

Whereas establishing a housing infrastructure strengthens neighborhoods and local economies and nurtures the families who reside in them;

Whereas an integral element of a strong community is a sufficient supply of affordable housing;

Whereas affordable housing may be provided in traditional and nontraditional forms, including apartment buildings, transitional and temporary homes, condominiums, cooperatives, and single family homes;

Whereas for many families a home is not merely shelter, but also provides an opportunity for growth, prosperity, and security;

Whereas homeownership is a cornerstone of the national economy because it spurs the production and sale of goods and services, generates new jobs, encourages savings and investment, promotes economic and civic responsibility, and enhances the financial security of all people in the United States;

Whereas although the United States is the first nation in the world to make owning a home a reality for a vast majority of its families, 1/3 of the families in the United States are not homeowners;

Whereas a disproportionate percentage of families in the United States that are not homeowners are low-income families;

Whereas the community building activities of neighborhood-based nonprofit organizations empower individuals to improve their lives and make communities safer and healthier for families;

Whereas one of the best known nonprofit housing organizations is Habitat for Humanity, which builds simple but adequate housing for less fortunate families and symbolizes the self-help approach to homeownership;

Whereas Habitat for Humanity is organized in all 50 States with 1544 local affiliates and its own 501(c)(3) nonprofit corporate status and locally elected completely voluntary board of directors.

Whereas Habitat for Humanity will build its 100,000th house worldwide in September 2000 and endeavors to complete another 100,000 homes during the next 5 years.

Whereas Habitat for Humanity provides opportunities for people from every segment of society to volunteer to help make the American dream a reality for families who otherwise would not own a home; and

Whereas the first week of June 2000 has been designated as "National Homeownership Week": Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) everyone in the United States should have a decent home in which to live;

(2) the Members of the Senate should demonstrate the importance of volunteerism;

(3) during the year between National Homeownership Week 2000 and National Homeownership Week 2001, the Members of the Senate, Habitat for Humanity, and contributing organizations, should sponsor and construct 2 homes in the District of Columbia each of which should be known as a "House That the Senate Built";

(4) each "House That the Senate Built" should be constructed primarily by Members of the Senate, their families and staffs, and the staffs of sponsoring organizations working with local volunteers involving and symbolizing the partnership of the public, private, and nonprofit sectors of society;

(5) each "House That the Senate Built" should be constructed with the participation of the family that will own the home;

(6) in the future, the Members of the Senate and their families and staff should par-

ticipate in similar house building activities in their own States as part of National Homeownership Week; and

(7) these occasions should be used to emphasize and focus on the importance of providing decent homes for all of the people in the United States.

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SENATE RESOLUTION 320—TO AUTHORIZE TESTIMONY BY SENATE EMPLOYEE IN STATE ADMINISTRATIVE PROCEEDING

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 320

Whereas, in the Inquiry Relative to the Claim for Benefits of Yolanda Nock, pending before the Department of Labor, in the County of Sussex, State of Delaware, a subpoena for testimony has been issued to Elinor Hughes, an employee of the Senate on the staff of Senator William V. Roth, Jr.;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial or administrative process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, that Elinor Hughes is authorized to testify in the Inquiry Relative to the Claim for Benefits of Yolanda Nock, except concerning matters for which a privilege should be asserted.

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AMENDMENTS SUBMITTED—JUNE 8, 2000

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NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

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SMITH OF OREGON (AND OTHERS) AMENDMENT NO. 3247

Mr. WARNER (for Mr. SMITH of Oregon (for himself, Mr. WYDEN, and Mr. BRYAN)) proposed an amendment to the bill, S. 2549, *supra*; as follows:

On page 155, line 4, strike "(g) EFFECTIVE DATE.—This" and insert the following:

"(g) VICE CHIEF OF NATIONAL GUARD BUREAU.—(1) The Secretary of Defense shall conduct a study of the advisability of increasing the grade authorized for the Vice Chief of the National Guard Bureau to Lieutenant General.

"(2) As part of the study, the chief of the National Guard Bureau shall submit to the Secretary of Defense an analysis of the func-

tions and responsibilities of the Vice Chief of the National Guard Bureau and the Chief's recommendation as to whether the grade authorized for the Vice Chief should be increased.

"(3) Not later than February, 1, 2001, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the study. The report shall include the following:

"(A) The recommendation of the Chief of the National Guard Bureau and any other information provided by the Chief to the Secretary of Defense pursuant to paragraph (2).

"(B) The conclusions resulting from the study.

(C) The Secretary's recommendation regarding whether the grade authorized for the Vice Chief of the National Guard Bureau should be increased to Lieutenant General.

"(h) EFFECTIVE DATES.—Subsection (g) shall take effect on the date of the enactment of the Act. Except for that subsection, this".

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AMENDMENTS SUBMITTED—JUNE 9, 2000

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DEPARTMENT OF DEFENSE APPROPRIATIONS ACT 2000

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HELMS AMENDMENT NO. 3280

Mr. HELMS proposed an amendment to the bill (H.R. 4576) making appropriations for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes; as follows:

At the appropriate place in the bill insert the following:

SEC. ____ . SENSE OF THE SENATE ON BRINGING PEACE TO CHECHNYA.

(a) FINDINGS.—The Senate finds that—

(1) the Senate of the United States unanimously passed Senate Resolution 262 on February 24th, 2000, which condemned the indiscriminate use of force by the Government of the Russian Federation against the people of Chechnya and called for peace negotiations between the Government of the Russian Federation and the democratically elected Government of Chechnya led by President Aslan Maskhadov;

(2) the Committee on Foreign Relations of the Senate received credible evidence reporting that Russian forces in Chechnya caused the deaths of innocent civilians and the displacement of well over 250,000 other residents of Chechnya and committed widespread atrocities, including summary executions, torture, and rape;

(3) the Government of the Russian Federation continues its military campaign in Chechnya, including using indiscriminate force, causing further displacement of people from their homes, the deaths of noncombatants, and widespread suffering;

(4) the Government of the Russian Federation refuses to participate in peace negotiations with the democratically elected government of Chechnya;

(5) the war in Chechnya contributes to ethnic hatred and religious intolerance within the Russian Federation, jeopardizes prospects for the establishment of democracy in the Russian Federation, and is a threat to the peace in the region; and

(6) it is in the interests of the United States to promote a cease-fire in Chechnya and negotiations between the Government of

the Russian Federation and the democratically elected government of Chechnya that result in a just and lasting peace;

(7) representatives of the democratically elected President of Chechnya, including his foreign minister, have traveled to the United States to facilitate an immediate cease-fire to the conflict in Chechnya and the initiation of peace negotiations between Russian and Chechen forces;

(8) the Secretary of State and other senior United States Government officials have refused to meet with representatives of the democratically elected President of Chechnya to discuss proposals for an immediate cease-fire between Chechen and Russian forces and for peace negotiations; and

(9) the Senate expresses its concern over the war and the humanitarian tragedy in Chechnya and its desire for a peaceful and durable settlement to the conflict.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Government of the Russian Federation should immediately—

(A) cease its military operations in Chechnya and participate in negotiations toward a just peace with the leadership of the Chechen Government led by President Aslan Maskhadov;

(B) allow into and around Chechnya international missions to monitor and report on the situation there and to investigate alleged atrocities and war crimes; and

(C) grant international humanitarian agencies full and unimpeded access to Chechen civilians, including those in refugee, detention, and so-called “filtration camps”, or any other facility where citizens of Chechnya are detained;

(2) the Secretary of State should meet with representatives of the government of Chechnya led by President Aslan Maskhadov to discuss its proposals to initiate a cease-fire in the war in Chechnya and to facilitate the provision of humanitarian assistance to the victims of this tragic conflict; and

(3) the President of the United States, in structuring United States policy toward the Russian Federation, should take into consideration the refusal of the Government of the Russian Federation to cease its military operations in Chechnya and to participate in peace negotiations with the government of Chechnya.

INTERNET NONDISCRIMINATION ACT OF 2000

JOHNSON AMENDMENT NO. 3281

Mr. JOHNSON proposed an amendment to the bill (H.R. 3709) to extend for 5 years the moratorium enacted by the Internet Tax Freedom Act, and for other purposes; as follows:

At the appropriate place insert the following:

TITLE XX—LOAN GUARANTEES FOR RURAL TELEVISION

SEC. 01. SHORT TITLE.

This title may be cited as the “Launching Our Communities’ Access to Local Television Act of 2000”.

SEC. 02. PURPOSE.

The purpose of this title is to facilitate access, on a technologically neutral basis and by December 31, 2006, to signals of local television stations, and related signals (including high-speed Internet access and National Weather Service warnings), for households

located in unserved areas and underserved areas.

SEC. 03. LOCAL TELEVISION LOAN GUARANTEE BOARD.

(a) ESTABLISHMENT.—There is established the LOCAL Television Loan Guarantee Board (in this title referred to as the “Board”).

(b) MEMBERS.—

(1) IN GENERAL.—Subject to paragraph (2), the Board shall consist of the following members:

(A) The Secretary of the Treasury, or the designee of the Secretary.

(B) The Chairman of the Board of Governors of the Federal Reserve System, or the designee of the Chairman.

(C) The Secretary of Agriculture, or the designee of the Secretary.

(2) REQUIREMENT AS TO DESIGNEES.—An individual may not be designated a member of the Board under paragraph (1) unless the individual is an officer of the United States pursuant to an appointment by the President, by and with the advice and consent of the Senate.

(c) FUNCTIONS OF THE BOARD.—

(1) IN GENERAL.—The Board shall determine whether or not to approve loan guarantees under this title. The Board shall make such determinations consistent with the purpose of this title and in accordance with this subsection and section 04.

(2) CONSULTATION AUTHORIZED.—

(A) IN GENERAL.—In carrying out its functions under this title, the Board shall consult with such departments and agencies of the Federal Government as the Board considers appropriate, including the Department of Commerce, the Department of Agriculture, the Department of the Treasury, the Department of Justice, the Department of the Interior, the Board of Governors of the Federal Reserve System, the Federal Communications Commission, the Federal Trade Commission, and the National Aeronautics and Space Administration.

(B) RESPONSE.—A department or agency consulted by the Board under subparagraph (A) shall provide the Board such expertise and assistance as the Board requires to carry out its functions under this title.

(3) APPROVAL BY MAJORITY VOTE.—The determination of the Board to approve a loan guarantee under this title shall be by a vote of a majority of the Board.

SEC. 04. APPROVAL OF LOAN GUARANTEES.

(a) AUTHORITY TO APPROVE LOAN GUARANTEES.—Subject to the provisions of this section and consistent with the purpose of this title, the Board may approve loan guarantees under this title.

(b) REGULATIONS.—

(1) REQUIREMENTS.—The Administrator (as defined in section 05), under the direction of and for approval by the Board, shall prescribe regulations to implement the provisions of this title and shall do so not later than 120 days after funds authorized to be appropriated under section 09 have been appropriated in a bill signed into law.

(2) ELEMENTS.—The regulations prescribed under paragraph (1) shall—

(A) set forth the form of any application to be submitted to the Board under this title;

(B) set forth time periods for the review and consideration by the Board of applications to be submitted to the Board under this title, and for any other action to be taken by the Board with respect to such applications;

(C) provide appropriate safeguards against the evasion of the provisions of this title;

(D) set forth the circumstances in which an applicant, together with any affiliate of an

applicant, shall be treated as an applicant for a loan guarantee under this title;

(E) include requirements that appropriate parties submit to the Board any documents and assurances that are required for the administration of the provisions of this title; and

(F) include such other provisions consistent with the purpose of this title as the Board considers appropriate.

(3) CONSTRUCTION.—(A) Nothing in this title shall be construed to prohibit the Board from requiring, to the extent and under circumstances considered appropriate by the Board, that affiliates of an applicant be subject to certain obligations of the applicant as a condition to the approval or maintenance of a loan guarantee under this title.

(B) If any provision of this title or the application of such provision to any person or entity or circumstance is held to be invalid by a court of competent jurisdiction, the remainder of this title, or the application of such provision to such person or entity or circumstance other than those as to which it is held invalid, shall not be affected thereby.

(c) AUTHORITY LIMITED BY APPROPRIATIONS ACTS.—The Board may approve loan guarantees under this title only to the extent provided for in advance in appropriations Acts. The Board may delegate to the Administrator (as defined in section 05) the authority to approve loan guarantees of up to \$20,000,000. To the extent the Administrator is delegated such authority, the Administrator shall comply with the terms of this title applicable to the Board.

(d) REQUIREMENTS AND CRITERIA APPLICABLE TO APPROVAL.—

(1) IN GENERAL.—The Board shall utilize the underwriting criteria developed under subsection (g), and any relevant information provided by the departments and agencies with which the Board consults under section 03, to determine which loans may be eligible for a loan guarantee under this title.

(2) PREREQUISITES.—In addition to meeting the underwriting criteria under paragraph (1), a loan may not be guaranteed under this title unless—

(A) the loan is made to finance the acquisition, improvement, enhancement, construction, deployment, launch, or rehabilitation of the means by which local television broadcast signals, and related signals (including high-speed Internet access and National Weather Service warnings), will be delivered to an unserved area or underserved area;

(B) the proceeds of the loan will not be used for operating expenses;

(C) the proposed project, as determined by the Board in consultation with the National Telecommunications and Information Administration, is not likely to have a substantial adverse impact on competition that outweighs the benefits of improving access to the signals of a local television station in an unserved area or underserved area;

(D)(i) the loan (including Other Debt, as defined in subsection (f)(2)(B))—

(I) is provided by any entity engaged in the business of commercial lending—

(aa) if the loan is made in accordance with loan-to-one-borrower and affiliate transaction restrictions to which the entity is subject under applicable law; or

(bb) if item (aa) does not apply, the loan is made only to a borrower that is not an affiliate of the entity and only if the amount of the loan and all outstanding loans by that entity to that borrower and any of its affiliates does not exceed 10 percent of the net equity of the entity; or

(II) is provided by a nonprofit corporation, including the National Rural Utilities Cooperative Finance Corporation, engaged primarily in commercial lending, if the Board determines that such nonprofit corporation has one or more issues of outstanding long-term debt that is rated within the highest 3 rating categories of a nationally recognized statistical rating organization, and, if the Board determines that the making of the loan by such nonprofit corporation will cause a decline in the debt rating mentioned above, the Board at its discretion may disapprove the loan guarantee on this basis;

(ii)(I) no loan (including Other Debt as defined in subsection (f)(2)(B)) may be made for purposes of this Act by a governmental entity or affiliate thereof, or by the Federal Agricultural Mortgage Corporation, or any institution supervised by the Office of Federal Housing Enterprise Oversight, the Federal Housing Finance Board, or any affiliate of such entities;

(II) any loan (including Other Debt as defined in subsection (f)(2)(B)) must have terms, in the judgment of the Board, that are consistent in material respects with the terms of similar obligations in the private capital market;

(III) for purposes of clause (i)(I)(bb), the term "net equity" means the value of the total assets of the entity, less the total liabilities of the entity, as recorded under generally accepted accounting principles for the fiscal quarter ended immediately prior to the date on which the subject loan is approved;

(E) repayment of the loan is required to be made within a term of the lesser of—

(i) 25 years from the date of the execution of the loan; or

(ii) the economically useful life, as determined by the Board or in consultation with persons or entities deemed appropriate by the Board, of the primary assets to be used in the delivery of the signals concerned; and

(F) the loan meets any additional criteria developed under subsection (g).

(3) PROTECTION OF UNITED STATES FINANCIAL INTERESTS.—The Board may not approve the guarantee of a loan under this title unless—

(A) the Board has been given documentation, assurances, and access to information, persons, and entities necessary, as determined by the Board, to address issues relevant to the review of the loan by the Board for purposes of this title; and

(B) the Board makes a determination in writing that—

(i) to the best of its knowledge upon due inquiry, the assets, facilities, or equipment covered by the loan will be utilized economically and efficiently;

(ii) the terms, conditions, security, and schedule and amount of repayments of principal and the payment of interest with respect to the loan protect the financial interests of the United States and are reasonable;

(iii) to the extent possible, the value of collateral provided by an applicant is at least equal to the unpaid balance of the loan amount covered by the loan guarantee (the "Amount" for purposes of this clause); and if the value of collateral provided by an applicant is less than the Amount, the additional required collateral is provided by any affiliate of the applicant; and if the combined value of collateral provided by an applicant and any affiliate is not at least equal to the Amount, the collateral from such affiliate represents all of such affiliate's assets;

(iv) all necessary and required regulatory and other approvals, spectrum rights, and delivery permissions have been received for

the loan, the project under the loan, and the Other Debt, if any, under subsection (f)(2)(B);

(v) the loan would not be available on reasonable terms and conditions without a loan guarantee under this title; and

(vi) repayment of the loan can reasonably be expected.

(e) CONSIDERATIONS.—

(1) TYPE OF MARKET.—

(A) PRIORITY CONSIDERATIONS.—To the maximum extent practicable, the Board shall give priority in the approval of loan guarantees under this title in the following order: First, to projects that will serve the greatest number of households in unserved areas and the number of States (including noncontiguous States); and second, to projects that will serve the greatest number of households in underserved areas. In each instance, the Board shall consider the project's efficiency in providing service given the area to be served.

(B) ADDITIONAL CONSIDERATIONS.—To the maximum extent practicable, the Board should give additional consideration to projects which also provide related signals (including high-speed Internet access and National Weather Service warnings).

(C) PROHIBITION.—The Board may not approve a loan guarantee under this title for a project that is designed primarily to serve 1 or more of the 40 most populated designated market areas (as that term is defined in section 122(j) of title 17, United States Code).

(2) OTHER CONSIDERATIONS.—The Board shall consider other factors, which shall include projects that would—

(A) offer a separate tier of local broadcast signals, but for applicable Federal, State, or local laws or regulations;

(B) provide lower projected costs to consumers of such separate tier; and

(C) enable the delivery of local broadcast signals consistent with the purpose of this title by a means reasonably compatible with existing systems or devices predominantly in use.

(f) GUARANTEE LIMITS.—

(1) LIMITATION ON AGGREGATE VALUE OF LOANS.—The aggregate value of all loans for which loan guarantees are issued under this title (including the unguaranteed portion of loans issued under paragraph (2)(A)) and Other Debt under paragraph (2)(B) may not exceed \$1,250,000,000.

(2) GUARANTEE LEVEL.—A loan guarantee issued under this title—

(A) may not exceed an amount equal to 80 percent of a loan meeting in its entirety the requirements of subsection (d)(2)(A). If only a portion of a loan meets the requirements of that subsection, the Board shall determine that percentage of the loan meeting such requirements (the "applicable portion") and may issue a loan guarantee in an amount not exceeding 80 percent of the applicable portion; or

(B) may, as to a loan meeting in its entirety the requirements of subsection (d)(2)(A), cover the amount of such loan only if that loan is for an amount not exceeding 80 percent of the total debt financing for the project, and other debt financing (also meeting in its entirety the requirements of subsection (d)(2)(A)) from the same source for a total amount not less than 20 percent of the total debt financing for the project ("Other Debt") has been approved.

(g) UNDERWRITING CRITERIA.—Within the period provided for under subsection (b)(1), the Board shall, in consultation with the Director of the Office of Management and Budget and an independent public accounting firm, develop underwriting criteria relat-

ing to the guarantee of loans that are consistent with the purpose of this title, including appropriate collateral and cash flow levels for loans guaranteed under this Act, and such other matters as the Board considers appropriate.

(h) CREDIT RISK PREMIUMS.—

(1) ESTABLISHMENT AND ACCEPTANCE.—The Board may establish and approve the acceptance of credit risk premiums with respect to a loan guarantee under this title in order to cover the cost, as determined under section 504(b)(1) of the Federal Credit Reform Act of 1990, of the loan guarantee. To the extent that appropriations of budget authority are insufficient to cover the cost, as so determined, of a loan guarantee under this title, credit risk premiums shall be accepted from a non-Federal source under this subsection on behalf of the applicant for the loan guarantee.

(2) CREDIT RISK PREMIUM AMOUNT.—

(A) IN GENERAL.—The Board shall determine the amount of any credit risk premium to be accepted with respect to a loan guarantee under this title on the basis of—

(i) the financial and economic circumstances of the applicant for the loan guarantee, including the amount of collateral offered;

(ii) the proposed schedule of loan disbursements;

(iii) the business plans of the applicant for providing service;

(iv) any financial commitment from a broadcast signal provider; and

(v) the concurrence of the Director of the Office of Management and Budget as to the amount of the credit risk premium.

(B) PROPORTIONALITY.—To the extent that appropriations of budget authority are sufficient to cover the cost, as determined under section 504(b)(1) of the Federal Credit Reform Act of 1990, of loan guarantees under this title, the credit risk premium with respect to each loan guarantee shall be reduced proportionately.

(C) PAYMENT OF PREMIUMS.—Credit risk premiums under this subsection shall be paid to an account (the "Escrow Account") established in the Treasury which shall accrue interest and such interest shall be retained by the account, subject to subparagraph (D).

(D) DEDUCTIONS FROM ESCROW ACCOUNT.—If a default occurs with respect to any loan guaranteed under this title and the default is not cured in accordance with the terms of the underlying loan or loan guarantee agreement, the Administrator, in accordance with subsections (h) and (i) of section 505, shall liquidate, or shall cause to be liquidated, all assets collateralizing such loan as to which it has a lien or security interest. Any shortfall between the proceeds of the liquidation net of costs and expenses relating to the liquidation, and the guarantee amount paid pursuant to this title shall be deducted from funds in the Escrow Account and credited to the Administrator for payment of such shortfall. At such time as determined under subsection (d)(2)(E) when all loans guaranteed under this title have been repaid or otherwise satisfied in accordance with this title and the regulations promulgated hereunder, remaining funds in the Escrow Account, if any, shall be refunded, on a pro rata basis, to applicants whose loans guaranteed under this title were not in default, or where any default was cured in accordance with the terms of the underlying loan or loan guarantee agreement.

(i) JUDICIAL REVIEW.—The decision of the Board to approve or disapprove the making of a loan guarantee under this title shall not be subject to judicial review.

SEC. 05. ADMINISTRATION OF LOAN GUARANTEES.

(a) **IN GENERAL.**—The Administrator of the Rural Utilities Service (in this Act referred to as the “Administrator”) shall issue and otherwise administer loan guarantees that have been approved by the Board in accordance with sections 03 and 04.

(b) **SECURITY FOR PROTECTION OF UNITED STATES FINANCIAL INTERESTS.**—

(1) **TERMS AND CONDITIONS.**—An applicant shall agree to such terms and conditions as are satisfactory, in the judgment of the Board, to ensure that, as long as any principal or interest is due and payable on a loan guaranteed under this title, the applicant—

(A) shall maintain assets, equipment, facilities, and operations on a continuing basis;

(B) shall not make any discretionary dividend payments that impair its ability to repay obligations guaranteed under this title; and

(C) shall remain sufficiently capitalized.

(2) **COLLATERAL.**—

(A) **EXISTENCE OF ADEQUATE COLLATERAL.**—An applicant shall provide the Board such documentation as is necessary, in the judgment of the Board, to provide satisfactory evidence that appropriate and adequate collateral secures a loan guaranteed under this title.

(B) **FORM OF COLLATERAL.**—Collateral required by subparagraph (A) shall consist solely of assets of the applicant, any affiliate of the applicant, or both (whichever the Board considers appropriate), including primary assets to be used in the delivery of signals for which the loan is guaranteed.

(C) **REVIEW OF VALUATION.**—The value of collateral securing a loan guaranteed under this title may be reviewed by the Board, and may be adjusted downward by the Board if the Board reasonably believes such adjustment is appropriate.

(3) **LIEN ON INTERESTS IN ASSETS.**—Upon the Board’s approval of a loan guarantee under this title, the Administrator shall have liens on assets securing the loan, which shall be superior to all other liens on such assets, and the value of the assets (based on a determination satisfactory to the Board) subject to the liens shall be at least equal to the unpaid balance of the loan amount covered by the loan guarantee, or that value approved by the Board under section 04(d)(3)(B)(iii).

(4) **PERFECTED SECURITY INTEREST.**—With respect to a loan guaranteed under this title, the Administrator and the lender shall have a perfected security interest in assets securing the loan that are fully sufficient to protect the financial interests of the United States and the lender.

(5) **INSURANCE.**—In accordance with practices in the private capital market, as determined by the Board, the applicant for a loan guarantee under this title shall obtain, at its expense, insurance sufficient to protect the financial interests of the United States, as determined by the Board.

(c) **ASSIGNMENT OF LOAN GUARANTEES.**—The holder of a loan guarantee under this title may assign the loan guaranteed under this title in whole or in part, subject to such requirements as the Board may prescribe.

(d) **MODIFICATION.**—The Board may approve the modification of any term or condition of a loan guarantee or a loan guaranteed under this title, including the rate of interest, time of payment of principal or interest, or security requirements only if—

(1) the modification is consistent with the financial interests of the United States;

(2) consent has been obtained from the parties to the loan agreement;

(3) the modification is consistent with the underwriting criteria developed under section 04(g);

(4) the modification does not adversely affect the interest of the Federal Government in the assets or collateral of the applicant;

(5) the modification does not adversely affect the ability of the applicant to repay the loan; and

(6) the National Telecommunications and Information Administration has been consulted by the Board regarding the modification.

(e) **PERFORMANCE SCHEDULES.**—

(1) **PERFORMANCE SCHEDULES.**—An applicant for a loan guarantee under this title for a project covered by section 04(e)(1) shall enter into stipulated performance schedules with the Administrator with respect to the signals to be provided through the project.

(2) **PENALTY.**—The Administrator may assess against and collect from an applicant described in paragraph (1) a penalty not to exceed 3 times the interest due on the guaranteed loan of the applicant under this title if the applicant fails to meet its stipulated performance schedule under that paragraph.

(f) **COMPLIANCE.**—The Administrator, in cooperation with the Board and as the regulations of the Board may provide, shall enforce compliance by an applicant, and any other party to a loan guarantee for whose benefit assistance under this title is intended, with the provisions of this title, any regulations under this title, and the terms and conditions of the loan guarantee, including through the submittal of such reports and documents as the Board may require in regulations prescribed by the Board and through regular periodic inspections and audits.

(g) **COMMERCIAL VALIDITY.**—A loan guarantee under this title shall be incontestable—

(1) in the hands of an applicant on whose behalf the loan guarantee is made, unless the applicant engaged in fraud or misrepresentation in securing the loan guarantee; and

(2) as to any person or entity (or their respective successor in interest) who makes or contracts to make a loan to the applicant for the loan guarantee in reliance thereon, unless such person or entity (or respective successor in interest) engaged in fraud or misrepresentation in making or contracting to make such loan.

(h) **DEFAULTS.**—The Board shall prescribe regulations governing defaults on loans guaranteed under this title, including the administration of the payment of guaranteed amounts upon default.

(i) **RECOVERY OF PAYMENTS.**—

(1) **IN GENERAL.**—The Administrator shall be entitled to recover from an applicant for a loan guarantee under this title the amount of any payment made to the holder of the guarantee with respect to the loan.

(2) **SUBROGATION.**—Upon making a payment described in paragraph (1), the Administrator shall be subrogated to all rights of the party to whom the payment is made with respect to the guarantee which was the basis for the payment.

(3) **DISPOSITION OF PROPERTY.**—

(A) **SALE OR DISPOSAL.**—The Administrator shall, in an orderly and efficient manner, sell or otherwise dispose of any property or other interests obtained under this title in a manner that maximizes taxpayer return and is consistent with the financial interests of the United States.

(B) **MAINTENANCE.**—The Administrator shall maintain in a cost-effective and reason-

able manner any property or other interests pending sale or disposal of such property or other interests under subparagraph (A).

(j) **ACTION AGAINST OBLIGOR.**—

(1) **AUTHORITY TO BRING CIVIL ACTION.**—The Administrator may bring a civil action in an appropriate district court of the United States in the name of the United States or of the holder of the obligation in the event of a default on a loan guaranteed under this title. The holder of a loan guarantee shall make available to the Administrator all records and evidence necessary to prosecute the civil action.

(2) **FULLY SATISFYING OBLIGATIONS OWED THE UNITED STATES.**—The Administrator may accept property in satisfaction of any sums owed the United States as a result of a default on a loan guaranteed under this title, but only to the extent that any cash accepted by the Administrator is not sufficient to satisfy fully the sums owed as a result of the default.

(k) **BREACH OF CONDITIONS.**—The Administrator shall commence a civil action in a court of appropriate jurisdiction to enjoin any activity which the Board finds is in violation of this title, the regulations under this title, or any conditions which were duly agreed to, and to secure any other appropriate relief, including relief against any affiliate of the applicant.

(l) **ATTACHMENT.**—No attachment or execution may be issued against the Administrator or any property in the control of the Administrator pursuant to this title before the entry of a final judgment (as to which all rights of appeal have expired) by a Federal, State, or other court of competent jurisdiction against the Administrator in a proceeding for such action.

(m) **FEEES.**—

(1) **APPLICATION FEE.**—The Board may charge and collect from an applicant for a loan guarantee under this title a fee to cover the cost of the Board in making necessary determinations and findings with respect to the loan guarantee application under this title. The amount of the fee shall be reasonable.

(2) **LOAN GUARANTEE ORIGINATION FEE.**—The Board may charge, and the Administrator may collect, a loan guarantee origination fee with respect to the issuance of a loan guarantee under this title.

(3) **USE OF FEES COLLECTED.**—Any fee collected under this subsection shall be used to offset administrative costs under this title, including costs of the Board and of the Administrator.

(n) **REQUIREMENTS RELATING TO AFFILIATES.**—

(1) **INDEMNIFICATION.**—The United States shall be indemnified by any affiliate (acceptable to the Board) of an applicant for a loan guarantee under this title for any losses that the United States incurs as a result of—

(A) a judgment against the applicant or any of its affiliates;

(B) any breach by the applicant or any of its affiliates of their obligations under the loan guarantee agreement;

(C) any violation of the provisions of this title, and the regulations prescribed under this title, by the applicant or any of its affiliates;

(D) any penalties incurred by the applicant or any of its affiliates for any reason, including violation of a stipulated performance schedule under subsection (e); and

(E) any other circumstances that the Board considers appropriate.

(2) **LIMITATION ON TRANSFER OF LOAN PROCEEDS.**—An applicant for a loan guarantee

under this title may not transfer any part of the proceeds of the loan to an affiliate.

(o) EFFECT OF BANKRUPTCY.—(1) Notwithstanding any other provision of law, whenever any person or entity is indebted to the United States as a result of any loan guarantee issued under this title and such person or entity is insolvent or is a debtor in a case under title 11, United States Code, the debts due to the United States shall be satisfied first.

(2) A discharge in bankruptcy under title 11, United States Code, shall not release a person or entity from an obligation to the United States in connection with a loan guarantee under this title.

SEC. 06. ANNUAL AUDIT.

(a) REQUIREMENT.—The Comptroller General of the United States shall conduct on an annual basis an audit of the administration of the provisions of this title.

(b) REPORT.—The Comptroller General shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services of the House of Representatives a report on each audit conducted under subsection (a).

SEC. 07. SUNSET.

No loan guarantee may be approved under this title after December 31, 2006.

SEC. 08. DEFINITIONS.

In this title:

(1) AFFILIATE.—The term “affiliate”—

(A) means any person or entity that controls, or is controlled by, or is under common control with, another person or entity; and

(B) may include any individual who is a director or senior management officer of an affiliate, a shareholder controlling more than 25 percent of the voting securities of an affiliate, or more than 25 percent of the ownership interest in an affiliate not organized in stock form.

(2) UNSERVED AREA.—The term “unserved area” means any area that—

(A) is outside the grade B contour (as determined using standards employed by the Federal Communications Commission) of the local television broadcast signals serving a particular designated market area; and

(B) does not have access to such signals by other widely marketed means.

(3) UNDERSERVED AREA.—The term “underserved area” means any area that—

(A) is outside the grade A contour (as determined using standards employed by the Federal Communications Commission) of the local television broadcast signals serving a particular designated market area; and

(B) has access to local television broadcast signals from not more than one commercial, for-profit multichannel video provider.

(4) COMMON TERMS.—Except as provided in paragraphs (1) through (3), any term used in this Act that is defined in the Communications Act of 1934 (47 U.S.C. 151 et seq.) has the meaning given that term in the Communications Act of 1934.

SEC. 09. AUTHORIZATIONS OF APPROPRIATIONS.

(a) COST OF LOAN GUARANTEES.—For the cost of the loans guaranteed under this title, including the cost of modifying the loans, as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661(a)), there are authorized to be appropriated for fiscal years 2001 through 2006, such amounts as may be necessary.

(b) COST OF ADMINISTRATION.—There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this title, other than to cover costs under subsection (a).

(c) AVAILABILITY.—Any amounts appropriated pursuant to the authorizations of appropriations in subsections (a) and (b) shall remain available until expended.

PRIVILEGES OF THE FLOOR

Mr. DORGAN. Mr. President, I ask unanimous consent that floor privileges be granted to two members of my staff, Justin Walker and Kristin Hedger, today.

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

Mr. REID. Mr. President, I ask unanimous consent that Bob Herbert, a fellow in my office, be granted floor privileges during the consideration of the Defense appropriations bill.

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

Mr. STEVENS. Mr. President, I ask unanimous consent that Michael Daly of Senator ABRAHAM's office be granted floor privileges during the consideration of this bill.

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

Mr. BROWNBACK. Mr. President, I ask unanimous consent that Dan Hodges from my staff be allowed floor privileges.

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

ORDERS FOR MONDAY, JUNE 12, 2000

Mr. STEVENS. On behalf of the leader, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 noon on Monday, June 12. I further ask that on Monday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business until 2 p.m., with Senators speaking therein for up to 10 minutes each with the following exceptions: Senator DURBIN, or his designee, from 12 to 1 p.m., Senator THOMAS, or his designee, from 1 to 2 p.m.

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

PROGRAM

Mr. STEVENS. For the information of all Senators, the Senate will convene at 12 noon on Monday and be in a period of morning business until 2 p.m. Following morning business, the Senate will resume consideration of the Defense appropriations bill. Amendments will be offered, and it is expected the two managers will agree to exchange a list of amendments at 2 p.m. Monday.

ORDER FOR FILING OF AMENDMENTS

Mr. STEVENS. With that in mind, I ask unanimous consent that all first-degree amendments to this bill must be filed by 3 p.m. on Monday.

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

VITIATION OF ORDER

Mr. STEVENS. Mr. President, I ask unanimous consent that the previous order with respect to rule XVI regarding the Defense appropriations bill be vitiated.

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

Mr. STEVENS. Mr. President, in addition, any votes regarding those amendments will be scheduled to occur on Tuesday morning, June 13. As a reminder, Senators should inform the bill managers, Senator INOUE and myself, if they have amendments to the Defense appropriations bill. It is my hope we will have an announcement on Monday that any amendments that are stacked on Tuesday will commence very early in the day.

ORDER FOR ADJOURNMENT

Mr. STEVENS. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order following the remarks of Senators DASCHLE, ENZI, DORGAN, and BROWNBACK.

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

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

CONGRATULATING NOFAS ON 10 YEARS OF PROGRESS

Mr. DASCHLE. Mr. President, 10 years ago, I met with an extraordinary group of people in the basement of a home in suburban Maryland, just outside Washington, DC. They came from all kinds of backgrounds and fields, but they were united by one common desire, and that was to try to prevent fetal alcohol syndrome and help children and families who are living with its consequences.

The other night, I saw some of those same people again at a reception celebrating the 10th anniversary of NOFAS, the National Organization for Fetal Alcohol Syndrome.