be presented in detail later this month, proposes drug coverage for Medicare beneficiaries through the payment of an extra premium. It was predicted as being as low as $10 a month and certainly less than $25 a month.

In either event, it would be relatively cheap coverage, and appealing to those now covered by this government program whereby Social Security beneficiaries pay a $45.50 premium for health insurance. Inclusion of drugs in the program will boost costs, though White House advisers claim they will be offset by reducing hospital admissions and nursing homes, and reduce the need for home health care. The question is: Who will pay?

Today's wage-earners should not be saddled with extra payroll taxes to provide this new coverage; neither should employers who are partners in paying the payroll taxes.

The problems with future solvency for the systems that provide Social Security retirement and Medicare arise from a political inability to fix benefit limits. Any expansion of benefits—especially for prescription drugs—must be accompanied by a sound program by which those who are served share the extra expense.

Using a federal surplus—which accumulates because Americans are already taxed too heavily—to expand government benefits is a politically devious way to resolve solvency problems of a program already destined for insolvency on its present path.

Better coverage will cost more; and those costs ought to be paid largely through realistic premiums for those who wish and can afford the extras.

INTRODUCTION OF THE MEDICARE EARLY ACCESS ACT

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. STARK. Mr. Speaker, as this Congress debates Medicare reform, we need to ask ourselves what kind of reform do we want? Is Medicare a program that has worked for our nation's seniors? Is it something we should build upon or is it something we should tear down and start over?

I stand here today with 80 of my colleagues to say that Medicare is a program that works and that can and should be improved. In that vein, we are introducing the Medicare Early Access Act, legislation that was first introduced in the last Congress with the support of President Clinton. Rather than raise the eligibility age of Medicare like some in this Congress would seek to do, this bill would expand access to Medicare's purchasing power to certain individuals below age 65.

The Medicare Early Access Act is self-financed, through enrollees' premiums; it is not a publicly financed program. It simply would enable eligible individuals to harness Medicare's clout in the marketplace to get much more affordable health coverage than they are able to purchase in the private sector market that currently exists.

The bill would provide a very vulnerable population (age 55–64) with three new options to obtain health insurance:

Individuals 62–65 years old with no access to health insurance could buy into Medicare by paying a base premium (about $300 a month) during those pre-Medicare eligibility years and a deferred premium (per month, about $16 for each year of participation in the early access program) during their post-65 Medicare enrollment. The deferred premium is designed to reimburse the early access program for the extra costs for the sicker than average enrollees. It would be payable out of the enrollee's Social Security check between the ages of 65–85.

Individuals 55–62 years old who have been laid off and have no access to health insurance, as well as their spouse, could buy into Medicare by paying a monthly premium (about $400 a month). There would be no deferred premium. Certain eligibility requirements would apply.

Retirees aged 55 or older whose employer-sponsored coverage is terminated could buy into their employer's health insurance for active workers at 125 percent of the group rate. This would be a COBRA expansion, with no relationship to Medicare.

Through these changes, the Medicare Early Access Act would provide health insurance for some 400,000 people at a vulnerable point in their lives when the current health care marketplace is leaving them out. These are not people whom the current health care marketplace is scrambling to cover. Insurance companies don't want them and we are increasingly seeing employers drop coverage as well. It is time for the federal government to step forward and solve the problem of diminishing access for early retirees and workers who simply cannot buy adequate insurance in the private market.

In addition, the Medicare Early Access Act has only a small start-up cost that is fully financed through companion legislation to curb waste, fraud and abuse in Medicare that I am concurrently introducing today. In this way, we will expand coverage options to people between the ages of 55 and 64 at no cost to the American taxpayer.

The Medicare Early Access Act isn't the total solution for people age 55–64 who lack access to health insurance coverage. However, if passed, it would make available health insurance options for these individuals at much less than the cost of what is available today. This is a meaningful step forward in expanding health insurance coverage to a segment of our population that is quickly losing coverage in the private sector. It is a solution that has no cost to the federal government. The Medicare Early Access Act is legislation that we should be able to agree upon and to enact so that people age 55–64 have a viable option for health insurance coverage.

A more detailed summary of the Medicare Early Access Act follows:

MEDICARE EARLY ACCESS ACT OF 1999

SUMMARY

TITLE: HELP FOR PEOPLE AGED 62 TO 65

Sixty-two to sixty-five year olds without health insurance may buy into Medicare by paying monthly premiums and repaying any extra costs to Medicare through deferred premiums between ages 65 to 85.

Starting July, 2000, the full range of Medicare benefits (Part A & B and Medicare+Choice plans) may be bought by an individual between 62–65 who has earned enough quarters of coverage to be eligible for Medicare at age 65 and who has no health insurance under a public plan or a group plan. (The individual does not need to have exhausted any employer COBRA eligibility).

A person may continue to buy-into Medicare even if they subsequently become eligible for an employer group health plan or public plan. Individuals move into regular Medicare at age 65.

Financing: Enrollees must pay premiums. Premiums are divided into two parts:

(1) Base Premiums of about $300 a month payable during months of enrollment between 62 to 65, which will be adjusted for inflation and will vary a little by differences in the cost of health care in various geographic regions, and

(2) Deferred Premiums which will be payable between age 65–85, and which are initially estimated to be about $16 per month for each year or part of a year that a person chooses to enroll between age 62–65. For example, if one enrolls for only two years, the Deferred Premium will be roughly $32/month [2 x $16] between age 65–85. The Deferred Premium will be paid like the current Part B premium, i.e., out of one's Social Security check.

Note, the Base Premium will be adjusted from year to year to reflect changing costs (and individuals will be told that number each year before they choose to enroll), but the 20 year Deferred Premium will not change from the dollar figure that the beneficiary is told when they first enroll between 62–65—they will be able to count on a specific dollar deferred payment figure.

The Base Premium equals the premium that would be necessary to cover all costs if all 62–65 year olds enrolled in the program. The Deferred Premium repays Medicare for the fact that not all will enroll, but that many sicker than average people are likely to voluntarily enroll. The Deferred Premiums ensure that the program is eventually fully financed over roughly 20 years. Savings from the anti-fraud proposals (introduced separately) finance the start-up of the program and protect the existing Medicare program against any loss (see Title IV).

TITLE II: HELP FOR 55 TO 62 YEAR OLDS WHO LOSE THEIR JOBS

55–62 year olds who are eligible for unemployment insurance (and their uninsured spouses) may buy into Medicare through a premium.

The full range of Medicare benefits may be bought by an individual between 55–62 who:

(1) has earned enough quarters of coverage to be eligible for Medicare at age 65,

(2) is eligible for unemployment insurance,

(3) before lay-off had a year-plus of employment-based health insurance, and

(4) because of the unemployment no longer has such coverage or eligibility for COBRA coverage.

A worker's spouse who meets the above conditions (except for UI eligibility) and is younger than 62 may also buy-in (even if younger than 55).

The worker and spouse must terminate buy-in if they become eligible for other types of insurance, but if the conditions listed above reoccur, they are eligible to buy-in again. At age 62 they must terminate and can convert to the Title I program. Non-payment of premiums is also cause for termination.

There is a single monthly premium roughly equal to $400 that will be adjusted for inflation. It must be paid during the time of buy-in; there is no Deferred Premium. This premium is set to recover base costs plus some of the costs created by the likely enrollment of sicker than average people. The rest of the costs to Medicare are repaid by the anti-fraud provisions (see Title IV).

TITLE III: HELP FOR WORKERS 55+ WHOSE RETIREE BENEFITS ARE TERMINATED

Workers age 55+ whose retirement health insurance is terminated by their employer may buy into their employer's health insurance for active workers at 125% of the group rate (this is an extension of COBRA health continuation coverage—not a Medicare Program).

This title is an expansion of the COBRA health continuation benefits program. If a worker and dependents have relied on a company retiree health benefit plan, and that protection is terminated or substantially slashed during his or her retirement, but the company continues a health plan for its active workers, then the retiree may buy-into the company's group health plan at 125% of cost.

TITLE IV: FINANCING

Titles I & II of the Early Access to Medicare Act are totally financed. Title III is not a Medicare or public program.

The existing Medicare program is protected by placing these programs in their own trust fund. The Medicare Trustees will monitor the program to ensure that it is self-financing and does not in any way burden the existing Medicare program.

Most of the cost is paid by the enrollees' premiums.

Payment of Start Up Costs: While the Deferred Premiums are being collected and for any costs not covered by premiums, a package of Medicare anti-fraud, waste, and abuse provisions has been introduced as a separate bill, the Medicare Fraud and Overpayment Act of 1999. This bill provides for a number of reforms, including:

(1) improvements in the Medicare Secondary Payment provisions,

(2) a reduction in Medicare's reimbursement for the drug EPO used with kidney dialysis so that Medicare is not paying much more than the dialysis centers are buying the drug for;

(3) Medicare payment for pharmaceuticals, biologicals, or parenteral nutrients on the basis of actual acquisition cost rather than the average wholesale price which is often far above the price at which the drug can really be purchased,

(4) setting quality standards for the partial hospitalization mental health benefit, so as to week out unqualified, abusive providers, and

(5) allowing Medicare to get a volume discount by contracting with Centers of Excellence for high volumes of complex operations at hospitals which have better than average outcomes.

TRIBUTE TO THE 1999 NOKOMIS HIGH SCHOOL GIRLS BASKETBALL TEAM

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. SHIMKUS. Mr. Speaker, I would like to take this time to congratulate the 1999 Nokomis High School Girls Basketball team for winning the Illinois Class "A" State Title for the second straight year.

The team members are Jessica Aherin, Dee Eck, Bernadette Marty, Ashlee Keller, Va'Nicia Waterman, Lora Ruppert, Lyndsay Stauder, Heather Swanson Hayes, Janice Spears, Bonnie Meiners, Carrie Eisenbarth, Rochelle Detmers, Kassie Engelhart, Emily Heck, Jessie Hough, manager Tisha Morris and Head Coach Maury Hough.

I congratulate these young athletes and the people who were there to support them throughout this memorable season. The teamwork needed for this victory was not only seen on the court, but through the support and love of families and friends of the Nokomis High Girls Basketball team.

A TRIBUTE TO PATRICK KOSKE-McBRIDE AND IRENE SORENSON

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the fine achievement of Patrick Koske-McBride, an eighth grade student from Home Street Middle School in Bishop, CA. Patrick was a recent competitor in the National History Day Competition (June 13-17) at the University of Maryland. The competition involved students from across the United States who submitted projects on this year's theme: "Science, Technology, Invention in History"

Patrick qualified for the national competition by first winning California State History Day competitions at the county and state levels. His essay, "Evolution, an Idea of Change: How Darwin's Theory of Evolution Impacted Our World," investigated Darwin's life, his writings and the impact those writings have had on science, religion and society.

Patrick's outstanding accomplishments were undoubtedly guided by the leadership of his teacher, Mrs. Irene Sorenson. Irene is a past winner of the Richard Farrell Award from the National History Day as the 1996 Teacher of Merit. Also in 1995, 1996 and 1998, Irene has sent students to the national competition. Clearly, the dedication of young students like Patrick, and the guidance of teachers like Irene Sorenson, make our public school system the finest in the world.

Mr. Speaker, I ask that you join me and our colleagues in recognizing Patrick Koske-McBride for his fine accomplishment. To say the least, his fine work is admired by all of us. I'd also like to commend Irene Sorenson for her fine leadership and her devotion to such remarkable educational standards. Students like Patrick and instructors like Irene set a fine example for us all and it is only appropriate that the House pay tribute to them both today.

ELIZABETH BURKE

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. COYNE. Mr. Speaker, I rise today to recognize Ms. Elizabeth Burke, one of my constituents who has been chosen as one of the Robert Wood Johnson Community Health Leaders for 1999.

Each year, the Robert Wood Johnson Community Health Leadership Program recognizes ten individuals as Community Health Leaders for their efforts to provide better health care to communities which have historically been underserved. Community Health Leaders each receive $5,000 personal stipends as well as $95,000 in program support to finance their continued efforts to improve public health in their communities.

Ms. Burke will be recognized for her efforts to provide a comprehensive response to victims of domestic violence in the Greater Pittsburgh metropolitan area. Ms. Burke has

worked as the Medical and Domestic Violence Advocate of the Women's Center and Shelter of Greater Pittsburgh to ensure that women who have been abused receive the medical care, prevention assistance, and other services that they need to end violent domestic situations.

Mr. Speaker, I commend Ms. Burke for her efforts in this important cause, and I congratulate her on her selection as one of the Robert Wood Johnson Community Health Leaders for 1999.

A HALLMARK OF A GREAT PERSON IN THEIR GENEROSITY

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. YOUNG of Alaska. Mr. Speaker, today we honor a truly great Alaskan: Mrs. Maxine Whitney. Mrs. Whitney is a long time Fairbanks, Alaska resident who, with her husband, Jesse, and their construction companies, helped develop and build the infrastructure of modern day Alaska. While pursuing a very active business life, Mrs. Whitney collected what was reportedly the world's largest private collection of Native Alaskan art and artifacts. As with many, her avocation became a vocation and she purchased a small private museum. Mrs. Whitney successfully ran the Eskimo Museum in Fairbanks for almost 20 years, from 1969 until the late 1980's. Throughout her 50 plus years in Alaska, Mrs. Whitney traveled extensively in rural Alaska gaining a deep understanding and appreciation of Native peoples and cultures. Her museum and collection shows intimate knowledge of Native Alaskan prehistory, history, and the importance of the Native contribution to Alaskan society.

Mrs. Whitney has provided a legacy for all Alaskans and for all Americans. Maxine Whitney recently donated this world-renowned collection to Prince William Sound Community College in Valdez, Alaska, part of the University of Alaska system. The collection is known as the Jesse & Maxine Whitney Collection and is the nucleus of the Prince William Sound Community College—Alaska Cultural Center. This multi-million dollar donation will provide opportunities for people to learn about past and present Native Alaskan cultures and the natural history of Alaska. In donating the Whitney Collection, Mrs. Whitney has provided an educational gem for all who visit and view the collection.

This gift should be celebrated and Mrs. Whitney commended for her extreme generosity to the State of Alaska and the USA. Her legacy will enhance the knowledge and appreciation of Native cultures across the country. It is people like Maxine Whitney, patrons of the arts and education, philanthropists, who enrich our lives with their precious gifts. Mrs. Whitney, thank you.

TRIBUTE TO BIRCHWOOD SCHOOL

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. KUCINICH. Mr. Speaker, I rise today to offer my sincerest congratulations to the students of Birchwood School in Cleveland, OH who won at the local and state levels of the National History Day competition. These students are now competing at the national level.

National History Day is a program for students to study and learn about historical issues, ideas, and events. It is a program that allows students to academically excel and gain intellectual growth throughout the year. During the year students develop critical thinking and problem solving skills. The theme for 1999 is ''Science, Technology, Invention in History: Impact, Influence, Change.'' After analyzing and interpreting their information on the topic, the students then present their findings in papers, exhibits, performances and media presentations that are evaluated by historians and educators.

The following 15 students placed in the top two spots at the state competition and are participating in the national competition this week. They either worked individually or in groups: Patrick Costilow, Henna Gn, Nancy Brubaker, Jacob Stofan, Katie Tropp, Elyse Meena, Grace Hsieh, Christy Kufahi, Joanna West, Benjamin Wong, Samuel Chai, Imran Farooqi, Paul Ibrahim, Joseph Grabo, Richard Yurko.

These students have dedicated a substantial portion of their time on their projects. It was an intense year for the students at Birchwood School, but their hard work and motivation have paid off. They placed at the top at local and state awards and are now on their way to winning the nationals.

I would like to express my congratulations to the 15 students at Birchwood School for their achievements at local and state level competitons and I wish them luck in the national competition. Birchwood School should be proud of the 15 students for their accomplishments. I urge my colleagues to join me in congratulating all those involved for a job well done.

PERSONAL EXPLANATION

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. SMITH of Michigan. Mr. Speaker, on rolcall No. 204, my plane was delayed due to bad weather. Had I been present, I would have voted ''yes.''

JESUS C. TOVES, 1998 NCIS CIVILIAN EMPLOYEE OF THE YEAR

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. UNDERWOOD. Mr. Speaker, I am pleased to speak about a deserving individual who has been named the Naval Criminal Investigative Service's 1998 Civilian Employee of the Year. Over 40 Resident Agencies, falling under 13 NCIS field offices, nominate individuals who have distinguished themselves as among the very best in their performance and character as candidates for this annual award. The headquarters here in Washington, DC, makes the final selection. Therefore, it gives me great pleasure to announce that this year's NCIS Civilian Employee of the Year, Jesus S. Toves—a contemporary of mine and a former high school classmate.

Jess, as he is better known, was born on Guam on December 12, 1945. A product of the island's public school system, he is a member of the John F. Kennedy High School Class of 1965. After graduation, Jess enlisted in the United States Air Force. His outstanding performance while stationed at Okinawa, the Philippines, Las Vegas, California, and Thailand, earned him various awards including the Air Force Meritorious Service Medal, the Air Force Commendation Medal, and the Air Force Achievement Medal. After serving for twenty-five years, he retired with the rank of Master Sergeant.

In 1992, Jess joined the NCIS as an investigative assistant. His Air Force service proved to be a great asset to him and the NCIS. Jess exceeded all expectations and he became an integral part of office operations. During a time of high turnover within the Special Agents Corps on Guam, Jess almost single-handedly kept continuity in the office's administrative functions.

The Naval Criminal Investigative Service is a worldwide Federal law enforcement organization composed of civilians charged to ''protect and serve'' the Navy and the Marine Corps through a number of law enforcement and counter intelligence services. The Agency's Civilian of the Year Award is the highest honor bestowed upon an NCIS employee who is not a special agent. This is why this award is so special and this is why I am very proud of Jess.

I join his wife, Carmen, and his five daughters in applauding his accomplishments. Congratulations, Jess Toves, for having been chosen 1998 NCIS Civilian of the Year.

ROSA PARKS CONGRESSIONAL GOLD MEDAL

HON. ALBERT RUSSELL WYNN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. WYNN. Mr. Speaker, I am proud and honored to be a part of this effort to award the Congressional Gold Medal to Ms. Rosa Parks.

Ms. Parks is a hero to the Nation because of a simple act of defiance. She refused to give up her bus seat in the ''colored'' section to a white passenger after a long day at work on December 1, 1955. At that time, segregated institutions were accepted as the way of life in Montgomery, AL, and throughout the South. Yet, this day was different. The weary Ms. Parks, on her way home from a department store where she was employed as an assistant tailor, decided that her rights as a

human being—in this case the right to rest her tired feet—were the same as anybody else's, regardless of her color.

Ms. Parks probably did not consider her actions extraordinary. After being arrested and then being released on bail, Rosa Parks agreed to allow her attorney to use her case as the focus for a struggle against the system of segregation. In December of 1956—just 1 year later—the Supreme Court ruled the segregation of buses in Montgomery, AL, unlawful. Through her single act of civil disobedience, Rosa Parks triggered a monumental movement in America for both civil and human rights.

Because of her personal conviction, Rosa Parks is a true hero, not a glamorized figure on a pedestal that our society often promotes, but just an ordinary citizen with extraordinary courage. She serves as a living example to us all that someone has to take a stand for what is right, even if it means taking the risk of being inconvenienced. I am particularly pleased that we are honoring her, not posthumously, but while she still can "smell her roses."

EXPRESSING CONGRATULATIONS TO ROSA PARKS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. GEORGE MILLER of California. Mr. Speaker, today we honor Rosa Parks for her heroic acts that helped change race relations forever in this country. She lit a fire under the civil rights movement when on December 1, 1955 she bravely refused to give up her seat on a bus to a white man. Many other people were instrumental in the struggle, but her act of defiance of an unjust segregation law visibly rallied people together and helped change our nation.

Congress is awarding Mrs. Parks a Gold Medal because we are proud that she stood up for what was right and set in motion the chain of events which ultimately led to the Civil Rights Act of 1964 which ensured that all black Americans had the right to equal treatment under the law with white Americans.

We are proud that her arrest rallied people against segregation in a year-long bus boycott in Montgomery, Alabama that finally ended when the Supreme Court ruled that segregation of transportation was illegal.

Several years ago in Richmond, Calif., in my congressional district, I had the privilege to join with the Richmond NAACP to honor Rosa Parks at its annual dinner. She passed on her powerful story to younger generations of Americans who are working every day to achieve racial justice America.

This medal we bestow upon Mrs. Parks sends an important message not just about the history of the civil rights movement but about the struggles that our society faces today. The Gold Medal for Rosa Parks, I hope, is a message to all Americans to have the courage of your convictions and to stand up—or to sit down, whichever may be more appropriate—for what you believe is right. As Mrs. Parks wrote in her memoir, "our mistreatment was just not right, and I was sick of it."

More than forty years after Mrs. Parks' arrest, despite significant improvements, racial divisions are still strong. They show up in all elements of society and are still reflected in the huge gaps between blacks and white in income and employment, in health and in educational achievement. Progress is being made, to be sure, but it is slow. These gaps should be intolerable to all Americans, not just to those who must suffer their consequences. Most recently, many of my colleagues here have also correctly denounced the practice of profiling, where police officers stop black motorists for no other reason than they fit the profile that the police have decided fits that of a criminal. Profiling is being challenged as violation of these motorists civil rights and this practice should indeed be brought to an abrupt halt.

As we thank Rosa Parks and honor her with a Congressional medal, we must also dedicate ourselves to carry out her dream of a just and tolerant society. Her bold action inspired thousands of Americans to join together to demand change. It should still inspire us to make our society a more just and humane place.

Many people have commemorated the courageous action of Rosa Parks, including the popular and very talented group, The Nevill Brothers, who wrote a tribute to her. I could not agree with them more when they sing.

Thank you Miss Rosa
You were the spark
That started our freedom movement,
Thank you Sister Rosa Parks.

INTRODUCTION OF HEALTH INSURANCE FOR AMERICANS ACT OF 1999: LEGISLATION TO PROVIDE REFUNDABLE TAX CREDITS FOR THE PURCHASE OF HEALTH INSURANCE THROUGH A FEHBP-TYPE POOLING ARRANGEMENT

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. STARK. Mr. Speaker, the biggest social problem facing America today is that one in six of our fellow citizens have no health insurance and are all too often unable to afford health care.

About 44 million Americans have no health insurance. Despite the unprecedented good economic times, the number of uninsured is rising about 100,000 a month. It is unimaginable what will happen if and when the economy slows and turns down. One health research group, the National Coalition on Health Care, has estimated that with rising health insurance costs and an economic downturn, the number of uninsured in the year 2009 would be about 61.4 million.

The level of un-insurance among some groups is even higher. For example, in California it is estimated that nearly 40% of the Hispanic community is uninsured.

An article by Robert Kuttner in the January 14, 1999 New England Journal of Medicine entitled "The American Health Care System," describes the problem well: "The most prominent feature of American health insurance coverage is its slow erosion, even as the government seeks to plug the gaps in coverage through such new programs as Medicare+Choice, the Health Insurance Portability and Accountability Act (HIPAA), expansions of state Medicaid programs, and the $24 billion Children's Health Insurance Program of 1997. Despite these efforts, the proportion of Americans without insurance increased from 14.2% in 1995 to 15.3% in 1996 and to 16.1% in 1997, when 43.4 million people were uninsured. Not as well appreciated is the fact that the number of people who are under-insured, and thus must either pay out of pocket or forgo medical care, is growing even faster."

Does it matter whether people have health insurance? Of course it does. No health insurance all too often means important health care foregone, with a minor sickness turning into a major, expensive illness, or a warning sign ignored until it is fatal. Lack of insurance is a major cause of personal bankruptcy. It has forced us to develop a crazy, Rube Goldberg system of cross-subsidies to keep the 'safety net' hospital providers afloat.

Mr. Speaker, what is wrong with us? No other modern, industrialized nation fails to insure all its people. I don't believe we are incompetent, but our failure to provide basic health insurance to all our citizens is a national disgrace.

Personally, I would like to see all Americans have health insurance through an expansion of Medicare to everyone. I am also a co-sponsor of Rep. McDERMOTT's single payer type program, which is modeled on Canada's success in insuring all its people for about 30% less than we spend to insure only 84% of our citizens.

But these efforts are not likely to succeed in an conservative Congress or in a closely-divided Congress.

Therefore, yesterday I introduced legislation, H.R. 2185, to try another approach—a refundable tax credit approach—which I believe can be made to work and which is similar to a number of bills recently introduced by various Republican members.

Unfortunately, many of these earlier tax credit bills don't work. They either throw money at people who already have health insurance (e.g., 100% tax deductions for health insurance for small employers), provide a pitiful amount of money that wouldn't buy a fig leaf of a policy (e.g., a $500 credit bill), or if they do provide enough money, waste it by providing no 'pool' or 'wholesale' market and forcing people into the retail market where insurance companies take 20–30% off the top, refuse to insure the sick, and raise rates on older people so that the credit is woefully inadequate.

The failures in these bills can be addressed. I think my proposal solves many of these problems. The idea of a tax credit approach to ending the national disgrace of un-insurance is a new one, however, and we desperately need a series of detailed, thoughtful hearings to design a program that will provide real help and not waste scarce resources on middlemen.

The Health Insurance for Americans Act I introduced:

Provides in 2001 and thereafter a refundable tax credit of $1200 per adult, $600 per child, and $3600 total per family. These amounts are adjusted for inflation at the same rate that the Federal government's plan for its employees (FEHBP) increases.

The credit is available to everyone who is not participating in a subsidized health plan or eligible for Medicare.

The credit may only be used to buy ''qualified'' health insurance, which is defined to be private insurance sold through a new HHS Office of Health Insurance (OHI) in the same general manner that Federal employees ''buy'' health insurance through the Office of Personnel Management.

Any insurer who wants to sell to Federal workers through FEHBP must also offer to sell one or more policies through OHI. OHI will hold an annual open enrollment period (similar to FEHBP's fall open enrollment) and insurers must sell a policy similar to that which they offer to Federal workers (but may also offer a zero premium policy), for which there is no-pre-existing condition exclusion or waiting period, for which the premium and quality may be negotiated between the carrier and OHI, and which must be community-rated (i.e., it won't rise in price as individuals age).

Mr. Speaker, a refundable tax credit sounds like an easy idea, but as in all things in America's $1.1 trillion health care system, there are some serious problems that have to be addressed.

The major problems with a refundable credit are:

(1) How to get the money to the uninsured in advance, so that the uninsured, who tend to be lower income, can buy a policy without waiting for a refundable credit?

(2) How to make sure that the credit is spent on health insurance and there is no tax fraud?

I solve both of these problems through credit advances to insurers administered through OHI.

(3) How to limit the credit to those who are uninsured, and avoid encouraging employers and those buying private insurance on their own from substituting the credit for their current coverage?

By limiting the size of the credit, most people who have insurance through the workplace or are participating in public programs will want to continue with their current coverage. The credit is adequate to ensure a good health insurance plan, but most workers and employers will want to continue with the current system.

Having said this, there is no question that this credit is likely to erode gradually the employer-based system. It is hard to see employers wanting to offer new employees a health plan, when they can use this new public plan. Indeed, it is likely that an employer will say, ''I will pay you more in salary if you will go use the tax credit program.''

But is this bad? The employer-based health insurance system is an historical accident of wage controls during World War II where in lieu of higher wages, people were able to get health insurance as a fringe benefit. This system is collapsing. No one today would ever design from scratch such a system where your family's health care depended on where you worked. It is, frankly, probably good that this system would gradually erode—if there is something to replace it. The Health Insurance for Americans Act provides that replacement. To the extent that workers have better health care through their employer, the employer can continue to provide increased pay for the purchase of ''supplemental'' or ''wrap-around'' health benefits and can even help arrange such additional policies for their workers—and both workers and employers come out ahead.

The bill I am introducing does not force an overnight revolution in the employer-provided system. But the current system is dying, and my bill provides a transition to a new system in which employees will have individual choice of a wide range of insurers (instead of today's reality, where most employees are offered one plan and only one plan).

(4) How to make the credit effective by allowing the individual to buy ''wholesale'' or at group rates, rather than ''retail'' or individual rates?

(5) How to make sure that individual who most need health insurance—those who have been sick—are able to use the credit to obtain affordable insurance?

(6) How to minimize the problem created when the healthiest individuals take their credit and buy policies which are ''good'' for them (e.g., Medical Savings Accounts), but ''bad'' for society because they leave the sicker in a smaller, more expensive insurance pool (that is, how do we keep the insurance pool as large as possible and avoid segmentation and an 'insurance death' spiral)?

Again, the OHI/FEHBP idea largely solves these 3 problems, by giving individuals a forum where they can comparison shop for a variety of plans that meet the standards of the OHI and achieve efficiencies of scale and reduced overhead.

These questions are the single biggest problem facing the refundable credit proposal. Even if we are able to 'pool' the individuals, will insurers offer an affordable policy to a group which they may fear will have a disproportionate number of very sick individuals?

We may need to develop a national risk pool 'outlet' to take the expensive risks and subsidize them in a separate pool, so that the cost of premiums for most of the people using OHI is affordable. Another alternative, and probably the one that makes the most sense for society, is to mandate that individuals participate in the OHI pool (if they don't have similar levels of insurance elsewhere). Only by getting everyone to participate can we ensure a decent price by spreading the risk. The danger that young, healthy individuals will ignore (forego) the tax credit program may be serious enough that it will cause insurers to price the OHI policies too high, thus starting an insurance ''death spiral'' as healthier people refuse to participate and rates start rising to cover the costs of the shrinking pool of sicker-than-average individuals.

As I said earlier, the different Republican tax credit proposals fail to deal with these key questions and problems. But their bills have helped focus us on this national crisis. Through hearings and studies, I hope we can find ways to ensure that these technical—but very important questions—are addressed.

There is one key, monstrous question left: how to pay for the refundable credit so we may end the national disgrace of 44 million uninsured?

I have not addressed this issue in the bill, but am willing to offer a number of options. I would like to see the temporary budget surpluses used to start this program—but those surpluses are temporary and we need a permanent financing source.

The problem of the uninsured is largely due to the fact that many business refuse or are unable to provide health insurance to their workers. The fairest way to finance this program would be a tax on businesses which do not provide an equivalent amount of insurance to their workers. Such a tax, of course, would slow the tendency of this program to encourage businesses to drop coverage. Since many small businesses could not afford the tax, we will need to subsidize them.

Another approach would be to apply the next minimum wage increase to the payment of health insurance premiums by those firms which do not offer insurance. A 50 cent per hour minimum wage increase dedicated to health insurance would pay most of an individual's premium.

Other financing sources could be a provider and insurer surtax, since these groups will no longer need to be subsidize the uninsured and will be receiving tens of billions in additional income. Finally, to end the national disgrace of un-insurance, a small national sales or VAT tax would be in order.

Again, Mr. Speaker, I have said that the earlier tax credit proposals have serious structural problems. The biggest problem they have is not saying how they will pay for their plans. Until Members talk about financing, all of these plans are sound and fury, signifying nothing.

These tax credit bills are obviously expensive, but so is the cost of 1 in 6 Americans being uninsured. In deaths, increased disability and morbidity, and more expensive use of emergency rooms, American society pays for the uninsured. If we could end the national disgrace of un-insurance, we would save billions in improved productivity, reduced provider costs, bad debt, personal bankruptcy, and disproportionate share hospital payments.

Mr. Speaker, it is time for America to join the rest of the civilized world and provide health insurance for all its citizens.

REMEMBERING SYLVIA WURF

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. NADLER. Mr. Speaker, recently Brooklyn lost one of its most outstanding citizens, Sylvia Wurf. Sylvia worked for our former colleague, Representative Stephen J. Solarz, in his Coney Island District Office, in what is now the Eighth Congressional District. Sylvia Wurf was a remarkable public servant whose efforts on behalf of average citizens was legendary and an inspiration.

Steve Solarz, who knew her for many years, memorialized Sylvia, and I commend his moving eulogy to my colleagues' attention.

SYLVIA WURF: A GREAT LADY

Sylvia Wurf was an extraordinary woman—brilliant, tenacious, caring—but also ornary, cantankerous, exasperating.

She was a memorable person who, in a triumph of will and determination, not only fulfilled her potential as a human being, but made a difference in the lives of thousands of people who turned to her for assistance.

She may well have been the best Congressional case worker in the history of the Republic.

As I thought of Sylvia these last few days, I recalled the colloquy of Hotspur and Glendower in Shakespeare's Henry IV, when Hotspur says, ''I can summon spirits from the vast and murky deep'', and Glendower replies, ''Why so can I. So can any man, but will they come when you dost call them?''

In Sylvia's case, the answer was, ''yes''. She could summon spirits, and they did come when she called them.

I used to say, ''If I were ever in some remote part of the world and were kidnapped and thrown into a dungeon of slime, and I were given the chance to make one phone call, it would be to Sylvia. Where others would throw up their hands in despair, she would get on the phone and go to work.

Woe to the feckless bureaucrat whom Sylvia nagged until she got what she wanted. Pity the poor Ambassadors whom she awoke at 3:00 a.m. (their time) to assist someone with a visa problem. Weep for the Fortune 500 CEO, like the President of AT&T, whom she routed in his idyllic country home one summer Sunday to get an unlisted phone number.

The flip side of the coin was that she could be impossible, even insulting, not just to government bureaucrats, but even with constituents.

My favorite story about Sylvia was the one in which a constituent came up to see Sylvia, sat down at her desk, and said, ''I'm Mrs. Schwartz.'' Sylvia replied, ''I'm Mrs. Wurf.'' ''You're Mrs. Wurf'', the woman said, ''I'm so surprised. You sounded so much younger on the phone.'' Realizing immediately that she had made a mistake, Mrs. Schwartz said, ''Oh, what a stupid thing for me to say.'' ''Don't worry, Mrs. Schwartz'', said Sylvia. ''I deal with stupid people all day long. Why should you be any different?''

It was, I am told on occasions like this, in our old Kings Highway office where everyone sat in one large room, that someone on the staff would hold up a sign saying, ''Another Satisfied Customer''.

Sylvia broke every rule in the book. There were innumerable occasions when I considered letting her go—but there were three reasons why I never did.

First, because working in the office gave meaning and purpose to her existence. And I could never bring myself to deprive her of the opportunity it afforded her to live a successful and satisfying life.

Second, and more importantly, because she was the Mark McGwire of Congressional case workers. If she struck out a lot—she also hit more home runs than anyone else. She was, in a very real sense, the most valuable case worker in the Congressional league.

But third, and most importantly, because she was a genuine inspiration.

I have always felt that nothing is more admirable than when an individual triumphs over adversity. And Sylvia, more so than anyone I ever knew personally, triumphed over adversity. I often used to think of how many other Sylvias there must be who never had the chance to do with their lives what Sylvia did with hers. And I never ceased to take pride from the incredulous reaction of so many of the people who asked for her assistance, but who never met her, when I told them she was legally blind.

About 15 years ago, at the funeral of Congressman Phil Burton, shortly after he had re-drawn the map of the California Congressional districts which guaranteed a Democratic majority in the California Congressional delegation for a decade, then Mayor Diane Feinstein of San Francisco said, ''If Phil is where I think he is, he's already redrawing the map of heaven.''

Well, if Sylvia is where I think she is, she is already doing case work on behalf of the Lord for those in the lower reaches who want to join her in the more deluxe atmosphere upstairs. And you know what. She's getting some of them in!

SPEAKER HASTERT SPEECH TO THE PARLIAMENT OF LITHUANIA

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. SHIMKUS. Mr. Speaker, I would like to enter the following transcript of Speaker HASTERT's speech to the parliament of Lithuania into the House RECORD. I believe that it sends a great message of the commonalties between America and Lithuania. It also demonstrates why we must show concern for the events that occur outside the United States.

WASHINGTON, D.C.—House Speaker J. Dennis Hastert (R–Ill.) today released the following text of his speech to the Lithuania Parliament on March 30, 1999:

Mr. Chairman, Members of the Seimas, distinguished guests: Let me thank you for this great honor of addressing this assembly. I have traveled far to be here today—but not nearly as far as you have traveled over the last ten years.

Outside this building I was shown the barricades manned by those who stood their ground and defended this very Parliament. We in the United States Congress try to do our duty each day—to protect freedom and promote democracy. But for almost 200 years, we have not had to defend our Capitol Building from attack.

Of course, we know the stories of our founders who met in Philadelphia and swore their lives and property to defend our new democracy. That is why the pictures of your courageous stand for freedom—flashed across the world—reminded us in the Congress of our own beginnings. It drove home the fact that freedom at times must be defended with our very lives.

Professor Landsbergis, your courageous stand for liberty served as an inspiration to all Americans. The American people continue to be inspired by your successful efforts to create a stable democracy in order to provide a better way of life for Lithuania's children.

As you may know, I am from the state of Illinois, which is the home of the great city of Chicago. I think you all have heard of the city of Chicago. We are pleased President Adamkus was able to spend some of his life in Chicago. He contributed much to our country, and we are grateful for those contributions. But his heart was always here in Lithuania, with your struggle for freedom.

Illinois is also the home of two of my political heroes: Abraham Lincoln and Ronald Reagan. Abraham Lincoln is best known to history for ending the barbaric practice of slavery in the United States. It was Abraham Lincoln who said: ''Government of the people, by the people and for the people shall not perish from the earth.'' By working hard to create a stable and secure democracy, the Lithuanian people prove that truth.

History will record that Ronald Reagan challenged the 20th century version of slavery. It was Ronald Reagan who said: ''Mr. Gorbachev, tear down this wall.'' That eloquent statement, coupled by the hard work of Eastern Europeans yearning to be free, helped end Soviet aggression and created a new and bigger Europe. It is this new Europe that I want to talk to you about today.

The new Europe has a profound relationship with the United States. Part of that relationship comes from our cultural ties. In no small measure, Europe helped build America with the contributions of its people, whether they be Irish or Polish or German or Italian, or Lithuanian. An American ambassador once said to the Soviet premier: ''When we talk about human rights behind the Iron Curtain, we are not interfering in your internal affairs. We are talking about family matters.'' Practically every family here has family in America.

In fact, close to one million Americans identify themselves as Lithuanian Americans. One of those Lithuanian Americans is Illinois Congressman John Shimkus, Chairman of the House Baltic Caucus, and a member of our delegation here today.

The American people stood by Lithuania in its times of trouble. They will stand by Lithuania in its times of prosperity. The new Europe is built on mutual trust, not mutual hatred. It is build on democracy, not totalitarianism. It is built on trade, not protectionism. It is build on the free exchange of ideas, not the narrow bounds of nationalism. It appeals to the better nature of mankind, not to the darker side of evil.

America's special relationship with the new Europe also comes from strategic considerations. This strategic relationship can partly be seen though the prism of NATO. NATO was founded as an organization dedicated to protecting its members from attack. It must not lose sight of its important mission: to defend its members. Lithuania is a strongly ally in the Partnership for Peace program. I support its membership—full membership—in NATO.

I want to congratulate you on your defense budget, soon to reach two percent of Gross Domestic Product. Your commitment to building a strong defense can only help your case as you seek to become a full strategic partner. As a legislator who is working on his nation's budget, I know how difficult those choices can be. But you have made the right choice to fund the military and to improve the living conditions of its personnel.

A great threat to the new Europe is the current instability in the Balkans. The Milosevic regime is evil and free nations should confront evil wherever it occurs. We have a duty to say no to ruthless dictators, to draw the lines where evil knows no bounds.

We had a debate in the House of Representatives about the virtues of America's involvement in the Balkans conflict. Many of my colleagues in the House had reservations about American involvement in that region. But now that the United States is involved—let there be no mistake—no one should doubt the resolve of the American people as we work to bring justice to the Kosovo region.

The reports we have from Kosovo are deeply disturbing. If it is true that Serbia is attempting to wipe out Kosovar Albanians,

those Serbs will be brought to justice. The democratic nations of Europe, and the United States as their partners in NATO, should not sit idly by when genocide is carried out in Europe. Defending freedom means defending defenseless people.

The new Europe must be on the front lines when it comes to fighting injustice. One way to achieve this goal is to become bigger. A bigger European Union is a better European Union. I believe it should stretch eastward to include the emerging democracies of Eastern Europe.

It is better for the United States for trade and security reasons. And it is better for the people of Europe who want to move to a more secure and prosperous future. We in the Congress support Lithuania's bid to become a full member of the European Union. By becoming a full member, Lithuania has a better opportunity to develop its export capabilities and its free market system. I want to congratulate Lithuania for becoming a model of regional stability. You have excellent relations with Poland, and your cooperation with your Nordic and Baltic neighbors is vitally important.

We also appreciate your efforts to find common ground with Russia and with your help in Kaliningrad. And we know how hard you are working to develop a positive relationship with Belarus.

Let me conclude by saluting you, the people of Lithuania. You have given much to the United States. You have given us athletes who star in basketball and hockey. You have given us politicians who help us in the United States Congress. And you have given us hundreds of thousands of unheralded, hardworking citizens who help make up the intricate tapestry that is America.

Someone once asked President Reagan whether he thought we were living in a time without heroes. He replied by saying that those who fear we have no heroes: ''just don't know where to look. You can see heroes every day going in and out of factory gates. Others, a handful in number, produce enough food to feed all of us and then the world beyond. You meet heroes across a counter—and they are on both sides of that counter. They are entrepreneurs—with faith in themselves and faith in an idea—who create new jobs, new wealth and opportunity. They are individuals and families whose taxes support the government, and whose voluntary gifts support church, charity, culture, art and education. Their patriotism is quite but deep. Their values sustain our national life.''

Many of these every day American heroes call Lithuania their ancestral homeland. Let me say a final word about Lithuania's heroes. Later today, our delegation will visit the KGB museum. We will go there to pay our respects to those who suffered and died in the hands of an evil and brutal occupation.

President Lincoln, when he dedicated the cemetery at Gettysburg, said that mere words could not dedicate nor consecrate the sacrifices of brave men who defend liberty. Likewise, there is nothing that we—who have not experienced such a place, can do to honor it. Those who suffered in that building in defense of freedom have already made it hallowed ground. But we can remember—and we can educate future generations, and by so doing ensure that such a place will never be build again.

America is a better place because of Lithuania. And I hope that Lithuania is a freer and a stronger democracy because of the efforts of the American people.

May God bless the people of Lithuania like He has blessed the people of the United States.

CONGRATULATING ARROWHEAD CREDIT UNION ON ITS 50TH ANNIVERSARY

HON. GEORGE E. BROWN, JR.
OF CALIFORNIA

HON. JERRY LEWIS
OF CALIFORNIA

HON. RON PACKARD
OF CALIFORNIA

HON. KEN CALVERT
OF CALIFORNIA

HON. MARY BONO
OF CALIFORNIA

HON. GARY G. MILLER
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. BROWN of California. Mr. Speaker, on June 12, 1999, the Inland Empire Congressional Delegation resolved to congratulate Arrowhead Credit Union on its 50th anniversary. Therefore, we are inserting into the RECORD a copy of the resolution.

RESOLUTION

CONGRATULATING ARROWHEAD CREDIT UNION ON ITS 50TH ANNIVERSARY

Whereas Arrowhead Credit Union, based in San Bernardino, California, is one of the leading financial institutions of the Inland Empire region of California and one of the finest state-chartered credit unions in the United States;

Whereas Arrowhead Credit Union, owned by its members, is dedicated to serving their best interests, to providing value relative to cost, and to earning their trust and confidence by operating in an ethical and financially sound manner;

Whereas Arrowhead Credit Union, which turned 50 years old on April 19, 1999, is ranked among the top 100 state-chartered credit unions in the United States by serving a membership of more than 74,000;

Whereas the Inland Empire community is pleased to join Arrowhead Credit Union in celebrating its 50th anniversary at the Ontario Convention Center on June 12, 1999: Now, therefore, be it

Resolved on this day of June 12, 1999, by the undersigned members of the Inland Empire Congressional Delegation that the Delegation, on behalf of the people of the Inland Empire,

(1) congratulates Arrowhead Credit Union on its 50th anniversary and wishes it continued success in the years to come;

(2) commends Arrowhead Credit Union for its outstanding contributions to the people of the Inland Empire through its reliable, friendly, low cost financial services; and

(3) inserts a copy of this resolution into the Congressional Record in commemoration of the 50th anniversary of Arrowhead Credit Union.

RECOGNIZING DR. HARVEY P. HANLEN

HON. JOHN E. PETERSON
OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. PETERSON of Pennsylvania. Mr. Speaker, I would like to take this opportunity to recognize a distinguished constituent of Pennsylvania's 5th Congressional District. On June 26, 1999, Dr. Harvey P. Hanlen of State College will be sworn is as the 78th president of the American Optometric Association during AOA's annual Congress in San Antonio, TX.

Dr. Hanlen is a graduate of the Pennsylvania College of Optometry and Fellow of the American Academy of Optometry. Throughout his career, Dr. Hanlen has been dedicated to the profession of optometry at the local, state, and national levels. He is past president of the Mid-Counties Optometric society and the Pennsylvania Optometric Association. In 1987, he was named Pennsylvania's Optometrist of the Year as well as the Pennsylvania College of Optometry's Alumnus of the Year. Dr. Hanlen has served the AOA as a member of the board of trustees, as secretary-treasurer, vice-president, and president-elect.

In addition to his professional achievements, Dr. Hanlen has been active in civic duties. He has been on the board of directors of the Jewish Community Council of State College. He also served as campaign chairman for the Centre County United Way.

Dr. Harvey Hanlen has distinguished himself as an outstanding leader in his profession and his community. I am pleased to join his many friends and colleagues in congratulating him on becoming the new president of the American Optometric Association.

PERSONAL EXPLANATION

HON. J.D. HAYWORTH
OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. HAYWORTH. Mr. Speaker, yesterday, June 14, 1999, I was unavoidably detained and missed rollcall vote 204, passage of H.R. 1400, the Bond Price Competition Improvement Act of 1999. Had I been present, I would have voted ''aye.''

HONORING THE 50-YEAR ANNIVERSARY OF THE BLACKMAN BARBECUE

HON. BART GORDON
OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. GORDON. Mr. Speaker, I rise today to honor a valued tradition known as the Blackman Community Barbecue, which on Friday, June 25, 1999, will celebrate its 50th birthday.

For half a century, folks in the Blackman community of Rutherford County, TN, have been conducting this event to raise money for worthy causes while promoting the community's unique history, spirit and traditions. Begun by the still active Blackman Community Club, the annual event is held on a 2-acre site surrounded by the breathtaking beauty of the Tennessee countryside.

Residents and visitors alike flock in droves to this renowned event to sample tasty barbecue, homemade ice cream and generous

helpings of southern hospitality. Anyone who has ever attended one of these barbecues knows firsthand the affection Blackman residents show their community and fellow man. I hope the next 50 Blackman Barbecues are as rewarding and successful as the first 50.

I congratulate each and every resident in the Blackman community for an event steeped in sincere respect for wholesome family values and traditions. And although there are many Blackman residents responsible for the success and longevity of the barbecue, the following have contributed and are still contributing immensely to the popular fund-raiser: D.H. McDonald and his wife, Frances; Donald McDonald; Lorrain Hunt; Mildred Hays; Kathy Wright; Elizabeth Smith; and John L. Batey.

HONORING TEMPLE KOL AMI ON ITS 25TH ANNIVERSARY

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. DEUTSCH. Mr. Speaker, I rise today in honor of Temple Kol Ami in Plantation, Florida, on the occasion of its 25th Anniversary. It is a pleasure for me to have the opportunity to celebrate the congregation's longstanding commitment and outstanding service to the Broward County community.

For the past quarter century, Plantation has witnessed the steady growth of Temple Kol Ami within the Jewish community. From its humble start of just a few members in 1975, the Temple has flourished into a congregation of over eleven hundred families. With this dramatic growth of its membership, Temple Kol Ami responded to the demand for new space with various additions over the years including a new sanctuary and the recent dedication of the Elizabeth Shoshanna Harr Education Center. This extensive expansion of the organization is a testament to the Temple's strong community involvement and outreach efforts.

Over the course of the past 25 years, Temple Kol Ami has consistently maintained sharp focus on the needs of the congregation. Throughout these years of amazing development, the Temple has continued to serve its members and community while upholding the customs of Jewish life within the traditions of Reform Judaism. While upholding a tradition of excellence in spirituality, the Temple has also made the teaching of Judaism a top priority through the establishment of an Early Childhood Program, a Religious School, Adult Education Programs, and a Day School.

Mr. Speaker, Temple Kol Ami has spent the last twenty five years demonstrating its strong commitment to the spiritual well-being and Jewish education of its congregation while maintaining an excellent standard of community involvement. I am extremely proud to celebrate this anniversary with the members of Temple Kol Ami, for their devotion to the Jewish faith and contributions to the surrounding community are truly evident during this glorious time of reflection upon their 25 years of success.

RENEWAL WEEK

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. PACKARD. Mr. Speaker, this week is ''Renewal Week'' and I would like to express my strong support for the efforts of the Renewal Alliance. The Renewal Alliance is a bicameral group of Republican Senators and Representatives dedicated to civic and legislative efforts to reduce poverty in America.

This week, my colleagues on the Renewal Alliance and I will highlight the important role of institutions such as the family, neighborhoods, schools, houses of worship, and charitable organizations. The concept behind this is to strengthen communities and serve the poorest among us. In other words, it's a matter of neighbors helping neighbors.

I am personally concerned about the continued moral decline in our nation. We need to get back to the basics. This can be done by emphasizing values and personal responsibility over hands-outs, which will instill diligence, self-help, and accountability to our society. These are the qualities that make good workers and prosperous Americans.

Mr. Speaker, we can accomplish so much more when we work together and build partnerships between citizens and community-based organizations. I applaud my fellow members of the Renewal Alliance for their selfless dedication to their communities and I encourage those who are not members of the Renewal Alliance to get involved and make a difference.

INTRODUCTION OF FRAUD AND REIMBURSEMENT REFORM PROVISIONS TO FUND FULLY THE MEDICARE EARLY ACCESS ACT OF 1999

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. STARK. Mr. Speaker, today, a number of House members are introducing the Medicare Early Access Act of 1999 to help people between 55 and 65 years of age obtain affordable health insurance.

The proposal is almost fully funded over time through a requirement that beneficiaries pay for their own coverage. But there is an initial start-up cost to the program, and a temporary subsidy is necessary to mitigate ''adverse selection'' costs attributable to the fact that sicker-than-average individuals who are desperate for health insurance may sign up in disproportionate numbers for the program.

To ensure that Medicare's trust funds are not hurt by this new program, I am introducing a package of anti-fraud and administrative improvement provisions that will raise more than enough money to fund the start-up of the Medicare Early Access Act. These provisions are changes that we ought to be making anyway to strengthen the program, and I am pleased that they fund this important new expansion of health insurance.

Over the long run, enactment of these provisions will help reduce Medicare's long-term financial problems.

Below is a brief description of the provisions. The bill will:

Pay for covered Medicare drugs on the basis of actual acquisition cost instead of the artificially high level of average wholesale price minus 5%, which was established by the Balanced Budget Act of 1997;

Lower Medicare payments for Epogen from $10 to $9 per 1,000 units. Epogen is now Medicare's most expensive drug, and taxpayers pay more than 80% of the cost;

Reform Medicare's partial hospitalization benefit. In a recent audit, the HHS Inspector General found Medicare payments for partial hospitalization services had a 90% error rate;

Improve the accuracy of Medicare's secondary payer provisions to require health plans and employers to provide insurance data on covered enrollees;

Allow Medicare to get a volume discount by contracting with HHS-designated ''Centers of Excellence'' for complex operations at hospitals that have better-than-average outcomes.

TRIBUTE TO ALHAMBRA, ILLINOIS

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. SHIMKUS. Mr. Speaker, I would like to take this opportunity to join the community of Alhambra, Illinois in celebrating its 150th birthday. A celebration of the sesquicentennial is being held June 18 through 20.

The history of the community will come to life with the festivities. Co-chairpersons Deb Reckman and Joe Dauderman invite the public to join in on the weekend of activities to celebrate the long, colorful history of the town.

I commend the citizens of Alhambra for celebrating their rich history and ancestor heritage during this celebration. It is important to remember pioneer families such as those of James Farris, Robert Aldrich, William Hoxsey and Wiliam Pitman whom first rode across Illinois to settle along Silver Creek. These festivities will help the citizens of today gain a greater understanding and respect for their city's past.

The Alhambra banners say ''Moving Forward Into the Next Century.'' I as well as community of Alhambra are looking forward to that to seeing Alhambra continue on its path into the next century and wish them the best of luck in achieving great things.

STATEMENT OF INTRODUCTION OF THE PUBLIC RESOURCES DEBT REDUCTION ACT

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. GEORGE MILLER of California. Mr. Speaker, Today I am introducing the Public Resources Debt Reduction Act to eliminate

many wasteful and environmentally destructive subsidies. My bill would save taxpayers hundreds of billions of dollars per year and end environmentally harmful practices that have continued for too long under antiquated laws.

The array of subsidies for mining, timber, irrigation and other industries that use natural resources belonging to the America people is truly astounding. Multinational mining companies take gold and silver from public land without paying the public a dime of the value. Each year the taxpayers ante up millions to build roads into previously pristine areas of the National Forests so that timber companies can cut down the trees. Irrigators will pay back less than half of the cost of dams and water projects constructed for their benefit—and that repayment takes 50 years with no interest charges.

These direct subsidies are only the beginning of the support we give to natural resource developers. On top of the discount rates for use of the public's resources, each of these industries also receives other benefits, from tax breaks to farm payments.

While these corporations profit handsomely from the public's resources, they often create environmental damage that the public finds itself paying to repair. Abandoned mines litter the West. Unstable clear-cuts in the forests have produced dangerous mudslides this year, as well as damaging wildlife habitat and harming fishing streams. Dams and diversions for irrigation destroy river reaches and wetlands while interfering with annual salmon migration.

Why should the industries that despoil our environment continue to receive heavy subsidies from the American people? Why should these "corporate welfare" benefits remain sacrosanct when we have eliminated welfare support for many poor people?

The answer, of course, is that these subsidies should not remain in place. We cannot pass up this opportunity to eliminate wasteful spending, decrease the deficit and simultaneously reduce environmental damage.

That is why, along with 19 original cosponsors, I have introduced the Public Resources Debt Reduction Act. This measure, which was supported by nearly 60 co-sponsors in the last Congress, would reduce the flagrant waste of billions of dollars in taxpayer money on free minerals, cheap timber, subsidized water and other benefits for those who use our natural resources.

The provisions of this bill (some of which have previously been adopted by the House of Representatives or House Committees) include:

Requiring a fair return for oil and gas leases, grazing leases, and utility rights of way.

Establishing that fees for using federal resources recover all the costs of making those resources available, with a separate provision eliminating timber sales at prices that do not cover administrative costs and overhead.

Halting the give-away of hardrock minerals and sales of mineral lands for next to nothing.

Charging full costs for federal water used to irrigate surplus crops.

Moving receipts from federal timber sales back "on budget."

Mandating annual budget reporting of the cost of natural resource subsidies

The special deals and subsidies given to natural resource development on public lands are relics of another time, a time when the West was young and natural resources were seen as the best incentive to settle the land. Now the West has long been settled, and we can no longer afford the environmental destruction or the loss to the Treasury resulting from nineteenth century development policies. In the twenty-first century, industry must be required to pay a fair price for using public resources.

TRIBUTE TO JODY HALL-ESSER

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. DIXON. Mr. Speaker, I am pleased to pay tribute today to Mrs. Jody Hall-Esser, Chief Administrative Officer for the city of Culver City, California. On July 9, 1999, Mrs. Hall-Esser, will retire from city government capping a distinguished career spanning a quarter of a century in public service to her community. To honor Jody for her many years of exemplary service to the citizens of Culver City, a celebration in her honor will be held at the Culver City City Hall on Wednesday, July 7. As one who has worked closely with this extraordinary and selfless public servant for many years, and who possesses first-hand knowledge of her outstanding service to our community, I am pleased to have this opportunity to publicly recognize and commend her before my colleagues here today.

Jody has served in many capacities since joining the Culver City government in 1971. She was initially hired as the first Director of the Culver City Senior Citizens Center, a position she held for a few years before leaving to work in the private sector. In 1976 she returned to the city as the first Housing Manager in the Community Development Department, where she spent the next three years designing and executing Culver City's rent subsidy and residential rehabilitation loan and grant programs. She also is credited with implementing the construction of the city's first rental housing development for the low-income elderly citizens of Culver City.

In 1979 Jody was named Community Development Director and Assistant Executive Director of the Culver City Redevelopment Agency. For more than a decade, she headed the city agency tasked with Planning, Engineering, Redevelopment, Housing and Grants operations. Among her many accomplishments were establishment of the Landlord-Tenant Mediation Board; the Art in Public Places Program; and the Historic Preservation Program.

Jody was appointed Chief Administrative Officer and Executive Director of the Redevelopment Agency in 1991. For the past nine years, her many responsibilities have included implementing public policy mandates promulgated by the Culver City City Council, as well as managing the city's human, financial, and material resources. She has compiled an impressive and enviable record of accomplishments, despite seeing the city through a period of civil unrest, a major earthquake, damage caused by torrential rains, and a severe economic recession. While just one of these occurrence would test the tolerance of most individuals—not Jody Hall-Esser. She merely redoubled her efforts to ensure that the residents of Culver City received the necessary local, state, and federal resources they needed to remain afloat.

PERSONAL EXPLANATION

HON. GREG WALDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. WALDEN. Mr. Speaker, I regret that I was not present for yesterday's recorded vote on the passage of H.R. 1400, the Bond Price Competition Improvement Act of 1999, due to unavoidable weather delays in air travel and traffic congestion returning from the airport. Had I been present for this rollcall vote, I would have voted "yea." I request that the RECORD reflect this position.

HEALTH INSURANCE ASSISTANCE FOR THOSE 55 AND OLDER

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. STARK. Mr. Speaker, in the 104th and 105th Congresses, I introduced legislation to provide assistance in obtaining health insurance to those 55 and older. Today I rise again to introduce legislation that will help many individuals who find themselves without health insurance as they enter the later stage of their lives.

The COBRA Extension Act for 55-to-65 Year Olds extends the COBRA health continuation program to cover more individuals between age 55 and when they become eligible for Medicare at age 65. Under current law, individuals can keep COBRA coverage for 18 to 36 months, depending on the circumstances. That means that a person can be laid off from his or her job, receive 18 months of COBRA, and then find him or herself running out of COBRA coverage at age 55 with only limited, and expensive, places to turn for other health coverage.

One option available to these people is to find an individual health plan in the private market, but the cost of doing so is extremely prohibitive. Rates and availability of coverage in the individual market vary widely, with a person's health, age, and other factors being taken into account. For those in their 50's and 60's, there are large disadvantages and huge expenses in trying to obtain individual coverage since most insurance premiums rise sharply with age or pre-existing conditions.

For example, in the San Francisco market, Blue Cross of California offers a basic, barebones in-hospital plan with a high deductible in the range of $2,000. For a couple under age 29, the cost is $99 per month. But the cost soars to $389 for a couple between 60

and 64. This is an outrageous fourfold increase in insurance rates for the older couple—and it is by no means a comprehensive policy.

Group health insurance is much less expensive than individual policy insurance, and that is why the current COBRA benefit is so vital and useful. The difference in annual cost for obtaining group versus individual health insurance can easily be several thousand dollars.

Under current COBRA rules, people age 55 and over who are reaching the end of their COBRA coverage and who cannot afford to enter the private market face the prospect of being without health coverage for up to 10 years—until the time they are eligible for Medicare. At that late point in their careers, the task of finding a new job with employer based health coverage can be close to impossible. Some people, such as widows receiving coverage through their late spouse's employer, may need to re-enter the workforce for the first time in years.

Unfortunately, many near-elderly individuals have faced this situation in the recent past. Increasingly during the 1990s, losing one's job due to downsizing and lay-offs has created a gap in health insurance coverage for individuals over age 55. More near-elderly individuals may face the frightening reality of this situation as the number of people between the ages of 55 to 65 nearly doubles, from 23 million today to 42 million by the year 2020.

There exist numerous examples that help demonstrate the significance of the situation to older workers:

At AT&T, 34,000 jobs had to be cut in 1997. This is down from the original prediction of a cut of 40,000 jobs, but still a significant number. Workers were to receive a lump sum payment based on years of service, up to one year of paid health benefits and cash to cover tuition costs or to start a new business—but what happens to health coverage after one year?

Two giant New York City banks, Chase Manhattan and Chemical recently combined and 12,000 jobs from the combined banks were subsequently cut.

Last year, Massachusetts-based Polaroid reduced its workforce by seven percent, cutting over 2,400 jobs.

In December 1998, Citicorp announced it was slashing 10,400 jobs, six percent of its total workforce.

All in all, over 625,000 jobs were eliminated in 1998.

When the near-elderly lose their jobs in this manner, too often the unfortunate consequence is that they and their spouses also lose their health insurance coverage.

In order to assist these individuals over age 55 in maintaining health coverage, and provide an option for them that is better than entering the individual market, my bill modifies the current COBRA law by extending COBRA coverage until the age of Medicare eligibility for individuals who are age 55 or older at the time that their COBRA coverage would expire under current law.

Under this formulation, the maximum coverage available would be 13 years—a spouse who begins her 36 months of coverage at age 52 would then begin coverage under this bill at age 55 and be guaranteed health coverage until the point she becomes eligible for Medicare.

In order to compensate employers for the cost of this new COBRA continuation coverage, my bill calls for age-55+ enrollees receiving an extension of their COBRA benefits to pay 125 percent of the group rate policy (compared to 102 percent for most current COBRA eligible individuals and 150 percent for disabled COBRA enrollees). This provision recognizes the fact that this age group is more expensive to insure and compensates business accordingly.

I realize that the cost of paying one's share of a group insurance policy will still be too much of a burden for a number of Americans. Many of them will be forced into the uncertain mercies of State Medicaid policies. But for many others, this bill will provide an important bridge to age 65 when they will be eligible for Medicare.

While we are taking other steps to resolve this burgeoning problem, this step is crucial to any long-term resolution. As greater numbers of baby-boomers enter their mid-to-late 50s, it becomes even more apparent that we need to act now. We cannot allow our early retirees and their spouses to be left without this important option for health coverage. I look forward to working with my colleagues to enact the COBRA Extension Act for 55 to 65 Year Olds.

PERSONAL EXPLANATION

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, on Wednesday, June 9, 1999, I was unable to cast a vote on the House Journal, because I was involved in an important meeting to bring the E-rate program to the nation's school children. Had I been present I would have voted ''aye.''

HONORING JUANITA CLEGGETT HOLLAND

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. KILDEE. Mr. Speaker, thank you for giving me this opportunity to rise before you today to honor a woman who has accomplished much in the name of education. On June 17, friends, colleagues, and family will gather to pay tribute to Mrs. Juanita Cleggett Holland of Flint, Michigan, who is retiring from the Flint Community Schools after 34 years of dedicated service to the community.

For nearly four decades, thousands of young people have had their lives enriched due to the influence of Juanita Holland. A graduate of Tennessee State University and the University of Michigan, Juanita entered the Flint School District in 1965, as a teacher at Kennedy School. After 3 years, she went on to Emerson Junior High, and moved from Emerson to Northern Senior High in 1976, where she remained until 1982. A certified social worker, Juanita realized her talents could be used in other ways within the education world, and as a result, became a crisis social worker for the Flint School District, where she was assigned six different schools. From there, she became a social worker for Neithercut School and McKinley Middle School, where she had been assigned until now.

In addition to being a State of Michigan certified social worker, Juanita displays superior credentials by her affiliation with the Academy of Certified Social Workers, and her status as a Board Certified Diplomate. Juanita also has a long history of community involvement as well. She is extremely active in her Church, and also her sorority, Delta Sigma Theta, Inc. She has worked with or served on the boards for such groups and organizations as the Sirna Center, the Tall Pine Council of the Boy Scouts of America, and the Dort-Oak Park Neighborhood House. She has most served on the board for the Michigan Family Independence Agency since 1992, and has served as board chairperson since 1997.

In efforts to improve the quality of education for Flint's children, Juanita has been at the forefront of projects designed to enhance discussion on outcome based education, school improvement, community service, and group work.

Mr. Speaker, in my former role as a teacher, and my current role as Member of Congress, it has been my duty to promote and enhance human dignity and the quality of life. I am grateful that there are people like Juanita Holland who have worked arduously to make my task easier. I ask my colleagues in the 106th Congress to join me in wishing her the best in her retirement.

INTRODUCTION OF THE SMALL BUSINESS, FAMILY FARMS, AND CONSTITUTIONAL PROTECTION ACT

HON. DAVID M. McINTOSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. McINTOSH. Mr. Speaker, today, I rise to introduce the Small Business, Family Farms, and Constitutional Protection Act, a bill to prevent Federal agencies from implementing the UN global warming treaty, the Kyoto Protocol, prior to its ratification by the Senate.

Ever since October 1997, the Clinton Administration has called for enactment of a program commonly known as ''credit for early action'' or ''early action crediting'' as part of its global warming policy. Early action crediting is fundamentally a strategy to jump-start implementation of the non-ratified Kyoto Protocol and build a pro-Kyoto business constituency.

Enactment of an early action credit program would effectively repudiate the July 1997 Byrd-Hagel resolution (which passed the Senate by a vote of 95–0), fuel pro-Kyoto business lobbying, and penalize companies—including most small businesses and family farms—that do not jump on the global warming bandwagon.

Today, therefore, I am introducing legislation to block further Administration efforts to advocate, develop, or implement an early action credit program.

What is wrong with early action crediting? First, early action crediting would reward companies for doing today what they would later be compelled to do under a ratified Kyoto Protocol. It is a form of implementation without ratification.

Second, and more mischievously, early action crediting would turn scores of major companies into a pro-Kyoto business lobby. The program would create credits potentially worth millions of dollars but which would have no actual cash value unless the Kyoto Protocol, or a comparable domestic regulatory program, were ratified or adopted. Thus, participating companies would acquire financial motives to support ratification.

Third, although touted as ''voluntary'' and ''win-win,'' early action crediting is subtly coercive and would create a zero-sum game in which small business can only lose. Every credit awarded to early reducers would draw down the pool of emission credits available to all other U.S. companies in the Kyoto Protocol compliance period. Thus, if the Kyoto Protocol were ratified, companies that did not ''volunteer'' for early action would not merely forego benefits, they would be penalized—hit with extra compliance burdens. They would be forced either to make deeper emission reductions than the Protocol itself would require, or to purchase emission credits at prices higher than would otherwise prevail.

Since early action crediting programs penalize those who do not ''volunteer,'' it is worth asking who the non-participants are likely to be. The answer should be obvious. Most small businesses and family farms lack the discretionary capital, technical expertise, and legal sophistication required to play in the early credit game. Most do not have the wherewithal to hire special accountants and engineers to monitor and reduce carbon emissions. Most do not have environmental compliance departments ready and able to negotiate early action agreements with Federal agencies. However, under the Kyoto Protocol, small businesses would have to pay higher energy costs and many would have to reduce their use of fossil fuels. So, while making the Kyoto Protocol more likely to be ratified, early action crediting would also make the treaty more costly to small business.

Unfortunately, the mischief doesn't stop there. Since early reducers would be rewarded at the expense of those who do not participate, many businesses that would otherwise never dream of ''volunteering'' may be constrained to do so for purely defensive reasons. Companies that see no particular benefit in early reductions may ''volunteer'' just so they do not get stuck in the shallow end of the credit pool in the Kyoto Protocol compliance period. This dynamic is exactly what pro-Kyoto partisans desire, as it would build up a large mass of companies holding costly paper assets that are completely valueless unless the Protocol is ratified.

Proponents claim that early action crediting is not linked to the Kyoto Protocol because the credits could be used to offset emission reduction obligations under a domestic program to regulate greenhouse gases. But, recall that the Senate, in the July 1997 Byrd-Hagel Resolution, voted to reject any agreement that, like the Kyoto Protocol, exempts three-quarters of the world's nations from binding commitments. If the Senate preemptively rejected the treaty because it is not ''truly global,'' what is the likelihood Congress would some day enact a unilateral greenhouse gas reduction program that applies to U.S. companies alone? There is no change of that happening. The word ''early'' in ''early action crediting'' means just one thing—earlier than the Kyoto Protocol compliance period.

Proponents also claim that early action crediting is an ''insurance policy'' needed to protect companies that have already invested in emissions reductions from paying twice under the Kyoto Protocol or a domestic regulatory program. Now, let's leave aside the question of whether Congress should ''insure'' companies that decide, for their own reasons, to implement a treaty the Senate has not ratified. The relevant question is whether, absent a crediting program, companies that act early to reduce emissions would be penalized under a future climate treaty.

Again, the answer should be obvious. If the Kyoto Protocol is ever ratified, it will be because the policy makers and companies now promoting early action crediting lead the charge. The pro-Kyoto coalition will ensure that any implementing legislation associated with the Protocol recognizes the emissions reductions companies have already made, certified, and duly reported. To contend otherwise is to suppose that the pro-Kyoto lobby would implement the Protocol in a way that inflicts maximum pain on its corporate base. Unless early action proponents sincerely believe that ''we have met the enemy, and it is us,'' the ''insurance'' argument makes no sense.

Let's also be clear about one thing. Early action crediting is not needed to enable companies to undertake, or the Federal Government to record, voluntary reductions of greenhouse gas emissions. Current law already provides a voluntary program for reporting such reductions. Established by section 1605(b) of the 1992 Energy Policy Act, the existing program is highly efficient, flexible, and accessible to everybody, from large utilities supplying electric power to families planting trees. Unlike early action crediting, the 1605(b) program is in no way linked to the Kyoto Protocol, does not create cash incentives in support of ratification, and does not promote the interests of large corporations at the expense of small business or consumers.

Mr. Speaker, the bill I am introducing today would protect small business, family farms, and the U.S. Constitution in the following ways. First, it prohibits Federal agencies form advocating, developing, or implementing an early action credit program until and unless the Senate ratifies the Kyoto Protocol. Second, it makes permanent the 1999 VA–HUD Appropriations Act restriction against backdoor regulatory implementation of Kyoto Protocol. Third, it prohibits Federal agencies from regulating carbon dioxide—the principal gas covered by the Kyoto Protocol—without new and specific legislation by Congress.

Who should support the Small Business, Family Farms, and Constitutional Protection Act? Every Member of Congress who believes the small businesses and family farms should not be forced to incur additional burdens under a future global warming treaty. Every Member who believes that Federal agencies should not implement a treaty that has not been ratified. And every Member who believes that Congress should not artificially boost the fortunes of the pro-Kyoto lobby.

The Constitution established a clear process for enacting international treaties into law. The President signs the treaty and submits it to the Senate for its advice and consent. The treaty becomes law only if two-thirds of the Senators vote in favor of ratification. My bill will help safeguard the integrity of this constitutional process.

TRIBUTE TO SCHULER'S RESTAURANT & PUB ON THEIR 90TH ANNIVERSARY

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. SMITH of Michigan. Mr. Speaker, I rise today to honor Schuler's Restaurant & Pub of Marshall, Michigan on 90 years of tradition in hospitality and fine dining.

Schuler's heritage is a testament to the entrepreneurial spirit of the restaurant's founder, Albert Schuler. Through four generations of family ownership, Schuler's has maintained an impeccable reputation for its unforgettable fare, impeccable service, and casually elegant atmosphere. Albert's first restaurant quickly became a popular local gathering spot. His son Win Schuler expanded the business and it became the place to go for fine dining for my family and thousands of other families in Michigan, Ohio and Indiana. Win's son and current President and Chairman, Hans Schuler states ''We are able to celebrate Schuler's 90 year tradition of hospitability and fine dining because of our evolving vision for the restaurant and our ongoing investment in its future.''

As a cornerstone of historic Marshall, Michigan, the City of Hospitality, Schuler's 505 seat restaurant features exquisite old world ambiance with its trademark wood beams containing quotes from pundits such as Shakespear, Voltaire, and Mark Twain. Schuler's serves over a quarter of a million people a year, and serves more than 1,600 people alone on its busiest day, Mother's Day. Because of Marshall's location, it has often been called, the ''Crossroads of the Big Ten Conference'', and has served famous college coaches such as Ara Parshegian, Bo Schembechler and George Perles, to name a few. As such, Schuler's has created a reputation that reaches well beyond their immediate community, yet never losing sight of their service to their community.

Throughout the next six months, Schuler's will honor their tremendous milestone by offering several events that will give them the opportunity to share their accomplishments with everyone in the community. These events include a monthly celebrity bartender, a complimentary dinner to anyone celebrating a

birthday in their 90's, and a 20% discount to those families who dine with three generations present.

I am inspired by the great entrepreneurial legacy and commitment to the values that Schuler's has been founded upon, its long history, and its family ownership. Congratulations Schuler's for 90 years of business and much continued success for many years to come.

COMMENDING THE GOVERNMENT OF TAIWAN ON THEIR $300 MILLION AID PACKAGE TO THE KOSOVO REFUGEES

HON. ALBERT RUSSELL WYNN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. WYNN. Mr. Speaker, I rise today to applaud The Republic of China on Taiwan for generously offering $300 million in humanitarian aid to the Kosovo refugees. President Lee Teng-hui's considerate offer is representative of Taiwan's commitment to protecting and promoting human rights and fulfilling its responsibilities as a member of the international community.

The Republic of China on Taiwan is faced with Chinese Communist aggression on a daily basis and experiences first hand the threat of aggression. Through their aid contribution to the Kosovo refugees, the Republic of China on Taiwan serves as an example to the international community that with generosity and kindness toward their fellow human beings, peace can be achieved worldwide. The $300 million aid package includes emergency support for food, shelters, medical care, and education, as well as short term job training for some Kosovar refugees in Taiwan. Moreover, Taiwan has sponsored a humanitarian mission to the refugee camps in the Balkans in which Kosovars were supplied with essential relief items.

This aid package certainly comes at an opportune time. As the Serb troops begin their pullout, many stranded refugees in the Kosovo mountains are in dire need of food, clothing and shelter. This assistance will contribute directly to their needs and will be critical in the uphill battle of rebuilding their homes.

Mr. Speaker, I urge my colleagues to join me in commending the Taiwan government for its efforts to promote peace in the Balkans and assist in the safe return of nearly one million Kosovars to their homeland.

CENTRAL EUROPEAN UNIVERSITY—AN INSTITUTION DEDICATED TO EDUCATION, OPENNESS, AND ENLIGHTENMENT

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. LANTOS. Mr. Speaker, I would like to invite my colleagues to join me in recognizing the achievements of Central European University (CEU), one of the newest and most significant forces for intellectual and economic progress in Eastern Europe. As I learned during a recent visit to the University, CEU's growth and influence are making an important contribution to the future of Hungary, the Czech Republic, and the other young democracies to the east of the Danube River.

Ten years ago, as nearly half a century of Soviet domination crumbled across the expanse of Central and Eastern Europe, a small collection of concerned intellectuals met in Dubrovnik in the former Yugoslavia to discuss the future of liberal education and that region. After decades of censorship and suppression at the whim of communist governments, they hoped to create a new center of academic freedom for citizens of all ideological and ethnic backgrounds. The labors of these far-sighted men and women led to the birth of Central European University, which has rapidly developed into one of Europe's leading centers of higher education.

Central European University, which claimed 100 students in its first year of existence (1991), now has an enrollment of 660 students from over 35 countries. CEU's faculty also reflects this diversity, featuring 60 professors from 26 countries and a host of prestigious visiting educators from top-level institutions throughout Europe and North America. These leading scholars help to foster an environment free of the political and philosophical rigidity of Eastern Europe's communist past, allowing young minds to flourish.

CEU's remarkable renaissance can be attributed principally to the generosity of George Soros, a Hungarian immigrant who came to the United States as a refuge from Nazism. He has become one of America's most successful and respected financial leaders, and he has donated hundreds of millions of dollars to important social and economic causes around the world. The Open Society Institute, founded by Soros to promote freedom in Central and Eastern Europe and the former Soviet Union, has immeasurably advanced the social and political climate in the newly free countries in this region. The Central European University is one of many pro-education, pro-openness, and pro-liberty projects funded by George Soros since the collapse of the Soviet Empire. Mr. Speaker, I invite all of my colleagues to join me commending this outstanding philanthropist for all he has done to further these vital objectives during the past decade.

Mr. Speaker, last March I had the opportunity to attend the Central European University's conference entitled "Between Past and Future". This gathering featured a wealth of insight opinions from leaders including former anti-communist dissident and current Budapest Mayor Gabor Demszky, Czech Deputy Foreign Minister and human rights activist Martin Palous, and numerous other authorities on the future of Central and Easter Europe. Respected media figures—among them New York times journalist R.W. Apple, Time magazine political correspondent James Carney, and NBC news correspondent Claire Shipman—also participated. The conference addressed some of the region's most pressing issues, ranging from ethnic nationalism to political stability in Hungary, Poland, the Czech Republic, Slovakia, Romania, Bulgaria, Slovenia, Macedonia, and other countries in the area. The presentations and discussions greatly impressed me, as did CEU's wisdom in organizing this excellent event.

It is my hope that Central European University will serve as a role model for intellectual openness and academic excellence throughout all of the nations formerly dominated by the Soviet Union. I am confident that the CEU will help to mold a new generation of citizens encumbered by the social and cultural restrictions forced upon their parents and grandparents, young leaders who are intellectually and ideologically prepared to build new societies atop the moral foundation on liberty and freedom that we Americans has cherished for centuries.

Mr. Speaker, I invite my colleagues to join me in paying tribute to the wonderful accomplishments and unlimited promise of Central European University.

RICHARD URRUTIA ACHIEVES THE AMERICAN DREAM

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. MCINNIS. Mr. Speaker, I would like to take a moment to recognize and pay tribute to Mr. Richard Urrutia of Pueblo, Colorado, who after 39 years of work for Pepsi-Cola Bottling Company, has announced his retirement. Because of his tremendous work ethic, his drive, and dedication, Mr. Urrutia has proven that one can achieve the American Dream.

After graduating from Central High School in 1958, Mr. Urrutia was offered a job as a janitor at the R.C. Cola plant. Upon accepting the position, Richard began his uphill climb. Through hard work and determination he eventually became the General Manager of Pepsi-Cola Bottling Company.

Mr. Urrutia grew fond of many Pueblo organizations through his interaction with various groups as a delivery-truck driver. Dear to his heart are the YMCA and its camp near San Isabel where for many years he delivered beverages. Even though he is retiring, Richard Urrutia has no intention of slowing down and plans to stay involved in the Pueblo community. I know he hopes that the next generation of youth in Pueblo will have the opportunities to achieve the success he had, and he will undoubtedly contribute his time to ensuring a bright future for the younger citizens of Pueblo.

Today, as Mr. Richard Urrutia opens the page on a new chapter in his life, I would like to offer my gratitude for the example he has set and for the inspiration which he provides. It is clear that Pueblo has benefited greatly from his honest work ethic and desire to help others succeed. I would like to congratulate Mr. Urrutia on a job well done, and wish him the best of luck in all of his future endeavors.

CRISIS IN KOSOVO (ITEM NO. 9) REMARKS BY RICK NEWMAN, SENIOR EDITOR FOR U.S. NEWS AND WORLD REPORT

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. KUCINICH. Mr. Speaker, on May 20, 1999, I joined with Rep. CYNTHIA A. MCKINNEY, Rep. BARBARA LEE, Rep. JOHN CONYERS and Rep. PETER DEFAZIO in hosting the fourth in a series of Congressional Teach-In sessions on the Crisis in Kosovo. If a lasting peace is to be achieved in the region, it is essential that we cultivate a consciousness of peace and actively search for creative solutions. We must construct a foundation for peace through negotiation, medication, and diplomacy.

Part of the dynamic of peace is a willingness to engage in meaningful dialogue, to listen to one another openly and to share our views in a constructive manner. I hope that these Teach-In sessions will contribute to this process by providing a forum for Members of Congress and the public to explore options for a peaceful resolution. We will hear from a variety of speakers on different sides of the Kosovo situation. I will be introducing into the CONGRESSIONAL RECORD transcripts of their remarks and essays that shed light on the many dimensions of the crisis.

This presentation is by Rick Newman, Senior Editor covering defense for US News and World Report. He began covering military affairs in 1995, and to date has reported on a wide spectrum of defense issues from overseas operations to the future of military technology. He was awarded the Gerald R. Ford Prize for Distinguished Defense Reporting for his work in 1996. Mr. Newman graduated from Boston College in 1988 with B.A.s in English literature and economics.

Mr. Newman relates his first-hand experience with the treatment of journalists by the military during periods of wartime. He discusses the key lessons that he believes the military has learned over the years about how to advance their propaganda by manipulating public opinion through a willing press corps. Following these remarks is an article by Mr. Newman about how NATO bombings have pulverized Yugosavian targets and caused widespread suffering in the civilian population.

PRESENTATION BY RICK NEWMAN OF U.S. NEWS AND WORLD REPORT

One formula for starting a story is to begin with some anecdote that illustrates a larger point you want to get across. That's how I'm going to start today, with an anecdotal lead.

I'm the defense reporter for US News; my job is to cover the military, down to the soldiers who fight in the field, the airmen who fly the planes, and so on. About three or four months ago I had made arrangements with the army to ''imbed,'' as they say, with any army troops who got involved in some kind of campaign in Kosovo, whether that be peacekeeping which it looked like at the time, or whatever. They said ''Roger that,'' (that's what they say in the army) and everything looked like it was in order. I told them that I wanted to get a good ''imbedding'' slot with the command part of this group. That means I would deploy with them, I would basically live with them. I would be one of them in a way, except I wouldn't carry a weapon, and I'd see what they do from their perspective.

So this was all going along fine, and Task Force Hawk, this group of helicopters, gets deployed to Albania. They call me up and say, ''Are you ready to deploy? You're going to be in the hip pocket of the commander for this thing. You're going to be able to see how he runs this show.'' And I said, ''That sounds great.'' I eventually got my way over to Europe, told them what day I was going to show up. I had to go down to Fifth Headquarters in Heidelberg, Germany, get outfitted with ''mop gear,'' which is the chemical weapons protection stuff that goes from head to toe. They gave me a Kevlar helmet and a flack vest; I made a reservation to fly into Albania the next day and join up with them.

That night I got a call from the public affairs guy with Task Force Hawk in Albania. He said, ''Just want to check in with you, Rick, and I just want to advise you of something. The commanders here, someone pointed out to them a story that you wrote about indicted war criminals in Bosnia last year and military efforts to track down some of those people. And this was a story that revealed some details about secret operations and so on, and the guy said, 'Having seen that story they just don't feel they can trust you anymore, and you're no longer welcome to embed with the command element of Task Force Hawk.' '' So I said, ''That's wonderful news. Thank you very much. I'll head back home.''

That's about how the first 4 to 5 weeks of this war went, in terms of relations between the press and the military. The press was largely kept outside the gates, outside the fence, looking in, trying to figure out what was going on, not getting a lot of information on what was going on, very sparse statements coming out. In the last four weeks or so that has improved. NATO and the Pentagon have been releasing more information, and I've had some better opportunities personally to cover some of the people who are actually fighting this war, to find out how they do it, what they think about it, and so on. But this is a problematic war in terms of coverage by the press. There is tension in all wars between the military and the press that's trying to cover them. I think it's worse in this case.

The war is not going well. Clearly it's not going well. You don't have to be a genius to see that the stated aims of the people who launched this are not being achieved, and on the military side there are rules designed to limit access by the press even more than usual. For instance, General Clark, who's the four-star general in Europe running this thing, instituted essentially a gag rule on all of his subordinate commanders. They have been forbidden to talk to the press—absolutely forbidden, on the record or not—and you can imagine the sort of effect that has had down the chain for people who are not technically commanders or subordinate commanders. They technically could talk but they don't want to risk stepping outside that rule. So this has been a very difficult war to cover, in terms of just finding out what is going on. I think we are getting more information about what is going on because, ironically, official Serb TV is broadcasting it and that gives us some material to go back and pry information we otherwise wouldn't be getting out of these people.

For me this boils down to what I am going to call ''three lessons learned.'' This is what they do in the military after something is over or while it is going on: they figure out what the lessons learned are. So I am just going to go through three here.

First lesson learned for me is that no news is bad news. If the Pentagon is not telling you what's happening in an operation, it's probably because what's happening is not good or does not appear to be favorable to the Pentagon. I believe this was the case for the first four weeks, when they would not say anything about how many sorties they were flying, what kinds of weapons they were using, what they were doing, what they were accomplishing. The fact is that they were accomplishing almost nothing. It was one of the weakest starts to an actual war in recent times, and that was reflected in the fact that not much was happening. On the other side it was a demonstrable failure, because all these ethnic Albanians were being flushed out of Kosovo.

Second lesson learned is that the body count mentality is alive and well, only these days we're not counting bodies, we're counting targets. We get this rundown of targets at the Pentagon every day. They'll say, for example: ''Last night we struck eighteen target sets, there were 96 dimpies (a particular aim point on a target), today we've flown such and such sorties.'' This all seems to beg the question of how this is relevant to the objective of the war. We've heard more about these counts that supposedly demonstrate success than we have about how this war is actually doing in accomplishing the goals stated by President Clinton and others at the outset. That's something to watch out for. I think the press has been somewhat gullible in this.

My third lesson learned is that the spokesmen for this war, the spinmeisters, are in many cases smarter than the press. I think the propaganda campaign has been very successful. I think the Pentagon and NATO have managed to find slow news days to get their message across. I think they have distracted attention on a regular basis from the observable fact that this war is not accomplishing what it is supposed to accomplish. I'll run down a list of a few things here. One of my pet peeves has been the headlines that say ''NATO Intensifies Air War.'' We see this headline almost every week. Technically you could drop one additional bomb per day and you'd be intensifying the air war, which is nearly what has been happening. I think that this is less intense than any air war any member of the air force can recall. That's the nature of this graduated campaign.

I'll also mention briefly some of the claims from the podium at the Pentagon and the podium at NATO headquarters about atrocities. These are interesting standards for reporting this sort of thing. I'm thinking, for instance, of the rape camps. When Ken Bacon, the Pentagon spokesman, first mentioned the rape camps he was pressed about the source of the information, and it turned out the source was one person, probably an indirect source, and probably a member of the KLA. I don't think that that's the standard the Pentagon usually applies, and I know that if we apply that standard in journalism we get criticized for having low standards. That seems to be the standard these days. Another example is the Secretary of Defense saying, ''We have reports that up to a hundred thousand ethnic Albanians may have been murdered.'' I seriously doubt they have evidence that a hundred thousand have been murdered. I think they have evidence that something less than ten thousand have been murdered.

We'll see how this gets sorted out when this war is over. The last thing that has kind of bothered me is everything that the press has been making out of various weapons systems. First it was the A–10, the low flying attack plane. We were just waiting for the A–10 to get into the action back around week two or week three. This is the thing that flies low under certain circumstances that don't exist in Yugoslavia yet. It flies low and can blow up dozens of tanks on a pass with its thirty-millimeter gun. The New York Times had a picture of the A–10s being deployed to Italy. The A–10 hasn't done anything of the sort, as anyone who has been associated with this campaign could have told you and did tell some of us from the very beginning. We're running these stories, we're sort of being urged, or certainly not discouraged, to run these stories, because it sounds like a wonder weapon is in the offing here, and Milosevic had better back down. The Apache helicopters are another example of this. There have been questions about how and when those are going to be used. From the day it was announced they were going, they have been held out as a big wonder weapon.

I'll just end with the thought that when this is over, we in the press are going to do a lot of post-mortem analysis of how this campaign went. I think there's also a case to be made that there should be a lot of post-mortem analysis of how the press handled this war.

MAKING WAR FROM 15,000 FT.—A WAR OF HALF MEASURES RUNS SHORT ON TARGETS AND POLITICAL SUPPORT

(By Richard J. Newman)

If a rising unemployment rate is any indication of how a war is going, then NATO ought to be pleased. According to Serbian government estimates, nearly half a million Yugoslavs, many employed in factories shattered by NATO bombs, have lost their jobs since the airstrikes began in March. Other privations are setting in. Serbia last week cut civilian gasoline rations in half, to about 2.5 gallons per car each month.

Yet as NATO's bombing of Yugoslavia enters its sixth week, it is in Washington that the will to fight seems wobbly. The House of Representatives last week voted exactly half for, and half against, a simple show of support for the air war. Another vote barred President Clinton from sending ground troops into Kosovo without congressional approval. Before Operation Desert Storm against Iraq in 1991, by contrast, Congress voted 302 to 230 to authorize all forms of military action.

The home front. Publicly, President Clinton shrugged off the no-confidence votes. But morale at the White House is in a ''downward spiral,'' according to one official there. And the war is just starting to hit home in America. The roughly 2,000 reservists now packing their bags are just a fraction of the 33,000 that the Pentagon could call up—for an air campaign that President Clinton indicated could last into July.

A decisive turn in the war certainly would sway some doubters. Yet details emerging on the conduct of Operation Allied Force reveal a campaign that seems as halfhearted as the political support in Washington. The intensity of the effort—gauged by ''sortie rates'' and other measures—is lower than that of any other U.S. air operation in recent history. Severe restraints on what NATO can bomb continue to frustrate war planners; even Great Britain, America's staunchest ally in the campaign, has vetoed targets sought by military commanders. And only in the last week has NATO started arranging basing rights and making other crucial preparations for 300 additional aircraft requested in early April. ''The air war is going badly,'' says Michael O'Hanlon of the Brookings Institution in a study released last week. ''The urgency of changing the war's strategy is . . . great.''

NATO officials disagree, and point to strains within Yugoslavia as evidence that their deliberate approach is getting somewhere. Last week a flamboyant Yugoslav deputy prime minister, Vuk Draskovic, demanded on television that Slobodan Milosevic ''stop lying'' to the Serbian people. His candor promptly got him fired. Twenty-seven other prominent Belgrade intellectuals signed an open letter urging Milosevic (and NATO) to end hostilities. British officials reported that five retired Yugoslav generals were under house arrest—apparently for opposing Milosevic's tactics—and that hundreds of conscripts were deserting the Yugoslav Army each week.

A surge in travel to Moscow could be a further sign that Milosevic, and NATO, are looking to cut a deal. Both Strobe Talbott, the U.S. deputy secretary of state, and United Nations Secretary General Kofi Annan conferred last week with Victor Chernomyrdin, Russia's former prime minister and now its mediator in the Balkans. Chernomyrdin then jetted off to Belgrade. The attention heartened Kremlin officials, who hope that Russia will have a role not just as a ''postman'' delivering messages but as a ''middleman'' trusted by the Serbs and heeded by NATO.

Languor. Yet Belgrade continues to defy NATO's air war, which has been portrayed as intense but by important measures is actually rather languorous. The sortie rate—the number of flights flown per plane, per day—is less than 0.5, according to NATO officials and an independent analysis by Anthony Cordesman of the Center for Strategic and International Studies. That means each NATO jet flies on average just once every two days. By comparison, the sortie rate was about 1.25 during the Persian Gulf war and about 2.0 during Operation Deliberate Force, the bombing of Bosnia that helped to bring Milosevic to the bargaining table in 1995. Both of these campaigns also opened with severe bombardments. Retired Air Force Maj. Gen. Charles Link says the Kosovo campaign should have started the same way: ''In the first two nights we should have taken out the targets we took out over the next 21 days.'' He maintains that NATO jets based in Italy—closer to their targets than most aircraft were during the gulf war—ought to be good for at least two sorties per day.

That would let NATO bomb many more targets—except that approved targets appear to be in short supply. NATO officials say that Lt. Gen. Michael Short, commander of all the NATO air forces in the campaign, has argued that he does not need the 300 extra aircraft requested by Gen. Wesley Clark, the NATO commander. ''The air view is, just open up the target list,'' says one NATO official.

Clark and others insist they have done that, by bombing one of Milosevic's mansions, an increasing number of government buildings in Belgrade, and TV towers used to broadcast Yugoslav propaganda. NATO aircraft recently have been flying a total of nearly 700 sorties per day, about 400 more than in the opening days of the war. Attacks against Serbian forces in Kosovo have more than tripled. Concussions now shake Belgrade nightly. And 26 fuel-tanker planes are on their way, along with 10 additional B–52 bombers configured to drop conventional ''dumb'' bombs.

Yet this intensification of the bombing comes after most of Kosovo's ethnic Albanians have been driven from their homes, and there is skepticism even at the Pentagon that airstrikes alone will ever force Serbian troops out of Kosovo and let the Albanians return to their homes. NATO's strategy essentially has been to starve Serbian forces of fuel and supplies by attacking bridges, roads, and other supply lines, petroleum reserves, and storage sites. There is little doubt those attacks have hurt. All of the major roads from Serbia proper into Kosovo have been bombed, and at least 30 highway and railroad bridges throughout the country have been knocked down. NATO has destroyed all of Yugoslavia's oil-refining capability, and the alliance is preparing this week to begin enforcing a naval embargo against tankers bringing oil into ports in Montenegro, the smaller of Yugoslavia's two republics.

Gassed up. But without NATO ground troops to challenge them, it may be many months before Serbian forces in Kosovo actually cease to function. O'Hanlon argues that given months of warning that NATO air attacks could come, Serbian troops probably have hidden reserves of fuel inside Kosovo. And they are helping themselves to fuel stocks left behind by fleeing Albanians. NATO reports indicate that fuel shortages are causing mobility problems in some units—but that won't force those units out of Kosovo. And ''long before any Serbian forces starve in Kosovo,'' says O'Hanlon, ''huge numbers of ethnic Albanians will have starved first.'' Beyond that, Milosevic has been adding to his forces in Kosovo despite troubles with transportation. Clark himself acknowledged last week that Yugoslavia has been ''bringing in reinforcements continually.''

The ultimate battle, then, is not of guns but of wills. The natural advantage would seem to lie with NATO, which must only tolerate political discomfort, while Serbs have to watch their economy being pulverized one bomb at a time. Yet NATO's very caution, meant to keep the politicians on board, already bears the marks of a military failure. And as Congress showed last week, that's hard for any politician to support.

PERSONAL EXPLANATION

HON. VAN HILLEARY

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. HILLEARY. Mr. Speaker, due to my attendance at a military funeral, I was unable to record my vote for several measures considered in the U.S. House of Representatives on Thursday, June 10. Had I been present, I would have cast my votes as follows:

Rollcall No. 185: Aye.
Rollcall No. 186: Aye.
Rollcall No. 187: Aye.
Rollcall No. 188: Aye.
Rollcall No. 189: No.
Rollcall No. 190: Aye.
Rollcall No. 191: Aye.
Rollcall No. 192: No.
Rollcall No. 193: No.

Rollcall No. 194: Yea.
Rollcall No. 195: Aye.
Rollcall No. 196: Aye.
Rollcall No. 197: Aye.
Rollcall No. 198: Aye.
Rollcall No. 199: Aye.
Rollcall No. 200: No.
Rollcall No. 201: No.
Rollcall No. 202: Nay.
Rollcall No. 203: Yea.

Further, due to the cancellation of my flight, I was unavoidably detained away from the Capitol yesterday, June 14. Had I been present, I would have voted "yea" on rollcall No. 204.

TAIWANESE AMERICAN HERITAGE WEEK

HON. DAVID WU

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. WU. Mr. Speaker, I rise today to pay tribute to Taiwanese-Americans across the country. After 50 years of a strong and mutually beneficial U.S.-Taiwan relationship, the Taiwanese-American community continues to be the bedrock of that relationship.

There are more than one-half million Taiwanese-Americans across the United States. From science and education, to politics, Taiwanese-Americans have made profound contributions to the strength and diversity of this great nation.

This year also marks the 20th Anniversary of the Taiwan Relations Act, which links the United States and Taiwan in friendship and cooperation. Since 1987, the Taiwanese people have possessed the right to select their own leaders, practice their religions, and speak freely. Taiwan is vibrant and democratic. The people of Taiwan and the United States share a bond in their adherence to the principles of freedom, democracy, and human rights. That bond is made stronger each day by the Taiwanese-American community here in the United States.

Today, as the first U.S. Congressman born in Taiwan, I am proud to pay tribute to the contribution and commitment Taiwanese-Americans have made to the United States.

RESTORE THE TRUST WITH AMERICA'S AVIATION PASSENGERS

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. BEREUTER. Mr. Speaker, this Member would like to commend to his colleagues the following editorial from the June 8, 1999, Norfolk (Nebraska) Daily News. The editorial expresses support for the AIR 21 legislation and emphasizes the need to preserve the Aviation Trust Fund for its intended purposes.

[From the Norfolk (Nebraska) Daily News, June 8, 1999]

AIR TRUST FUNDS NEED PROTECTION—AVIATION INVESTMENT ACT WOULD PRESERVE SANCTITY OF TAXES PAID BY PASSENGERS

Battles have been waged at the state and federal levels over whether gasoline tax receipts going into highway trust funds should be preserved exclusively for road construction and maintenance work. Some politicians would prefer that the funds be available, when necessary, to pay for other needed projects.

The sanctity of the highway trust funds has always been promoted in this space. Now, the same must be true for the federal aviation trust fund.

Although they may not realize it, every time a person buys a plane ticket, he also pays a tax. The money received goes into the federal aviation trust fund, which is a pot of money earmarked to fix airports, runways and other essential parts of aviation infrastructure.

This year, according to the U.S. Chamber of Commerce, the trust fund is expected to collect about $11 billion. Left untouched, it would increase to about $63 billion in a few years.

But there are those who don't want to leave it untouched. That's why the Aviation Investment and Reform Act for the 21st Century has been introduced and likely will be voted on in Congress sometime in the next few weeks. If passed and signed into law, it would preserve the trust fund for aviation infrastructure purposes only. No diverting of funds would be allowed.

The U.S. Chamber is right when it says that passage of the act is not only the fair thing to do, but also the right thing to do.

It's fair because it would be a breach of faith to use those airline tax funds for other purposes. It's right because aviation infrastructure in the United States is deteriorating because of high usage. Neglecting to meet the current and future needs of the aviation system will only result in increased airline delays and compromised safety.

Domestic air travel has grown by 27 percent to 655 million passengers annually in the past five years. Within the next 10 years, the number of passengers served is expected to surpass 1 billion annually. The nation's runways will require rehabilitation to keep up with that demand. There also is a need to improve air traffic control systems.

Congress should do the right and fair thing and pass the Aviation Investment and Reform Act for the 21st Century. Leave those aviation trust funds alone.

TRIBUTE TO ERNESTO MUÑOZ

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. SERRANO. Mr. Speaker, I rise to pay tribute to Ernesto Muñoz, an outstanding individual who has dedicated his life to public service and education. His memory was honored on June 11 during the dedication of the Ernesto Muñoz Auditorium at PS 48.

Born on November 25, 1943, in Bayamon, Puerto Rico, to Rosario Muñoz and Susana Garcia, Ernesto was one of five girls and two boys. He moved to the Bronx in 1953.

Ernesto attended New York City Public Schools, graduating from P.S. 123 as Valedictorian and Samuel Gompers High School for Technical Studies as a member of the National Honor Society. He received a scholarship to Baruch College of the City University of New York. He is also a graduate of Bronx Community College. Ernesto was a Licensed Real Estate broker and Vice President for Milchman Enterprises Company, Inc. in the Bronx.

Mr. Speaker, Ernesto was very active in the Hunts Point community in my congressional district. From 1980 to the time of his passing, he was President of the Spofford Avenue Housing Development Fund Corporation and Chairman of the Board of Lapeninsula Community Organization, Inc. He was also a member of the Hunts Point Task Force from 1990 to 1992 and the Bronx Borough President's Citizen Advisory Committee on Resource Recovery from 1990 to 1991. In addition, he was a very active member of Community School Board DIstrict 8. He was a Board Member from 1989 until 1996; during this time, he served as President (1991–92), Vice President (1992–93) and Treasurer (1989–91).

Ernesto married Ramona Santiago on June 6, 1964 at St. John's Church in the Bronx and made their home in the Hunts Point section of the Bronx. They had four children, Eric, Rebecca, Beatriz and Wedalis, and six grandchildren, Michael, Cynthia, Marissa, Carlos, Jr., Christian and David, Jr.

Ernesto inspired me and many other young people from the Bronx. He had a remarkable passion for life, tenacity to accomplish what he set out to do, great courage and sensitivity. He passed away unexpectedly on September 10, 1998. His untimely passing has left a void not only in his family and community, but by all those whose lives he has touched.

Mr. Speaker, on June 11, PS 48 honored his memory during the dedication of the Ernesto Muñoz auditorium. What a fitting tribute.

Mr. Speaker, I ask my colleagues to join me in paying tribute to Ernesto Muñoz and in wishing PS 48 continued success.

EVELYN ABELSON: POINT OF LIGHT

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. OWENS. Mr. Speaker, I rise to congratulate an extraordinary community activist, social worker, safety net administrator and public policy strategist. From micro issues involving school practices, neighborhood priorities, and area action plans to macro policy concerns and visions for improvements in City, State and Federal benefits programs, she has accumulated an inspiring record of achievements. On the occasion of her retirement I am honored to salute Evelyn Abelson as a Point-of-Light for our community and for all Americans.

A native of Pittsburgh, Pennsylvania, Ms. Abelson came to Brooklyn with impressive training as a Social Worker and significant political experience. Her compassion for the poor and the powerless is great; and her passion for organizing people for their own empowerment is equally remarkable.

Always the professional competence of Evelyn Abelson is thoroughly blended with her personal dedication and integrity. As Director of a Mental Health Program in Brownsville, a

community composed primarily of low-income housing developments, she changed the lives of many individuals; however, her work with families and groups had a widespread and lasting impact on the entire community. The Abelson lectures on family relationships attracted a large grassroots audience.

Through her work with individuals and the general community Ms. Abelson established a base of trust which made her a very influential and productive force in the embryonic Brownsville anti-poverty program. Evelyn convened the Brownsville Professional Group composed of a cross-section of professionals who worked in the community. The blue-print for the Brownsville Community Action Plan was launched when this group convened a body of local leaders who formed the Brownsville Community Council.

Mr. Speaker, as a local Branch Librarian of the Brooklyn Public Library and later as a Library Community Coordinator, I worked with Ms. Abelson to develop the Brownsville Total Action Plan which began with the election of a Board of Directors for the Brownsville Community Council. For that first election and for many others Ms. Abelson was a one woman Election Commission whose results were never challenged.

Ms. Abelson later established a Community Mental Health Clinic in Brownsville. While her professional work expanded and provided greater support for many more families, she continued in her role as a guiding community activist and policy advisor. In my changing careers from Library Community Coordinator, to Brownsville Community Council Executive Director, to Commissioner of the New York City Community Action Program to New York State Senator and finally to the United States Congress I have steadfastly relied on Evelyn Abelson's unique ability to maintain one open ear for the voice of the people on the bottom while the other ear listened and interpreted the sweep of local, national and international developments.

For this rare mixture of personal warmth, abiding compassion and generosity, as well as a penetrating mind anchored by experience and wisdom, it is appropriate that we honor Evelyn Abelson as a great American Point-of-Light.

IKE SKELTON: A MAN OF VISION, A MAN OF COMPASSION, A MAN OF THE WORLD

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. FARR of California. Mr. Speaker, I was honored recently to have our friend and colleague, IKE SKELTON, visit my district in California. This gentleman, the Ranking Democrat on the House Armed Services Committee, is known to all of us as a man of intensity but earnestness, a man of determination but flexibility, a man of integrity above all else.

Congressman SKELTON was visiting the Naval Postgraduate School in Monterey, the Navy's premier school for advanced technical, engineering, and strategic education. He was there to address the student body of the challenges they face as military leaders in an increasingly complex geopolitical world community. While at the school, he was presented with an Honorary Degree of Doctor of Military Sciences.

I was so impressed with the lecture Mr. SKELTON presented and the citation by the NPS Provost, Richard Elster, of Mr. SKELTON'S achievements, I feel compelled to share them with this body. I urge everyone to take the time to read these remarks and consider their meaning, especially as we struggle here with foreign affairs and military and defense questions in a troubled world.

REMARKS ACCOMPANYING AWARD OF DEGREE OF DOCTOR OF MILITARY SCIENCES TO THE HONORABLE IKE SKELTON

(Made by NPS Provost, Richard Elster)

Under the authority vested by law and with the concurrence of the Secretary of the Navy and the Chief of Naval Operations, the Naval Postgraduate School is pleased to award the Degree of Doctor of Military Sciences to the Honorable Ike Skelton, Representative of the Fourth District of the State of Missouri to the Congress of the United States.

Representative Skelton understands the relationship between the nation's security and the maintenance of strong, robust armed forces. He has consistently, and effectively, used every means at his disposal to ensure that the national security policy of the United States recognizes the preeminent role of the armed forces and that the Congress provides resources to the Department of Defense and the military departments accordingly.

Representative Skelton's regard for the military extends far beyond national security imperatives to genuine, heart-felt concern for the well being of every man and woman in uniform. He understands the fundamental relationship between maintaining the most powerful Armed Forces the world has ever known and the education, training, talent, and morale of the individuals who comprise those forces. As Chairman of the Military Personnel and Forces Subcommittee of the House Armed Services Committee, he systematically advanced initiatives to improve the quality of life and opportunities of military personnel. He supported military pay increases and sought to secure acceptance of the principle that military compensation should be comparable to that of the private sector. He oversaw improvements in military health care and attempted to secure a uniform benefit for all eligible personnel, both active duty and retired. In addition, he offered the amendment that repealed the combat exclusion for women on Navy ships.

Representative Skelton has also demonstrated that a true friend of the armed forces will recognize problems and insist that they be corrected even in the face of strong objections from the civilian and military leadership of the Department of Defense. In the early 1980s, he became convinced that the structure of the Joint Chiefs of Staff and combatant commands was fundamentally flawed. He was one of a handful of legislators who drafted the Goldwater-Nichols Department of Defense Reorganization Act of 1986. Consequently, history will record that he was instrumental in framing one of the three most significant laws relating to national security since the American Revolution.

As chairman of the Panel on Military Education, Representative Skelton contributed immeasurably to improvements in professional military education. His panel found that the officer corps needs more military strategists and that every officer should understand strategy. An avid student of history, Representative Skelton insisted that staff and war colleges strengthen and expand the study of military history and other subjects related to the development of strategic thinking. Under his leadership, the Panel also effected curriculum changes that greatly enhanced joint military education and raised the academic standards of the schools.

Representative Skelton continues to exercise great influence over the direction of military education. He has recognized the compelling need for the officer corps to be capable of meeting the challenges resulting from the myriad technological changes that are altering the way wars will be fought in the future. In early 1998, he called upon the Naval Postgraduate School to develop a new paradigm for professional military education, one that would integrate technical and traditional subjects into a single coherent professional military education course of studies.

Representative Skelton has made other significant contributions to national security too numerous to detail. Years before the current crisis, he urged that additional attention and resources be devoted to recruiting. He has consistently advocated better utilization of the reserve components. He has advanced original proposals for modifying the force structure of the services to meet the challenges of the post-Cold War period.

In summary, Representative Skelton has made seminal contributions to military affairs in the latter quarter of the Twentieth Century. He epitomizes the ideal linkage that should exist between Americans and their Armed Forces in a democratic republic animated by a strong tradition of civilian control of the military.

It is an honor to award an honorary doctorate to an American of such singular distinction. Congratulations Mr. Skelton.

REMARKS OF REP. IKE SKELTON, NAVAL POSTGRADUATE SCHOOL, APRIL 19, 1999, MONTEREY, CALIFORNIA

Today, I want to talk to you about the role of Congress in carrying out its Constitutional mandate with respect to the armed forces. Many people do not know that the Constitution—in Article I, Section 8—gives Congress the power ''To raise and support armies, . . .'' and ''To provide and maintain a navy,''. Fewer still know that Article I, Section 8, further gives Congress the power ''To make rules for the government and regulation of the land and naval forces;''. Article II of the Constitution designates the President as ''commander in chief of the army and navy . . .'', but no specific authority is granted. Many in the Department of Defense, both military and civilian, are often uncomfortable with what they regard as ''Congressional interference'' in national security affairs. But the system works—the Constitution make Congress the link between the American people and the military whose mission it is to protect them. And, thus, it helps ensure that there is public support for the military.

Let me give you the history of two areas, which will show you the system working at its best—The Goldwater-Nichols Department of Defense Reorganization Act of 1986, and Professional Military Education, commonly known as PME. These two areas are of professional interest to you, and as some of you may know, I was directly involved in Congressional efforts in both of these areas.

GOLDWATER-NICHOLS

Around the time I began my service in Congress—the late 1970's and early 1980's—the U.S. military experienced a long series of substandard operational performances, including a number of failures and some disasters: Vietnam, Pueblo, Mayaguez, Desert One, Beirut, and Grenada.

In the wake of these events, it became clear to a number of Members of Congress, including me, that something was wrong and that a solution needed to be found. I began meeting with our military leaders, both active and retired, to discuss the state of our military and determine what Congress could do to help fix the problems. Indeed, it was not just a question of Congress wanting to help fix the problems. As I mentioned earlier, it was our responsibility under the Constitution to fix the problems.

Among those I met with was a fellow Missourian, General Maxwell Taylor, the Commanding General of the 101st Airborne Division at Normandy, and a former Chairman of the Joint Chiefs of Staff. Well in his 80's by the time I talked to him, but still every inch a soldier, General Taylor shared with me the perspectives he had gained in his long, illustrious military career, both in combat and staff assignments. It was General Taylor who first raised with me the issue or reorganization of the Joint Chiefs of Staff as critical to solving the problems in our armed forces.

When other distinguished military leaders and thinkers raised this same concern, I decided that the issue of Joint Chiefs of Staff reorganization needed some attention. So, I introduced legislation to abolish the Joint Chiefs of Staff. Needless to say, that bill was going nowhere, but it did get people's attention, and it did help start the debate on the need for reform.

More importantly, I got involved with this issue on the House Armed Services Committee, working with other Members and Staff who had an interest in this area. Former Congressman Dick White of Texas had held a series of often sparsely attended hearings on the subject, along with a House Armed Services Committee staffer who I like to refer to as a national treasure—Archie Barrett, a retired Air Force Colonel who had published a study on Defense Reorganization. The contributions of this outstanding American in this area are immeasurable, I am very pleased that Archie is with us today because if any of you have tough questions, he can answer them. When Congressman White retired, I inherited Archie and the issue.

As you might expect, many of the senior civilian and military leaders of the Department of Defense were opposed to any reform or reorganization of the Joint Chiefs of Staff, including Defense Secretary Weinberger, General John Vessey, the Chairman of the Joint Chiefs, and indeed every member of the Joint Chiefs. If you know your history, you will not be surprised to learn that the Navy was especially opposed. Then Secretary of the Navy John Lehman called me an ''arm chair strategist'' in a Washington Post op-ed article. He didn't mean it as a compliment. Then Vice Admiral Frank Kelso lectured me like a school boy when I visited Norfolk. ''You don't know what you are doing,'' he told me.

We did have some strong support from within the active and retired military, however, including General David Jones, the former Chairman of the Joint Chiefs of Staff, General Shy Meyer, the former Army Chief of Staff, and Admiral Harry Train, former CINCLANT. There were even some within the Navy with opposing views. After Admiral Kelso's lecture, his boss, Admiral Lee Baggett, the CINCLANT, pulled me aside and privately told me, ''you are doing the right thing.''

Here are some of the problems that Congress discovered during our hearings on the Joint Chiefs of Staff:

The joint, or force employment, side of the DOD structure was weak and often ineffective. On the other hand, the service, or input, side of DOD was so strong that it regularly stepped beyond its mission of organizing, training, and equipping forces. The services tended to dominate the joint side, often to achieve parochial interests.

The Joint Chiefs of Staff, a committee, was collectively the principal military adviser to the President, the National Security Council, and the Secretary of Defense. The Service Chiefs were often unable to fulfill their dual-hat responsibilities. Decisions on the most fundamental national security issues were watered down or not given at all. It was General Taylor who testified that the Joint Chiefs often failed to answer the mail because the Chiefs could not resolve interservice disputes.

The Chairman of the Joint Chiefs was only a spokesman for the Joint Chiefs of Staff Committee. If the Committee could not speak, or could only render watered-down pronouncements based on the lowest common denominator of agreement, the Chairman could only be an ineffective spokesman. One former National Security Adviser to the President stated that on a number of occasions he had witnessed the JCS Chairman unable to provide advice to the National Security Council on the most fundamental military issues of the day because the JCS had failed to develop collective advice. At other times, because the JCS Committee valued unanimity, the advice was so bland that it was of little value. One former Secretary of Defense stated that JCS advice was less than useless.

The Joint Staff was largely composed of non-competitive officers, often on their first staff tour. It was a dead-end assignment. The Joint Staff served the Chiefs collectively, and it was smothered with a thousand procedures that subordinated it to service positions. For example, every word of every Joint Staff paper—the source of formal JCS advice—had to be approved by every service before it could be submitted to the JCS for its consideration.

The Unified Commanders (the CINCS)—the Commanders of U.S. forces in the field on whom the nation would depend for its survival in case of hostilities—were tied down like Gulliver by constraints contained in JCS-issued directives.

The CINCS had few of the authorities you would expect a commander to possess:

They could not hire or fire their subordinate commanders or staffs.

They lacked Court Martial authority.

They could not employ their forces as they saw fit to accomplish their mission, Rather, they were required to employ forces only in accordance with service doctrine.

They did not control ammunition, food supplies, and the myriad other materials needed to conduct campaigns. Each service had its own line of supply.

Their authority over their subordinate service component commanders was very tenuous—the component commanders' principal loyalty was to their service.

Let's look at how these problems in the organization of the JCS before 1986 contributed to some of the failed missions I mentioned earlier:

In Vietnam, there were at least two land chains of command and four air chains of command reaching from the Pentagon to forces in the theater.

Desert One—the disastrous 1980 attempt to rescue hostages held by Iran—was conducted by forces of all four services. Those forces met for the first time during the operation, had never exercised as a joint team, and were led by multiple commanders responding to multiple chains of command.

In the terrorist bombing of the Marine barracks in Beirut, the serpentine chain of command wound through six layers of command, including officers from every service, before it reached the ill-fated Colonel commanding the Marine contingent on the ground—the Secretary of Defense; the CINC at Mons, Belgium; DCINC at Stuttgart, Germany; CINCNAVEUR with headquarters in both London and Naples; Sixth Fleet Commander in the Mediterranean; and the Naval Task Force commander off the coast of Lebanon.

The tragic Beirut bombing, with 241 U.S. casualties, was the event that really convinced many Members that Congress needed to find out what was wrong within the Department of Defense, and to take steps to correct the problems. The late Congressman Bill Nichols, a highly respected Member from Alabama, was especially galvanized by Beirut. Congressmen Hopkins, Aspin, and Kasich, as well as Senators Goldwater, Cohen, Nunn, and Levin, were also deeply involved in the legislation that eventually was named the Goldwater-Nichols Department of Defense Reorganization Act of 1986.

You know the major provisions of the Act, so I will not go over them in detail. However, allow me to summarize the Act's effect:

Now, the JCS Chairman, not the Committee, is the principal military advisor, a role exemplified by General Colin Powell during Just Cause and the Persian Gulf War.

Now, the Joint Staff reports to the Chairman. It is composed of talented and qualified officers, and it is possibly the most powerful staff in the Department of Defense.

Now, the CINCS posses the requisite command authorities, as was so amply demonstrated by General Schwartzkopf in the Gulf War.

Of course, Goldwater-Nichols was not the sole cause of reversing the negative trend in operational performance since 1986. It is worth noting, however, that the U.S. Armed Forces have experienced fourteen years of outstanding success in conducting contingency operations since that year. Of particular note are Operation Just Cause in Panama and, Operations Desert Shield and Desert Storm, as I mentioned previously.

Finally, it is important to point out that it was not the goal of Goldwater-Nichols to weaken the services. To the contrary, Goldwater-Nichols was intended to push them firmly back into their legislatively assigned roles—organizing, training, and equipping forces to carry out the missions assigned to the CINCs. I do not know if Goldwater-Nichols has fully accomplished this objective, but it has made a difference.

PROFESSIONAL MILITARY EDUCATION

During 1988 and 1989, I was Chairman of the Panel on Military Education of the House Armed Services Committee. I have a confession to make—I did not want to get involved in studying Professional Military Education. I thought nothing could be more boring. Archie Barrett had to use his considerable powers of persuasion to convince that this area needed to be studied. I am glad that he was successful. The subject matter was fascinating, and I believe the work of the Panel was productive.

The Panel was formed because the House Armed Services Committee perceived little or no effort by DOD to comply with a key provision of the Goldwater-Nichols Act. That provision required DOD to examine the professional military education schools and make changes where necessary to ensure that officers were being prepared to participate with other services in joint operations and to serve in joint assignments.

The Panel visited every staff college, and every war college. We held a hearing at most of them, as well as hearings in Washington. After more than a year, we issued a comprehensive 200-page report that contained roughly 100 recommendations for changes in military education.

At this point, I had planned to discuss each of these 100 recommendations in detail. However, I know you all want to get home for dinner tonight, so I will only outline in brief what we found in regard to Navy PME.

First, the good news: We found that the Naval War College was hands-down the best service war college.

Next, the bad news: Naval officers attended at most only one year of professional military education whereas the other services took pains to ensure that their most competitive officers received two years. As a consequence, the intermediate PME course at Newport was almost an identical twin of other. I suggested that the Navy consider providing intermediate Professional Military Education at the Naval Postgraduate School. Moreover, in light of the pressing need for the officer corps of the future to be able to grasp the potential of new technologies to change the way wars are fought, and to understand how to employ technologically advanced weapons and equipment, I wrote the Chief of Naval Operations suggesting that an intermediate PME curriculum at the Naval Postgraduate School, ''could interweave the technological lessons that abound throughout military history with an appreciation of what technology offers today and a perspective of the future challenges facing officers in the post-industrial era.''

Recently, I learned that the Navy is planning to offer its intermediate course at the Naval Postgraduate School starting later this year. This is a giant step in the right direction, and I am pleased that the Navy, at least in part, is taking my suggestion seriously. Eventually, I would really like to see the Naval Postgraduate School, in partnership with the Naval War College, be allowed to develop a genuine intermediate PME curriculum that uniquely integrates studies intended to increase technological literacy of the student officers with traditional PME.

CONCLUSION

Let me conclude by giving you a charge: Make the Armed Forces a better institution as a consequence of your service. During your careers, I urge you continuously to examine your consequence of your service. During your careers, I urge you continuously to examine your service, the joint military elements, and the Department of Defense from a detached, objective perspective. As you progress in rank, use your influence to rectify flaws where you find them. Many, perhaps most, of the problems discovered by Congress in the organization of the Joint Chiefs of Staff and in Professional Military Education had been identified in studies as far back as the 1950's. If DOD had acted—if senior civilian and military leaders had initiated needed changes—legislation would not have been required. Change was opposed by those who wanted to preserve narrow parochial interests. The result of that opposition to change was, as mentioned before—Vietnam, Desert One, Beirut, Grenada. Do not allow your service, the joint military elements, or the Department of Defense to repeat the mistakes of the past during your watch.

The best way to avoid repeating the mistakes of the past is to commit to a lifelong study of military history. Consider how General Schwartzkopf used the lessons of history in at least three instances in his successful Desert Storm campaign:

First, the thorough 40-day air campaign which preceded the ground war recalls the failure to conduct adequate bombardment at the island of Tarawa in November of 1943. The price paid for that failure at Tarawa was heavy Marine Corps casualties. In the Gulf War, the ability of Iraqi forces to offer opposition to our forces was severely reduced.

Second, consider the successful feint carried out by the 1st Cavalry Division prior to the actual start of the ground war. This recalls Montgomery's strategy at the Battle of the Marinth Line in North Africa against the German Afrika Corps. This action led up to the decisive battle at El Alamein.

Third, by utilizing a leftward flanking movement when he launched the ground war, General Schwartzkopf was taking a page from the book of Robert E. Lee and Stonewall Jackson at the Battle of Chancellorsville. As you will recall, Jackson's forces conducted a brilliant flanking maneuver and completely surprised Union forces under General Joseph Hooker, in the May 1963 battle.

Thank you for the opportunity to address you today. God bless you, and I wish you all in your careers.

THE CROP INSURANCE EQUITY ACT OF 1999—COMPANION LEGISLATION TO S. 1108

HON. CHARLES W. "CHIP" PICKERING

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. PICKERING. Mr. Speaker, I am pleased to have the opportunity today to introduce companion legislation to S. 1108, the Crop Insurance Equity Act of 1999, introduced by Senators COCHRAN and LINCOLN on May 24, 1999.

This legislation will effectively function to reform the problems farmers across the nation have encountered with the current infeasible federal crop insurance program. Participants in the federal crop insurance program will find that this legislation benefits farmers nationwide, not simply farmers in one region of the country.

The Crop Insurance Equity Act of 1999 requires that the Federal Crop Insurance Corporation re-evaluate current rating methods and processes used in rating crop insurance rates by September 30, 2000. In doing this, the rates paid by many farmers may be reduced through these new procedures. However, if it is found that through this reassessment rates would increase for farmers in certain geographic areas, the current rating system is to remain in place. In restructuring these rates, FCIC will begin its reassessment with those commodities with the lowest participation rate of buy-up coverage plans.

Currently, farmers who buy the highest levels of buy-up coverage receive the lowest levels of government premium subsidy. This is a direct link to the low percentage of farmers who purchase buy-up coverage in my state. The Crop Insurance Equity Act of 1999 will equalize all levels of buy-up coverage ensuring that all farmers, no matter what level of buy-up coverage they purchase, will receive equal assistance from the federal government in their purchase of buy-up coverage.

This legislation will further work to make federal crop insurance more appealing by establishing a system of discounts and other policy options from which farmers may choose. Farmers who effectively manage farm risk through good management practices which reduce the risk of an insurable loss will receive discounts toward premiums on their insurance coverage. In doing so, the federal crop insurance program will work in a manner like other forms of insurance. If a driver has a good driving record, he or she should justly pay premiums that reflect such. In the same manner, under this legislation, farmers who rarely file insurable losses will receive premium discounts under the pilot program established by this bill.

All farmers will benefit from the reform set by the Crop Insurance Equity Act of 1999 as this legislation raises the basic coverage level for catastrophic coverage, the lowest unit of crop insurance protection. Currently, this basic level of protection is completely free to the farmer and covers 50% of the grower's average production history at 55% of market price. This legislation will increase that basic coverage level to 60% of the farmer's average production history at 70% of the market price. Doing so will offer am ore feasible safety net to the producer should a loss be incurred.

Mr. Speaker, farmers in my home state of Mississippi assert that one of the primary problems faced by the current crop insurance program is that it is sometimes abused and exploited by farmers who seek to swindle the federal government at the expense of fellow producers. The Crop Insurance Equity Act of 1999 will reduce insurance fraud through imposing stiffer penalties for anyone, including insurance companies, agents, and producers, who participate in fraudulent activities.

This legislation will also protect new farmers or farmers who rent new land or decide to produce new crops by assigning them a fair yield until they are able to generate sufficient actual production data. In addition, farmers who encounter multiple year disasters will be protected by being assigned a yield equal to eighty-five percent of the county transition yield for nay year in which the farmer's yield falls below that eighty-five percent level.

The Crop Insurance Equity Act of 1999 reforms the Federal Crop Insurance Corporation Board of Directors to include more farmers from different regions of the United States and creates an office to work with private insurance companies who develop new crop insurance products. The legislation goes further by reducing the amount of excessive underwriting gains received by these insurance companies.

Mr. Speaker, our agricultural producers are demanding a more feasible and more affordable federal crop insurance program. I believe that this crop insurance legislation is a sound

and fair proposal which can be supported by producers from all regions of the nation.

TRIBUTE TO MS. ASHLY HUNTER AND MS. LAURA JANE AMODEI ON THEIR PARTICIPATION IN THE INTERNATIONAL SPECIAL OLYMPICS

HON. FRANK MASCARA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. MASCARA. Mr. Speaker, I would like to honor two special constituents in my district who are the epitome of strength, determination, and selflessness, Ms. Ashly Hunter and Ms. Laura Jane Amodei.

I am proud to announce that Ashly Hunter will compete in swimming when the International Special Olympics convenes June 26 through July 4 in Raleigh/Durham, NC, where she will swim the 25-meter breaststroke and the 50-meter backstroke. This is a dream for her that has been 20 years in the making.

Many people helped Ashly make her dream come true. In addition to her parents, Ashly's coach, Ms. Laura Jane Amodei, is also paramount to Ashly's success. Ms. Amodei has also been selected as an alternate coach to this year's games after dedicating over 20 years to the Special Olympics as a coach for the Mon Valley Swimming team of Washington Valley. Those who know Ms. Amodei and those fortunate enough to have been coached by her say she inspires her athletes to achieve maximum individual performance. Indeed, Ms. Amodei has enabled Ashly to master the very backstroke and breast stroke techniques that won her the right to compete in this year's games. It is this dedication and selflessness of special Americans such as Ms. Laura Jane Amodei that should inspire all of us to be the best citizens we can be.

Ms. Hunter won the right to compete in the International Games after a series of local, regional, and State victories, where she compiled an amazing 101 victories, including 56 gold, 31 silver, and 14 bronze. She will become the first Mon Valley resident to attend the International Special Olympics after competing for 15 years in the Washington County Special Olympics.

Whether Ashly is cheering the California University Vulcans basketball team on to victory, exploring her love of music and dance, or bike riding with her parents, who she inspired to become certified aquatic coaches, Ashly's love of life and people burns brightly. Her grit serves as testament to the joy and wonder of life to those around her. Needless to say, we, in the 20th District of Pennsylvania, are extremely proud of Ms. Hunter's fine accomplishments and the person she inspires us to be.

Mr. Speaker, I know the entire House of Representatives joins me in saluting the hard work and dedication of Ms. Ashly Hunter and Ms. Laura Jane Amodei and wishing them the best of luck at this year's International Special Olympics.

SALUTE TO POLICE CHIEF JOSEPH SAMUELS, JR.

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Ms. LEE. Mr. Speaker, I rise in honor today to salute Police Chief Joseph Samuels, Jr., the first African-American Chief of Police in the City of Oakland.

Police Chief Samuels joined the Oakland Police Department in 1974 after working for a Finance Corporation as a Branch Manager. He rose through the ranks of the Police Department to the position of Captain where he spent three years in the Patrol Division. He later served in the investigative and support units of the Department.

In October, 1991, he was appointed Chief of Police of the City of Fresno in California. He has continued his civic involvement and is a member of the Board of Directors of the Oakland Boys and Girls Club, the Oakland Jazz Alliance, the Alameda County Chapters of the American Cancer Society and the American Red Cross.

During his tenure as Oakland's Chief of Police, part one felonies were reduced by 23.3%, homicides were reduced by 54.4% and violent crimes fell by 23.2%. Citizen complaints against Police Department personnel also decreased by 44% during Chief Samuels' tenure.

Chief Samuels' other accomplishments include securing over $30 million in state and federal grants to expand the Department's personnel and community outreach. Chief Samuels also established nine citizen community oriented boards.

Chief Samuels' professional affiliations include membership in the International Association of Chiefs of Police, the Police Executive Research Forum, the National Organization of Black Law Enforcement Executives, the California Peace Officers Association, the California Police Chiefs Association, and the Alameda County Chiefs of Police and Sheriff's Association.

Chief Samuels has made a positive and profound impact on the lives of many individuals and organizations throughout the City of Oakland and I know that the community is more safe as a consequence of his leadership.

I proudly join his many friends and colleagues in thanking and saluting him on his years of service to the community and his commitment to law enforcement.

TRIBUTE TO THE INTERNATIONAL AFRICAN ARTS FESTIVAL

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. TOWNS. Mr. Speaker, the International African Arts Festival, formally known as the African Street Festival, has been a cultural institution providing a venue for African-inspired culture to the Brooklyn community for 28 years. Started in 1971 as a graduation ceremony for the Uhuru Sasa School, the festival grew into a major event attracting international attention. Held each summer during the July 4th weekend, the festival features an African marketplace of over 200 vendors providing unique arts, crafts, foods, and goods from all over the world. The marketplace is the backdrop for continuous entertainment on two stages. The festival has hosted award winning and internationally recognized entertainers and recording artists.

In 28 years, the festival has grown into a major event for the Brooklyn community. Attracting over 50,000 visitors each year, the International African Arts Festival continuous to grow and dig its roots deeper into the community. Among the festivals many featured events are the talent search, ''Ankh'' awards ceremony, living legends awards, special showcases for seniors, a parade down Fulton street, scholarship presentations, African marketplace, and world-class entertainment.

Tens of thousands of people visit the festival every year just to shop for the diverse, rare items that have become the trademark of the marketplace at the International African Arts festival. The people of New York know that they can come to the festival to find the latest in paintings, sculptures, jewelry, furniture, and goods of every kind. The shopping atmosphere creates an economic boom attracting entrepreneurs and aiding in local, small business development. The economic benefits of the festival also results from the hundreds of jobs created by the festival.

The International African Arts Festival creates an environment of unity for the Brooklyn community. The world-class entertainment showcased at the festival represents the diversity of the African Diaspora. Audiences can expect to witness captivating performances by artists from Africa, America, the Caribbean, and Latin America on any one day. This atmosphere is further enhanced by vendors who sell delicious international foods. The friendliness of other participants and the warm feeling it fosters, under a bright sunny sky, completes the experience of Brooklyn's own International African Arts Festival.

MS. PAM HUNT IS HONORED BY THE U.S. DEPARTMENT OF AGRICULTURE AS THE NATIONAL ELDERLY HOUSING MANAGER OF THE YEAR

HON. WILLIAM D. DELAHUNT

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. DELAHUNT. Mr. Speaker, today, on Capitol Hill, Ms. Pam Hunt of Pine Oaks Village in Harwich, MA, was honored by the U.S. Department of Agriculture as the National Elderly Housing Manager of the Year. I would like to ask my House and Senate colleagues to join in honoring her exemplary efforts to provide a safe, community-based environment for the older residents of Pine Oaks Village.

Ms. Hunt was recognized not only for ensuring that the daily needs of her residents are met, but also for her dedication in making Pine Oaks Village the place its residents call home.

She has helped secure a Federal grant to enhance social services at Pine Oaks Village, encouraged residents to develop and direct their own programs, such as art shows, gardening, bridge, and quilting, organized holiday parties, and produced a monthly newsletter for her residents. Ms. Hunt makes consistent strides to improve the quality of life of her elderly residents.

Here in Congress, we are debating Social Security and Medicare reform, reauthorization of the Older Americans Act and other important issues affecting our Nation's senior citizens. It is comforting to know that while the needs of seniors are often overlooked by some—they are not forgotten at Pine Oaks Village.

PERSONAL EXPLANATION

HON. VITO FOSSELLA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. FOSSELLA. Mr. Speaker, on rollcall No. 204, I missed the vote due to weather-related problems.

Had I been present, I would have voted "yes."

A TRIBUTE TO WENDY RASO OF PUEBLO COLORADO

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to recognize the dedication, hard work, and great achievements of Wendy Raso, of Pueblo, Colorado. Her efforts, in conjunction with the March of Dimes, to improve the health of babies and to prevent birth defects and infant mortality and membership in national nursing organization, have contributed to her selection as a recipient of a $5,000 national nursing scholarship.

Ms. Raso has devoted eight years of work at the Pueblo Community Health Center while pursuing graduate studies at the University of Colorado Health Sciences Center. As a perinatal case manager, she focuses her time on the health of an infant before birth. Wendy's desire to better the lives of unborn children is the reason why she promotes healthy lifestyles for her patients.

Ms. Raso is hopeful that her award will call attention of Colorado's fifth-highest of low birth-weight rate in the nation. Through her work and achievements she is optimistic that Colorado can improve its birth weight ranking. Ms. Raso's determination and dedication to improving the health of unborn children have led her to pursue graduate work in Denver in order to achieve certification as a midwife.

Mr. Speaker, I would like to thank Ms. Wendy Raso for helping to ensure the health and future of Colorado's newest citizens. Individuals such as Ms. Raso who give so much time and energy to bettering the lives of others are to be commended. I would also like to congratulate Wendy Raso on being chosen as a recipient of the national nursing scholarship, and I would like to wish her the best of luck as she continues to pursue her education and service to others.

INTRODUCTION OF HOUSE RESOLUTION 208 CALLING FOR VETERANS CEMETERY PLANNING JUNE 15, 1999

HON. CORRINE BROWN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 15, 1999

Ms. BROWN of Florida. Mr. Speaker, today I am introducing, together with Mr. Evans, the Ranking Democrat on the Veterans' Affairs Committee as an original cosponsor, House Resolution——that would reaffirm the commitment of the United States to the men and women who have honorably served this Nation in the Armed Forces to provide reasonable access to burial in a national or State veterans cemetery. Our Resolution also would call on the National Cemetery Administration of the Department of Veterans Affairs, vested with the responsibility of providing a final resting place for America's heroes, to commence without delay the planning for the construction of new national cemeteries and other activities to provide America's veterans reasonable access to burial in a veterans cemetery.

I am appalled at the Department of Veterans Affairs' less-than-inspired goal for performing its mission "to honor veterans with a final resting place and lasting memorials to commemorate their service to our Nation."

Currently, nearly one-third of United States veterans do not have the option of being buried in a national or State veterans cemetery located within a reasonable distance of their residence—being 75 miles, as determined by the VA's National Cemetery Administration. Shockingly, the National Cemetery Administration, as its fiscal year 2000 performance plan program objective, will try to provide only 80 percent of United States veterans with a burial option within a reasonable distance of their residence.

Mr. Speaker, a National Cemetery Administration goal, which does not provide 20 percent of United States veterans with a burial option within a reasonable distance of their residence, is not acceptable to me nor should it be to this House.

By VA's own statistics, the demand for cemetery space will rise sharply in the near future, with burials increasing 42 percent from 1995 to 2010, and annual veteran deaths reaching 620,000 in the year 2008. However, for some inadequately explained reason, the VA's Fiscal Year 2000 proposed budget failed to request funding for even the planning of any new national cemeteries.

Last week I joined with Chairman Stump and Ranking Member Evans of the Veterans' Affairs Committee as an original cosponsor of H.R. 2040, the "Veterans' Cemeteries Assessment Act of 1999". That bill would require VA to contract for an independent study on improvements to veterans' cemeteries. Among other things, the study would assess the number of additional national cemeteries required for the interment and memorialization of veterans who die after 2010.

Mr. Speaker, my home State of Florida has the oldest veterans' population of any state. By VA's estimate, there will be nearly 25,000 veteran deaths in the greater Miami area in FY 2000, and by the year 2010, the annual death rate in South Florida will be nearly 26,000. Unfortunately, the nearest veterans cemetery is 250 miles away. It is for that reason, on April 29, I introduced H.R. 1628 to require the Secretary of Veterans Affairs to establish a national cemetery in the Miami, Florida, metropolitan area to serve the needs of veterans and their families.

I would note for my colleagues that in both 1987 and 1994, the Miami area was designated by congressionally mandated reports as one of the top geographic areas in the United States in which need for burial space for veterans is greatest. Yet, as late as August 1998, VA's strategic planning through the year 2010 indicated nothing more than a willingness to continue evaluating the needs of nearly 800,000 veterans in the Miami/Ft. Lauderdale primary and secondary service area. Mr. Speaker, that is over 54 percent of the estimated State veteran population and 3.3 percent of the total U.S. veteran population.

The burial space needs of veterans are approaching a crisis stage in Florida; but Florida is not alone. According to testimony received at a recent hearing of the Veterans' Affairs Subcommittee on Oversight and Investigations, of which I am the Ranking Democrat, ninety percent of eligible veterans are not—I repeat, are not—buried in a national or state veterans cemetery. Such hallowed grounds are simply located too far from their home and family.

Mr. Speaker, standing on the threshold of a new century as we are, it is our obligation as Members of the 106th Congress to again affirm America's long and solemn commitment to her veterans—past, present, and future—that they and their families will be provided an appropriate resting place of honor, and that the Department of Veterans Affairs will fully carry out its responsibilities to that end.