

DEPARTMENT OF COMMERCE DISMANTLING ACT

SEPTEMBER 21, 1995.—Ordered to be printed

Mr. ARCHER, from the Committee on Ways and Means,
submitted the following

REPORT

together with

DISSENTING VIEWS

[To accompany H.R. 1756]

The Committee on Ways and Means, to whom was referred the bill (H.R. 1756) to abolish the Department of Commerce, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Commerce Dismantling Act".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.

TITLE I—ABOLISHMENT OF DEPARTMENT OF COMMERCE

- Sec. 101. Reestablishment of Department as Commerce Programs Resolution Agency.
- Sec. 102. Functions.
- Sec. 103. Deputy Administrator.
- Sec. 104. Continuation of service of department officers.
- Sec. 105. Reorganization.
- Sec. 106. Abolishment of Commerce Programs Resolution Agency.
- Sec. 107. GAO report.
- Sec. 108. Conforming amendments.
- Sec. 109. Effective date.

TITLE II—DISPOSITION OF PARTICULAR PROGRAMS, FUNCTIONS, AND AGENCIES OF DEPARTMENT OF COMMERCE

- Sec. 201. Economic development.
- Sec. 202. Export control functions.
- Sec. 203. National security functions.
- Sec. 204. International trade functions.
- Sec. 205. Patent and Trademark Office.
- Sec. 206. Technology Administration.

- Sec. 207. Reorganization of the Bureau of the Census.
- Sec. 208. Reorganization of the Bureau of Economic Analysis.
- Sec. 209. Terminated functions of NTIA.
- Sec. 210. Transfer of spectrum management functions.
- Sec. 211. National Oceanic and Atmospheric Administration.
- Sec. 212. Miscellaneous abolishments.
- Sec. 213. Effective date.
- Sec. 214. Sense of Congress regarding user fees.
- Sec. 215. Reorganization of trade functions.
- Sec. 216. Export promotion activities.

TITLE III—MISCELLANEOUS PROVISIONS

- Sec. 301. References.
- Sec. 302. Exercise of authorities.
- Sec. 303. Savings provisions.
- Sec. 304. Transfer of assets.
- Sec. 305. Delegation and assignment.
- Sec. 306. Authority of Administrator with respect to functions transferred.
- Sec. 307. Proposed changes in law.
- Sec. 308. Certain vesting of functions considered transfers.
- Sec. 309. Definitions.
- Sec. 310. Limitation on annual expenditures for continued functions.

TITLE I—ABOLISHMENT OF DEPARTMENT OF COMMERCE

SEC. 101. REESTABLISHMENT OF DEPARTMENT AS COMMERCE PROGRAMS RESOLUTION AGENCY.

(a) REESTABLISHMENT.—The Department of Commerce is hereby redesignated as the Commerce Programs Resolution Agency, which shall be an independent agency in the executive branch of the Government.

(b) ADMINISTRATOR.—

(1) IN GENERAL.—There shall be at the head of the Agency an Administrator of the Agency, who shall be appointed by the President, by and with the advice and consent of the Senate. The Agency shall be administered under the supervision and direction of the Administrator. The Administrator shall receive compensation at the rate prescribed for level II of the Executive Schedule under section 5313 of title 5, United States Code.

(2) INITIAL APPOINTMENT OF ADMINISTRATOR.—Notwithstanding any other provision of this Act or any other law, the President may, at any time after the date of the enactment of this Act, appoint an individual to serve as Administrator of the Commerce Programs Resolution Agency (who may be the Secretary of Commerce), as such position is established under paragraph (1). An appointment under this paragraph may not be construed to affect the position of Secretary of Commerce or the authority of the Secretary before the effective date specified in section 109(a).

(c) DUTIES.—The Administrator shall be responsible for—

(1) the administration and wind-up, during the wind-up period, of all functions of the Administrator pursuant to section 102 and the other provisions of this Act;

(2) the administration and wind-up, during the wind-up period, of any outstanding obligations of the Federal Government under any programs terminated or repealed by this Act; and

(3) taking such other actions as may be necessary, before the termination date specified in section 106(d), to wind up any outstanding affairs of the Department of Commerce.

SEC. 102. FUNCTIONS.

Except to the extent a function is abolished or vested in another official or agency by this Act, the Administrator shall perform all functions that, immediately before the effective date specified in section 109(a), were functions of the Department of Commerce (or any office of the Department) or were authorized to be performed by the Secretary of Commerce or any other officer or employee of the Department in the capacity as such officer or employee.

SEC. 103. DEPUTY ADMINISTRATOR.

The Agency shall have a Deputy Administrator, who shall—

(1) be appointed by and report to the Administrator; and

(2) shall perform such functions as may be delegated by the Administrator.

SEC. 104. CONTINUATION OF SERVICE OF DEPARTMENT OFFICERS.

(a) **CONTINUATION OF SERVICE OF SECRETARY.**—The individual serving on the effective date specified in section 109(a) as the Secretary of Commerce may serve and act as Administrator until the date an individual is appointed under this title to the position of Administrator, or until the end of the 120-day period provided for in section 3348 of title 5, United States Code (relating to limitations on the period of time a vacancy may be filled temporarily), whichever is earlier.

(b) **CONTINUATION OF SERVICE OF OTHER OFFICERS.**—An individual serving on the effective date specified in section 109(a) as an officer of the Department of Commerce other than the Secretary of Commerce may continue to serve and act in an equivalent capacity in the Agency until the date an individual is appointed under this title to the position of Administrator, or until the end of the 120-day period provided for in section 3348 of title 5, United States Code (relating to limitations on the period of time a vacancy may be filled temporarily) with respect to that appointment, whichever is earlier.

(c) **COMPENSATION FOR CONTINUED SERVICE.**—Any person—

(1) who serves as the Administrator under subsection (a), or

(2) who serves under subsection (b),

after the effective date specified in section 109(a) and before the first appointment of a person as Administrator shall continue to be compensated for so serving at the rate at which such person was compensated before such effective date.

SEC. 105. REORGANIZATION.

The Administrator may allocate or reallocate any function of the Agency pursuant to this Act among the officers of the Agency, and may establish, consolidate, alter, or discontinue in the Commerce Programs Resolution Agency any organizational entities that were entities of the Department of Commerce, as the Administrator considers necessary or appropriate.

SEC. 106. ABOLISHMENT OF COMMERCE PROGRAMS RESOLUTION AGENCY.

(a) **IN GENERAL.**—Effective on the termination date specified in subsection (d), the Commerce Programs Resolution Agency is abolished.

(b) **ABOLITION OF FUNCTIONS.**—Except for functions transferred or otherwise continued by this Act, all functions that, immediately before the termination date specified in subsection (d), were functions of the Commerce Programs Resolution Agency are abolished effective on that termination date.

(c) **PLAN FOR WINDING UP AFFAIRS.**—Not later than the effective date specified in section 109(a), the President shall submit to the Congress a plan for winding up the affairs of the Agency in accordance with this Act and by not later than the termination date specified in subsection (d).

(d) **TERMINATION DATE.**—The termination date under this subsection is the date that is 3 years after the date of the enactment of this Act.

SEC. 107. GAO REPORT.

Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Congress a report which shall include recommendations for the most efficient means of achieving, in accordance with this Act—

(1) the complete abolishment of the Department of Commerce; and

(2) the termination or transfer or other continuation of the functions of the Department of Commerce.

SEC. 108. CONFORMING AMENDMENTS.

(a) **PRESIDENTIAL SUCCESSION.**—Section 19(d)(1) of title 3, United States Code, is amended by striking “Secretary of Commerce.”.

(b) **EXECUTIVE DEPARTMENTS.**—Section 101 of title 5, United States Code, is amended by striking the following item:

“The Department of Commerce.”.

(c) **SECRETARY’S COMPENSATION.**—Section 5312 of title 5, United States Code, is amended by striking the following item:

“Secretary of Commerce.”.

(d) **COMPENSATION FOR POSITIONS AT LEVEL III.**—Section 5314 of title 5, United States Code, is amended—

(1) by striking the following item:

“Under Secretary of Commerce, Under Secretary of Commerce for Economic Affairs, Under Secretary of Commerce for Export Administration and Under Secretary of Commerce for Travel and Tourism.”;

(2) by striking the following item:

“Under Secretary of Commerce for Oceans and Atmosphere, the incumbent of which also serves as Administrator of the National Oceanic and Atmospheric Administration.”; and

(3) by striking the following item:

“Under Secretary of Commerce for Technology.”;

(e) COMPENSATION FOR POSITIONS AT LEVEL IV.—Section 5315 of title 5, United States Code, is amended—

(1) by striking the following item:

“Assistant Secretaries of Commerce (11).”;

(2) by striking the following item:

“General Counsel of the Department of Commerce.”;

(3) by striking the following item:

“Associate Secretary of Commerce for Oceans and Atmosphere, the incumbent of which also serves as Deputy Administrator of the National Oceanic and Atmospheric Administration.”;

(4) by striking the following item:

“Director, National Institute of Standards and Technology, Department of Commerce.”;

(5) by striking the following item:

“Inspector General, Department of Commerce.”;

(6) by striking the following item:

“Chief Financial Officer, Department of Commerce.”; and

(7) by striking the following item:

“Director, Bureau of the Census, Department of Commerce.”.

(f) COMPENSATION FOR POSITIONS AT LEVEL V.—Section 5316 of title 5, United States Code, is amended—

(1) by striking the following item:

“Director, United States Travel Service, Department of Commerce.”; and

(2) by striking the following item:

“National Export Expansion Coordinator, Department of Commerce.”.

(g) INSPECTOR GENERAL ACT OF 1978.—The Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in section 9(a)(1), by striking subparagraph (B);

(2) in section 11(1), by striking “Commerce.”; and

(3) in section 11(2), by striking “Commerce.”;

SEC. 109. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this title shall take effect on the date that is 6 months after the date of the enactment of this Act.

(b) PROVISIONS EFFECTIVE ON DATE OF ENACTMENT.—The following provisions of this title shall take effect on the date of the enactment of this Act:

(1) Section 101(b).

(2) Section 106(c).

(3) Section 107.

TITLE II—DISPOSITION OF PARTICULAR PROGRAMS, FUNCTIONS, AND AGENCIES OF DEPARTMENT OF COMMERCE

SEC. 201. ECONOMIC DEVELOPMENT.

(a) TERMINATED FUNCTIONS.—The Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.) is repealed.

(b) TRANSFER OF FINANCIAL OBLIGATIONS OWED TO THE DEPARTMENT.—There are transferred to the Secretary of the Treasury the loans, notes, bonds, debentures, securities, and other financial obligations owned by the Department of Commerce under the Public Works and Economic Development Act of 1965, together with all assets or other rights (including security interests) incident thereto, and all liabilities related thereto. There are assigned to the Secretary of the Treasury the functions, powers, and abilities vested in or delegated to the Secretary of Commerce or the Department of Commerce to manage, service, collect, sell, dispose of, or otherwise realize proceeds on obligations owed to the Department of Commerce under authority of such Act with respect to any loans, obligations, or guarantees made or issued by the Department of Commerce pursuant to such Act.

(c) AUDIT.—Not later than 18 months after the date of the enactment of this Act, the Comptroller General shall conduct an audit of all grants made or issued by the Department of Commerce under the Public Works and Economic Development Act

of 1965 in fiscal year 1995 and all loans, obligations, and guarantees and shall transmit to Congress a report on the results of such audit.

SEC. 202. EXPORT CONTROL FUNCTIONS.

(a) **TRANSFER TO SECRETARY OF STATE.**—Except as provided in this section, all functions of the Secretary of Commerce, the Under Secretary of Commerce for Export Administration, the 2 Assistant Secretaries of Commerce appointed under section 15(a) of the Export Administration Act of 1979 (50 U.S.C. 2414(a)), and the Department of Commerce, on the day before the effective date specified in section 109(a), under the Export Administration Act of 1979 are transferred to the Secretary of State.

(b) **SHORT SUPPLY CONTROLS.**—All functions of the Secretary of Commerce, on the day before the effective date specified in section 109(a), under section 7 of the Export Administration Act of 1979 (50 U.S.C. 2406), and under all other provisions of that Act to the extent that such provisions apply to section 7, are transferred to the President.

(c) **ENFORCEMENT.**—

(1) **GENERAL TRANSFER.**—All functions of the Secretary of Commerce and the Department of Commerce, on the day before the effective date specified in section 109(a), under sections 11(c), 12, and 13 (c), (d), and (e) of the Export Administration Act of 1979 (50 U.S.C. App. 2410(c), 2411, and 2412 (c), (d), and (e)) are transferred to the Secretary of the Treasury.

(2) **TRANSFER OF ENFORCEMENT PERSONNEL.**—Not more than 60 United States special agents of the Bureau of Export Administration of the Department of Commerce who, on the day before the effective date specified in section 109(a), were assigned to perform functions under section 12(a) of the Export Administration Act of 1979 may be transferred to the Customs Service to carry out functions transferred by paragraph (1). The Director of the Office of Management and Budget shall determine the special agents to be transferred under this paragraph.

(d) **ANTI-BOYCOTT COMPLIANCE.**—All functions of the Secretary of Commerce and the Department of Commerce, on the day before the effective date specified in section 109(a), under section 8 of the Export Administration Act of 1979 (50 U.S.C. 2407), and under all other provisions of that Act to the extent that such provisions apply to section 8, are transferred to the Attorney General.

(e) **TERMINATION OF OFFICE OF FOREIGN AVAILABILITY; APPOINTMENT OF INDUSTRIES BOARD.**—

(1) **TERMINATION OF OFFICE.**—(A) The Office of Foreign Availability established under section 5(f)(6) of the Export Administration Act of 1979 (50 U.S.C. 2404(f)(6)) is abolished.

(2) **CONFORMING AMENDMENT.**—Section 5(f) of the Export Administration Act of 1979 (50 U.S.C. App. 2404(f)) is amended by striking paragraph (6).

(3) **APPOINTMENT OF INDUSTRIES BOARD.**—The President shall appoint an industries board, composed of representatives of industries affected by matters relating to foreign availability under the Export Administration Act of 1979, to advise the Secretary of State with respect to such matters, except that no Federal funds may be made available to the industries board to carry out its functions.

(f) **BUYING POWER MAINTENANCE ACCOUNT.**—The authority of the Secretary of Commerce under section 108 of title I of Public Law 100–202 (101 Stat. 1329–7) to establish a Buying Power Maintenance account is transferred to the Secretary of State for purposes of carrying out functions under the Export Administration Act of 1979 that are transferred to the Secretary of State under this section.

(g) **TECHNICAL AND CONFORMING AMENDMENTS.**—

(1) Section 15(a) of the Export Administration Act of 1979 (50 U.S.C. 2414(a)) is repealed.

(2) The Office of the Under Secretary of Commerce for Export Administration is abolished.

SEC. 203. NATIONAL SECURITY FUNCTIONS.

(a) **TRANSFER OF FUNCTIONS.**—Functions of the Secretary of Commerce immediately before the effective date specified in section 109(a)—

(1) under section 309 of the Defense Production Act of 1950 (50 U.S.C. App. 2099) are transferred to the Secretary of Defense; and

(2) under section 722 of the Defense Production Act of 1950 (50 U.S.C. App. 2171) are transferred to the Secretary of the Treasury.

(b) **NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE COUNCIL.**—Section 2502(b) of title 10, United States Code, is amended by striking paragraph (3) and redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(c) APPOINTMENT OF COMMITTEES OF INDUSTRY REPRESENTATIVES.—The President should appoint committees composed of representatives of appropriate industries to advise the National Security Council with respect to those matters affecting industry addressed by the Secretary of Commerce to the National Security Council before the effective date specified in section 109(a).

SEC. 204. INTERNATIONAL TRADE FUNCTIONS.

(a) UNITED STATES AND FOREIGN COMMERCIAL SERVICE.—

(1) RENAMING AND ABOLITION OF CERTAIN FUNCTIONS.—The United States and Foreign Commercial Service shall, upon the effective date specified in section 109(a), be known as the “United States Foreign Commercial Service” (hereafter in this subsection referred to as the “Commercial Service”). All operations of the Commercial Service in the United States (other than those performed at the headquarters office referred to in section 2301(c) of the Export Enhancement Act of 1988 (15 U.S.C. 4721(c))) with respect to the foreign operations of the Commercial Service) are abolished.

(2) DIRECTOR GENERAL.—(A) The head of the Commercial Service shall, as of the effective date specified in section 109(a), be the Director General of the United States Foreign Commercial Service.

(B) Section 5315 of title 5, United States Code, is amended by striking “Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service” and inserting “Director General of the United States Foreign Commercial Service.”.

(C) The individual serving as Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service immediately before the effective date specified in section 109(a) may serve as the Director General of the United States Foreign Commercial Service on and after such effective date until a successor has taken office. Compensation for any service under this subparagraph shall be at the rate at which the individual was compensated immediately before the effective date specified in section 109(a).

(b) TRADE INFORMATION.—All functions of the Secretary of Commerce under the International Investment and Trade in Services Survey Act (22 U.S.C. 3101 and following) are transferred to the Secretary of the Treasury.

(c) EXPORT TRADING COMPANIES.—

(1) FUNCTIONS.—(A) The functions of the Secretary of Commerce under the Export Trading Company Act of 1982 (15 U.S.C. 4001–4003), and the Office of Export Trade established under section 104 of that Act, are abolished.

(B) The functions of the Secretary of Commerce under title III of the Act of October 8, 1982 (15 U.S.C. 4011 and following), are transferred to the Secretary of the Treasury.

(2) CONFORMING AMENDMENTS.—(A) The Export Trading Company Act of 1982 (15 U.S.C. 4001–4003) is repealed.

(B) The section heading for section 301 of the Act of October 8, 1982 (15 U.S.C. 4011), is amended by striking “COMMERCE” and inserting “TREASURY”.

(C) Section 311(7) of the Act of October 8, 1982 (15 U.S.C. 4021), is amended by striking “Commerce” and inserting “Treasury”.

(d) APPOINTMENT OF INDUSTRIES BOARDS.—The President shall appoint industries boards, composed of representatives of industries in the private sector, to advise the Secretary of the Treasury with respect to functions transferred to them under this section.

(e) GIFTS AND BEQUESTS.—

(1) IN GENERAL.—The Secretary of State and the Secretary of the Treasury are authorized to accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the performance of functions transferred to them under this section and section 202. Gifts and bequests of money and the proceeds from sales of other property received as gifts or bequests shall be deposited in the United States Treasury in a separate fund and shall be disbursed on order of the Secretary of State or the Secretary of the Treasury. Property accepted pursuant to this paragraph, and the proceeds thereof, shall be used as nearly as possible in accordance with the terms of the gift or bequest.

(2) TAX TREATMENT.—For the purpose of Federal income, estate, and gift taxes, and State taxes, property accepted under paragraph (1) shall be considered a gift or bequest to or for use of the United States.

(3) INVESTMENT.—The Secretary of the Treasury may invest and reinvest in securities of the United States or in securities guaranteed as to principal and interest by the United States any moneys contained in the fund provided for in paragraph (1). Income accruing from such securities, and from any other

property held by the Secretary of State or the Secretary of the Treasury pursuant to paragraph (1), shall be deposited to the credit of the fund, and shall be disbursed upon order of the Secretary of State or the Secretary of the Treasury.

SEC. 205. PATENT AND TRADEMARK OFFICE.

(a) TRANSFER TO DEPARTMENT OF JUSTICE.—Effective as of the date specified in section 109(a)—

(1) the Patent and Trademark Office shall be transferred to the Department of Justice; and

(2) all functions which, immediately before such date, are functions of the Secretary of Commerce under title 35, United States Code, or any other provision of law with respect to the functions of the Patent and Trademark Office, are transferred to the Attorney General.

(b) FUNDING.—

(1) COSTS PAID FROM FEES.—All costs of the activities of the Patent and Trademark Office shall be paid from fees paid to the Office under title 35, United States Code, the Act of July 5, 1946 (commonly known as the “Trademark Act of 1946”) (15 U.S.C. 1051 and following), section 10101 of the Omnibus Budget Reconciliation Act of 1990 (35 U.S.C. 41 note), or other provision of law.

(2) FUNDS AVAILABLE WITHOUT APPROPRIATION.—(A) Section 42(c) of title 35, United States Code, is amended by striking “to carry out, to the extent provided in appropriation Acts,” and inserting “, without appropriation, to carry out”.

(B) Section 10101(b)(2)(B) of the Omnibus Budget Reconciliation Act of 1990 (35 U.S.C. 41 note) is amended by striking “to the extent provided in appropriation Acts” and inserting “without appropriation”.

(c) ADJUSTMENT OF FEES.—Section 41(f) of title 35, United States Code, is amended to read as follows:

“(f) The Commissioner may adjust the fees established under this section on October 1 of each year to cover the estimated cost to the activities of the Office.”.

(d) SERVICE OF INCUMBENTS.—Those individuals serving as Commissioner of Patents and Trademarks, Deputy Commissioner of Patents and Trademarks, Assistant Commissioner of Patents, and Assistant Commissioner of Trademarks, immediately before the effective date specified in section 109(a), may continue in such office on and after such effective date until a successor has taken office. Compensation for any service under this subsection shall be at the rate at which the individual was compensated immediately before the effective date specified in section 109(a).

(e) RULE OF CONSTRUCTION.—For purposes of title III, the transfer of the Patent and Trademark Office to the Department of Justice under this section shall be treated as if it involved a transfer of functions from one office to another.

(f) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 1 of title 35, United States Code, is amended to read as follows:

“§ 1. Establishment

“The Patent and Trademark Office is an agency of the United States within the Department of Justice, where records, books, drawings, specifications, and other papers and things pertaining to patents and trademark registrations shall be kept and preserved, except as otherwise provided by law.”.

(2) Title 35, United States Code, is amended by striking “Secretary of Commerce” each place it appears and inserting “Attorney General”.

(3) Section 3 of title 35, United States Code, is amended by striking subsection (d).

(4) Section 5316 of title 5, United States Code, is amended by striking “Commissioner of Patents, Department of Commerce.” and inserting

“Commissioner of Patents and Trademarks.”.

SEC. 206. TECHNOLOGY ADMINISTRATION.

(a) TECHNOLOGY ADMINISTRATION.—

(1) GENERAL RULE.—Except as otherwise provided in this section, the Technology Administration shall be terminated on the effective date specified in section 213(a).

(2) OFFICE OF TECHNOLOGY POLICY.—The Office of Technology Policy is hereby terminated.

(b) NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.—

(1) GENERAL RULE.—Except as otherwise provided in this subsection, the National Institute of Standards and Technology (in this subsection referred to as the “Institute”) shall be transferred to the National Science Foundation.

(2) FUNCTIONS OF DIRECTOR.—Except as otherwise provided in this subsection, upon the transfer under paragraph (1), the Director of the Institute

shall perform all functions relating to the Institute that, immediately before the effective date specified in section 213(a), were functions of the Secretary of Commerce or the Under Secretary of Commerce for Technology, including the administration of section 17 of the Stevenson-Wydler Technology Innovation Act of 1980.

(3) LABORATORIES.—(A) The laboratories of the Institute shall be transferred to the Commerce Programs Resolution Agency.

(B) The Commerce Programs Resolution Agency shall attempt to sell the property of the laboratories of the Institute, within 18 months after the effective date specified in section 213(a), to a private sector entity intending to perform substantially the same functions as were performed by the laboratories of the Institute immediately before such effective date.

(C) If no offer to purchase property under subparagraph (B) is received within the 18-month period described in such subparagraph, the Commerce Programs Resolution Agency shall submit a report to the Congress containing recommendations on the appropriate disposition of the property and functions of the laboratories of the Institute.

(c) NATIONAL TECHNICAL INFORMATION SERVICE.—

(1) SALE OF PROPERTY.—The Commerce Programs Resolution Agency shall attempt to sell the property of the National Technical Information Service, within 18 months after the effective date specified in section 213(a), to a private sector entity intending to perform substantially the same functions as were performed by the National Technical Information Service immediately before such effective date.

(2) RECOMMENDATIONS.—If no offer to purchase property under paragraph (1) is received within the 18-month period described in such paragraph, the Commerce Programs Resolution Agency shall submit a report to the Congress containing recommendations on the appropriate disposition of the property and functions of the National Technical Information Service.

(3) FUNDING.—No Federal funds may be appropriated for the National Technical Information Service for any fiscal year after fiscal year 1995.

(d) AMENDMENTS.—

(1) NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY ACT.—The National Institute of Standards and Technology Act (15 U.S.C. 271 et seq.) is amended—

(A) in section 2(b), by striking paragraph (1) and redesignating paragraphs (2) through (11) as paragraphs (1) through (10), respectively;

(B) in section 2(d), by striking “, including the programs established under sections 25, 26, and 28 of this Act”;

(C) in section 10, by striking “Advanced” in both the section heading and subsection (a), and inserting in lieu thereof “Standards and”; and

(D) by striking sections 24, 25, 26, and 28.

(2) STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980.—The Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.) is amended—

(A) in section 3, by striking paragraph (2) and redesignating paragraphs (3) through (5) as paragraphs (2) through (4), respectively;

(B) in section 4, by striking paragraphs (1), (4), and (13) and redesignating paragraphs (2), (3), (5), (6), (7), (8), (9), (10), (11), and (12) as paragraphs (1) through (10), respectively;

(C) by striking sections 5, 6, 7, 8, 9, and 10;

(D) in section 11—

(i) by striking “, the Federal Laboratory Consortium for Technology Transfer,” in subsection (c)(3);

(ii) by striking “and the Federal Laboratory Consortium for Technology Transfer” in subsection (d)(2);

(iii) by striking “, and refer such requests” and all that follows through “available to the Service” in subsection (d)(3); and

(iv) by striking subsection (e); and

(E) in section 17—

(i) by striking “Subject to paragraph (2), separate” and inserting in lieu thereof “Separate” in subsection (c)(1);

(ii) by striking paragraph (2) of subsection (c);

(iii) by redesignating paragraph (3) of subsection (c) as paragraph (2); and

(iv) by inserting “administrative” after “funds to carry out” in subsection (f).

SEC. 207. REORGANIZATION OF THE BUREAU OF THE CENSUS.

- (a) **IN GENERAL.**—Effective as of the date specified in section 213(a)—
- (1) the Bureau of the Census shall be transferred to the Department of the Treasury; and
 - (2) all functions which, immediately before such date, are functions of the Secretary of Commerce under title 13, United States Code, shall be transferred to the Secretary of the Treasury.
- (b) **INTERIM SERVICE.**—The individual serving as the Director of the Census immediately before the reorganization under this section takes effect may continue serving in that capacity until a successor has taken office. Compensation for any service under this subsection shall be at the rate at which such individual was compensated immediately before the effective date of the reorganization.
- (c) **SENSE OF THE CONGRESS.**—It is the sense of the Congress that the Bureau of the Census should—
- (1) make appropriate use of any authority afforded to it by the Census Address List Improvement Act of 1994 (Public Law 103-430; 108 Stat. 4393), and take measures to ensure the timely implementation of such Act; and
 - (2) streamline census questionnaires to promote savings in the collection and tabulation of data.
- (d) **AMENDMENTS.**—Effective as of the date specified in section 213(a)—
- (1) **TRANSFER OF THE BUREAU TO THE DEPARTMENT OF THE TREASURY.**—(A) Section 2 of title 13, United States Code, is amended by striking “is continued as” through the period and inserting “is an agency within, and under the jurisdiction of, the Department of the Treasury.”.
 - (B) Subsection (e) of section 12 of the Act of February 14, 1903 (15 U.S.C. 1511(e)) is repealed.
 - (2) **DEFINITION OF SECRETARY.**—Title 13, United States Code, is amended in section 1(2) by striking “Secretary of Commerce” and inserting “Secretary of the Treasury”.
 - (3) **REFERENCES IN TITLE 13, UNITED STATES CODE, TO THE DEPARTMENT OF COMMERCE.**—Title 13, United States Code, is amended in sections 4, 9(a), 23(b), 24(e), 44, 103, 132, 211, 213(b)(2), 221, 222, 223, 224, 225(a), and 241 by striking “Department of Commerce” each place it appears and inserting “Department of the Treasury”.
 - (4) **PROVISIONS RELATING TO THE SECRETARY OF THE TREASURY.**—(A) Section 302 of title 13, United States Code, is amended by striking the last sentence thereof.
 - (B) Section 303 of title 13, United States Code, and the item relating to such section in the analysis for chapter 9 of such title are repealed.
 - (C) Section 304(a) of title 13, United States Code, is amended—
 - (i) by striking “Secretary of the Treasury” each place it appears and inserting “Secretary”; and
 - (ii) by striking “Secretary of Commerce” and inserting “Secretary”.
 - (D)(i) Section 401(a) of title 13, United States Code, is amended by striking “Secretary of Commerce” and inserting “Secretary”.
 - (ii) Section 8(e) of the Foreign Direct Investment and International Financial Data Improvements Act of 1990 (22 U.S.C. 3144(e)) is amended by striking “Secretary of Commerce” and inserting “Secretary of the Treasury”.
 - (iii) Section 401(a) of title 13, United States Code, is amended by striking “Department of Commerce” and inserting “Federal Reserve System”.
 - (5) **COMPENSATION FOR THE POSITION OF DIRECTOR OF THE CENSUS.**—Section 5315 of title 5, United States Code, as amended by paragraph (7) of section 108(e), is further amended by inserting (in lieu of the item struck by such paragraph) the following new item:
 “Director of the Census, Department of the Treasury.”.
 - (6) **CONFIDENTIALITY.**—Section 9 of title 13, United States Code, is amended by adding at the end the following:
 “(c)(1) Nothing in subsection (a)(3) shall be considered to permit the disclosure of any matter or information to an officer or employee of the Department of the Treasury who is not referred to in subchapter II if, immediately before the date specified in section 213(a) of the Department of Commerce Dismantling Act, such disclosure (if then made by an officer or employee of the Department of Commerce) would have been impermissible under this section (as then in effect).
 “(2) Paragraph (1) shall not apply with respect to any disclosure made to the Secretary.”.
 - (e) **RULE OF CONSTRUCTION.**—For purposes of title III, the reorganization of the Bureau of the Census under this section shall be treated as if it involved a transfer of functions from one office to another.

SEC. 208. REORGANIZATION OF THE BUREAU OF ECONOMIC ANALYSIS.

(a) IN GENERAL.—Effective as of the date specified in section 213(a)—

(1) the Bureau of Economic Analysis shall be transferred to the Federal Reserve System; and

(2) all functions which, immediately before such date, are functions of the Secretary of Commerce with respect to the Bureau of Economic Analysis shall be transferred to the Chairman of the Board of Governors of the Federal Reserve System.

(b) INTERIM SERVICE.—The individual serving as the Director of the Bureau of Economic Analysis immediately before the reorganization under this section takes effect may continue serving in that capacity until a successor has taken office. Compensation for any service under this subsection shall be at the rate at which such individual was compensated immediately before the effective date of the reorganization.

(c) REPORTS.—Not later than 18 months after the date of the enactment of this Act, the Director of the Bureau of Economic Analysis shall submit to the Congress a written report on—

(1) the availability of any private sector resources that may be capable of performing any or all of the functions of the Bureau of Economic Analysis, and the feasibility of having any such functions so performed; and

(2) the feasibility of implementing a system under which fees may be assessed by the Bureau of Economic Analysis in order to defray the costs of any services performed by the Bureau of Economic Analysis, when such services are performed other than on behalf of the Federal Government or an agency or instrumentality thereof.

(d) RULE OF CONSTRUCTION.—For purposes of title III, the reorganization of the Bureau of Economic Analysis under this section shall be treated as if it involved a transfer of functions from one office to another.

SEC. 209. TERMINATED FUNCTIONS OF NTIA.

The following provisions of law are repealed:

(1) Subpart A of part IV of title III of the Communications Act of 1934 (47 U.S.C. 390 et seq.), relating to assistance for public telecommunications facilities.

(2) Subpart B of part IV of title III of the Communications Act of 1934 (47 U.S.C. 394 et seq.), relating to the Endowment for Children's Educational Television.

(3) Subpart C of part IV of title III of the Communications Act of 1934 (47 U.S.C. 395 et seq.), relating to Telecommunications Demonstration grants.

SEC. 210. TRANSFER OF SPECTRUM MANAGEMENT FUNCTIONS.

There are transferred to the Chairman of the Federal Communications Commission all functions of the Secretary of Commerce, the Assistant Secretary of Commerce for Communications and Information, and the National Telecommunications and Information Administration under parts A and B of the National Telecommunication and Information Administration Organization Act.

SEC. 211. NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION.

(a) TERMINATION OF AUTHORITY TO MAKE FISHERIES GRANTS.—No financial assistance may be provided under any of the following laws, except to the extent the provision of that assistance is a contractual obligation of the United States on the day before the effective date of this section:

(1) Section 2 of the Act of August 11, 1939 (15 U.S.C. 713c-3), popularly known as the "Saltonstall-Kennedy Act".

(2) Section 1 of the Act of September 2, 1960 (16 U.S.C. 753a).

(3) The Antarctic Marine Living Resources Convention Act of 1984 (16 U.S.C. 2431 et seq.).

(4) The Anadromous Fish Conservation Act (16 U.S.C. 757a et seq.).

(5) Provisions of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.) and the Department of Commerce Appropriation Act of 1994 that authorize assistance to State fishery agencies to enhance their data collection and analysis systems to respond to coastwise fisheries management needs.

(6) The Interjurisdictional Fisheries Act of 1986 (16 U.S.C. 4101 et seq.).

(7) Provisions of the Fish and Wildlife Act of 1956 and the Department of Commerce Appropriation Act of 1994 that authorize assistance to State for a cooperative State and Federal partnership to provide a continuing source of fisheries statistics to support fisheries management in the States' territorial waters and the United States exclusive economic zone.

(8) Provisions of the Fish and Wildlife Act of 1956 and the Department of Commerce Appropriation Act of 1994 that authorize assistance to States for a cooperative program which engages State and Federal agencies in the coordinated collection, management, and dissemination of fishery-independent information on marine fisheries in support of State territorial waters and the United States exclusive economic zone fisheries management programs.

(9) Provisions of the Act of May 11, 1938 (16 U.S.C. 756-757), popularly known as the Mitchell Act, and the Department of Commerce Appropriation Act of 1994 that authorize assistance to State fisheries agencies in the Pacific Northwest to protect and enhance salmon and steelhead resources in the region.

(10) Provisions of the Pacific Salmon Treaty Act of 1985 (16 U.S.C. 3631-3644) and the Department of Commerce Appropriation Act of 1994 that authorize assistance to States in fulfilling responsibilities under the Pacific Salmon Treaty by providing administrative, management, and applied research support to the States to meet the needs of the Pacific Salmon Commission and international commitments under the treaty.

(11) Provisions of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1371-1384) and the Department of Commerce Appropriation Act of 1994 which authorize assistance to State agencies for the collection and analysis of information on marine mammals that occur in the State waters and interact with State managed fisheries.

(12) Provisions of the Pacific Salmon Treaty Act of 1985 (16 U.S.C. 3631-3644) and the Department of Commerce Appropriation Act of 1994 that—

(A) authorize assistance to States to assist in fulfilling Federal responsibilities under the Pacific Salmon Treaty by restoring Southeast Alaska salmon harvests limited by the treaty and by restoring salmon stocks as quickly as possible; and

(B) help implement a 1989 “Understanding between the United States and Canadian Sections of the Pacific Salmon Commission Concerning Joint Enhancement of Transboundary River Salmon Stocks”.

(b) TERMINATION OF FISHERIES TRADE PROMOTION PROGRAM.—Section 211 of the Act of December 22, 1989 (15 U.S.C. 1511b) is repealed.

(c) CONFORMING AMENDMENT TO TERMINATE FISHERIES PROMOTION AND DEVELOPMENT TRANSFERS AND FUNDS.—Section 2(b) of the Act of August 11, 1939 (15 U.S.C. 713c-3), popularly known as the “Saltonstall-Kennedy Act”, is repealed. Amounts remaining, on the effective date of this section, in the funds established under that section that are not required for the provision of financial assistance that is not otherwise terminated by this section shall revert to the general fund of the Treasury.

(d) TERMINATION OF AUTHORITY TO GUARANTEE OBLIGATIONS FOR FISHING VESSEL AND FISHING FACILITY CONSTRUCTION, ETC.—No new guarantee of an obligation or commitment to guarantee an obligation under title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.) may be made under authority that was vested in the Secretary of Commerce on the day before the effective date of this section (relating to obligations for fishing vessels or fishing facilities), except to the extent the making of such a guarantee was a contractual obligation of the United States on the day before that effective date.

(e) TERMINATION OF COMPENSATION UNDER FISHERMEN’S PROTECTIVE ACT OF 1967.—No compensation may be paid under section 10 of the Fishermen’s Protective Act of 1967 (22 U.S.C. 1980), relating to compensation for damage, loss, or destruction of fishing vessels or fishing gear, except to the extent the compensation was awarded before the effective date of this section.

(f) TERMINATION OF COMPENSATION TO FISHERMEN UNDER OUTER CONTINENTAL SHELF LANDS ACT AMENDMENTS OF 1978.—No compensation may be paid under title IV of the Outer Continental Shelf Lands Act Amendments of 1978 (43 U.S.C. 1841 et seq.), except to the extent the compensation was awarded before the effective date of this section.

(g) TERMINATION OF MISCELLANEOUS RESEARCH FUNCTIONS.—The following functions, as vested in personnel of the National Oceanic and Atmospheric Administration on the day before the effective date of this section, are terminated:

(1) All observation and prediction functions relating to pollution research.

(2) All functions relating to estuarine and coastal assessment research.

(h) TERMINATION OF NOAA CORPS.—

(1) TERMINATION.—The National Oceanic and Atmospheric Administration Corps is terminated, and the assets thereof shall be transferred to the Commerce Programs Resolution Agency.

(2) DISPOSITION OF ASSETS.—The Administrator of the Commerce Programs Resolution Agency shall attempt to sell the assets of the National Oceanic and Atmospheric Administration Corps, within 18 months after the effective date

specified in section 213(a), to a private sector entity intending to perform substantially the same functions as were performed by the National Oceanic and Atmospheric Administration Corps immediately before such effective date.

(3) REPORT.—If no offer to purchase assets under paragraph (2) is received within the 18-month period described in such paragraph, the Commerce Programs Resolution Agency shall submit a report to the Congress containing recommendations on the appropriate disposition of the assets and functions of the National Oceanic and Atmospheric Administration Corps.

(i) DISPOSAL OF NOAA FLEET.—The Secretary of the Interior—

(1) shall cease modernization of the National Oceanic and Atmospheric Administration fleet of vessels and terminate all new construction for that fleet;

(2) shall promptly dispose of all assets comprising the National Oceanic and Atmospheric Administration fleet; and

(3) may not purchase any vessels for the National Oceanic and Atmospheric Administration.

(j) OFFICE OF OCEANIC AND ATMOSPHERIC RESEARCH.—(1) Except as otherwise provided in paragraph (2) or (3), the Office of Oceanic and Atmospheric Research shall be terminated.

(2) Functions relating to weather research of the Office of Oceanic and Atmospheric Research shall be transferred to the National Weather Service.

(3)(A) The laboratories of the Office of Oceanic and Atmospheric Research shall be transferred to the Commerce Programs Resolution Agency.

(B) The Commerce Programs Resolution Agency shall attempt to sell the property of the laboratories of the Office of Oceanic and Atmospheric Research, within 18 months after the effective date specified in section 213(a), to a private sector entity intending to perform substantially the same functions as were performed by the laboratories of the Office of Oceanic and Atmospheric Research immediately before such effective date.

(C) If no offer to purchase property under subparagraph (B) is received within the 18-month period described in such subparagraph, the Commerce Programs Resolution Agency shall transfer the remaining laboratories to the Department of the Interior, which shall submit a report to the Congress containing recommendations on the appropriate disposition of the property and functions of such laboratories.

(k) NAUTICAL AND AERONAUTICAL CHARTING.—(1) The nautical and aeronautical charting functions of the National Oceanic and Atmospheric Administration shall be transferred to the Defense Mapping Agency.

(2) The Defense Mapping Agency shall terminate any functions transferred to it under paragraph (1) that are performed by the private sector.

(l) NESDIS.—(1)(A) The National Environmental Satellite, Data, and Information System Data Centers shall be transferred to the Commerce Programs Resolution Agency.

(B) The Commerce Programs Resolution Agency shall attempt to sell the property of the National Environmental Satellite, Data, and Information System Data Centers, within 18 months after the effective date specified in section 213(a), to a private sector entity intending to perform substantially the same functions as were performed by the National Environmental Satellite, Data, and Information System Data Centers immediately before such effective date.

(C) If no offer to purchase property under subparagraph (B) is received within the 18-month period described in such subparagraph, the Commerce Programs Resolution Agency shall submit a report to the Congress containing recommendations on the appropriate disposition of the property and functions of the National Environmental Satellite, Data, and Information System Data Centers.

(2) Functions related to weather satellites of the National Environmental Satellite, Data, and Information System shall be transferred to the National Weather Service.

(m) NATIONAL WEATHER SERVICE.—(1) The National Weather Service is hereby transferred to the Department of the Interior.

(2)(A) The National Weather Service shall terminate its specialized agricultural, Marine Radiofax, and forestry weather services, and its Regional Climate Centers.

(B) The National Weather Service may terminate any other specialized weather services not required by law to be performed.

(n) NATIONAL MARINE FISHERIES SERVICE.—

(1) TRANSFER OF ENFORCEMENT FUNCTIONS.—There are transferred to the Secretary of Transportation all functions relating to law enforcement that on the day before the effective date of this section were authorized to be performed by the National Marine Fisheries Service.

(2) TRANSFER OF SCIENCE FUNCTIONS.—There are transferred to the Director of the United States Fish and Wildlife Service all functions relating to

science that on the day before the effective date of this section were authorized to be performed by the National Marine Fisheries Service.

(3) TRANSFER OF SEAFOOD INSPECTION FUNCTIONS.—There are transferred to the Secretary of Agriculture all functions relating to seafood inspection that on the day before the effective date of this section were authorized to be performed by the National Marine Fisheries Service.

(o) NATIONAL OCEAN SERVICE.—

(1) TRANSFER OF GEODESY FUNCTIONS.—There are transferred to the Director of the United States Geological Survey all functions relating to geodesy that on the day before the effective date of this section were authorized to be performed by the National Ocean Service.

(2) TRANSFER OF MARINE AND ESTUARINE SANCTUARY FUNCTIONS.—There are transferred to the Secretary of the Interior all functions relating to marine and estuarine sanctuaries that on the day before the effective date of this section were authorized to be performed by the National Ocean Service.

(p) ENVIRONMENTAL RESEARCH LABORATORIES.—

(1) TRANSFER.—The environmental research laboratories of the National Oceanic and Atmospheric Administration (other than laboratories of the Office of Oceanic and Atmospheric Research, referred to in subsection (j)) shall be transferred to the Commerce Programs Resolution Agency.

(2) DISPOSAL.—The Commerce Programs Resolution Agency shall attempt to sell the property of the laboratories transferred under paragraph (1), within 18 months after the effective date specified in section 213(a), to a private sector entity intending to perform substantially the same functions as were performed by the laboratories before such effective date.

(3) REPORT.—If no offer to purchase property under paragraph (2) is received within the 18-month period described in such paragraph, the Commerce Programs Resolution Agency shall submit a report to the Congress containing recommendations on the appropriate disposition of the property and functions of the laboratories transferred under paragraph (1).

SEC. 212. MISCELLANEOUS ABOLISHMENTS.

The following agencies and programs of the Department of Commerce are abolished, and the functions of those agencies or programs are abolished except to the extent otherwise provided in this Act:

- (1) The Economic Development Administration.
- (2) The Minority Business Development Administration.
- (3) The United States Travel and Tourism Administration.
- (4) The National Telecommunications and Information Administration.
- (5) The Advanced Technology Program under section 28 of the National Institute of Standards and Technology Act (15 U.S.C. 278n).
- (6) The Manufacturing Extension Programs under sections 25 and 26 of the National Institute of Standards and Technology Act (15 U.S.C. 278k and 278l).

SEC. 213. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this title shall take effect on the effective date specified in section 109(a).

(b) PROVISIONS EFFECTIVE ON DATE OF ENACTMENT.—The following provisions of this title shall take effect on the date of the enactment of this Act:

- (1) Section 201.
- (2) Section 206 (a)(2) and (d).
- (3) Section 212.

SEC. 214. SENSE OF CONGRESS REGARDING USER FEES.

It is the sense of the Congress that the head of each agency that performs a function vested in the agency by this Act should, wherever feasible, explore and implement user fees for the provision of services in the performance of that function, to offset operating costs.

SEC. 215. REORGANIZATION OF TRADE FUNCTIONS.

(a) SHORT TITLE.—This section may be cited as the “Trade Reorganization Act of 1995”.

(b) TERMINATION OF AUTHORIZATIONS OF APPROPRIATIONS.—

(1) NAFTA SECRETARIAT.—Section 105(b) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3315(b)) is amended by striking “each fiscal year after fiscal year 1993” and inserting “each of fiscal years 1994 and 1995”.

(2) BORDER ENVIRONMENT COOPERATION COMMISSION.—Section 533(a)(2) of the North American Free Trade Agreement Implementation Act (19 U.S.C.

3473(a)(2)) is amended by striking “and each fiscal year thereafter” and inserting “fiscal year 1995”.

(c) INTERNATIONAL TRADE FUNCTIONS.—

(1) TARIFF ACT OF 1930; URUGUAY ROUND AGREEMENTS ACT.—

(A) TRANSFER OF FUNCTIONS.—All functions of the Secretary of Commerce under titles III and VII of the Tariff Act of 1930 and sections 232 and 233 of the Trade Expansion Act of 1962, and all functions of the administering authority or the Secretary of Commerce under the Uruguay Round Agreements Act, are transferred to the Administrator of the United States Trade Administration established in subsection (d).

(B) CONFORMING AMENDMENT.—Section 771(1) of the Tariff Act of 1930 (19 U.S.C. 1677(1)) is amended by striking “Secretary of Commerce” and inserting “Administrator of the United States Trade Administration established in section 215(d) of the Trade Reorganization Act of 1995”.

(2) FUNCTIONS RELATED TO TEXTILE AGREEMENTS.—

(A) FUNCTIONS OF CITA.—(i) Subject to clause (ii), those functions delegated to the Committee for the Implementation of Textile Agreements established under Executive Order 11651 (7 U.S.C. 1854 note) (hereafter in this paragraph referred to as “CITA”) are transferred to the United States Trade Representative.

(ii) Those functions delegated to CITA that relate to the assessment of the impact of textile imports on domestic industry are transferred to the International Trade Commission.

(B) ABOLITION OF CITA.—CITA is abolished.

(C) CHIEF TEXTILE NEGOTIATOR.—No officer of the Office of the United States Trade Representative other than the United States Trade Representative and the Deputy United States Trade Representatives shall have the rank of Ambassador.

(3) FOREIGN TRADE ZONES BOARD.—Subsection (b) of the first section of the Act of June 18, 1934 (commonly known as the “Foreign Trade Zones Act”) (19 U.S.C. 81a(b)) is amended by striking “Secretary of Commerce” and inserting “Administrator of the United States Trade Administration established in section 215(d) of the Trade Reorganization Act of 1995”.

(4) INTERNATIONAL ECONOMIC POLICY.—All functions of the Assistant Secretary of Commerce for International Economic Policy and the Office of International Economic Policy of the Department of Commerce immediately before the effective date of this title are transferred to the Administrator of the United States Trade Administration established in subsection (d).

(5) TRADE ADJUSTMENT ASSISTANCE.—Those functions of the Secretary of Commerce or the Department of Commerce under chapters 2, 3, 4, and 5 of the Trade Act of 1974 immediately before the effective date of this title are transferred to the Administrator of the United States Trade Administration established in subsection (d).

(d) UNITED STATES TRADE ADMINISTRATION.—

(1) ESTABLISHMENT.—There is established the United States Trade Administration which shall be an independent establishment in the executive branch of Government as defined under section 104 of title 5, United States Code.

(2) ADMINISTRATOR.—The head of the Administration shall be the Administrator of the United States Trade Administration, who shall be appointed by the President, by and with the advice and consent of the Senate. The Administrator shall receive compensation at the rate of pay in effect for level I of the Executive Schedule under section 5312 of title 5, United States Code.

(3) ASSISTANT ADMINISTRATORS.—There shall be in the Administration 4 Assistant Administrators, who shall be appointed by the President, by and with the advice and consent of the Senate, as follows:

(A) The Assistant Administrator for Trade Analysis and Policy.

(B) The Assistant Administrator for Import Administration.

(C) The Assistant Administrator for Export Promotion.

(D) The Assistant Administrator for Export Administration.

Each Assistant Administrator shall receive compensation at the rate of pay in effect for level III of the Executive Schedule under section 5314 of title 5, United States Code.

(e) TRADE AND DEVELOPMENT AGENCY.—

(1) ABOLITION OF AGENCY.—The Trade and Development Agency is abolished.

(2) CONFORMING AMENDMENT.—Section 661 of the Foreign Assistance Act of 1961 (22 U.S.C. 2421) is repealed.

(f) WATCH IMPORTS.—

(1) REPEAL OF SPECIAL TARIFF PROVISIONS.—Additional U.S. Note 5 to chapter 91 of the Harmonized Tariff Schedule of the United States is repealed.

(2) CONFORMING AMENDMENT.—General Note 3(a)(iv)(A) of the Harmonized Tariff Schedule of the United States is amended by striking “as provided in additional U.S. note 5 of chapter 91 and except”.

(g) LIMITATION ON EXPENDITURES.—Beginning in the first fiscal year that begins on or after the effective date of this title, the amount expended by the United States in performing all functions covered by this section and the amendments made by this section may not exceed 75 percent of the total amount expended by the United States during fiscal year 1994 in performing all functions transferred or terminated under this section.

SEC. 216. EXPORT PROMOTION ACTIVITIES.

(a) FINDINGS.—The Congress makes the following findings:

(1) Numerous attempts to better coordinate the export promotion efforts of the United States Government have been made and have been ongoing since 1950.

(2) In 1992, the Trade Promotion Coordinating Committee was created to, among other things, “prevent unnecessary duplication in Federal export promotion activities” and to “identify areas of overlap and duplication among Federal export promotion activities and propose means of eliminating them”.

(3) In its first annual report to the Congress, the Trade Promotion Coordinating Committee made 65 recommendations, yet none of the recommendations specifically proposed eliminating any export promotion programs.

(4) In its second annual report to the Congress, the Trade Promotion Coordinating Committee identified 14 Federal agencies involved in export promotion activities for a total cost of \$3,300,000,000.

(5) The Library of Congress has identified over 150 separate export promotion programs in at least 15 different Federal agencies.

(6) In 1993, the United States Information Agency’s budget for export promotion activities was nearly 3 times the entire budget of the Office of the United States Trade Representative.

(7) Efforts to date to consolidate United States export promotion activities have not been sufficient.

(b) CONSOLIDATION.—

(1) SUBMISSION OF PLAN.—Within 180 days after the date of the enactment of this Act, the President shall transmit to the Congress a comprehensive plan to consolidate Federal export promotion activities. The plan shall provide for—

(A) the elimination of the overlap and duplication among all Federal export promotion activities;

(B) a unified budget for Federal nonagricultural export promotion activities which eliminates funding for the areas of overlap and duplication identified under subparagraph (A); and

(C) a long-term agenda for developing cooperation between State and Federal programs and activities designed to stimulate or assist United States businesses in exporting goods or services that are products of the United States, including sharing of facilities, costs, and export market research data.

(2) PLAN ELEMENTS.—The plan under paragraph (1) shall—

(A) place all Federal export promotion activities under a single Government entity; and

(B) provide clear authority for the authority described in paragraph (1) to use the expertise and assistance of other United States Government agencies.

(c) DEFINITION.—As used in this section, the term “Federal export promotion activities” means all programs or activities of any department or agency of the Federal Government (including, but not limited to, departments and agencies with representatives on the Trade Promotion Coordinating Committee established under section 2312 of the Export Enhancement Act of 1988 (15 U.S.C. 4727)) that are designed to stimulate or assist United States businesses in exporting goods or services that are products of the United States, including trade missions and export financing functions.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. REFERENCES.

Any reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to an office from which a function is transferred by this Act—

(1) to the Secretary of Commerce or an officer of the Department of Commerce, is deemed to refer to the head of the department or office to which such function is transferred; or

(2) to the Department of Commerce or an agency in the Department of Commerce is deemed to refer to the department or office to which such function is transferred.

SEC. 302. EXERCISE OF AUTHORITIES.

Except as otherwise provided by law, a Federal official to whom a function is transferred by this Act may, for purposes of performing the function, exercise all authorities under any other provision of law that were available with respect to the performance of that function to the official responsible for the performance of the function immediately before the effective date of the transfer of the function under this Act.

SEC. 303. SAVINGS PROVISIONS.

(a) LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, grants, loans, contracts, agreements, certificates, licenses, and privileges—

(1) that have been issued, made, granted, or allowed to become effective by the President, the Secretary of Commerce, any officer or employee of any office transferred by this Act, or any other Government official, or by a court of competent jurisdiction, in the performance of any function that is transferred by this Act, and

(2) that are in effect on the effective date of such transfer (or become effective after such date pursuant to their terms as in effect on such effective date),

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, any other authorized official, a court of competent jurisdiction, or operation of law.

(b) PROCEEDINGS.—This Act shall not affect any proceedings or any application for any benefits, service, license, permit, certificate, or financial assistance pending on the date of the enactment of this Act before an office transferred by this Act, but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted, and orders issued in any such proceeding shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be considered to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this Act had not been enacted.

(c) SUITS.—This Act shall not affect suits commenced before the date of the enactment of this Act, and in all such suits, proceeding shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this Act had not been enacted.

(d) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the Department of Commerce or the Secretary of Commerce, or by or against any individual in the official capacity of such individual as an officer or employee of an office transferred by this Act, shall abate by reason of the enactment of this Act.

(e) CONTINUANCE OF SUITS.—If any officer of the Department of Commerce or the Commerce Programs Resolution Agency in the official capacity of such officer is party to a suit with respect to a function of the officer, and under this Act such function is transferred to any other officer or office, then such suit shall be continued with the other officer or the head of such other office, as applicable, substituted or added as a party.

SEC. 304. TRANSFER OF ASSETS.

Except as otherwise provided in this Act, so much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with a function transferred to an official or agency by this Act shall be available to the official or the head of that agency, respectively, at such time or times as the Director of

the Office of Management and Budget directs for use in connection with the functions transferred.

SEC. 305. DELEGATION AND ASSIGNMENT.

Except as otherwise expressly prohibited by law or otherwise provided in this Act, an official to whom functions are transferred under this Act (including the head of any office to which functions are transferred under this Act) may delegate any of the functions so transferred to such officers and employees of the office of the official as the official may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate. No delegation of functions under this section or under any other provision of this Act shall relieve the official to whom a function is transferred under this Act of responsibility for the administration of the function.

SEC. 306. AUTHORITY OF ADMINISTRATOR WITH RESPECT TO FUNCTIONS TRANSFERRED.

(a) DETERMINATIONS.—If necessary, the Administrator shall make any determination of the functions that are transferred under this Act.

(b) INCIDENTAL TRANSFERS.—The Administrator, at such time or times as the Administrator shall provide, may make such determinations as may be necessary with regard to the functions transferred by this Act, and to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this Act. The Administrator shall provide for the termination of the affairs of all entities terminated by this Act and for such further measures and dispositions as may be necessary to effectuate the purposes of this Act.

SEC. 307. PROPOSED CHANGES IN LAW.

Not later than one year after the date of the enactment of this Act, the Director of the Office of Management and Budget shall submit to the Congress a description of any changes in Federal law necessary to reflect abolishments, transfers, terminations, and disposals under this Act.

SEC. 308. CERTAIN VESTING OF FUNCTIONS CONSIDERED TRANSFERS.

For purposes of this Act, the vesting of a function in a department or office pursuant to reestablishment of an office shall be considered to be the transfer of the function.

SEC. 309. DEFINITIONS.

For purposes of this Act, the following definitions apply:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Commerce Programs Resolution Agency.

(2) AGENCY.—The term "Agency" means the Commerce Programs Resolution Agency.

(3) FUNCTION.—The term "function" includes any duty, obligation, power, authority, responsibility, right, privilege, activity, or program.

(4) OFFICE.—The term "office" includes any office, administration, agency, bureau, institute, council, unit, organizational entity, or component thereof.

(5) WIND-UP PERIOD.—The term "wind-up period" means the period beginning on the effective date specified in section 109(a) and ending on the termination date specified in section 106(d).

SEC. 310. LIMITATION ON ANNUAL EXPENDITURES FOR CONTINUED FUNCTIONS.

Except as provided in section 215(g), the amount expended by the United States each fiscal year for performance of a function which immediately before the effective date of this section was authorized to be performed by an agency, officer, or employee of the Department of Commerce may not exceed 75 percent of the total amount expended by the United States for performance of that function during fiscal year 1994.

I. INTRODUCTION

A. PURPOSES AND SUMMARY

H.R. 1756, as amended by the Committee, dismantles the Commerce Department and reorganizes certain of its trade functions into the United States Trade Administration. The Administrator would be appointed by the President with Senate advice and con-

sent but would not have Cabinet rank. The United States Trade Representative (USTR) would remain a separate, Cabinet-level agency coordinating trade policy among departments and agencies, with continued direct access to the President.

B. BACKGROUND AND NEED FOR LEGISLATION

On June 29, 1995, the House and Senate passed H. Con. Res. 67, the "Concurrent Resolution on the Budget for Fiscal 1996," which called for the elimination of the Department of Commerce. On June 7, 1995, Congressman Dick Chrysler introduced H.R. 1756, legislation to abolish the Department of Commerce.

The dismantling of the Commerce Department is part of the Congressional effort to streamline government, increase its efficiency, and save taxpayer dollars. In so doing, unnecessary or wasteful functions will be eliminated, and those remaining functions will be organized in the most efficient and effective manner possible.

H.R. 1756, as amended by the Committee, retains a number of trade-related functions because these particular functions are aimed toward achieving gains for U.S. companies. The Committee recognizes that trade represents the most significant issue that will determine the standard of living of U.S. citizens in the future because trade strengthens the economy, creates good jobs, and reduces the deficit. Accordingly, the Committee strongly believes in preserving powerful tools to negotiate initiatives that open foreign markets, encourage growth in U.S. exports, and fight foreign unfair trade practices. This mission must be supported if U.S. companies are to remain competitive.

C. LEGISLATIVE HISTORY

H.R. 1756 was introduced on June 7, 1995, by Congressman Dick Chrysler. The bill was referred to the Committee on Commerce, and in addition to the Committees on Transportation and Infrastructure, Banking and Financial Services, International Relations, National Security, Agriculture, Ways and Means, Government Reform and Oversight, the Judiciary, Science, and Resources.

On September 13, 1995, the Committee on Ways and Means met to consider H.R. 1756. At that time, Chairman Archer offered an amendment in the nature of a substitute concerning those provisions of H.R. 1756 within the jurisdiction of the Committee. The amendment struck those portions of H.R. 1756 as introduced that are within the jurisdiction of the Committee and added section 25 to address those issues.

The Committee also agreed to an amendment, by a division vote of 21 yeas and 14 nays, requiring the President to conduct a study on the consolidation of export promotion and export financing functions. The Committee then ordered the bill favorably reported, as amended, by a record vote of 22 to 14.

II. SECTION-BY-SECTION SUMMARY OF THE PROVISIONS MODIFIED BY
THE COMMITTEE ON WAYS AND MEANS, JUSTIFICATION, AND COM-
PARISON WITH PRESENT LAW

SECTION 215(a): SHORT TITLE

Explanation of provision

The short title of Section 215 is the “Trade Reorganization Act of 1995.”

SECTION 215(b): TERMINATION OF AUTHORIZATIONS OF
APPROPRIATIONS

Present law

Sections 105 and 533 of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3315 and 3473) authorize separate funds specifically for the United States section of the NAFTA Secretariat and U.S. participation in the Border Environment Cooperation Commission.

Explanation of provision

Section 215(b) of H.R. 1756, as amended by the Committee, would permit U.S. participation in the Secretariat or Commission to continue. However, funding must come out of authorizations for other trade functions, and no additional funds would be authorized to be appropriated for U.S. participation.

Reason for change

Removal of a specific line-item appropriation for participation in these bodies permits the Administration to determine how much funding it wishes to dedicate to these functions. In addition, eliminating the specific appropriation makes funding for U.S. participation in these bodies parallel with U.S. participation in NAFTA Commission for Labor Cooperation and the Commission for Environmental Cooperation, whose funding after FY 1995 will come out of the appropriations for other trade functions.

SECTION 215(c)(1) AND 215(d): TRANSFER OF INTERNATIONAL TRADE
FUNCTIONS TO THE UNITED STATES TRADE ADMINISTRATION

Present law

Under current law, the Department of Commerce performs a number of trade-related functions. These functions are carried out primarily through four program areas of the International Trade Administration: Import Administration, International Economic Policy, Trade Development, and the United States and Foreign Commercial Service.

Explanation of provision

Section 215(c)(1) and 215(d) would transfer all trade functions of the Department of Commerce within the jurisdiction of the Committee to a new international trade agency—the United States Trade Administration—except as specifically noted. This new agency would handle trade analysis and policy, import administration, export promotion, and export administration. The Administrator

would be appointed by the President with Senate advice and consent but would not have Cabinet rank. The United States Trade Representative (USTR) would remain a separate, Cabinet-level agency coordinating trade policy among departments and agencies, with continued direct access to the President.

Reason for change

H.R. 1756, as amended by the Committee, would eliminate a Cabinet-level department and streamline the trade-related functions of the Commerce Department into a new U.S. Trade Administration. The Committee has carefully examined the functions of the Commerce Department that are within the Committee's jurisdiction in an effort to determine whether they are productive and useful functions that are being carried out most efficiently. To the extent that the functions are critical and represent money well-spent, the Committee has sought to retain them. Functions that are not productive, however, would be terminated.

In carrying out this streamlining effort, the Committee recognizes that it is essential to the U.S. economy to have strong trade resources in order to open foreign markets, encourage growth in U.S. exports, and fight foreign unfair trade practices. The Committee believes that H.R. 1756, as amended, preserves those functions.

H.R. 1756, as amended, permits USTR to remain a highly effective, separate, and focused organization within the Office of the President. It would retain the role of coordinating trade policy among departments and agencies. The Committee considers that USTR has been a highly effective agency as a small organization with the task of coordinating and developing trade policy and of negotiating with U.S. trading partners. In addition, USTR's functions as negotiator and lead developer of U.S. trade policy should remain separate from the functions of administering and implementing separate functions through the regulatory process. The Committee believes that creating a "super-USTR," either through merging the Committee functions into USTR or by creating a new agency with those trade functions and with USTR at its head, would undermine both its ability to do its job and the effectiveness of U.S. trade policy.

Moreover, the Committee believes that the Administrator of the new agency should not have Cabinet rank, at least at this point in time. Congress is in the process of simplifying and streamlining government. The Committee does not want to dismantle a department and then merely set up a new one with just the Commerce trade functions. Accordingly, the Committee intends in the future to examine the trade functions currently performed by *all* agencies—not just the Commerce Department. Because there are a number of other agencies that conduct trade policy, and there is considerable duplication of effort and funding, the Committee believes it appropriate to determine whether it is feasible to unify these functions under one department at some later point in time. Once a "super trade agency" is created that includes all of these other functions, the issue of Cabinet status may be revisited in light of the agency's new stature. However, without putting all trade functions throughout the government in one place, the Com-

mittee believes it is premature for the new Administration to have Cabinet status.

H.R. 1756, as amended by the Committee, maintains the current industry advisory committee process. However, the Committee believes that the advisory committee structure should be reorganized and streamlined to be more effective. Accordingly, the Committee requests that the U.S. Trade Representative and the Department of Commerce evaluate the advisory committee structure by April 1, 1996 and recommend to the Committee ways to streamline that structure, including reducing the number of committees.

SECTION 215(c)(2): FUNCTIONS RELATED TO TEXTILE AGREEMENTS

Present law

The Committee for the Implementation of Textile Agreements (7 U.S.C. 1854 note) is the interagency group responsible for administering the U.S. quota program and implementation of the Agreement on Textiles and Clothing concluded in the Uruguay Round negotiations. One of its primary functions is to monitor imports and determine when calls for consultation on adverse impact to the domestic industry should be made. CITA is chaired by the Commerce Department.

Explanation of provision

Section 215(c)(2) of H.R. 1756, as amended by the Committee, would abolish the Committee for the Implementation of Textile Agreements (CITA). Certain functions delegated to CITA under Executive Order 11651 would be transferred to USTR, such as supervising the implementation of textile agreements, taking or recommending action to implement such agreements, and taking action concerning Presidential negotiation of agreements limiting textile imports and regulations to implement such agreements. Those functions relating to assessing the impact of textile imports on the domestic industry would be transferred to the International Trade Commission. Finally, only the United States Trade Representative and the deputy U.S. Trade Representatives would be permitted to have the rank of Ambassador.

Reason for change

The Committee has some concern that CITA has conducted its functions with an unusual and inappropriate degree of autonomy and lack of transparency. Because the Sunshine Act does not apply to this agency, its meetings are not open to the public. In addition, CITA has no structure or standards for determining whether imports have an adverse effect on the U.S. industry, and the Committee is concerned that decisions are predisposed toward U.S. textile producers and do not appear to take into account the needs of U.S. consumers or retailers.

Accordingly, the provision retains a number of CITA's functions but would transfer them to other agencies, where they can be carried out more openly and with greater accountability. CITA functions relating to implementation of textile agreements would be transferred to USTR, which, as the lead U.S. negotiator, is the appropriate agency to handle these matters. In addition, these func-

tions are more readily addressed by USTR as part of its monitoring of the phase-out of the textile program under the Uruguay Round. Functions relating to assessing the impact of textile imports on the domestic industry are transferred to the International Trade Commission because it is the body that typically examines the impact of imports on U.S. industries in a variety of statutory contexts.

The Committee believes that the proliferation of positions with Ambassador rank is unnecessary, and the number of such positions should be limited to the highest levels of USTR.

SECTION 215(c)(3): FOREIGN TRADE ZONES BOARD

Present law

19 U.S.C. 81a(b) establishes the Foreign Trade Zones Board, chaired by the Department of Commerce and also consisting of the Departments of the Treasury and the Army. The Board is authorized to permit corporations to establish, operate and maintain foreign trade zones (FTZs). FTZs are areas not considered to be within U.S. customs territory although they are physically located in the United States. Foreign goods may enter foreign trade zones and undergo further processing without being subject to duty unless they formally enter U.S. customs territory. The U.S. Customs Service supervises and enforces the operation of FTZs.

Explanation of provision

Section 215(c)(3) of H.R. 1756, as amended by the Committee, would transfer the chairmanship of the Foreign Trade Zones Board to the new Administrator. Customs would continue to supervise and enforce the operation of FTZs.

Reason for change

The Committee believes that it is important to maintain the economic and industry support functions of the Commerce Department within the same entity as the chairmanship of the FTZ Board. The Board relies heavily on these functions in its review and approval of applications and in monitoring ongoing zone activities for their impact on trade and the U.S. economy.

SECTION 215(c)(4): INTERNATIONAL ECONOMIC POLICY

Present law

The Assistant Secretary of Commerce for International Economic Policy and the Office of International Economic Policy assist in formulating U.S. bilateral and multilateral trade policies, monitor implementation of trade agreements, and provide counseling and assistance to U.S. businesses.

Explanation of provision

Section 215(c)(4) would transfer these functions to the new Administrator.

Reason for change

The Committee believes that because these functions relate to formulation and implementation of U.S. trade policy as well as providing assistance to businesses, these functions are integral to a

well-developed trade policy. According, these functions should be consolidated with other trade-related functions within the new Administration.

SECTION 215(c)(5): TRADE ADJUSTMENT ASSISTANCE

Present law

The Economic Development Administration within the Department of Commerce is currently charged, on behalf of the Secretary, with administering the Trade Adjustment Assistance program for firms, under sections 251 through 264 of the Trade Act of 1974, as amended.

Explanation of provision

Section 215(c)(5) would transfer functions concerning the Trade Adjustment Assistance program previously performed by the Commerce Department to the new Administration.

Reason for change

The Committee believes that those functions currently carried out by the Department of Commerce with respect to the Trade Adjustment Assistance program would be appropriately carried out by the successor to the Department of Commerce.

SECTION 215(e): TRADE AND DEVELOPMENT AGENCY

Present law

The Trade and Development Agency (TDA) was established in 1988 to promote U.S. private sector participation in development projects in developing and middle-income countries. The TDA provides grant assistance to U.S. firms to prepare preliminary engineering and design of such bilateral and multilateral development projects.

Explanation of provision

Section 215(e) would abolish as duplicative the Trade and Development Agency established under section 661 of the Foreign Assistance Act of 1961.

Reason for change

The Committee believes that it is appropriate to eliminate these functions because they are duplicative and are already performed by other agencies, including the Department of Commerce.

SECTION 215(f): WATCH IMPORTS

Present law

Additional U.S. Note 5 to chapter 91 of the Harmonized Tariff Schedule (HTS) of the United States provides that watch movements and watches produced or manufactured in a U.S. insular possession and which contain any foreign component may be admitted duty free, without regard to the value of the foreign component, up to a certain level.

Explanation of provision

Section 215(f) would repeal the special treatment for watches in Additional U.S. Note 5 to chapter 91 of the HTS.

Reason for change

The Committee believes that it is no longer necessary to continue special treatment for watches assembled in U.S. insular possessions. Customs duties should be assessed against these products regardless of where they are manufactured abroad. Accordingly, there is no need for Commerce Department personnel to administer the program.

SECTION 215(g): LIMITATION ON EXPENDITURES

Explanation of provision

Section 215(g) provides that the amount expended each year for performance of the trade functions covered by these provisions may not exceed 75 percent of the total amount expended for performance of those functions during fiscal year 1994. H.R. 1756, as introduced, would limit the amount expended for each function to 75 percent of the amount expended for performance of that function during fiscal year 1994.

Reason for change

The Committee intends that the total budget for trade functions included within section 215 be cut by 25 percent; the Committee does not wish to require that the budget for each function be cut by 25 percent. In this way, the Administration may exercise its discretion and expertise to determine where to make budget cuts instead of being forced to implement a rigid and automatic cut on each function.

SECTION 216: EXPORT PROMOTION ACTIVITIES

Present law

Trade promotion functions are currently handled by at least 14 different Federal agencies. The degree of promotion activities, the nature of the bureaucracy to support them, and the communication with the U.S. Trade Representative and other portions of the trade policy structure vary from program to program.

Explanation of provision

Section 216 requires the President to submit a comprehensive plan to Congress to consolidate Federal export promotion activities, including export financing functions, within 180 days after enactment. Specifically, the consolidation plan should examine trade promotion spending across all Federal agencies for the purpose of eliminating duplicative efforts and increasing efficiency and effectiveness by placing all such Federal activities under a single government entity.

Reason for provision

Because of the large number of export promotion and export financing functions conducted by many different agencies, the Com-

mittee believes that it is necessary to examine whether any of these programs may be consolidated. The Committee believes that the number of programs can be streamlined to improve efficiency and effectiveness while downsizing and eliminating duplication. This provision provides the Administration with time to consider all of these programs and to recommend how they should be integrated into the new Trade Administration.

III. VOTE OF THE COMMITTEE IN REPORTING THE BILL

In compliance with clause 2(l)(2)(B) of rule XI of the Rules of the House of Representatives, the following statements are made relative to the votes of the Committee in its consideration of the bill, H.R. 1756.

MOTION TO REPORT THE BILL

The bill, H.R. 1756, as amended, was ordered favorably reported by recorded vote (22 yeas to 14 nays) on September 13, 1995, with a quorum present. The roll call was as follows:

YEAS	NAYS
Mr. Archer	Mr. Gibbons
Mr. Crane	Mr. Rangel
Mr. Thomas	Mr. Stark
Mr. Shaw	Mr. Jacobs
Mrs. Johnson	Mr. Ford
Mr. Bunning	Mr. Matsui
Mr. Houghton	Mrs. Kennelly
Mr. Herger	Mr. Coyne
Mr. McCrery	Mr. Levin
Mr. Hancock	Mr. McDermott
Mr. Camp	Mr. Kleczka
Mr. Ramstad	Mr. Lewis
Mr. Zimmer	Mr. Payne
Mr. Nussle	Mr. Neal
Mr. Johnson	
Ms. Dunn	
Mr. Collins	
Mr. Portman	
Mr. Laughlin	
Mr. English	
Mr. Ensign	
Mr. Christensen	

IV. BUDGETARY AUTHORITY AND COST ESTIMATES, INCLUDING ESTIMATES OF THE CONGRESSIONAL BUDGET OFFICE

A. COMMITTEE ESTIMATE OF BUDGETARY EFFECT

Pursuant to clause 2(l)(3)(C) of rule XI of the Rules of the House of Representatives, the Committee states that a cost estimate was not furnished by the Congressional Budget Office on H.R. 1756, as amended, in time for filing this report.

B. STATEMENT REGARDING NEW BUDGET AUTHORITY AND TAX EXPENDITURES

In compliance with clause 2(l)(3)(B) of rule XI of the Rules of the House of Representatives, the Committee states that the bill does not provide new budget, spending, or credit authority. The bill may result in an increase in tariff revenues but would have no effect on tax revenues.

C. COST ESTIMATE PREPARED BY THE CONGRESSIONAL BUDGET OFFICE

A cost estimate was not furnished by the Congressional Budget Office on H.R. 1765, as amended, in time for filing this report.

V. OTHER MATTERS REQUIRED TO BE DISCUSSED UNDER THE RULES OF THE HOUSE

A. COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

With respect to subdivision (A) of clause 2(l)(3) of rule XI of the Rules of the House of Representatives (relating to oversight findings), the Committee advises that it was as a result of the Committee's oversight activities concerning customs and tariff matters, import trade matters, and specific trade-related issues that the Committee concluded that it was appropriate to enact the provisions contained in the bill.

B. SUMMARY OF FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

With respect to subdivision (D) of clause 2(l)(4) of rule XI of the Rules of the House of Representatives (relating to oversight findings), the Committee advises that no oversight findings or recommendations have been submitted to this Committee by the Committee on Government Reform and Oversight with respect to the provisions contained in this bill.

C. INFLATIONARY IMPACT STATEMENT

In compliance with clause 2(l)(4) of rule XI of the Rules of the House of Representatives, the Committee states that the provisions of the bill are not expected to have an overall inflationary impact on prices and costs in the operation of the national economy.

VI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTION 19 OF TITLE 3, UNITED STATES CODE

* * * * *

§ 19. Vacancy in offices of both President and Vice President; officers eligible to act

(a) * * *

* * * * *

(d)(1) If, by reason of death, resignation, removal from office, inability, or failure to qualify, there is no President pro tempore to act as President under subsection (b) of this section, then the officer of the United States who is highest on the following list, and who is not under disability to discharge the powers and duties of the office of President shall act as President: Secretary of State, Secretary of the Treasury, Secretary of Defense, Attorney General, Secretary of the Interior, Secretary of Agriculture, [Secretary of Commerce,] Secretary of Labor, Secretary of Health and Human Services, Secretary of Housing and Urban Development, Secretary of Transportation, Secretary of Energy, Secretary of Education, Secretary of Veterans Affairs.

* * * * *

TITLE 5, UNITED STATES CODE

* * * * *

PART I—THE AGENCIES GENERALLY

CHAPTER 1—ORGANIZATION

§ 101. Executive departments

The Executive departments are:
The Department of State.

* * * * *

[The Department of Commerce.]

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PART III—EMPLOYEES

* * * * *

Subpart D—Pay and Allowances

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CHAPTER 53—PAY RATES AND SYSTEMS

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SUBCHAPTER II—EXECUTIVE SCHEDULE PAY RATES

* * * * *

§ 5312. Positions at level I

Level I of the Executive Schedule applies to the following positions for which the annual rate of basic pay shall be the rate deter-

mined with respect to such level under chapter 11 of title 2, as adjusted by section 5318 of this title:

Secretary of State.

* * * * *
【Secretary of Commerce.】
 * * * * *

§ 5314. Positions at level III

Level III of the Executive Schedule applies to the following positions, for which the annual rate of basic pay shall be the rate determined with respect to such level under chapter 11 of title 2, as adjusted by section 5318 of this title:

Solicitor General of the United States.

【Under Secretary of Commerce, Under Secretary of Commerce for Economic Affairs, Under Secretary of Commerce for Export Administration and Under Secretary of Commerce for Travel and Tourism.】

* * * * *
【Under Secretary of Commerce for Oceans and Atmosphere, the incumbent of which also serves as Administrator of the National Oceanic and Atmospheric Administration.】

* * * * *
【Under Secretary of Commerce for Technology.】
 * * * * *

§ 5315. Positions at level IV

Level IV of the Executive Schedule applies to the following positions, for which the annual rate of basic pay shall be the rate determined with respect to such level under chapter 11 of title 2, as adjusted by section 5318 of this title:

Deputy Administrator of General Services.

* * * * *
【Assistant Secretaries of Commerce (11).】

* * * * *
【General Counsel of the Department of Commerce.】

* * * * *
【Associate Secretary of Commerce for Oceans and Atmosphere, the incumbent of which also serves as Deputy Administrator of the National Oceanic and Atmospheric Administration.】

* * * * *
【Director, National Institute of Standards and Technology, Department of Commerce.】

* * * * *
【Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service.】
Director General of the United States Foreign Commercial Service.

【Inspector General, Department of Commerce.】

* * * * *

【Chief Financial Officer, Department of Commerce.】

* * * * *

【Director, Bureau of the Census, Department of Commerce.】

Director of the Census, Department of the Treasury.

* * * * *

§ 5316. Positions at level V

Level V of the Executive Schedule applies to the following positions, for which the annual rate of basic pay shall be the rate determined with respect to such level under chapter 11 of title 2, as adjusted by section 5318 of this title:

Administrator, Bonneville Power Administration, Department of the Interior.

* * * * *

【Commissioner of Patents, Department of Commerce.】

Commissioner of Patents and Trademarks.

* * * * *

【Director, United States Travel Service, Department of Commerce.】

* * * * *

Administrator, Wage and Hour and Public Contracts Division, Department of Labor.

Assistant Director (Program Planning, Analysis and Research), Office of Economic Opportunity.

Associate Director (Policy and Plans), United States Information Agency.

Deputy Director, National Security Agency.

Director, Bureau of Land Management, Department of the Interior.

Director, National Park Service, Department of the Interior.

* * * * *

【National Export Expansion Coordinator, Department of Commerce.】

* * * * *

INSPECTOR GENERAL ACT OF 1978

* * * * *

TRANSFER OF FUNCTIONS

SEC. 9. (a) There shall be transferred—

(1) to the Office of Inspector General—

(A) of the Department of Agriculture, the offices of that department referred to as the “Office of Investigation” and the “Office of Audit”;

[(B) of the Department of Commerce, the offices of that department referred to as the "Office of Audits" and the "Investigations and Inspections Staff" and that portion of the office referred to as the "Office of Investigations and Security" which has responsibility for investigation of alleged criminal violations and program abuse;]

* * * * *

DEFINITIONS

SEC. 11. As used in this Act—

(1) the term "head of the establishment" means the Secretary of Agriculture, [Commerce,] Defense, Education, Energy, Health and Human Services, Housing and Urban Development, the Interior, Labor, State, Transportation, or the Treasury; the Attorney General; the Administrator of the Agency for International Development, Environmental Protection, General Services, National Aeronautics and Space, or Small Business, or Veterans' Affairs; the Director of the Federal Emergency Management Agency, the Office of Personnel Management or the United States Information Agency; the Chairman of the Nuclear Regulatory Commission or the Railroad Retirement Board; the Chairperson of the Thrift Depositor Protection Oversight Board; the Chief Executive Officer of the Corporation for National and Community Service; the Administrator of the Community Development Financial Institutions Fund; and the chief officer of the Resolution Trust Corporation; or the Commissioner of Social Security, Social Security Administration; as the case may be;

(2) the term "establishment" means the Department of Agriculture, [Commerce,] Defense, Education, Energy, Health and Human Services, Housing and Urban Development, the Interior, Justice, Labor, State, Transportation, or the Treasury; the Agency for International Development, the Community Development Financial Institutions Fund, the Environmental Protection Agency, the Federal Emergency Management Agency, the General Services Administration, the National Aeronautics and Space Administration, the Nuclear Regulatory Commission, the Office of Personnel Management, the Railroad Retirement Board, the Resolution Trust Corporation, the Federal Deposit Insurance Corporation, the Small Business Administration, the United States Information Agency, the Corporation for National and Community Service, or the Veterans' Administration, or the Social Security Administration; as the case may be;

* * * * *

**PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF
1965**

【AN ACT To provide grants for public works and development facilities, other financial assistance and the planning and coordination needed to alleviate conditions of substantial and persistent unemployment and underemployment in economically distressed areas and regions

【Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That this Act may be cited as the “Public Works and Economic Development Act of 1965”.

【STATEMENT OF PURPOSE

【SEC. 2. The Congress declares that the maintenance of the national economy at a high level is vital to the best interests of the United States, but that some of our regions, counties, and communities are suffering substantial and persistent unemployment cause hardship to many individuals and their families, and waste invaluable human resources; that to overcome this problem the Federal Government, in cooperation with the States, should help areas and regions of substantial and persistent unemployment and underemployment to take effective steps in planning and financing their public works and economic development; that Federal financial assistance, including grants for public works and development facilities to communities, industries, enterprises, and individuals in areas needing development should enable such areas to help themselves achieve lasting improvement and enhance the domestic prosperity by the establishment of stable and diversified local economies and improved local conditions, provided that such assistance is preceded by and consistent with sound, long-range economic planning; and that under the provisions of this Act new employment opportunities should be created by developing and expanding new and existing public works and other facilities and resources rather than by merely transferring jobs from one area of the United States to another. Congress further declares that, in furtherance of maintaining the national economy at a high level, the assistance authorized by this Act should be made available to both rural and urban areas; that such assistance be available for planning for economic development prior to the actual occurrences of economic distress in order to avoid such condition; and that such assistance be used for long-term economic rehabilitation in areas where long-term economic deterioration has occurred or is taking place.

【TITLE I—GRANTS FOR PUBLIC WORKS AND
DEVELOPMENT FACILITIES

【SEC. 101. (a) Upon the application of any State, or political subdivision thereof, Indian tribe, or private or public nonprofit organization or association representing any redevelopment area or part thereof, the Secretary of Commerce (hereinafter referred to as the Secretary) is authorized—

【(1) to make direct grants for the acquisition or development of land and improvements for public works, public service, or development facility usage, and the acquisition, construction, rehabilitation, alteration, expansion, or improvement of such

facilities, including related machinery and equipment, within a redevelopment area, if he finds that—

[(A) the project for which financial assistance is sought will directly or indirectly (i) tend to improve the opportunities, in the area where such project is or will be located, for the successful establishment or expansion of industrial or commercial plants or facilities, (ii) otherwise assist in the creation of additional long-term employment opportunities for such area, or (iii) primarily benefit the long-term unemployed and members of low-income families or otherwise substantially further the objectives of the Economic Opportunity Act of 1964;

[(B) the project for which a grant is requested will fulfill a pressing need of the area, or part thereof, in which it is, or will be, located;

[(C) the area for which a project is to be undertaken has an approved overall economic development program as provided in section 202(b)(10) and such project is consistent with such program; and

[(D) in the case of a redevelopment area so designated under section 401(a)(6), the project to be undertaken will provide immediate useful work to unemployed and underemployed persons in that area.

[(2) to make supplementary grants in order to enable the States and other entities within redevelopment areas to take maximum advantage of designated Federal grant-in-aid programs (as hereinafter defined), direct grants-in-aid authorized under this section, and Federal grant-in-aid programs authorized by the Watershed Protection and Flood Prevention Act (68 Stat. 666, as amended), and the eleven watersheds authorized by the Flood Control Act of December 22, 1944, as amended and supplemented (58 Stat. 887), for which they are eligible but for which, because of their economic situation, they cannot supply the required matching share.

[(b) Subject to subsection (c) hereof, the amount of any direct grant under this section for any project shall not exceed 50 per centum of the cost of such project.

[(c) The amount of any supplementary grant under this section for any project shall not exceed the applicable percentage established by regulations promulgated by the Secretary, but in no event shall the non-Federal share of the aggregate cost of any such project (including assumptions of debt) be less than 20 per centum of such cost, except that in the case of a grant to an Indian tribe, the Secretary may reduce the non-Federal share below such per centum or may waive the non-Federal share.

[(In the case of any State or political subdivision thereof which the Secretary determines has exhausted its effective taxing and borrowing capacity, the Secretary shall reduce the non-Federal share below such per centum or shall waive the non-Federal share in the case of such a grant for a project in a redevelopment area designated as such under section 401(a)(6) of this Act.

[(In case of any community development corporation which the Secretary determines has exhausted its effective borrowing capacity, the Secretary may reduce the non-Federal share below such per

centum or waive the non-Federal share in the case of such a grant for a project in a redevelopment area designated as such under section 401(a)(6) of this Act.

【Supplementary grants shall be made by the Secretary, in accordance with such regulations as he shall prescribe, by increasing the amounts of direct grants authorized under this section or by the payment of funds appropriated under this Act to the heads of the departments, agencies, and instrumentalities of the Federal Government responsible for the administration of the applicable Federal programs.

【Notwithstanding any requirement as to the amount or sources of non-Federal funds that may otherwise be applicable to the Federal program involved, funds provided under this subsection shall be used for the sole purpose of increasing the Federal contribution to specific projects in redevelopment areas under such programs above the fixed maximum portion of the cost of such project otherwise authorized by the applicable law.

【The term "designated Federal grant-in-aid programs," as used in this subsection, means such existing or future Federal grant-in-aid programs assisting in the construction or equipping of facilities as the Secretary may, in furtherance of the purposes of this Act, designate as eligible for allocation of funds under this section.

【In determining the amount of any supplementary grant available to any project under this section, the Secretary shall take into consideration the relative needs of the area, the nature of the projects to be assisted, and the amount of such fair user charges or other revenues as the project may reasonably be expected to generate in excess of those which would amortize the local share of initial costs and provide for its successful operation and maintenance (including depreciation).

【(d) The Secretary shall prescribe rules, regulations, and procedures to carry out this section which will assure that adequate consideration is given to the relative needs of eligible areas. In prescribing such rules, regulations, and procedures the Secretary shall consider among other relevant factors (1) the severity of the rates of unemployment in the eligible areas and the duration of such unemployment and (2) the income levels of families and the extent of underemployment in eligible areas.

【(f) The Secretary shall prescribe regulations which will assure that appropriate local governmental authorities have been given a reasonable opportunity to review and comment upon proposed projects under this section.

【SEC. 102. For each of the fiscal years ending June 30, 1975, June 30, 1976, September 30, 1977, September 30, 1978, September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982, not to exceed \$30,000,000 of the funds authorized to be appropriated under section 105 of this Act for each such fiscal year, and for the period beginning July 1, 1976, and ending September 30, 1976, not to exceed \$7,500,000 of the funds authorized to be appropriated under such section 105 for such period, shall be available for grants for operation of any health project funded under this title after the date of enactment of this section. Such grants may be made up to 100 per centum of the estimated cost of the first year of operation, and up to 100 per centum of the defi-

cit in funds available for operation of the facility during the second fiscal year of operation. No grant shall be made for the second fiscal year of operation of any facility unless the agency operating such facility has adopted a plan satisfactory to the Secretary of Health, Education, and Welfare, providing for the funding of operations on a permanent basis. Any grant under this section shall be made upon the condition that the operation of the facility will be conducted under efficient management practices designed to obviate operating deficits, as determined by the Secretary of Health, Education, and Welfare.

【SEC. 103. Not more than 15 per centum of the appropriations made pursuant to this title may be expended in any one State.

【SEC. 105. There is hereby authorized to be appropriated to carry out this title not to exceed \$500,000,000 for the fiscal year ending June 30, 1966, and for each fiscal year thereafter through fiscal year ending June 30, 1971, not to exceed \$800,000,000 per fiscal year for the fiscal years ending June 30, 1972, and June 30, 1973, not to exceed \$200,000,000 for the fiscal year ending June 30, 1974, and not to exceed \$200,000,000 for the fiscal year ending June 30, 1975, and not to exceed \$250,000,000 for the fiscal year ending June 30, 1976, not to exceed \$62,500,000 for the period beginning July 1, 1976, and ending September 30, 1976, and not to exceed \$425,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, September 30, 1980, and September 30, 1981, and not to exceed \$150,000,000 for the fiscal year ending September 30, 1982. Any amounts authorized for the fiscal year ending June 30, 1972, under this section but not appropriated may be appropriated for the fiscal year ending June 30, 1973. Not less than 25 per centum nor more than 35 per centum of all appropriations made for the fiscal years ending June 30, 1972, June 30, 1973, and June 30, 1974, and not less than 15 per centum nor more than 35 per centum of all appropriations made for the fiscal years ending June 30, 1975 and June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982, under authority of the preceding sentences shall be expended in redevelopment areas designated as such under section 401(a)(6) of this Act.

【FINANCIAL ASSISTANCE FOR SEWER FACILITIES

【SEC. 106. No financial assistance, through grants, loans, guarantees, or otherwise, shall be made under this Act to be used directly or indirectly for sewer or other waste disposal facilities unless the Secretary of Health, Education, and Welfare certifies to the Secretary that any waste material carried by such facilities will be adequately treated before it is discharged into any Public waterway so as to meet applicable Federal, State, interstate, or local water quality standards.

【CONSTRUCTION COST INCREASES

【SEC. 107. In any case where a grant (including a supplemental grant) has been made under this title for a project and after such grant has been made but before completion of the project, the cost

of such project based upon the designs and specifications which were the basis of the grant has been increased because of increases in costs, the amount of such grant may be increased by an amount equal to the percentage increase, as determined by the Secretary, in such costs, but in no event shall the percentage of the Federal share of such project exceed that originally provided for in such grant.

【TITLE II—OTHER FINANCIAL ASSISTANCE

【PUBLIC WORKS AND DEVELOPMENT FACILITY LOANS

【SEC. 201. (a) Upon the application of any State, or political subdivision thereof, Indian tribe, or private or public nonprofit organization or association representing any redevelopment area or part thereof, the Secretary is authorized to purchase evidence of indebtedness and to make loans to assist in financing the purchase or development of land and improvements for public works, public service, or development facility usage, including public works, public service, or development facility usage, to be provided by agencies of the Federal Government pursuant to legislation requiring that non-Federal entities bear some part of the cost thereof, and the acquisition, construction, rehabilitation, alteration, expansion, or improvement of such facilities, including related machinery and equipment, within a redevelopment area, if he finds that—

【(1) the project for which financial assistance sought will directly or indirectly—

【(A) tend to improve the opportunities, in the area where such project is or will be located, for the successful establishment or expansion of industrial or commercial plants or facilities,

【(B) otherwise assist in the creation of additional long-term employment opportunities for such area, or

【(C) primarily benefit the long-term unemployed and members of low-income families or otherwise substantially further the objectives of the Economic Opportunity Act of 1964;

【(2) the funds requested for such project are not otherwise available from private lenders or from other Federal agencies on terms which in the opinion of the Secretary will permit the accomplishment of the project;

【(3) the amount of the loan plus the amount of other available funds for such project are adequate to insure the completion thereof;

【(4) there is a reasonable expectation of repayment; and

【(5) such area has an approved overall economic development program as provided in section 202(b)(10) and the project for which financial assistance is sought is consistent with such program.

【(b) Subject to section 710(5), no loan, including renewals or extensions thereof, shall be made under this section for a period exceeding forty years, and no evidence of indebtedness maturing more than forty years from the date of purchase shall be purchased under this section. Such loans shall bear interest at a rate not less than a rate determined by the Secretary of the Treasury taking

into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, less not to exceed one-half of 1 per centum per annum.

[(c) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section and section 202, except that annual appropriations for the purposes of purchasing evidence of indebtedness, paying interest supplement to or on behalf of private entities making and participating in loans, and guaranteeing loans, shall not exceed \$170,000,000 for the fiscal year ending June 30, 1966, and for each fiscal year thereafter through the fiscal year ending June 30, 1973, and shall not exceed \$55,000,000 for the fiscal year ending June 30, 1974, and shall not exceed \$75,000,000 for the fiscal years ending June 30, 1975, and June 30, 1976, and shall not exceed \$18,750,000 for the period beginning July 1, 1976, and ending September 30, 1976, and shall not exceed \$200,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, September 30, 1980, and September 30, 1981, and not to exceed \$46,500,000 for the fiscal year ending September 30, 1982.

[(e) The Secretary shall prescribe regulations which will assure that appropriate local governmental authorities have been given a reasonable opportunity to review and comment upon proposed projects under this section.

【LOANS AND GUARANTEES

【SEC. 202. (a)(1) The Secretary is authorized to aid in financing, within a redevelopment area, the purchase or development of land and facilities (including machinery and equipment) for industrial or commercial usage, including the construction of new buildings, the rehabilitation of abandoned or unoccupied buildings, and the alteration, conversion, or enlargement of existing buildings by (A) purchasing evidences of indebtedness, (B) making loans (which for purposes of this section shall include participation in loans). (C) guaranteeing loans made to private borrowers by private lending institutions, for any of the purposes referred to in this paragraph upon application of such institution and upon such terms and conditions as the Secretary may prescribe, except that no such guarantee shall at any time exceed 90 per centum of the amount of the outstanding unpaid balance of such loan.

【(2) In addition to any other financial assistance under this title, the Secretary is authorized, in the case of any loan guarantee under authority of paragraph (1) of this section, to pay to or on behalf of the private borrower an amount sufficient to reduce up to 4 percentage points the interest paid by such borrower on such guaranteed loans. No payment under this paragraph shall result in the interest rate being paid by a borrower on such a guaranteed loan being less than the rate of interest for such a loan if it were made under section 201 of this Act. Payment made to or on behalf of such borrower shall be made no less often than annually.

【(3) The Secretary is authorized to aid in financing any industrial or commercial activity within a redevelopment area by (A) making working capital loans, (B) guaranteeing working capital

loans made to private borrowers by private lending institutions upon application of such institution and upon such terms and conditions as the Secretary may prescribe, except that no such guarantee shall at any time exceed 90 per centum of the amount of the outstanding unpaid balance of such loan, (C) guaranteeing rental payment of leases for buildings and equipment, except that no such guarantee shall exceed 90 per centum of the remaining rental payments required by the lease, (D) paying those debts with respect to which a lien against property has been legally obtained (including the refinancing of any such debt) in any case where the Secretary determines that it is essential to do so in order to save employment in a designated area, to avoid a significant rise in unemployment, or to create new or increased employment.

[(b) Financial assistance under this section shall be on such terms and conditions as the Secretary determines, subject, however, to the following restrictions and limitations:

[(1) Such financial assistance shall not be extended to assist establishments relocating from one area to another or to assist subcontractors whose purpose is to divest, or whose economic success is dependent upon divesting, other contractors or subcontractors of contracts theretofore customarily performed by them: *Provided, however,* That such limitations shall not be construed to prohibit assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary of such entity if the Secretary finds that the establishment of such branch, affiliate, or subsidiary will not result in increase in unemployment of the area of original location or in any other area where such entity conducts business operations, unless the Secretary has reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

[(2) Such assistance shall be extended only to applicants, both private and public (including Indian tribes), which have been approved for such assistance by an agency or instrumentality of the State or political subdivision thereof in which the project to be financed is located, and which agency or instrumentality is directly concerned with problems of economic development in such State or subdivision.

[(3) The project for which financial assistance is sought must be reasonably calculated to provide more than a temporary alleviation of unemployment or underemployment within the redevelopment area wherein it is or will be located.

[(4) No loan or guarantee shall be extended hereunder unless the financial assistance applied for is not otherwise available from private lenders or from other Federal agencies on terms which in the opinion of the Secretary will permit the accomplishment of the project.

[(5) The Secretary shall not make any loan without a participation unless he determines that the loan cannot be made on a participation basis.

[(6) No evidence of indebtedness shall be purchased and no loans shall be made or guaranteed unless it is determined that there is reasonable assurance of repayment.

[(7) Subject to section 701(5) of this Act, no loan or guarantee, including renewals or extension thereof, may be made hereunder for a period exceeding twenty-five years and no evidences of indebtedness maturing more than twenty-five years from date of purchase may be purchased hereunder: *Provided*, That the foregoing restrictions on maturities shall not apply to securities or obligations received by the Secretary as a claimant in bankruptcy or equitable reorganization or as a creditor in other proceedings attendant upon insolvency of the obligor.

[(8) Loans made and evidences of indebtedness purchased under this section shall bear interest at a rate not less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, plus additional charge, if any, toward covering other costs of the program as the Secretary may determine to be consistent with its purpose.

[(9) Loan assistance (other than for a working capital loan) shall not exceed 65 per centum of the aggregate cost to the applicant (excluding all other Federal aid in connection with the undertaking) of acquiring or developing land and facilities (including machinery and equipment), and of constructing, altering, converting, rehabilitating, or enlarging the building or buildings of the particular project, and shall, among others, be on the condition that—

[(A) other funds are available in an amount which which together with the assistance provided hereunder, shall be sufficient to pay such aggregate cost;

[(B) not less than 15 per centum of such aggregate cost be supplied as equity capital or as a loan repayable in no shorter period of time and at no faster an amortization rate than the Federal financial assistance extended under this section is being repaid, and if such a loan is secured, its security shall be subordinate and inferior to the lien or liens securing such Federal financial assistance: *Provided, however*, That, except in projects involving financial participation by Indian tribes, not less than 5 per centum of such aggregate cost shall be supplied by the State or any agency, instrumentality, or political subdivision thereof, or by a community or area organization which is nongovernmental in character, unless the Secretary shall determine in accordance with the objective standards promulgated by regulation that all or part of such funds are not reasonably available to the project because of the economic distress of the area or for other good cause, in which case he may waive the requirement of this provision to the extent of such unavailability, and allow the funds required by this subsection to be supplied by the applicant or by such other

non-Federal source as may reasonably be available to the project;

[(C) to the extent the Secretary finds such action necessary to encourage financial participation in a particular project by other lenders and investors, and except as otherwise provided in subparagraph (B), any Federal financial assistance extended under this section may be repayable only after other loans made in connection with such project have been repaid in full, and the security, if any, for such Federal financial assistance may be subordinate and inferior to the lien or liens securing other loans made in connection with the same project.

[(10) No such assistance shall be extended unless there shall be submitted to and approval of the Secretary an overall program for the economic development of the area and a finding by the State, or any agency, instrumentality, or local political subdivision thereof, that the project for which financial assistance is sought is consistent with such program: *Provided*, That nothing in this Act shall authorize financial assistance for any project prohibited by laws of the State or local political subdivision in which the project would be located, nor prevent the Secretary from requiring such periodic revisions of previously approved overall economic development programs as he may deem appropriate.

[ECONOMIC DEVELOPMENT FUNDS

[SEC. 203. Funds obtained by the Secretary under section 201; loan funds obtained under section 403, and collections and repayments received under this Act, shall be deposited in an economic development revolving fund (hereunder referred to as the "fund"), which is hereby established in the Treasury of the United States, and which shall be available to the Secretary for the purpose of extending financial assistance under sections 201, 202, and 403, and for the payment of all obligations and expenditures arising in connection therewith. There shall also be credited to the fund such funds as have been paid into the area development fund or may be received from obligations outstanding under the Area Redevelopment Act. The fund shall pay into miscellaneous receipts of the Treasury, following the close of each fiscal year, interest on the amount of loans outstanding under this Act computed in such manner and at such rate as may be determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, during the month of September preceding the fiscal year in which the loans were made.

[REDEVELOPMENT AREA LOAN PROGRAM

[SEC. 204. (a) If a redevelopment area prepares a plan for the redevelopment of the area or a part thereof and submits such plan to the Secretary for his approval and the Secretary approves such plan, the Secretary is authorized to make an interest free loan to such area for the purpose of carrying out such plan. Such plan may

include industrial land assembly, land banking, acquisition of surplus government property, acquisition of industrial sites including acquisition of abandoned properties with redevelopment potential, real estate development including redevelopment and rehabilitation of historical buildings for industrial and commercial use, rehabilitation and renovation of usable empty factory buildings for industrial and commercial use, and other investments which will accelerate recycling of land and facilities for job creating economic activity. Any such interest free loan shall be made on condition (1) that the area will use such interest free loan to make loans to carry out such plan, (2) the repayment of any loan made by the area from such interest free loan shall be placed by such area in a revolving fund available solely for the making of other loans by the area, upon approval by the Secretary, for the economic redevelopment of the area. Any such interest free loan shall be repaid to the United States by a redevelopment area whenever such area has its designation as a redevelopment area terminated or modified under section 402 of this Act. This section shall not apply to any redevelopment area whose designation as a redevelopment area would be terminated or modified under section 402 of this Act except for the provisions of section 2 of the Act entitled "An Act to amend the Public Works and Economic Development Act of 1965 to extend the authorizations for title I through IV through fiscal year 1971", approved July 6, 1970 (P.L. 91-304).

[(b)(1) Each eligible recipient which receives assistance under this section shall annually during the period such assistance continues make a full and complete report to the Secretary, in such manner as the Secretary shall prescribe, and such report shall contain an evaluation of the effectiveness of the economic assistance provided under this section in meeting the need it was designed to alleviate and the purposes of this section.

[(2) The Secretary shall include in the annual report pursuant to section 707 of this Act a consolidated report with his recommendations, if any, on the assistance authorized under this section, in a form which he deems appropriate.

[(c) There is authorized to be appropriated to carry out this section not to exceed \$125,000,000 per fiscal year for the fiscal years ending September 30, 1977, and September 30, 1979, September 30, 1980, and September 30, 1981.

[TITLE III—TECHNICAL ASSISTANCE, RESEARCH, AND INFORMATION

[SEC. 301. (a) In carrying out his duties under this Act the Secretary is authorized to provide technical assistance which would be useful in alleviating or preventing conditions of excessive unemployment or underemployment (1) to areas which he has designated as redevelopment areas under this Act, and (2) to other areas which he finds have substantial need for such assistance. Such assistance shall include project planning and feasibility studies, management and operational assistance, and studies evaluating the needs of, and development potentialities for, economic growth of such areas. Such assistance may be provided by the Secretary through members of his staff, through the payment of funds authorized for this section to other departments or agencies of the

Federal Government, through the employment of private individuals, partnerships, firms, corporations, or suitable institutions, under contracts entered into for such purposes, or through grants-in-aid to appropriate public or private nonprofit State, area, district, or local organizations. The Secretary, in his discretion, may require the repayment of assistance provided under this subsection and prescribe the terms and conditions of such repayment.

[(b) The Secretary is authorized to make grants to defray not to exceed 75 per centum of the administrative expenses of organizations which he determines to be qualified to receive grants-in-aid under subsection (a) hereof, except that in the case of a grant under this subsection to an Indian tribe the Secretary is authorized to defray up to 100 per centum of such expenses. In determining the amount of the non-Federal share of such costs or expenses, the Secretary shall give due consideration to all contributions both in cash and in kind, fairly evaluated, including but not limited to space, equipment, and services. Where practicable grants-in-aid authorized under this subsection shall be used in conjunction with other available planning grants, such as urban planning grants, authorized under the Housing Act of 1954, as amended, and highway planning and research grants authorized under the Federal-aid Highway Act of 1962, to assure adequate and effective planning and economical use of funds.

[(c) To assist in the long-range accomplishment of the purposes of this Act, the Secretary, in cooperation with other agencies having similar functions, shall establish and conduct a continuing program of study, training, and research to (A) assist in determining the causes of unemployment, underemployment, underdevelopment, and chronic depression in the various areas and regions of the Nation, (B) assist in the formulation and implementation of national, State, and local programs which will raise income levels and otherwise produce solutions to the problems resulting from these conditions, and (C) assist in providing the personnel needs to conduct such programs. The program of study, training, and research may be conducted by the Secretary through members of his staff, through payment of funds authorized for this section to other departments or agencies of the Federal Government, or through the employment of private individuals, partnerships, firms, corporations, or suitable institutions, under contracts entered into for such purposes, or through grants to such individuals, organizations, or institutions, or through conferences, and similar meetings organized for such purposes. The Secretary shall make available to interested individuals and organizations the results of such research. The Secretary shall include in his annual report under section 707 a detailed statement concerning the study and research conducted under this section together with his findings resulting therefrom and his recommendations for legislative and other action.

[(d) The Secretary shall aid redevelopment areas and other areas by furnishing to interested individuals, communities, industries, and enterprises within such areas any assistance, technical information, market research, or other forms of assistance, information, or advice which would be useful in alleviating or preventing conditions of excessive unemployment or underemployment within such areas. The Secretary may furnish the procurement divisions of the

various departments, agencies, and other instrumentalities of the Federal Government with a list containing the names and addresses of business firms which are located in redevelopment areas and which are desirous of obtaining Government contracts for the furnishing of supplies or services, and designating the supplies and services such firms are engaged in providing.

[(e) The Secretary shall establish an independent study board consisting of governmental and nongovernmental experts to investigate the effects of Government procurement, scientific, technical, and other related policies, upon regional economic development. Any Federal officer or employee may, with the consent of the head of the department or agency in which he is employed, serve as a member of such board, but shall receive no additional compensation for such service. Other members of such board may be compensated in accordance with the provisions of section 701(10). The board shall report its findings, together with recommendations for the better coordination of such policies, to the Secretary, who shall transmit the report to the Congress not later than two years after the enactment of this Act.

[(f) The Secretary is authorized to make grants, enter into contracts or otherwise provide funds for any demonstration project within a redevelopment area or areas which he determines is designed to foster regional productivity and growth, prevent out migration, and otherwise carry out the purposes of this Act.

[SEC. 302. (a) The Secretary is authorized, upon application of any State, or city, or other political subdivision of a State, or sub-State planning and development organization (including a redevelopment area or an economic development district), to make direct grants to such State, city, or other political subdivision, or organization to pay up to 80 per centum of the cost for economic development planning. The planning for cities, other political subdivisions, and sub-State planning and development organizations (including redevelopment areas and economic development districts) assisted under this section shall include systematic efforts to reduce unemployment and increase incomes. Such planning shall be a continuous process involving public officials and private citizens in analyzing local economics, defining development goals, determining project opportunities, and formulating and implementing a development program. Any overall State economic development plan prepared with assistance under this section shall be prepared cooperatively by the State, its political subdivisions, and the economic development districts located in whole or in part within such State. Upon completion of any such plan, the State shall certify to the Secretary (1) that in the preparation of such State plan, the local and economic development district plans were considered and, to the fullest extent possible, such State plan is consistent with such local and economic development district plans, and (2) that such State plan is consistent, with such local and economic development district plans, or, if such State plan is not consistent with such local and economic development district plans, all of the inconsistencies of the State plan with the local and economic development district plans, and the justification for each of these inconsistencies. Any overall State economic development planning shall be a part of a comprehensive planning process that shall consider the provi-

sion of public works to stimulate and channel development, economic opportunities and choices for individuals; to support sound land use, to enhance and protect the environment including the conservation and preservation of open spaces and environmental quality, to provide public services, and to balance physical and human resources through the management and control of physical development. The assistance available under this section may be provided in addition to assistance available under section 301(b) of this Act but shall not supplant such assistance and shall be available to develop an annual inventory of specific recommendations for assistance under section 304 of this Act. Each State receiving assistance under this subsection shall submit to the Secretary an annual report on the planning process assisted under this subsection.

[(b) In addition, the Secretary is authorized to assist economic development districts in—

[(1) providing technical assistance (other than by grant) to local governments within the district; and

[(2) carrying out any review procedure required pursuant to title IV of the Intergovernmental Cooperation Act of 1968, if such district has been designated as the agency to conduct such review.

[(c) The planning assistance authorized under this title shall be used in accordance with the review procedure required pursuant to title IV of the Intergovernmental Cooperation Act of 1968 and shall be used in conjunction with any other available Federal planning assistance to assure adequate and effective planning and economical use of funds.

[SEC. 303. (a) There is hereby authorized to be appropriated \$25,000,000 annually for the purposes of Sections 301 and 302 of this Act, for the fiscal year ending June 30, 1966, and for each fiscal year thereafter through the fiscal year ending June 30, 1969, \$50,000,000 per fiscal year for the fiscal years ending June 30, 1970, June 30, 1971, June 30, 1972, and June 30, 1973, and \$35,000,000 for the fiscal year ending June 30, 1974 and \$75,000,000 per fiscal year for the fiscal years ending June 30, 1975, and June 30, 1976, \$18,750,000 for the period beginning July 1, 1976, and ending September 30, 1976, and \$75,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, September 30, 1980, and September 30, 1981, and not to exceed \$35,500,000 for the fiscal year ending September 30, 1982.

[(b) Not to exceed \$15,000,000 in each of the fiscal years ending June 30, 1975, and June 30, 1976, September 30, 1977, September 30, 1978, September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982, of the sums authorized to be appropriated under subsection (a) of this section, shall be available to make grants to States.

[SUPPLEMENTAL AND BASIC GRANTS

[SEC. 304. (a) There are hereby authorized to be appropriated \$35,000,000 for the fiscal year ending June 30, 1975, and \$75,000,000 for the fiscal year ending June 30, 1976, \$18,750,000 for the period beginning July 1, 1976, and ending September 30,

1976, and \$75,000,000 per fiscal year for the fiscal year ending September 30, 1977, September 30, 1978, September 30, 1979, September 30, 1980, and September 30, 1981, for apportionment by the Secretary among the States for the purpose of supplementing or making grants and loans authorized under titles I, II, III (other than planning grants authorized under sections 301(b) and 302), IV, and IX of this Act. Such funds shall be apportioned among the States in the ratio which all grants made under title I of this Act since August 26, 1965, in each State bear to the total of all such grants made in all the States since August 26, 1965.

[(b) Funds apportioned to a State pursuant to subsection (a) shall be available for supplementing or making such grants or loans if the State makes a contribution of at least 25 per centum of the amount of such grant or loan in each case. Funds apportioned to a State under subsection (a) shall remain available to such State until obligated or expended by it.

[(c) Funds apportioned to a State pursuant to this section may be used by the Governor in supplementing grants or loans with respect to any project or assistance authorized under title I, II, III (other than planning grants authorized under sections 301(b) and 302), IV, or IX of this Act, and approved by the Secretary after July 1, 1974. Such grants may be used to reduce or waive the non-Federal share otherwise required by this Act, subject to the requirements of subsection (b) of this section.

[(d) In the case of any grant or loan for which all or any portion of the basic Federal contribution to the project under this Act is proposed to be made with funds available under this section, no such Federal contribution shall be made until the Secretary of Commerce certifies that such project meets all of the requirements of this Act and could be approved for Federal contributions under this Act if funds were available under this Act (other than section 509) for such project. Funds may be provided for projects in a State under this section only if the Secretary determines that the level of Federal and State financial assistance under this Act (other than section 509) and under Acts other than this Act, for the same type of projects in the State, will not be diminished in order to substitute funds authorized by this section.

[(e) After June 30, 1975, funds apportioned to a State pursuant to this section shall be used by the Governor in a manner which is consistent with the State planning process assisted under section 302 of this Act, if such planning process has been established in such State.

[TITLE IV—AREA AND DISTRICT ELIGIBILITY

[PART A—REDEVELOPMENT AREAS

[AREA ELIGIBILITY

[SEC. 401. (a) The Secretary shall designate as “redevelopment areas”—

[(1) those areas in which he determines, upon the basis of standards generally comparable with those set forth in paragraphs (A) and (B), that there has existed substantial and persistent unemployment for an extended period of time and those

areas in which he determines there has been a substantial loss of population due to lack of employment opportunity. There shall be included among the areas so designated any area—

[(A) where the Secretary of Labor finds that the current rate of unemployment, as determined by appropriate annual statistics for the most recent twelve consecutive months, is 6 per centum or more and has averaged at least 6 per centum for the qualifying time periods specified in paragraph (B); and

[(B) where the Secretary of Labor finds that the annual average rate of unemployment has been at least—

[(i) 50 per centum above the national average for three of the preceding four calendar years, or

[(ii) 75 per centum above the national average for two of the preceding three calendar years, or

[(iii) 100 per centum above the national average for one of the preceding two calendar years.

The Secretary of Labor shall find the facts and provide the data to be used by the Secretary in making the determinations required by this subsection;

[(2) those additional areas which have a median family income not in excess of 50 per centum of the national median, as determined by the most recent available statistics for such areas;

[(3) those additional Federal or State Indian reservations or trust or restricted Indian-owned land areas which the Secretary, after consultation with the Secretary of the Interior or an appropriate State agency, determines manifest the greatest degree of economic distress on the basis of unemployment and income statistics and other appropriate evidence of economic underdevelopment; *Provided, however,* That uninhabited Federal or State Indian reservations or trust or restricted Indian-owned land areas may be designated where such designation would permit assistance to Indian tribes, with a direct beneficial effect on the economic well-being of Indians;

[(4) upon request of such areas, those additional areas in which the Secretary determines that the loss, removal, curtailment, or closing of a major source of employment has caused within three years prior to, or threatens to cause within three years after, the date of the request an unusual and abrupt rise in unemployment of such magnitude that the unemployment rate for the area at the time of the request exceeds the national average, or can reasonably be expected to exceed the national average, by 50 per centum or more unless assistance is provided. Notwithstanding any provision of subsection 401(b) to the contrary, an area designated under the authority of this paragraph may be given a reasonable time after designation in which to submit the overall economic development program required by subsection 202(b)(10) of this Act;

[(5) notwithstanding any provision of this section to the contrary, those additional areas which were designated redevelopment areas under the Area Redevelopment Act on or after March 1, 1965; *Provided, however,* That the continued eligibility of such areas after the first annual review of eligibility

conducted in accordance with section 402 of this Act shall be dependent on their qualification for designation under the standards of economic need set forth in subsections (a)(1) through (a)(4) of this section;

[(6) those communities or neighborhoods (defined without regard to political or other subdivisions or boundaries) which the Secretary determines have one of the following conditions:

[(A) a large concentration of low-income persons;

[(B) rural areas having substantial outmigration;

[(C) substantial unemployment; or

[(D) an actual or threatened abrupt rise of unemployment due to the closing or curtailment of a major source of employment.

No redevelopment area established under this paragraph shall be subject to the requirements of subparagraphs (A) and (C) of paragraph (1) of subsection (a) of section 101 of this Act. No redevelopment area established under this paragraph shall be eligible to meet the requirements of section 403(a)(1)(B) of this Act;

[(7) those areas where per capita employment has declined significantly during the next preceding ten-year period for which appropriate statistics are available;

[(8) those areas which the Secretary of Labor determines, on the basis of average annual available unemployment statistics, to have experienced unemployment which is both substantial and above the national average for the preceding twenty-four months;

[(9) those areas which the Secretary determines have demonstrated long-term economic deterioration.

[(b) The size and boundaries of redevelopment areas shall be as determined by the Secretary: *Provided, however, That—*

[(1) no area shall be designated until it has an approved overall economic development program in accordance with subsection 202(b)(10) of this Act;

[(2) any area which does not submit an acceptable overall economic development program in accordance with subsection 202(b)(10) of this Act within the reasonable time after notification of eligibility for designation, shall not thereafter be designated prior to the next annual review of eligibility in accordance with section 402 of this Act;

[(3) no area shall be designated which does not have a population of at least one thousand five hundred persons, except that this limitation shall not apply to any area designated under section 401 (a)(3) or (a)(6); and.

[(4) except for areas designated under subsections (a)(3), (a)(4) and (a)(6) hereof, no area shall be designated which is smaller than a "labor area" (as defined by the Secretary of Labor), a country, or municipality with a population of over twenty-five thousand, whichever in the opinion of the Secretary is appropriate. Nothing in this subsection shall prevent any municipality, designated as a redevelopment area or eligible to be designated as a redevelopment area, from combining with any other community having mutual economic interests

and transportation and marketing patterns for the purposes of such designation.

[(c) Upon the request of the Secretary, the Secretary of Labor, the Secretary of Agriculture, the Secretary of the Interior, and such other heads of agencies as may be appropriate are authorized to conduct such special studies, obtain such information, and compile and furnish to the Secretary such data as the Secretary may deem necessary or proper to enable him to make the determinations provided for in this section. The Secretary shall reimburse when appropriate, out of any funds appropriated to carry out the purposes of this Act, the foregoing officers for any expenditures incurred by them under this section.

[(d) If a State has no area designated under the preceding subsections of this section as a redevelopment area, the Secretary shall designate as a redevelopment area that area in such State which in his opinion most nearly qualifies under such preceding subsections. An area so designated shall have its eligibility terminated in accordance with the provisions of section 402 if any other area within the same State subsequently has become qualified or been designated under any other subsection of this section other than subsection (a)(6) as of the time of the annual review prescribed by section 402: *Provided*, That the Secretary shall not terminate any designation of an area in a State as a redevelopment area if to do so would result in such State having no redevelopment area.

[(e) As used in this Act, the term "redevelopment area" refers to any area within the United States which has been designated by the Secretary as a redevelopment area.

[ANNUAL REVIEW OF AREA ELIGIBILITY

[SEC. 402. The Secretary shall conduct an annual review of all areas designated in accordance with section 401 of this Act, and on the basis of such reviews shall terminate or modify such designation whenever such an area no longer satisfies the designation requirements of section 401, but in no event shall such designation of an area be terminated prior to the expiration of the third year after the date such area was so designated. No area previously designated shall retain its designated status unless it maintains a currently approved overall economic development program in accordance with subsection 202(b)(10). No termination of eligibility shall (1) be made without thirty days' prior notification to the area concerned, (2) affect the validity of any application filed, or contract or undertaking entered into, with respect to such area pursuant to this Act prior to such termination, (3) prevent any such area from again being designated a redevelopment area under section 401 of this Act if the Secretary determines it to be eligible under such section, or (4) be made in the case of any designated area where the Secretary determines that an improvement in the unemployment rate of a designated area is primarily the result of increased employment in occupations not likely to be permanent. The Secretary shall keep the departments and agencies of the Federal Government, and interested State or local agencies, advised at all times of any changes made hereunder with respect to the classification of any area.

[PART B—ECONOMIC DEVELOPMENT DISTRICTS

[SEC. 403. (a) In order that economic development projects of broader geographic significance may be planned and carried out, the Secretary is authorized—

[(1) to designate appropriate “economic development districts” within the United States with the concurrence of the States in which such districts will be wholly or partially located, if—

[(A) the proposed district is of sufficient size or population, and contains sufficient resources, to foster economic development on a scale involving more than a single redevelopment area;

[(B) the proposed district contains at least one redevelopment area;

[(C) the proposed district contains one or more redevelopment areas or economic development centers identified in an approved district overall economic development program as having sufficient size and potential to foster the economic growth activities necessary to alleviate the distress of the redevelopment areas within the district; and

[(D) the proposed district has a district overall economic development program which includes adequate land use and transportation planning and contains a specific program for district cooperation, self-help, and public investment and is approved by the State or States affected and by the Secretary;

[(2) to designate as “economic development centers,” in accordance with such regulations as he shall prescribe, such areas as he may deem appropriate, if—

[(A) the proposed center has been identified and included in an approved district overall economic development program and recommended by the State or States affected for such special designation:

[(B) the proposed center is geographically and economically so related to the district that its economic growth may reasonably be expected to contribute significantly to the alleviation of distress in the redevelopment areas of the district; and

[(C) the proposed center does not have a population in excess of two hundred and fifty thousand according to the last preceding Federal census.

[(3) to provide financial assistance in accordance with the criteria of sections 101, 201, and 202 of this Act, except as may be herein otherwise provided, for projects in economic development centers designed under subsection (a)(2) above, if—

[(A) the project will further the objectives of the overall economic development program of the district in which it is to be located:

[(B) the project will enhance the economic growth potential of the district or result in additional long-term employment opportunities commensurate with the amount of Federal financial assistance requested; and

[(C) the amount of Federal financial assistance requested is reasonably related to the size, population, and economic needs of the district;

[(4) subject to the 20 per centum non-Federal share required for any project by subsection 101(c) of this Act, to increase the amount of grant assistance authorized by section 101 for projects within redevelopment areas (designated under section 401), by an amount not to exceed 10 per centum of the aggregate cost of any such project, in accordance with such regulations as he shall prescribe if—

[(A) the redevelopment area is situated within a designated economic development district and is actively participating in the economic development activities of the district; and

[(B) the project is consistent with an approved district overall economic development program.

[(b) In designating economic development districts and approving district overall economic development programs under subsection (a) of this section, the Secretary is authorized, under regulations prescribed by him—

[(1) to invite the several States to draw up proposed district boundaries and to identify potential economic development centers;

[(2) to cooperate with the several States—

[(A) in sponsoring and assisting district economic planning and development groups, and

[(B) in assisting such district groups to formulate district overall economic development programs;

[(3) to encourage participation by appropriate local governmental authorities in such economic development districts.

[(c) The Secretary shall by regulation prescribe standards for the termination or modification of economic development districts and economic development centers designated under the authority of this section.

[(d) As used in this Act, the term “economic development district” refers to any area within the United States composed of cooperating redevelopment areas and, where appropriate, designated economic development centers and neighboring counties or communities, which has been designated by the Secretary as an economic development district.

[(e) As used in this Act, the term “economic development center” refers to any area within the United States which has been identified as an economic development center in an approved district overall economic development program and which has been designated by the Secretary as eligible for financial assistance under sections 101, 201, and 202 of this Act in accordance with the provisions of this section.

[(f) For the purpose of this Act the term “local government” means any city, county, town, parish, village, or other general-purpose political subdivision of a State.

[(g) There is hereby authorized to be appropriated not to exceed \$50,000,000 for the fiscal year ending June 30, 1967, and for each fiscal year thereafter through the fiscal year ending June 30, 1973, and not to exceed \$45,000,000 per fiscal year for the fiscal years

ending June 30, 1974, June 30, 1975, and June 30, 1976, not to exceed \$11,250,000 for the period beginning July 1, 1976, and ending September 30, 1976, and not to exceed \$45,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, September 30, 1980, September 30, 1981, for financial assistance extended under the provisions of subsection (a)(3) and (A)(4) hereof.

[(h) In order to allow time for adequate and careful district planning, subsection (g) of this section shall not be effective until one year from the date of enactment.

[(i) Each economic development district designated by the Secretary under this section shall as soon as practicable after the date of enactment of this section or after its designation provide that a copy of the district overall economic development program be furnished to the appropriate regional commission established under title V of this Act, if any part of such proposed district is within such a region or to the Appalachian Regional Commission established under the Appalachian Regional Development Act of 1965, if any part of such proposed district is within the Appalachian region.

[(j) The Secretary is authorized to provide the financial assistance which is available to a redevelopment area under this Act to those parts of an economic development district which are not within a redevelopment area, when such assistance will be of a substantial direct benefit to a redevelopment area within such district. Such financial assistance shall be provided in the same manner and to the same extent as is provided in this Act for a redevelopment area, except that nothing in this subsection shall be construed to permit such parts to receive the increase in the amount of grant assistance authorized in paragraph (4) of subsection (a) of this section.

[(PART C—INDIAN ECONOMIC DEVELOPMENT

[SEC. 404. In order to assure a minimum Federal commitment to alleviate economic distress of Indians, in addition to their eligibility for assistance with funds authorized under other parts of this Act, there are authorized to be appropriated not to exceed \$25,000,000 per fiscal year for the fiscal years ending June 30, 1975, and June 30, 1976, not to exceed \$6,250,000 for the period beginning July 1, 1976, and ending September 30, 1976, and not to exceed \$25,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, September 30, 1980, September 30, 1981, for the purpose of providing assistance under this Act to Indian tribes. Such sums shall be in addition to all other funds made available to Indian tribes under this Act.

[(PART D—UNEMPLOYMENT RATE DETERMINATIONS

[SEC. 405. Whenever any provision of this Act requires the Secretary of Labor, or the Secretary, to make any determination or other finding relating to the unemployment rate of any area, information regarding such unemployment rate may be furnished either by the Federal Government or by a State. Unemployment rates fur-

nished by a State shall be accepted by the Secretary unless he determines that such rates are inaccurate. The Secretary shall provide technical assistance to State and local governments in the calculation of unemployment rates to insure their validity and standardization.

【TITLE VI—ADMINISTRATION

【SEC. 601. (a) The Secretary shall administer this Act and, with the assistance of an Assistant Secretary of Commerce, in addition to those already provided for, shall supervise and direct the Administrator created herein, and coordinate the Federal cochairmen appointed heretofore or subsequent to this Act. The Assistant Secretary created by this section shall be appointed by the President by and with the advice and consent of the Senate. Such Assistant Secretary shall perform such functions as the Secretary may prescribe. There shall be appointed by the President, by and with the advice and consent of the Senate, an Administrator for Economic Development who shall be compensated at the rate provided for level V of the Federal Executive Salary Schedule who shall perform such duties as are assigned by the Secretary.

【(b) Paragraph (12) of subsection (d) of section 303 of the Federal Executive Salary Act of 1964 is amended by striking out “(4)” and inserting in lieu thereof “(5)”.

【(c) Subsection (e) of section 303 of the Federal Executive Salary Act of 1964 is amended by adding at the end thereof the following new paragraph:

【“(100) Administrator for Economic Development.”

【ADVISORY COMMITTEE ON REGIONAL ECONOMIC DEVELOPMENT

【SEC. 602. The Secretary shall appoint a National Public Advisory Committee on Regional Economic Development which shall consist of twenty-five members and shall be composed of representatives of labor, management, agriculture, State and local governments, and the public in general. From the members appointed to such Committee the Secretary shall designate a Chairman. Such Committee, or any duly established subcommittee thereof, shall from time to time make recommendations to the Secretary relative to the carrying out of his duties under this Act. Such Committee shall hold not less than two meetings during each calendar year.

【CONSULTATION WITH OTHER PERSONS AND AGENCIES

【SEC. 603. (a) The Secretary is authorized from time to time to call together and confer with any persons, including representatives of labor, management, agriculture, and government, who can assist in meeting the problems of area and regional unemployment or underemployment.

【(b) The Secretary may make provisions for such consultation with interested departments and agencies as he may deem appropriate in the performance of the functions vested in him by this Act.

【ADMINISTRATION, OPERATION, AND MAINTENANCE

【SEC. 604. No Federal assistance shall be approved under this Act unless the Secretary is satisfied that the project for which Federal assistance is granted will be properly and efficiently administered, operated, and maintained.

【TITLE VII—MISCELLANEOUS

【POWERS OF SECRETARY

【SEC. 701. In performing his duties under this Act, the Secretary is authorized to—

【(1) adopt, alter, and use a seal, which shall be judicially noticed;

【(2) hold such hearings, sit and act at such times and places, and take such testimony, as he may deem advisable.

【(3) request directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics needed to carry out the purposes of this Act; and each department, bureau, agency, board, commission, office, establishment or instrumentality is authorized to furnish such information, suggestions, estimates, and statistics directly to the Secretary;

【(4) under regulations prescribed by him, assign or sell at public or private sale, or otherwise dispose of for cash or credit, in his discretion and upon such terms and conditions and for such consideration as he shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with loans made or evidences of indebtedness purchased under this Act, and collect or compromise all obligations assigned to or held by him in connection with such loans or evidences of indebtedness until such time as such obligations may be referred to the Attorney General for suit or collection;

【(5) further extend the maturity of or renew any loan made or evidence of indebtedness purchased under this Act, beyond the periods stated in such loan or evidence of indebtedness or in this Act, for additional periods not to exceed ten years, if such extension or renewal will aid in the orderly liquidation of such loan or evidence of indebtedness;

【(6) deal with, complete, renovate, improve, modernize, insure, rent, or sell for cash or credit, upon such terms and conditions and for such consideration as he shall determine to be reasonable, any real or personal property conveyed to, or otherwise acquired by him in connection with loans made or evidences of indebtedness purchased under this Act;

【(7) pursue to final collection, by way of compromise or other administrative action, prior to reference to the Attorney General, all claims against third parties assigned to him in connection with loans made or evidences of indebtedness purchased under this Act. This shall include authority to obtain deficiency judgments or otherwise in the case of mortgages assigned to the Secretary. Section 3709 of the Revised Statutes, as amend-

ed (41 U.S.C. 5), shall not apply to any contract of hazard insurance or to any purchase or contract for services or supplies on account of property obtained by the Secretary as a result of loans made or evidences of indebtedness purchased under this Act if the premium therefor or the amount thereof does not exceed \$1,000. The power to convey and to execute, in the name of the Secretary, deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real or personal property or any interest therein acquired by the Secretary pursuant to the provisions of this Act may be exercised by the Secretary or by any officer or agent appointed by him for that purpose without the execution of any express delegation of power or power of attorney;

[(8) acquire, in any lawful manner, any property (real, personal, or mixed, tangible or intangible), whenever deemed necessary or appropriate to the conduct of the activities authorized in sections 201, 202, 301, 403, and 503 of this Act;

[(9) in addition to any powers, functions, privileges, and immunities otherwise vested in him, take any and all actions, including the procurement of the services of attorneys by contract, determined by him to be necessary or desirable in making, purchasing, servicing, compromising, modifying, liquidating, or otherwise administratively dealing with or realizing on loans made or evidences of indebtedness purchased under this Act;

[(10) employ experts and consultants or organizations therefor as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), compensate individuals so employed at rates not in excess of \$100 per diem, including travel time, and allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5 of such Act (5 U.S.C. 73b-2) for persons in the Government service employed intermittently, while so employed: *Provided, however,* That contracts for such employment may be renewed annually;

[(11) sue and be sued in any court of record of a State having general jurisdiction or in any United States district court, and jurisdiction is conferred upon such district court to determine such controversies without regard to the amount in controversy; but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Secretary or his property. Nothing herein shall be construed to except the activities under this Act from the application of sections 507(b) and 2679 of title 28, United States Code, and of section 367 of the Revised Statutes (5 U.S.C. 316); and

[(12) establish such rules, regulations and procedures as he may deem appropriate in carrying out the provisions of this Act.

[PREVENTION OF UNFAIR COMPETITION

[SEC. 702. No financial assistance under this Act shall be extended to any project when the result would be to increase the production of goods, materials, or commodities, or the availability of services or facilities, when there is not sufficient demand for such

goods, materials, commodities, services, or facilities, to employ the efficient capacity of existing competitive commercial or industrial enterprises.

【SAVINGS PROVISIONS

【SEC. 703. (a) No suit, action, or other proceedings lawfully commenced by or against the Administrator or any other officer of the Area Redevelopment Administration in his official capacity or in relation to the discharge of his official duties under the Area Redevelopment Act, shall abate by reason of the taking effect of the provisions of this Act, but the court may, on motion or supplemental petition filed at any time within twelve months after such taking effect, showing a necessity for the survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, allow the same to be maintained by or against the Secretary or the Administrator or such other officer of the Department of Commerce as may be appropriate.

【(b) Except as may be otherwise expressly provided in this Act, all powers and authorities conferred by this Act shall be cumulative and additional to and not in derogation of any powers and authorities otherwise existing. All rules, regulations, orders, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to applicable law, prior to the effective date of this Act, by any agency, officer, or office pertaining to any functions, powers, and duties under the Area Redevelopment Act shall continue in full force and effect after the effective date of this Act until modified or rescinded by the Secretary or such other officer of the Department of Commerce as, in accordance with applicable law, may be appropriate.

【TRANSFER OF FUNCTIONS, EFFECTIVE DATE, AND LIMITATIONS ON ASSISTANCE

【SEC. 704. (a) The functions, powers, duties, and authorities and the assets, funds, contracts, loans, liabilities, commitments, authorizations, allocations, and records which are vested in or authorized to be transferred to the Secretary of the Treasury under section 29(b) of the Area Redevelopment Act, and all functions, powers, duties, and authorities under section 29(c) of the Area Redevelopment Act are hereby vested in the Secretary.

【(b) The President may designate a person to act as Administrator under this Act until the office is filled as provided in this Act or until the expiration of the first period of sixty days following the effective date of this Act, which shall first occur. While so acting such person shall receive compensation at the rate provided by this Act for such office.

【(c) The provisions of this Act shall take effect upon enactment unless herein explicitly otherwise provided.

【(d) Notwithstanding any requirements of this Act relating to the eligibility of areas, projects for which applications are pending before the Area Redevelopment Administration on the effective date of this Act shall for a period of one year thereafter be eligible for consideration by the Secretary for such assistance under the provisions of this Act as he may determine to be appropriate.

[(e) No financial assistance authorized under this Act shall be used to finance the cost of facilities for the generation, transmission, or distribution of electrical energy, or to finance the cost of facilities for the production or transmission of gas (natural, manufactured, or mixed), except (1) for projects specifically authorized by Congress, and (2) for local projects for industrial parks and industrial or commercial areas in communities where the electrical energy or gas supply is, or is threatened to be interrupted or curtailed resulting in a loss of jobs, or where the purpose is to save jobs, or create new jobs, on condition that (A) the Secretary finds that project financing is not available from private lenders or other Federal agencies on terms which, in the opinion of the Secretary, will permit accomplishment of the project, and (B) the State or Federal regulatory body regulating such service determines that the facility to be financed will not compete with an existing public utility rendering such a service to the public at rates or charges subject to regulation by such State or Federal regulatory body, or if there is a determination of competition, the State or Federal regulatory body must make a determination that in the area to be served by the facility for which the financial assistance is to be extended there is a need for an increase in such service (taking into consideration reasonably foreseeable future needs) which the existing public utility is not able to meet through its existing facilities or through an expansion which it agrees to undertake. Not more than \$7,000,000 approximated to carry out titles I and II of this Act may be expended annually for such projects.

【SEPARABILITY

【SEC. 705. Notwithstanding any other evidence of the intent of Congress, it is hereby declared to be the intent of Congress that if any provision of this Act or the application thereof to any persons or circumstances shall be adjudged by any court of competent jurisdiction to be invalid such judgment shall not affect, impair, or invalidate the remainder of this Act or its application to other persons and circumstances, but shall be confined in its operation to the provision of this Act or the application thereof to the persons and circumstances directly involved in the controversy in which such judgment shall have been rendered.

【APPLICATION OF ACT

【SEC. 706. As used in this Act, the terms "State", "States", and "United States" include the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

【ANNUAL REPORT

【SEC. 707. The Secretary shall make a comprehensive and detailed annual report to the Congress of his operations under this Act for each fiscal year beginning with the fiscal year ending June 30, 1966. Such report shall be printed and shall be transmitted to the Congress not later than April 1 of the year following the fiscal year with respect to which such report is made.

【USE OF OTHER FACILITIES

【SEC. 708. (a) The Secretary is authorized to delegate to the heads of other departments and agencies of the Federal Government any of the Secretary's functions, powers, and duties this Act as he may deem appropriate, and to authorize the redelegation of such functions, powers, and duties by the heads of such departments and agencies.

【(b) Departments and agencies of the Federal Government shall exercise their powers, duties, and functions in such manner as will assist in carrying out the objectives of this Act.

【(c) Funds authorized to be appropriated under this Act may be transferred between departments and agencies of the Government, if such funds are used for the purposes for which they are specifically authorized and appropriated.

【APPROPRIATION

【SEC. 709. There are hereby authorized to be appropriated such sums as may be necessary to carry out those provisions of the Act for which specific authority for appropriations is not otherwise provided in this Act, except that there are hereby authorized to be appropriated to carry out those provisions of the Act for which specific authority for appropriations is not otherwise provided in this Act not to exceed \$25,000,000 for the fiscal year ending September 30, 1982. Appropriations authorized under this Act shall remain available until expended unless otherwise provided by appropriations Acts.

【PENALTIES

【SEC. 710. (a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of obtaining for himself or for any applicant any financial assistance under section 101, 201, or 403 or any extension thereof by renewal, deferment or action, or otherwise, or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of the Secretary or for the purpose of obtaining money, property, or anything of value, under this Act, shall be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

【(b) Whoever, being connected in any capacity with the Secretary, in the administration of this Act (1) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to him or pledged or otherwise entrusted to him, or (2) with intent to defraud the Secretary or any other body politic or corporate, or any individual, or to deceive any officer, auditor, or examiner, makes any false entry in any book, report or statement of or to the Secretary, or without being duly authorized draws any orders of issues, puts forth, or assigns any note, debenture, bond, or other obligation, or draft, bill of exchange, mortgage, judgment, or decree thereof, or (3) with intent to defraud participates or shares in or receives directly or indirectly any money, profit, property, or benefit through any transaction, loan, grant, commission, contract, or any other act of the Secretary, or (4) gives any unauthorized information concerning

any future action of plan of the Secretary which might affect the value of securities, or having such knowledge invests or speculates, directly or indirectly, in the securities or property of any company or corporation receiving loans, grants, or other assistance from the Secretary, shall be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

【EMPLOYMENT OF EXPEDITERS AND ADMINISTRATIVE EMPLOYEES

【SEC. 711. No financial assistance shall be extended by the Secretary under section 101, 201, 202, or 403 to any business enterprise unless the owners, partners, or officers of such business enterprise (1) certify to the Secretary the names of any attorneys, agents, and other persons engaged by or on behalf of such business enterprise for the purpose of expediting applications made to the Secretary for assistance of any sort, under this Act, and the fees paid or to be paid to any such person; and (2) execute an agreement binding such business enterprise, for a period of two years after such assistance is rendered by the Secretary to such business enterprise, to refrain from employing tendering any office or employment to, or retaining for professional services, any person who, on the date such assistance or any part thereof was rendered, or within one year prior thereto, shall have served as an officer, attorney, agent, or employee, occupying a position or engaging in activities which the Secretary shall have determined involve discretion with respect to the granting of assistance under this Act.

【PREVAILING RATE OF WAGE AND FORTY-HOUR WEEK

【SEC. 712. All laborers and mechanics employed by contractors or subcontractors on projects assisted by the Secretary under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5). The Secretary shall not extend any financial assistance under sections 101, 201, 202, 403, 903, and 1003, for such project without first obtaining adequate assurance that these labor standards will be maintained upon the construction work. The Secretary of Labor shall have, with respect to the labor standards specified in this provision, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z-15), and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

【RECORD OF APPLICATIONS

【SEC. 713. The Secretary shall maintain as a permanent part of the records of the Department of Commerce a list of applications approved for financial assistance under section 101, 201, 202, or 403, which shall be kept available for public inspection during the regular business hours of the Department of Commerce. The following information shall be posted in such list as soon as each application is approved; (1) the name of the applicant and, in the case of corporate applications, the names of the officers and directors thereof, (2) the amount and duration of the loan or grant for which application is made, (3) the purposes for which the proceeds of the

loan or grant are to be used, and (4) a general description of the security offered in the case of a loan.

【RECORDS AND AUDIT

【SEC. 714. (a) Each recipient of assistance under this Act shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and the disposition by such recipient of the proceeds of such assistance the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

【(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this Act.

【CONFORMING AMENDMENT

【SEC. 715. All benefits heretofore specially made available (and not subsequently revoked) under other Federal programs to persons or to public or private organizations, corporations, or entities in areas designated by the Secretary as “redevelopment areas” under section 5 of the Area Redevelopment Act, are hereby also extended, insofar as practicable, to such areas as may be designated as “redevelopment areas” or “economic development centers” under the authority of section 401 or 403 of this Act: *Provided, however,* That this section shall not be construed as limiting such administrative discretion as may have been conferred under any other law.

【SEC. 716. All financial and technical assistance authorized under this Act shall be in addition to any Federal assistance previously authorized, and no provision hereof shall be construed as authorizing or permitting any reduction or diminution in the proportional amount of Federal assistance to which any State or other entity eligible under this Act would otherwise be entitled under the provisions of any other Act.

【TITLE VIII—ECONOMIC RECOVERY FOR DISASTER AREAS

【PURPOSE OF TITLE

【SEC. 801. (a) It is the purpose of this title to provide assistance for the economic recovery, after the period of emergency aid and replacement of essential facilities and services, of any major disaster area which has suffered a dislocation of its economy of sufficient severity to require (1) assistance in planning for development to replace that lost in the major disaster; (2) continued coordination of assistance available under Federal-aid programs; and (3) continued assistance toward the restoration of the employment base.

【(b) As used in this title, the term “major disaster” means a major disaster declared by the President in accordance with the Disaster Relief and Emergency Assistance Act.

【DISASTER RECOVERY PLANNING

【SEC. 802. (a)(1) In the case of any area affected by a major disaster the Governor may request the President for assistance under this title. The Governor, within thirty days after authorization of such assistance by the President, shall designate a Recovery Planning Council for such area or for each part thereof.

【(2) Such Recovery Planning Council shall be composed of not less than five members, a majority of whom shall be local elected officials of political subdivisions within the affected areas, at least one representative of the State, and a representative of the Federal Government appointed by the President in accordance with paragraph (3) of this subsection. During the major disaster, the Federal coordinating officer shall also serve on the Recovery Planning Council.

【(3) The Federal representative on such Recovery Planning Council may be the Chairman of the Federal Regional Council for the affected area, or a member of the Federal Regional Council designated by the Chairman of such Regional Council. The Federal representative on such Recovery Planning Council may be the Federal Cochairman of the Regional Commission established pursuant to title V of this Act, or the Appalachian Regional Development Act of 1965, or his designee, where all of the area affected by a major disaster is within the boundaries of such Commission.

【(4) The Governor may designate an existing multijurisdictional organization as the Recovery Planning Council where such organization complies with paragraph (2) of this subsection with the addition of State and Federal representatives except that if all or part of an area affected by a major disaster is within the jurisdiction of an existing multijurisdictional organization established under title VI of this Act or title III of the Appalachian Regional Development Act of 1965, such organization, with the addition of State and Federal representatives in accordance with paragraph (2) of this subsection, shall be designated by the Governor as the Recovery Planning Council. In any case in which such title III or IV organizations is designated as the Recovery Planning Council under this paragraph, some local elected officials of political subdivisions within the affected areas must be appointed to serve on such Recovery Planning Council. Where possible, the organization designated as the Recovery Planning Council shall be or shall be subsequently designated as the appropriate agency required by section 204 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3334) and by the Intergovernmental Cooperation Act of 1968 (Public Law 90-577; 82 Stat. 1098).

【(5) The Recovery Planning Council shall include private citizens as members to the extent feasible, and shall provide for and encourage public participation in its deliberations and decisions.

【(b) The Recovery Planning Council (1) shall review existing plans for the affected area; and (2) may recommend to the Governor and responsible local governments such revisions as it determines necessary for the economic recovery of the area, including the development of new plans and the preparation of a recovery investment plan for the 5-year period following the declaration of the major disaster. The Recovery Planning Council shall accept as one

element of the recovery investment plans determinations made under section 406(c) of the Disaster Relief and Emergency Assistance Act.

[(c)(1) A recovery investment plan prepared by a Recovery Planning Council may recommend the revision, deletion, reprogramming, or additional approval of Federal-aid projects and programs within the area—

[(A) for which application has been made but approval not yet granted;

[(B) for which funds have been obligated or approval granted but construction not yet begun;

[(C) for which funds have been or are scheduled to be apportioned within the five years after the declaration of the disaster;

[(D) which may otherwise be available to the area under any State schedule or revised State schedule of priorities; or

[(E) which may reasonably be anticipated as becoming available under existing programs.

[(2) Upon the recommendation of the Recovery Planning Council and the request for the Governor, any funds for projects or programs identified pursuant to paragraph (1) of this subsection may, to any extent consistent with appropriation Acts, be placed in reserve by the responsible Federal agency for use in accordance with such recommendations. Upon the request of the Governor and with the concurrence of affected local governments, such funds may be transferred to the Recovery Planning Council to be expended in the implementation of the recovery investment plan, except that no such transfer may be made unless such expenditure is for a project or program for which such funds originally were made available by an appropriation Act.

[PUBLIC WORKS AND DEVELOPMENT FACILITIES GRANTS AND LOANS

[SEC. 803. (a) The President is authorized to provide funds to any Recovery Planning Council for the implementation of a recovery investment plan by public bodies. Such funds may be used—

[(1) to make loans for the acquisition or development of land and improvements for public works, public service, or development facility usage, including the acquisition or development of parks or open spaces, and the acquisition, construction, rehabilitation, alteration, expansion, or improvement of such facilities, including related machinery and equipment, and

[(2) to make supplementary grants to increase the Federal share for projects for which funds are reserved pursuant to subsection (c)(2) of section 802 of this Act, or other Federal-aid projects in the affected area.

[(b) Grants and loans under this section may be made to any State, local government, or private or public nonprofit organization representing any area or part thereof affected by a major disaster.

[(c) No supplementary grant shall increase the Federal share of the cost of any project to greater than 90 per centum, except in the case of a grant for the benefit of Indians or Alaska Natives, or in the case of any State or local government which the President determines has exhausted its effective taxing and borrowing capacity.

[(d) Loans under this section shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum per annum.

[(e) Financial assistance under this title shall not be extended to assist establishments relocating from one area to another or to assist subcontractors whose purpose is to divest, or whose economic success is dependent upon divesting, other contractors or subcontractors of contracts therefore customarily performed by them. Such limitations shall not be construed to prohibit assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary of such entity if the Secretary of Commerce finds that the establishment of such branch, affiliate, or subsidiary will not result in an increase in unemployment of the area of original location or in any other area where such entity conducts business operations, unless the Secretary has reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

[LOAN GUARANTEES

[SEC. 804. The President is authorized to provide funds to Recovery Planning Councils to guarantee loans made to private borrowers by private lending institutions (1) to aid in financing any project within any area affected by a major disaster for the purchase or development of land and facilities (including machinery and equipment) for industrial or commercial usage including the construction of new buildings, and rehabilitation of abandoned or unoccupied buildings, and the alteration, conversion or enlargement of existing buildings; and (2) for working capital in connection with projects in areas assisted under paragraph (1), upon application of such institution and upon such terms and conditions as the President may prescribe. No such guarantee shall at any time exceed 90 per centum of the amount of the outstanding unpaid balance of such loan.

[TECHNICAL ASSISTANCE

[SEC. 805. (a) In carrying out the purposes of this title the President is authorized to provide technical assistance which would be useful in facilitating economic recovery in areas affected by major disasters. Such assistance shall include project planning and feasibility studies, management and operational assistance, and studies evaluating the needs of, and developing potentialities for, economic recovery of such areas. Such assistance may be provided by the President directly, through the payment of funds authorized for this title to other departments or agencies of the Federal Government, through the employment of private individuals, partnerships, firms, corporations or suitable institutions, under contracts entered into for such purposes, or through grants-in-aid to appropriate public or private non-profit State, area, district, or local organization.

[(b) The President is authorized to make grants to defray not to exceed 75 per centum of the administrative expenses of Recovery Planning Councils designated pursuant to section 802 of this Act. In determining the amount of the non-Federal share of such costs or expenses, the President shall give due consideration to all contributions both in cash and in kind, fairly evaluated including but not limited to space, equipment, and services. Where practicable, grants-in-aid authorized under this subsection shall be used in conjunction with other available planning grants, to assure adequate and effective planning and economical use of funds.

[TITLE IX—SPECIAL ECONOMIC DEVELOPMENT AND ADJUSTMENT ASSISTANCE

[PURPOSE

[SEC. 901. It is the purpose of this title to provide special economic development and adjustment assistance programs to help State and local areas meet special needs arising from actual or threatened severe unemployment arising from economic dislocation, including unemployment arising from actions of the Federal Government and from compliance with environmental requirements which remove economic activities from a locality, and economic adjustment problems resulting from severe changes in economic conditions (including long-term economic deterioration), and to encourage cooperative intergovernmental action to prevent or solve economic adjustment problems. Nothing in this title is intended to replace the efforts of the economic adjustment program of the Department of Defense.

[DEFINITION

[SEC. 902. As used in this title, the term “eligible recipient” means a redevelopment area or economic development district established under title IV of this Act, an Indian tribe, a State, a city or other political subdivision of a State, or consortium of such political subdivisions.

[GRANTS BY SECRETARY

[SEC. 903. (a)(1) The Secretary is authorized to make grants directly to any eligible recipient in an area (A) which the Secretary has determined has experienced, or may reasonably be foreseen to be about to experience, a special need to meet an expected rise in unemployment, or other economic adjustment problems (including those caused by any action or decision of the Federal Government), or (B) which the Secretary determines has demonstrated long-term economic deterioration, to carry out or develop a plan which meets the requirements of subsection (b) of this section and which is approved by the Secretary, to use such grants for any of the following: public facilities, public services, business development, planning, unemployment compensation (in accordance with subsection (d) of this section), rent supplements, mortgage payment assistance, research, technical assistance, training, relocation of individuals and businesses, and other assistance which demonstrably furthers the economic adjustment objectives of this title.

[(2)(A) Such grants may be used in direct expenditures by the eligible recipient or through redistribution by it to public and private entities in grants, loans, loan guarantees, payments to reduce interest on loan guarantees, or other appropriate assistance, but no grant shall be made by an eligible recipient to a private profit-making entity.

[(B) Grants for unemployment compensation shall be made to the State. Grants for any other purpose shall be made to any appropriate eligible recipient capable of carrying out such purpose.

[(b) No plan shall be approved by the Secretary under this section unless such plan shall—

[(1) identify each economic development and adjustment need of the area for which assistance is sought under this title;

[(2) describe each activity planned to meet each such need;

[(3) explain the details of the method of carrying out each such planned activity;

[(4) contain assurances satisfactory to the Secretary that the proceeds from the repayment of loans made by the eligible recipient with funds granted under this title will be used for economic adjustment; and

[(5) be in such form and contain such additional information as the Secretary shall prescribe.

[(c) The Secretary to the extent practicable shall coordinate his activities in requiring plans and making grants and loans under this title with regional commissions, States, economic development districts and other appropriate planning and development organizations.

[(d) In each case in which the Secretary determines a need for assistance under subsection (a) of this section due to an increase in unemployment and makes a grant under this section, the Secretary may transfer funds available for such grant to the Secretary of Labor and the Secretary of Labor is authorized to provide to any individual unemployed as a result of the dislocation for which such grant is made, such assistance as he deems appropriate while the individual is unemployed. Such assistance as the Secretary of labor may provide shall be available to an individual not otherwise disqualified under State law for unemployment compensation benefits, as long as the individual's unemployment caused by the dislocation continues or until the individual is reemployed in a suitable position, but no longer than one year after the unemployment commences. Such assistance for a week of employment shall not exceed the maximum weekly amount authorized under the unemployment compensation law of the State in which the dislocation occurred, and the amount of assistance under this subsection shall be reduced by any amount of unemployment compensation or of private income protection insurance compensation available to such individual for such week of employment. The Secretary of Labor is directed to provide such assistance through agreements with States which, in his judgment, have an adequate system for administering such assistance through existing State agencies.

[REPORTS AND EVALUATION

[SEC. 904. (a) Each eligible recipient which receives assistance under this title shall annually during the period such assistance

continues make a full and complete report to the Secretary, in such manner as the Secretary shall prescribe, and such report shall contain an evaluation of the effectiveness of the economic assistance provided under this title in meeting the need it was designed to alleviate and the purposes of this title.

[(b) The Secretary shall include in the annual report pursuant to section 707 of this Act a consolidated report with his recommendations, if any, on the assistance authorized under this title, in a form which he deems appropriate.

【AUTHORIZATION OF APPROPRIATIONS

【SEC. 905. There is authorized to be appropriated to carry out this title not to exceed \$75,000,000 for the fiscal year ending June 30, 1975, and \$100,000,000 for the fiscal year ending June 30, 1976, not to exceed \$25,000,000 for the transition quarter ending September 30, 1976, and not to exceed \$100,000,000 per fiscal year for the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, September 30, 1980, and September 30, 1981, and not to exceed \$33,000,000 for the fiscal year ending September 30, 1982.

【TITLE X—JOB OPPORTUNITIES PROGRAM

【STATEMENT OF PURPOSE

【SEC. 1001. It is the purpose of this title to provide emergency financial assistance to stimulate, maintain or expand job creating activities in areas, both urban and rural, which are suffering from unusually high levels of unemployment.

【DEFINITIONS

【SEC. 1002. For the purpose of this title the term “eligible area” means any area, which the Secretary of Labor designates as an area which has a rate of unemployment equal to or in excess of 7 per centum for the most recent calendar quarter or any area designated pursuant to section 204(c) of the Comprehensive Employment and Training Act of 1973 which has unemployment equal to or in excess of 7 per centum with special consideration given to areas with unemployment rates above the national average.

【PROGRAM AUTHORIZED

【SEC. 1003. (a) To carry out the purposes of this title, the Secretary of Commerce, in accordance with the provisions of this title, is authorized from funds appropriated and made available under section 1007 of this title to provide financial assistance to programs and projects identified through the review process described in section 1004 to expand or accelerate the job creating impact of such programs or projects for unemployed persons in eligible areas. Programs and projects for which funds are made available under this title shall not be approved until the officials of the appropriate units of general government in the affected areas have an adequate opportunity to comment on the specific proposal.

[(b) Whenever funds are made available by the Secretary of Commerce under this title for any program or project, the head of

the department, agency, or instrumentality of the Federal Government administering the law authorizing such assistance shall, except as otherwise provided in this subsection, administer the law authorizing such assistance in accordance with all applicable provisions of that law, except provisions relating to—

[(1) requiring allocation of funds among the States,

[(2) limits upon the total amount of such grants for any period, and

[(3) the Federal contribution to any State or local government, whenever the President or head of such department, agency, or instrumentality of the Federal Government determines that any non-Federal contribution cannot reasonably be obtained by the State or local government concerned.

[(c) Where necessary to effectively carry out the purposes of this title, the Secretary of Commerce is authorized to assist eligible areas in making applications for grants under this title.

[(d) Notwithstanding any other provisions of this title, funds allocated by the Secretary of Commerce shall be available only for a program or project which the Secretary identifies and selects pursuant to this subsection, and which can be initiated or implemented promptly and substantially completed within twelve months after allocation is made. In identifying and selecting programs and projects pursuant to this subsection, the Secretary shall (1) give priority to programs and projects which are most effective in creating and maintaining productive employment, including permanent and skilled employment measured as the amount of such direct and indirect employment generated or supported by the additional expenditures of Federal funds under this title, and (2) consider the appropriations of the proposed activity to the number and needs of unemployed persons in the eligible area.

[(e)(1) The Secretary, if the national unemployment rate is equal to or exceeds 7 per centum for the most recent calendar quarter, shall expedite and give priority to grant applications submitted for such areas having unemployment in excess of the national average rate of unemployment for the most recent calendar quarter. Seventy per centum of the funds appropriated pursuant to this title shall be available only for grants in areas as defined in the first sentence of this subsection.

[(2) Not more than 15 per centum of all amounts appropriated to carry out this title shall be available under this title for projects or programs within any one State, except that in the case of Guam, Virgin Islands, and American Samoa, not less than one-half of 1 per centum in the aggregate shall be available for such projects or programs.

PROGRAM REVIEW

[SEC. 1004. (a) Within forty-five days after any funds are appropriated to the Secretary to carry out the purposes of this title, after the date of enactment of the Public Works and Economic Development Act Amendments of 1976, each department, agency, or instrumentality of the Federal Government, each regional commission established by section 101 of the Appalachian Regional Development Act of 1965 or pursuant to section 502 of this Act, shall (1) complete a review of its budget, plans, and programs and including

State, substate, and local development plans filed with such department, agency or commission; (2) evaluate the job creation effectiveness of programs and projects for which funds are proposed to be obligated in the calendar year and additional programs and projects (including new or revised programs and projects submitted under subsection (b) for which funds could be obligated in such year with Federal financial assistance under this title; and (3) submit to the Secretary of Commerce recommendations for programs and projects which have the greatest potential to stimulate the creation of jobs for unemployed persons in eligible areas. Within forty-five days of the receipt of such recommendations the Secretary of Commerce shall review such recommendations, and after consultation with such department, agency, instrumentality, regional commission, State, or local government make allocations of funds in accordance with section 1003(d) of this title.

[(b) States and political subdivisions in any eligible area may, pursuant to subsection (a), submit to the appropriate department, agency, or instrumentality of the Federal Government (or regional commission) program and project applications for Federal financial assistance provided under this title.

[(c) The Secretary, in reviewing programs and projects recommended for any eligible area shall give priority to programs and projects originally sponsored by States and political subdivisions, including, but not limited to, new or revised programs and projects submitted in accordance with this section.

[RULES AND REGULATIONS

[SEC. 1005. The Secretary of Commerce shall prescribe such rules, regulations, and procedures to carry out the provisions of this title as will assure that adequate consideration is given to the relative needs of applicants for assistance in rural eligible areas and the relative needs of applicants for assistance in urban eligible areas and to any equitable distribution of funds authorized under this title between rural and urban eligible applicants unless this would require project grants to be made in areas which do not meet the criteria of this title.

[AUTHORIZATION OF APPROPRIATIONS

[SEC. 1006. (a) There are hereby authorized to be appropriated to carry out the provisions of this title \$81,250,000 for each calendar quarter of a fiscal year during which the national average unemployment is equal to or exceeds 7 per centum on the average. No further appropriations of funds is authorized under this section if a determination is made that the national average rate of unemployment has receded below an average of 7 per centum for the most recent calendar quarter as determined by the Secretary of Labor.

[(b) Funds authorized by subsection (a) are available for grants by the Secretary when the national average unemployment is equal to or in excess of an average of 7 per centum for the most recent calendar quarter. If the national average unemployment rate recedes below an average of 7 per centum for the most recent calendar quarter, the authority of the Secretary to make grants or obligate funds under this title is terminated. Grants may not be made

until the national average unemployment has equalled or exceeded an average of 7 per centum for the most recent calendar quarter.

[(c) Funds authorized to carry out this title shall be in addition to, and not in lieu of, any amounts authorized by other provisions of law.

[TERMINATION DATE

[SEC. 1007. Notwithstanding any other provision of this title, no further obligations of funds appropriated under this title shall be made by the Secretary of Commerce after September 30, 1981.

[CONSTRUCTION COSTS

[SEC. 1008. No program or project originally approved for funds under an existing program shall be determined to be ineligible for Federal financial assistance under this title solely because of increased construction costs.]

EXPORT ADMINISTRATION ACT OF 1979

NATIONAL SECURITY CONTROLS

SEC. 5. (a) * * *

* * * * *

(f) FOREIGN AVAILABILITY.—

(1) * * *

* * * * *

[(6) OFFICE OF FOREIGN AVAILABILITY.—The Secretary shall establish in the Department of Commerce an Office of Foreign Availability, which shall be under the direction of the Under Secretary of Commerce for Export Administration. The Office shall be responsible for gathering and analyzing all the necessary information in order for the Secretary to make determinations of foreign availability under this Act. The Secretary shall make available to the Committee on Foreign Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate at the end of each 6-month period during a fiscal year information on the operations of the Office, and on improvements in the Government's ability to assess foreign availability, during that 6-month period, including information on the training of personnel, the use of computers, and the use of Commercial Service Officers of the United States and Foreign Commercial Service. Such information shall also include a description of representative determinations made under this Act during that 6-month period that foreign availability did or did not exist (as the case may be), together with an explanation of such determinations.]

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ADMINISTRATIVE AND REGULATORY AUTHORITY

SEC. 15. [(a) UNDER SECRETARY OF COMMERCE.—The President shall appoint, by and with the advice and consent of the Senate, an Under Secretary of Commerce for Export Administration who

shall carry out all functions of the Secretary under this Act and such other statutes that relate to national security which were delegated to the office of the Assistant Secretary of Commerce for Trade Administration before the date of the enactment of the Export Administration Amendments Act of 1985, and such other functions under this Act which were delegated to such office before such date of enactment, as the Secretary may delegate. The President shall appoint, by and with the advice and consent of the Senate, two Assistant Secretaries of Commerce to assist the Under Secretary in carrying out such functions.】

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SECTION 2502 OF TITLE 10, UNITED STATES CODE
§2502. National Defense Technology and Industrial Base Council

- (a) ESTABLISHMENT.—There is a National Defense Technology and Industrial Base Council.
- (b) COMPOSITION.—The Council is composed of the following members:
- (1) The Secretary of Defense, who shall serve as chairman.
 - (2) The Secretary of Energy.
 - 【(3) The Secretary of Commerce.】
 - 【(4)】 (3) The Secretary of Labor.
 - 【(5)】 (4) Such other officials as may be determined by the President.

* * * * *

ACT OF OCTOBER 8, 1982

[Commonly known as the Export Trading Company Act of 1982]

An Act to encourage exports by facilitating the formation and operation of export trading companies, export trade associations, and the expansion of export trade services generally.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

【TITLE I—GENERAL PROVISIONS

【SHORT TITLE

【SEC. 101. This title may be cited as the “Export Trading Company Act of 1982”.

【FINDINGS; DECLARATION OF PURPOSE

- 【SEC. 102.** (a) The Congress finds that—
- 【(1) United States exports are responsible for creating and maintaining one out of every nine manufacturing jobs in the United States and for generating one out of every seven dollars of total United States goods produced;
 - 【(2) the rapidly growing service-related industries are vital to the well-being of the United States economy inasmuch as

they create jobs for seven out of every ten Americans, provide 65 per centum of the Nation's gross national product, and offer the greatest potential for significantly increased industrial trade involving finished products;

[(3) trade deficits contribute to the decline of the dollar on international currency markets and have an inflationary impact on the United States economy;

[(4) tens of thousands of small- and medium-sized United States businesses produce exportable goods and services but do not engage in exporting;

[(5) although the United States is the world's leading agricultural exporting nation, many farm products are not marketed as widely and effectively abroad as they could be through export trading companies;

[(6) export trade services in the United States are fragmented into a multitude of separate functions, and companies attempting to offer export trade services lack financial leverage to reach a significant number of potential United States exporters;

[(7) the United States needs well-developed export trade intermediaries which can achieve economies of scale and acquire expertise enabling them to export goods and services profitably, at low per unit cost to producers;

[(8) the development of export trading companies in the United States has been hampered by business attitudes and by Government regulations;

[(9) those activities of State and local governmental authorities which initiates, facilitate, or expand exports of goods and services and be an important source for expansion of total United States exports, as well as for experimentation in the development of innovative export programs keyed to local, State, and regional economic needs;

[(10) if United States trading companies are to be successful in promoting United States exports and in competing with foreign trading companies, they should be able to draw on the resources, expertise, and knowledge of the United States banking system, both in the United States and abroad; and

[(11) the Department of Commerce is responsible for the development and promotion of United States exports, and especially for facilitating the export of finished products by United States manufacturers.

[(b) It is the purpose of this Act to increase United States exports of products and services by encouraging more efficient provision of export trade services to United States producers and suppliers, in particular by establishing an office within the Department of Commerce to promote the formation of export trade associations and export trading companies, by permitting bank holding companies, bankers' banks, and Edge Act corporations and agreement corporations that are subsidiaries of bank holding companies to invest in export trading companies, by reducing restrictions on trade financing provided by financial institutions, and by modifying the application of the antitrust laws to certain export trade.

【DEFINITIONS】

【SEC. 103. (a) For purposes of this title—

【(1) the term “export trade” means trade or commerce in goods or services produced in the United States which are exported, or in the course of being exported, from the United States to any other country;

【(2) the term “services” includes, but is not limited to, accounting, amusement, architectural, automatic data processing, business, communications, construction franchising and licensing, consulting, engineering, financial, insurance, legal, management, repair, tourism, training, and transportation services;

【(3) the term “export trade services” includes, but is not limited to, consulting, international market research, advertising, marketing, insurance, product research and design, legal assistance, transportation, including trade documentation and freight forwarding, communication and processing of foreign orders to and for exporters and foreign purchasers, warehousing, foreign exchange, financing, and taking title to goods, when provided in order to facilitate the export of goods or services produced in the United States;

【(4) the term “export trading company” means a person, partnership, association, or similar organization, whether operated for profit or as a nonprofit organization, which does business under the laws of the United States or any State in which is organized and operated principally for purposes of—

【(A) exporting goods or services produced in the United States; or

【(B) facilitating the exportation of goods or services produced in the United States by unaffiliated persons by providing one or more export trade services;

【(5) the term “State” means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands;

【(6) the term “United States” means the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands; and

【(7) the term “antitrust laws” means the antitrust laws as defined in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12(a)), section 5 of the Federal Trade Commission Act (15 U.S.C. 45) to the extent that section 5 applies to unfair methods of competition, and any State antitrust or unfair competition law.

【(b) The Secretary of Commerce may by regulation further define any term defined in subsection (a), in order to carry out this title.

【OFFICE OF EXPORT TRADE IN DEPARTMENT OF COMMERCE】

【SEC. 104. The Secretary of Commerce shall establish within the Department of Commerce an office to promote and encourage to the greatest extent feasible the formation of export trade associations

and export trading companies. Such office shall provide information and advice to interested persons and shall provide a referral service to facilitate contact between producers of exportable goods and services and firms offering export trade services. The office shall establish a program to encourage and assist the operation of other export intermediaries, including existing and newly formed export management companies.】

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TITLE III—EXPORT TRADE CERTIFICATES OF REVIEW

**EXPORT TRADE PROMOTION DUTIES OF SECRETARY OF [COMMERCE]
TREASURY**

SEC. 301. To promote and encourage export trade, the Secretary may issue certificates of review and advise and assist any person with respect to applying for certificates of review.

* * * * *

DEFINITIONS

SEC. 311. As used in this title—

(1) the term “export trade” means trade or commerce in goods, wares, merchandise, or services exported, or in the course of being exported, from the United States or any territory thereof to any foreign nation,

* * * * *

(7) the term “Secretary” means the Secretary of [Commerce] Treasury or his designee, and

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TITLE 35, UNITED STATES CODE

PART I—PATENT AND TRADEMARK OFFICE

* * * * *

CHAPTER 1—ESTABLISHMENT, OFFICERS, FUNCTIONS

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§ 1. Establishment

【The Patent and Trademark Office shall continue as an office in the Department of Commerce, where records, books, drawings, specifications, and other papers and things pertaining to patents and to trademark registrations shall be kept and preserved, except as otherwise provided by law.】

§ 1. Establishment

The Patent and Trademark Office is an agency of the United States within the Department of Justice, where records, books, drawings, specifications, and other papers and things pertaining to

patents and trademark registrations shall be kept and preserved, except as otherwise provided by law.

* * * * *

§ 3. Officers and employees

(a) There shall be in the Patent and Trademark Office a Commissioner of Patents and Trademarks, a Deputy Commissioner, two Assistant Commissioners, and examiners-in-chief appointed under section 7 of this title. The Deputy Commissioner, or, in the event of a vacancy in that office, the Assistant Commissioner senior in date of appointment shall fill the office of Commissioner during a vacancy in that office until the Commissioner is appointed and takes office. The Commissioner of Patents and Trademarks, the Deputy Commissioner, and the Assistant Commissioners shall be appointed by the President, by and with the advice and consent of the Senate. The [Secretary of Commerce] *Attorney General*, upon the nomination of the Commissioner, in accordance with law shall appoint all other officers and employees.

(b) The [Secretary of Commerce] *Attorney General* may vest in himself the functions of the Patent and Trademark Office and its officers and employees specified in this title and may from time to time authorize their performance by any other officer or employee.

(c) The [Secretary of Commerce] *Attorney General* is authorized to fix the per annum rate of basic compensation of each examiner-in-chief in the Patent and Trademark Office at not in excess of the maximum scheduled rate provided for positions in grade 17 of the General Schedule of the Classification Act of 1949, as amended.

[(d) The Commissioner of Patents and Trademarks shall be an Assistant Secretary of Commerce and shall receive compensation at the rate prescribed by law for Assistant Secretaries of Commerce.]

* * * * *

§ 6. Duties of Commissioner

(a) The Commissioner, under the direction of the Secretary of Commerce, shall superintend or perform all duties required by law respecting the granting and issuing of patents and the registration of trademarks; shall have the authority to carry on studies, programs, or exchanges of items or services regarding domestic and international patent and trademark law or the administration of the Patent and Trademark Office, including programs to recognize, identify, assess and forecast the technology of patented inventions and their utility to industry; and shall have charge of property belonging to the Patent and Trademark Office. He may, subject to the approval of the [Secretary of Commerce] *Attorney General*, establish regulations, not inconsistent with law, for the conduct of proceedings in the Patent and Trademark Office.

(b) The Commissioner, under the direction of the [Secretary of Commerce] *Attorney General*, may, in coordination with the Department of State, carry on programs and studies cooperatively with foreign patent offices and international intergovernmental organizations, or may authorize such programs and studies to be carried on, in connection with the performance of duties stated in subsection (a) of this section.

(c) The Commissioner, under the direction of the [Secretary of Commerce] *Attorney General*, may, with the concurrence of the Secretary of State, transfer funds appropriated to the Patent and Trademark Office, not to exceed \$100,000 in any year, to the Department of State for the purpose of making special payments to international intergovernmental organizations for studies and programs for advancing international cooperation concerning patents, trademarks, and related matters. These special payments may be in addition to any other payments or contributions to the international organization and shall not be subject to any limitations imposed by law on the amounts of such other payments or contributions by the Government of the United States.

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CHAPTER 3—PRACTICE BEFORE PATENT AND TRADEMARK OFFICE

§ 31. Regulations for agents and attorneys

The Commissioner, subject to the approval of the [Secretary of Commerce] *Attorney General*, may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Patent and Trademark Office, and may require them, before being recognized as representatives of applicants or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office.

* * * * *

CHAPTER 4—PATENT FEES

§ 41. Patent fees; patent and trademark search systems

(a) * * *

* * * * *

[(f) The fees established in subsections (a) and (b) of this section may be adjusted by the Commissioner on October 1, 1992, and every year thereafter, to reflect any fluctuations occurring during the previous 12 months in the Consumer Price Index, as determined by the Secretary of Labor. Changes of less than 1 per centum may be ignored.]

(f) *The Commissioner may adjust the fees established under this section on October 1 of each year to cover the estimated cost to the activities of the Office.*

* * * * *

§ 42. Patent and Trademark Office funding

(a) * * *

* * * * *

(c) Revenues from fees shall be available to the Commissioner [to carry out, to the extent provided in appropriation Acts,], *without appropriation, to carry out the activities of the Patent and Trade-*

mark Office. Fees available to the Commissioner under section 31 of the Trademark Act of 1946 may be used only for the processing of trademark registrations and for other activities, services, and materials relating to trademarks and to cover a proportionate share of the administrative costs of the Patent and Trademark Office.

(e) The [Secretary of Commerce] *Attorney General* shall, on the day each year on which the President submits the annual budget to the Congress, provide to the Committees on the Judiciary of the Senate and the House of Representatives—

(1) * * *

* * * * *

PART II—PATENTABILITY OF INVENTIONS AND GRANT OF PATENTS

* * * * *

CHAPTER 14—ISSUE OF PATENT

* * * * *

§ 157. Statutory invention registration

(a) * * *

* * * * *

(d) The [Secretary of Commerce] *Attorney General* shall report to the Congress annually on the use of statutory invention registrations. Such report shall include an assessment of the degree to which agencies of the Federal Government are making use of the statutory invention registration system, the degree to which it aids the management of federally developed technology, and an assessment of the cost savings to the Federal Government of the use of such procedures.

* * * * *

CHAPTER 17—SECURITY OF CERTAIN INVENTIONS AND FILING APPLICATIONS

* * * * *

§ 181. Secrecy of certain inventions and withholding of patent

Each individual to whom the application is disclosed shall sign a dated acknowledgment thereof, which acknowledgment shall be entered in the file of the application. If, in the opinion of the Atomic Energy Commission, the Secretary of a Defense Department, or the chief officer of another department or agency so designated, the publication or disclosure of the invention by the granting of a patent therefor would be detrimental to the national security, the Atomic Energy Commission, the Secretary of a Defense Department, or such other chief officer shall notify the Commissioner and the Commissioner shall order that the invention be kept secret and shall withhold the grant of a patent for such period as the national

interest requires, and notify the applicant thereof. Upon proper showing by the head of the department or agency who caused the secrecy order to be issued that the examination of the application might jeopardize the national interest, the Commissioner shall thereupon maintain the application in a sealed condition and notify the applicant thereof. The owner of an application which has been placed under a secrecy order shall have a right to appeal from the order to the [Secretary of Commerce] *Attorney General* under rules prescribed by him.

* * * * *

§ 188. Rules and regulations, delegation of power

The Atomic Energy Commission, the Secretary of a defense department, the chief officer of any other department or agency of the Government designated by the President as a defense agency of the United States, and the [Secretary of Commerce] *Attorney General*, may separately issue rules and regulations to enable the respective department or agency to carry out the provisions of this chapter, and may delegate any power conferred by this chapter.

* * * * *

CHAPTER 18—PATENT RIGHTS IN INVENTIONS MADE WITH FEDERAL ASSISTANCE

§ 202. Disposition of rights

(a) * * *

* * * * *

(b)(1) The rights of the Government under subsection (a) shall not be exercised by a Federal agency unless it first determines that at least one of the conditions identified in clauses (i) through (iv) of subsection (a) exists. Except in the case of subsection (a)(iii), the agency shall file with the [Secretary of Commerce] *Attorney General*, within thirty days after the award of the applicable funding agreement, a copy of such determination. In the case of a determination under subsection (a)(ii), the statement shall include an analysis justifying the determination. In the case of determinations applicable to funding agreements with small business firms, copies shall also be sent to the Chief Counsel for Advocacy of the Small Business Administration. If the [Secretary of Commerce] *Attorney General* believes that any individual determination or pattern of determinations is contrary to the policies and objectives of this chapter or otherwise not in conformance with this chapter, the Secretary shall so advise the head of the agency concerned and the Administrator of the Office of Federal Procurement Policy, and recommend corrective actions.

* * * * *

§ 206. Uniform clauses and regulations

The [Secretary of Commerce] *Attorney General* may issue regulations which may be made applicable to Federal agencies implementing the provisions of sections 202 through 204 of this chapter and shall establish standard funding agreement provisions re-

quired under this chapter. The regulations and the standard funding agreement shall be subject to public comment before their issuance.

* * * * *

§ 208. Regulations governing Federal licensing

The [Secretary of Commerce] *Attorney General* is authorized to promulgate regulations specifying the terms and conditions upon which any federally owned invention, other than inventions owned by the Tennessee Valley Authority, may be licensed on a nonexclusive, partially exclusive, or exclusive basis.

* * * * *

SECTION 10101 OF THE OMNIBUS BUDGET RECONCILIATION ACT OF 1990

SEC. 10101. PATENT AND TRADEMARK OFFICE USER FEES.

(a) SURCHARGES.—There shall be a surcharge, during fiscal years 1991 through 1995, of 69 percent, rounded by standard arithmetic rules, on all fees authorized by subsections (a) and (b) of section 41 of title 35, United States Code.

(b) USE OF SURCHARGES.—Notwithstanding section 3302 of title 31, United States Code, beginning in fiscal year 1991, all surcharges collected by the Patent and Trademark Office—

(1) * * *

(2) in fiscal years 1992 through 1995—

(A) shall be credited to a separate account established in the Treasury and ascribed to the Patent and Trademark Office activities in the Department of Commerce as offsetting receipts, and

(B) shall be available only to the Patent and Trademark Office, [to the extent provided in appropriation Acts] *without appropriation*, for all authorized activities and operations of the office, including all direct and indirect costs of services provided by the office, and

* * * * *

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY ACT

* * * * *

ESTABLISHMENT, FUNCTIONS, AND ACTIVITIES

SEC. 2. (a) There is established within the Department of Commerce a science, engineering, technology, and measurement laboratory to be known as the National Institute of Standards and Technology (hereafter in this Act referred to as the "Institute").

(b) The Secretary of Commerce (hereafter in this Act referred to as the "Secretary") acting through the Director of the Institute (hereafter in this Act referred to as the "Director") and, if appropriate, through other officials, is authorized to take all actions nec-

essary and appropriate to accomplish the purposes of this Act, including the following functions of the Institute—

[(1) to assist industry in the development of technology and procedures needed to improve quality, to modernize manufacturing processes, to ensure product reliability, manufacturability, functionality, and cost-effectiveness, and to facilitate the more rapid commercialization, especially by small- and medium-sized companies throughout the United States, of products based on new scientific discoveries in fields such as automation, electronics, advanced materials, biotechnology, and optical technologies;]

[(2)] (1) to develop, maintain, and retain custody of the national standards of measurement, and provide the means and methods for making measurements consistent with those standards, including comparing standards used in scientific investigations, engineering, manufacturing, commerce, industry, and educational institutions with the standards adopted or recognized by the Federal Government;

[(3)] (2) to enter into contracts, including cooperative research and development arrangements, in furtherance of the purposes of this Act;

[(4)] (3) to provide United States industry, Government, and educational institutions with a national clearinghouse of current information, techniques, and advice for the achievement of higher quality and productivity based on current domestic and international scientific and technical development;

[(5)] (4) to assist industry in the development of measurements, measurement methods, and basic measurement technology;

[(6)] (5) to determine, compile, evaluate, and disseminate physical constants and the properties and performance of conventional and advanced materials when they are important to science, engineering, manufacturing, education, commerce, and industry and are not available with sufficient accuracy elsewhere;

[(7)] (6) to develop a fundamental basis and methods for testing materials, mechanisms, structures, equipment, and systems, including those used by the Federal Government;

[(8)] (7) to assure the compatibility of United States national measurement standards with those of other nations;

[(9)] (8) to cooperate with other departments and agencies of the Federal Government, with industry, with State and local governments, with the governments of other nations and international organizations, and with private organizations in establishing standard practices, codes, specifications, and voluntary consensus standards;

[(10)] (9) to advise government and industry on scientific and technical problems; and

[(11)] (10) to invent, develop, and (when appropriate) promote transfer to the private sector of measurement devices to serve special national needs.

* * * * *

(d) In carrying out the extramural funding programs of the Institute[, including the programs established under sections 25,

26, and 28 of this Act], the Secretary may retain reasonable amounts of any funds appropriated pursuant to authorizations for these programs in order to pay for the Institute's management of these programs.

* * * * *

VISITING COMMITTEE ON [ADVANCED] *STANDARDS AND TECHNOLOGY*

SEC. 10. (a) There is established within the Institute a Visiting Committee on [Advanced] *Standards and Technology* (hereafter in this Act referred to as the "Committee"). The Committee shall consist of nine members appointed by the Director, at least five of whom shall be from United States industry. The Director shall appoint as original members of the Committee any final members of the National Bureau of Standards Visiting Committee who wish to serve in such capacity. In addition to any powers and functions otherwise granted to it by this Act, the Committee shall review and make recommendations regarding general policy for the Institute, its organization, its budget, and its programs within the framework of applicable national policies as set forth by the President and the Congress.

* * * * *

[STUDIES BY THE NATIONAL RESEARCH COUNCIL

[SEC. 24. The Director may periodically contract with the National Research Council for advice and studies to assist the Institute to serve United States industry and science. The subjects of such advice and studies may include—

- [(1) the competitive position of the United States in key areas of manufacturing and emerging technologies and research activities which would enhance that competitiveness;
- [(2) potential activities of the Institute, in cooperation with industry and the States, to assist in the transfer and dissemination of new technologies for manufacturing and quality assurance; and
- [(3) identification and assessment of likely barriers to widespread use of advanced manufacturing technology by the United States workforce, including training and other initiatives which could lead to a higher percentage of manufacturing jobs of United States companies being located within the borders of our country.

[REGIONAL CENTERS FOR THE TRANSFER OF MANUFACTURING TECHNOLOGY

[SEC. 25. (a) The Secretary, through the Director and, if appropriate, through other officials, shall provide assistance for the creation and support of Regional Centers for the Transfer of Manufacturing Technology (hereafter in this Act referred to as the "Centers"). Such centers shall be affiliated with any United States-based nonprofit institution or organization, or group thereof, that applies for and is awarded financial assistance under this section in accordance with the description published by the Secretary in the Federal Register under subsection (c)(2). Individual awards

shall be decided on the basis of merit review. The objective of the Centers is to enhance productivity and technological performance in United States manufacturing through—

[(1) the transfer of manufacturing technology and techniques developed at the Institute to Centers and, through them, to manufacturing companies throughout the United States;

[(2) the participation of individuals from industry, universities, State governments, other Federal agencies, and, when appropriate, the Institute in cooperative technology transfer activities;

[(3) efforts to make new manufacturing technology and processes usable by United States-based small- and medium-sized companies;

[(4) the active dissemination of scientific, engineering, technical, and management information about manufacturing to industrial firms, including small- and medium-sized manufacturing companies; and

[(5) the utilization, when appropriate, of the expertise and capability that exists in Federal laboratories other than the Institute.

[(b) The activities of the Centers shall include—

[(1) the establishment of automated manufacturing systems and other advanced production technologies, based on research by the Institute, for the purpose of demonstrations and technology transfer;

[(2) the active transfer and dissemination of research findings and Center expertise to a wide range of companies and enterprises, particularly small- and medium-sized manufacturers; and

[(3) loans, on a selective, short-term basis, of items of advanced manufacturing equipment to small manufacturing firms with less than 100 employees.

[(c)(1) The Secretary may provide financial support to any Center created under subsection (a) for a period not to exceed six years. The Secretary may not provide to a Center more than 50 percent of the capital and annual operating and maintenance funds required to create and maintain such Center.

[(2) The Secretary shall publish in the Federal Register, within 90 days after the date of the enactment of this section, a draft description of a program for establishing Centers, including—

[(A) a description of the program;

[(B) procedures to be followed by applicants;

[(C) criteria for determining qualified applicants;

[(D) criteria, including those listed under paragraph (4), for choosing recipients of financial assistance under this section from among the qualified applicants; and

[(E) maximum support levels expected to be available to Centers under the program in the fourth through sixth years of assistance under this section.

The Secretary shall publish a final description under this paragraph after the expiration of a 30-day comment period.

[(3) Any nonprofit institution, or group thereof, or consortia of nonprofit institutions, including entities existing on the date of the enactment of this section, may submit to the Secretary an applica-

tion for financial support under this subsection, in accordance with the procedures established by the Secretary and published in the Federal Register under paragraph (2). In order to receive assistance under this section, an applicant shall provide adequate assurances that it will contribute 50 percent or more of the proposed Center's capital and annual operating and maintenance costs for the first three years and an increasing share for each of the last three years. Each applicant shall also submit a proposal for the allocation of the legal rights associated with any invention which may result from the proposed Center's activities.

[(4) The Secretary shall subject each such application to merit review. In making a decision whether to approve such application and provide financial support under this subsection, the Secretary shall consider at a minimum (A) the merits of the application, particularly those portions of the application regarding technology transfer, training and education, and adaptation of manufacturing technologies to the needs of particular industrial sectors, (B) the quality of service to be provided, (C) geographical diversity and extent of service area, and (D) the percentage of funding and amount of in-kind commitment from other sources.

[(5) Each Center which receives financial assistance under this section shall be evaluated during its third year of operation by an evaluation panel appointed by the Secretary. Each such evaluation panel shall be composed of private experts, none of whom shall be connected with the involved Center, and Federal officials. An official of the Institute shall chair the panel. Each evaluation panel shall measure the involved Center's performance against the objectives specified in this section. The Secretary shall not provide funding for the fourth through the sixth years of such Center's operation unless the evaluation is positive. If the evaluation is positive, the Secretary may provide continued funding through the sixth year at declining levels, which are designed to ensure that the Center no longer needs financial support from the Institute by the seventh year. In no event shall funding for a Center be provided by the Department of Commerce after the sixth year of the operation of a Center.

[(6) The provisions of chapter 18 of title 35, United States Code, shall (to the extent not inconsistent with this section) apply to the promotion of technology from research by Centers under this section except for contracts for such specific technology extension or transfer services as may be specified by statute or by the Director.

[(d) In addition to such sums as may be authorized and appropriated to the Secretary and Director to operate the Centers program, the Secretary and Director also may accept funds from other Federal departments and agencies for the purpose of providing Federal funds to support Centers. Any Center which is supported with funds which originally came from other Federal departments and agencies shall be selected and operated according to the provisions of this section.

【ASSISTANCE TO STATE TECHNOLOGY PROGRAMS

【SEC. 26. (a) In addition to the Centers program created under section 25, the Secretary, through the Director and, if appropriate, through other officials, shall provide technical assistance to State

technology programs throughout the United States, in order to help those programs help businesses, particularly small- and medium-sized businesses, to enhance their competitiveness through the application of science and technology.

[(b) Such assistance from the Institute to State technology programs shall include, but not be limited to—

[(1) technical information and advice from Institute personnel;

[(2) workshops and seminars for State officials interested in transferring Federal technology to businesses; and

[(3) entering into cooperative agreements when authorized to do so under this or any other Act.]

* * * * *

[ADVANCED TECHNOLOGY PROGRAM

[SEC. 28. (a) There is established in the Institute an Advanced Technology Program (hereafter in this Act referred to as the “Program”) for the purpose of assisting United States businesses in creating and applying the generic technology and research results necessary to—

[(1) commercialize significant new scientific discoveries and technologies rapidly; and

[(2) refine manufacturing technologies.

The Secretary, acting through the Director, shall assure that the Program focuses on improving the competitive position of the United States and its businesses, gives preference to discoveries and to technologies that have great economic potential, and avoids providing undue advantage to specific companies. In operating the Program, the Secretary and Director shall, as appropriate, be guided by the findings and recommendations of the Biennial National Critical Technology Reports prepared pursuant to section 603 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6683).

[(b) Under the Program established in subsection (a), and consistent with the mission and policies of the Institute, the Secretary, acting through the Director, and subject to subsections (c) and (d), may—

[(1) aid industry-led United States joint research and development ventures (hereafter in this section referred to as “joint ventures”) (which may also include universities and independent research organizations), including those involving collaborative technology demonstration projects which develop and test prototype equipment and processes, through—

[(A) provision of organizational and technical advice; and

[(B) participation in such joint ventures by means of grants, cooperative agreements, or contracts, if the Secretary, acting through the Director, determines participation to be appropriate, which may include (i) partial start-up funding, (ii) provision of a minority share of the cost of such joint ventures for up to 5 years, and (iii) making available equipment, facilities, and personnel,

provided that emphasis is placed on areas where the Institute has scientific or technological expertise, on solving generic problems of specific industries, and on making those industries more competitive in world markets;

[(2) provide grants to and enter into contracts and cooperative agreements with United States businesses (especially small businesses), provided that emphasis is placed on applying the Institute's research, research techniques, and expertise to those organizations' research programs;

[(3) involve the Federal laboratories in the Program, where appropriate, using among other authorities the cooperative research and development agreements provided for under section 12 of the Stevenson-Wydler Technology Innovation Act of 1980; and

[(4) carry out, in a manner consistent with the provisions of this section, such other cooperative research activities with joint ventures as may be authorized by law or assigned to the Program by the Secretary.

[(c) The Secretary, acting through the Director, is authorized to take all actions necessary and appropriate to establish and operate the Program, including—

[(1) publishing in the Federal Register draft criteria and, no later than six months after the date of the enactment of this section, following a public comment period, final criteria, for the selection of recipients of assistance under subsection (b) (1) and (2);

[(2) monitoring how technologies developed in its research program are used, and reporting annually to the Congress on the extent of any overseas transfer of these technologies;

[(3) establishing procedures regarding financial reporting and auditing to ensure that contracts and awards are used for the purposes specified in this section, are in accordance with sound accounting practices, and are not funding existing or planned research programs that would be conducted in the same time period in the absence of financial assistance under the Program;

[(4) assuring that the advice of the Committee established under section 10 is considered routinely in carrying out the responsibilities of the Institute; and

[(5) providing for appropriate dissemination of Program research results.

[(d) When entering into contracts or making awards under subsection (b), the following shall apply:

[(1) No contract or award may be made until the research project in question has been subject to a merit review, and has, in the opinion of the reviewers appointed by the Director and the Secretary, acting through the Director, been shown to have scientific and technical merit.

[(2) In the case of joint ventures, the Program shall not make an award unless the award will facilitate the formation of a joint venture or the initiation of a new research and development project by an existing joint venture.

[(3) No Federal contract or cooperative agreement under subsection (b)(2) shall exceed \$2,000,000 over 3 years, or be for

more than 3 years unless a full and complete explanation of such proposed award, including reasons for exceeding these limits, is submitted in writing by the Secretary to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives. The proposed contract or cooperative agreement may be executed only after 30 calendar days on which both Houses of Congress are in session have elapsed since such submission. Federal funds made available under subsection (b)(2) shall be used only for direct costs and not for indirect costs, profits, or management fees of the contractor.

[(4) In determining whether to make an award to a particular joint venture, the Program shall consider whether the members of the joint venture have made provisions for the appropriate participation of small United States businesses in such joint venture.

[(5) Section 552 of title 5, United States Code, shall not apply to the following information obtained by the Federal Government on a confidential basis in connection with the activities of any business or any joint venture receiving funding under the Program—

[(A) information on the business operation of any member of the business or joint venture; and

[(B) trade secrets possessed by any business or any member of the joint venture.

[(6) Intellectual property owned and developed by any business or joint venture receiving funding or by any member of such a joint venture may not be disclosed by any officer or employee of the Federal Government except in accordance with a written agreement between the owner or developer and the Program.

[(7) If a business or joint venture fails before the completion of the period for which a contract or award has been made, after all allowable costs have been paid and appropriate audits conducted, the unspent balance of the Federal funds shall be returned by the recipient to the Program.

[(8) Upon dissolution of any joint venture or at the time otherwise agreed upon, the Federal Government shall be entitled to a share of the residual assets of the joint venture proportional to the Federal share of the costs of the joint venture as determined by independent audit.

[(9) A company shall be eligible to receive financial assistance under this section only if—

[(A) the Secretary finds that the company's participation in the Program would be in the economic interest of the United States, as evidenced by investments in the United States in research, development, and manufacturing (including, for example, the manufacture of major components or subassemblies in the United States); significant contributions to employment in the United States; and agreement with respect to any technology arising from assistance provided under this section to promote the manufacture within the United States of products resulting from that technology (taking into account the goals of promoting

the competitiveness of United States industry), and to procure parts and materials from competitive suppliers; and

[(B) either—

[(i) the company is a United States-owned company;

or

[(ii) the Secretary finds that the company is incorporated in the United States and has a parent company which is incorporated in a country which affords to United States-owned companies opportunities, comparable to those afforded to any other company, to participate in any joint venture similar to those authorized under this Act; affords to United States-owned companies local investment opportunities comparable to those afforded to any other company; and affords adequate and effective protection for the intellectual property rights of United States-owned companies.

[(10) Grants, contracts, and cooperative assignments under this section shall be designed to support projects which are high risk and which have the potential for eventual substantial widespread commercial application. In order to receive a grant, contract, or cooperative agreement under this section, a research and development entity shall demonstrate to the Secretary the requisite ability in research and technology development and management in the project area in which the grant, contract, or cooperative agreement is being sought.

[(11)(A) Title to any intellectual property arising from assistance provided under this section shall vest in a company or companies incorporated in the United States. The United States may reserve a nonexclusive, nontransferable, irrevocable paid-up license, to have practiced for or on behalf of the United States, in connection with any such intellectual property, but shall not, in the exercise of such license, publicly disclose proprietary information related to the license. Title to any such intellectual property shall not be transferred or passed, except to a company incorporated in the United States, until the expiration of the first patent obtained in connection with such intellectual property.

[(B) For purposes of this paragraph, the term “intellectual property” means an invention patentable under title 35, United States Code, or any patent on such an invention.

[(C) Nothing in this paragraph shall be construed to prohibit the licensing to any company of intellectual property rights arising from assistance provided under this section.

[(e) The Secretary may, within 30 days after notice to Congress, suspend a company or joint venture from continued assistance under this section if the Secretary determines that the company, the country of incorporation of the company or a parent company, or the joint venture has failed to satisfy any of the criteria set forth in subsection (d)(9), and that it is in the national interest of the United States to do so.

[(f) When reviewing private sector requests for awards under the Program, and when monitoring the progress of assisted research projects, the Secretary and the Director shall, as appropriate, co-

ordinate with the Secretary of Defense and other senior Federal officials to ensure cooperation and coordination in Federal technology programs and to avoid unnecessary duplication of effort. The Secretary and the Director are authorized to work with the Director of the Office of Science and Technology Policy, the Secretary of Defense, and other appropriate Federal officials to form interagency working groups or special project offices to coordinate Federal technology activities.

[(g) In order to analyze the need for the value of joint ventures and other research projects in specific technical fields, to evaluate any proposal made by a joint venture or company requesting the Secretary's assistance, or to monitor the progress of any joint venture or any company research project which receives Federal funds under the Program, the Secretary, the Under Secretary of Commerce for Technology, and the Director may, notwithstanding any other provision of law, meet with such industry sources as they consider useful and appropriate.

[(h) Up to 10 percent of the funds appropriated for carrying out this section may be used for standards development and technical activities by the Institute in support of the purposes of this section.

[(i) In addition to such sums as may be authorized and appropriated to the Secretary and Director to operate the Program, the Secretary and Director also may accept funds from other Federal departments and agencies for the purpose of providing Federal funds to support awards under the Program. Any Program award which is supported with funds which originally came from other Federal departments and agencies shall be selected and carried out according to the provisions of this section.

[(j) As used in this section—

[(1) the term "joint venture" means any group of activities, including attempting to make, making, or performing a contract, by two or more persons for the purpose of—

[(A) theoretical analysis, experimentation, or systematic study of phenomena or observable facts;

[(B) the development or testing of basic engineering techniques;

[(C) the extension of investigative finding or theory of a scientific or technical nature into practical application for experimental and demonstration purposes, including the experimental production and testing of models, prototypes, equipment, materials, and processes;

[(D) the collection, exchange, and analysis of research information;

[(E) the production of any product, process, or service; or

[(F) any combination of the purposes specified in subparagraphs (A), (B), (C), (D), and (E),

and may include the establishment and operation of facilities for the conducting of research, the conducting of such venture on a protected and proprietary basis, and the prosecuting of applications for patents and the granting of licenses for the results of such venture; and

[(2) the term "United States-owned company" means a company that has majority ownership or control by individuals who are citizens of the United States.]

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STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980

* * * * *

SEC. 3. PURPOSE.

It is the purpose of this Act to improve the economic, environmental, and social well-being of the United States by—

(1) establishing organizations in the executive branch to study and stimulate technology;

[(2) promoting technology development through the establishment of cooperative research centers;]

[(3)] (2) stimulating improved utilization of federally funded technology developments, including inventions, software, and training technologies, by State and local governments and the private sector;

[(4)] (3) providing encouragement for the development of technology through the recognition of individuals and companies which have made outstanding contributions in technology; and

[(5)] (4) encouraging the exchange of scientific and technical personnel among academia, industry, and Federal laboratories.

SEC. 4. DEFINITIONS.

As used in this Act, unless the context otherwise requires, the term—

[(1) "Office" means the Office of Technology Policy established under section 5 of this Act.]

[(2)] (1) "Secretary" means the Secretary of Commerce.

[(3)] (2) "Under Secretary" means the Under Secretary of Commerce for Technology appointed under section 5(b)(1).

[(4) "Centers" means Cooperative Research Centers established under section 6 or section 8 of this Act.]

[(5)] (3) "Nonprofit institution" means an organization owned and operated exclusively for scientific or educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual.

[(6)] (4) "Federal laboratory" means any laboratory, any federally funded research and development center, or any center established under section 6 or section 8 of this Act that is owned, leased, or otherwise used by a Federal agency and funded by the Federal Government, whether operated by the Government or by a contractor.

[(7)] (5) "Supporting agency" means either the Department of Commerce or the National Science Foundation, as appropriate.

[(8)] (6) "Federal agency" means any executive agency as defined in section 105 of title 5, United States Code, and the military departments as defined in section 102 of such title, as well

as any agency of the legislative branch of the Federal Government.

[(9)] (7) "Invention" means any invention or discovery which is or may be patentable or otherwise protected under title 35, United States Code, or any novel variety of plant which is or may be protectable under the Plant Variety Protection Act (7 U.S.C. 2321 et seq.).

[(10)] (8) "Made" when used in conjunction with any invention means the conception or first actual reduction to practice of such invention.

[(11)] (9) "Small business firm" means a small business concern as defined in section 2 of Public Law 85-536 (15 U.S.C. 632) and implementing regulations of the Administrator of the Small Business Administration.

[(12)] (10) "Training technology" means computer software and related materials which are developed by a Federal agency to train employees of such agency, including but not limited to software for computer-based instructional systems and for interactive video disc systems.

[(13)] "Clearinghouse" means the Clearinghouse for State and Local Initiatives on Productivity, Technology, and Innovation established by section 6.]

[SEC. 5. COMMERCE AND TECHNOLOGICAL INNOVATION.

[(a)] ESTABLISHMENT.—There is established in the Department of Commerce a Technology Administration, which shall operate in accordance with the provisions, findings, and purposes of this Act. The Technology Administration shall include—

[(1)] the National Institute of Standards and Technology;

[(2)] the National Technical Information Service; and

[(3)] a policy analysis office, which shall be known as the Office of Technology Policy.

[(b)] UNDER SECRETARY AND ASSISTANT SECRETARY.—The President shall appoint, by and with the advice and consent of the Senate, to the extent provided for in appropriations Acts—

[(1)] an Under Secretary of Commerce for Technology, who shall be compensated at the rate provided for level III of the Executive Schedule in section 5314 of title 5, United States Code; and

[(2)] an Assistant Secretary of Commerce for Technology Policy, who shall serve as policy analyst for the Under Secretary.

[(c)] DUTIES.—The Secretary, through the Under Secretary, as appropriate, shall—

[(1)] manage the Technology Administration and supervise its agencies, programs, and activities;

[(2)] conduct technology policy analyses to improve United States industrial productivity, technology, and innovation, and cooperate with United States industry in the improvement of its productivity, technology, and ability to compete successfully in world markets;

[(3)] carry out any functions formerly assigned to the Office of Productivity, Technology, and Innovation;

[(4)] assist in the implementation of the Metric Conversion Act of 1975;

[(5) determine the relationships of technological developments and international technology transfers to the output, employment, productivity, and world trade performance of United States and foreign industrial sectors;

[(6) determine the influence of economic, labor and other conditions, industrial structure and management, and government policies on technological developments in particular industrial sectors worldwide;

[(7) identify technological needs, problems, and opportunities within and across industrial sectors that, if addressed, could make a significant contribution to the economy of the United States;

[(8) assess whether the capital, technical and other resources being allocated to domestic industrial sectors which are likely to generate new technologies are adequate to meet private and social demands for goods and services and to promote productivity and economic growth;

[(9) propose and support studies and policy experiments, in cooperation with other Federal agencies, to determine the effectiveness of measures with the potential of advancing United States technological innovation;

[(10) provide that cooperative efforts to stimulate industrial innovation be undertaken between the Secretary and other officials in the Department of Commerce responsible for such areas as trade and economic assistance;

[(11) encourage and assist the creation of centers and other joint initiatives by State or local governments, regional organizations, private businesses, institutions of higher education, nonprofit organizations, or Federal laboratories to encourage technology transfer, to stimulate innovation, and to promote an appropriate climate for investment in technology-related industries;

[(12) propose and encourage cooperative research involving appropriate Federal entities, State or local governments, regional organizations, colleges or universities, nonprofit organizations, or private industry to promote the common use of resources, to improve training programs and curricula, to stimulate interest in high technology careers, and to encourage the effective dissemination of technology skills within the wider community;

[(13) serve as a focal point for discussions among United States companies on topics of interest to industry and labor, including discussions regarding manufacturing and discussions regarding emerging technologies;

[(14) consider government measures with the potential of advancing United States technological innovation and exploiting innovations of foreign origin; and

[(15) publish the results of studies and policy experiments.

[(d) JAPANESE TECHNICAL LITERATURE.—(1) In addition to the duties specified in subsection (c), the Secretary and the Under Secretary shall establish, and through the National Technical Information Service and with the cooperation of such other offices within the Department of Commerce as the Secretary considers appro-

priate, maintain a program (including an office in Japan) which shall, on a continuing basis—

【(A) monitor Japanese technical activities and developments;

【(B) consult with businesses, professional societies, and libraries in the United States regarding their needs for information on Japanese developments in technology and engineering;

【(C) acquire and translate selected Japanese technical reports and documents that may be of value to agencies and departments of the Federal Government, and to businesses and researchers in the United States; and

【(D) coordinate with other agencies and departments of the Federal Government to identify significant gaps and avoid duplication in efforts by the Federal Government to acquire, translate, index, and disseminate Japanese technical information.

Activities undertaken pursuant to subparagraph (C) of this paragraph shall only be performed on a cost-reimbursable basis. Translations referred to in such subparagraph shall be performed only to the extent that they are not otherwise available from sources within the private sector in the United States.

【(2) Beginning in 1986, the Secretary shall prepare annual reports regarding important Japanese scientific discoveries and technical innovations in such areas as computers, semiconductors, biotechnology, and robotics and manufacturing. In preparing such reports, the Secretary shall consult with professional societies and businesses in the United States. The Secretary may, to the extent provided in advance by appropriation Acts, contract with private organizations to acquire and translate Japanese scientific and technical information relevant to the preparation of such reports.

【(3) The Secretary also shall encourage professional societies and private businesses in the United States to increase their efforts to acquire, screen, translate, and disseminate Japanese technical literature.

【(4) In addition, the Secretary shall compile, publish, and disseminate an annual directory which lists—

【(A) all programs and services in the United States that collect, abstract, translate, and distribute Japanese scientific and technical information; and

【(B) all translations of Japanese technical documents performed by agencies and departments of the Federal Government in the preceding 12 months that are available to the public.

【(5) The Secretary shall transmit to the Congress, within 1 year after the date of enactment of the Japanese Technical Literature Act of 1986, a report on the activities of the Federal Government to collect, abstract, translate, and distribute declassified Japanese scientific and technical information.

【(e) REPORT.—The Secretary shall prepare and submit to the President and Congress, within 3 years after the date of enactment of this Act, a report on the progress, findings, and conclusions of activities conducted pursuant to sections 5, 6, 8, 11, 12, and 13 of this Act (as then in effect) and recommendations for possible modifications thereof.

[SEC. 6. CLEARINGHOUSE FOR STATE AND LOCAL INITIATIVES ON PRODUCTIVITY, TECHNOLOGY, AND INNOVATION.

[(a) ESTABLISHMENT.—There is established within the Office of Productivity, Technology, and Innovation a Clearinghouse for State and Local Initiatives on Productivity, Technology, and Innovation. The Clearinghouse shall serve as a central repository of information on initiatives by State and local governments to enhance the competitiveness of American business through the stimulation of productivity, technology, and innovation and Federal efforts to assist State and local governments to enhance competitiveness.

[(b) RESPONSIBILITIES.—The Clearinghouse may—

[(1) establish relationships with State and local governments, and regional and multistate organizations of such governments, which carry out such initiatives;

[(2) collect information on the nature, extent, and effects of such initiatives, particularly information useful to the Congress, Federal agencies, State and local governments, regional and multistate organizations of such governments, businesses, and the public throughout the United States;

[(3) disseminate information collected under paragraph (2) through reports, directories, handbooks, conferences, and seminars;

[(4) provide technical assistance and advice to such governments with respect to such initiatives, including assistance in determining sources of assistance from Federal agencies which may be available to support such initiatives;

[(5) study ways in which Federal agencies, including Federal laboratories, are able to use their existing policies and programs to assist State and local governments, and regional and multistate organizations of such governments, to enhance the competitiveness of American business;

[(6) make periodic recommendations to the Secretary, and to other Federal agencies upon their request, concerning modifications in Federal policies and programs which would improve Federal assistance to State and local technology and business assistance programs;

[(7) develop methodologies to evaluate State and local programs, and, when requested, advise State and local governments, and regional and multistate organizations of such governments, as to which programs are most effective in enhancing the competitiveness of American business through the stimulation of productivity, technology, and innovation; and

[(8) make use of, and disseminate, the nationwide study of State industrial extension programs conducted by the Secretary.

[(c) CONTRACTS.—In carrying out subsection (b), the Secretary may enter into contracts for the purpose of collecting information on the nature, extent, and effects of initiatives.

[(d) TRIENNIAL REPORT.—The Secretary shall prepare and transmit to the Congress once each 3 years a report on initiatives by State and local governments to enhance the competitiveness of American businesses through the stimulation of productivity, technology, and innovation. The report shall include recommendations to the President, the Congress, and to Federal agencies on the ap-

appropriate Federal role in stimulating State and local efforts in this area. The first of these reports shall be transmitted to the Congress before January 1, 1989.

[SEC. 7. COOPERATIVE RESEARCH CENTERS.

[(a) ESTABLISHMENT.—The Secretary shall provide assistance for the establishment of Cooperative Research Centers. Such Centers shall be affiliated with any university, or other nonprofit institution, or group thereof, that applies for and is awarded a grant or enters into a cooperative agreement under this section. The objective of the Centers is to enhance technological innovation through—

[(1) the participation of individuals from industry and universities in cooperative technological innovation activities;

[(2) the development of the generic research base, important for technological advance and innovative activity, in which individual firms have little incentive to invest, but which may have significant economic or strategic importance, such as manufacturing technology;

[(3) the education and training of individuals in the technological innovation process;

[(4) the improvement of mechanisms for the dissemination of scientific, engineering, and technical information among universities and industry;

[(5) the utilization of the capability and expertise, where appropriate, that exists in Federal laboratories; and

[(6) the development of continuing financial support from other mission agencies, from State and local government, and from industry and universities through, among other means, fees, licenses, and royalties.

[(b) ACTIVITIES.—The activities of the Centers shall include, but need not be limited to—

[(1) research supportive of technological and industrial innovation including cooperative industry-university research;

[(2) assistance to individuals and small business in the generation, evaluation and development of technological ideas supportive of industrial innovation and new business ventures;

[(3) technical assistance and advisory services to industry, particularly small businesses; and

[(4) curriculum development, training, and instruction in invention, entrepreneurship, and industrial innovation.

Each Center need not undertake all of the activities under this subsection.

[(c) REQUIREMENTS.—Prior to establishing a Center, the Secretary shall find that—

[(1) consideration has been given to the potential contribution of the activities proposed under the Center to productivity, employment, and economic competitiveness of the United States;

[(2) a high likelihood exists of continuing participation, advice, financial support, and other contributions from the private sector;

[(3) the host university or other nonprofit institution has a plan for the management and evaluation of the activities proposed within the particular Center, including:

[(A) the agreement between the parties as to the allocation of patent rights on a nonexclusive, partially exclusive, or exclusive license basis to and inventions conceived or made under the auspices of the Center; and

[(B) the consideration of means to place the Center, to the maximum extent feasible, on a self-sustaining basis;

[(4) suitable consideration has been given to the university's or other nonprofit institution's capabilities and geographical location; and

[(5) consideration has been given to any effects upon completion of the activities proposed under the Center.

[(d) PLANNING GRANTS.—The Secretary is authorized to make available nonrenewable planning grants to universities or nonprofit institutions for the purpose of developing a plan required under subsection (c)(3).

[(e) RESEARCH AND DEVELOPMENT UTILIZATION.—In the promotion of technology from research and development efforts by Centers under this section, chapter 18 of title 35, United States Code, shall apply to the extent not inconsistent with this section.

[SEC. 8. GRANTS AND COOPERATIVE AGREEMENTS.

[(a) IN GENERAL.—The Secretary may make grants and enter into cooperative agreements according to the provisions of this section in order to assist any activity consistent with this Act, including activities performed by individuals. The total amount of any such grant or cooperative agreement may not exceed 75 percent of the total cost of the program.

[(b) ELIGIBILITY AND PROCEDURE.—Any person or institution may apply to the Secretary for a grant or cooperative agreement available under this section. Application shall be made in such form and manner, and with such content and other submissions, as the Assistant Secretary shall prescribe. The Secretary shall act upon each such application within 90 days after the date on which all required information is received.

[(c) TERMS AND CONDITIONS.—

[(1) Any grant made, or cooperative agreement entered into, under this section shall be subject to the limitations and provisions set forth in paragraph (2) of this subsection, and to such other terms, conditions, and requirements as the Secretary deems necessary or appropriate.

[(2) Any person who receives or utilizes any proceeds of any grant made or cooperative agreement entered into under this section shall keep such records as the Secretary shall by regulation prescribe as being necessary and appropriate to facilitate effective audit and evaluation, including records which fully disclose the amount and disposition by such recipient of such proceeds, the total cost of the program or project in connection with which such proceeds were used, and the amount, if any, of such costs which was provided through other sources.

[SEC. 9. NATIONAL SCIENCE FOUNDATION COOPERATIVE RESEARCH CENTERS.

[(a) ESTABLISHMENT AND PROVISIONS.—The National Science Foundation shall provide assistance for the establishment of Cooperative Research Centers. Such Centers shall be affiliated with a

university or other nonprofit institution, or a group thereof. The objective of the Centers is to enhance technological innovation as provided in section 6(a) through the conduct of activities as provided in section 6(b).

[(b) PLANNING GRANTS.—The National Science Foundation is authorized to make available nonrenewable planning grants to universities or nonprofit institutions for the purpose of developing the plan as described under section 6(c)(3).

[(c) TERMS AND CONDITIONS.—Grants, contracts, and cooperative agreements entered into by the National Science Foundation in execution of the powers and duties of the National Science Foundation under this Act shall be governed by the National Science Foundation Act of 1950 and other pertinent Acts.

[(SEC. 10. ADMINISTRATIVE ARRANGEMENTS.

[(a) COORDINATION.—The Secretary and the National Science Foundation shall, on a continuing basis, obtain the advice and cooperation of departments and agencies whose missions contribute to or are affected by the programs established under this Act, including the development of an agenda for research and policy experimentation. These departments and agencies shall include but not be limited to the Departments of Defense, Energy, Education, Health and Human Services, Housing and Urban Development and Space Administration, Small Business Administration, Council of Economic Advisers, Council on Environmental Quality, and Office of Science and Technology Policy.

[(b) COOPERATION.—It is the sense of the Congress that departments and agencies, including the Federal laboratories, whose missions are affected by, or could contribute to, the programs established under this Act, should, within the limits of budgetary authorizations and appropriations, support or participate in activities or projects authorized by this Act.

[(c) ADMINISTRATIVE AUTHORIZATION.—

[(1) Departments and agencies described in subsection (b) are authorized to participate in, contribute to, and serve as resources for the Centers and for any other activities authorized under this Act.

[(2) The Secretary and the National Science Foundation are authorized to receive moneys and to receive other forms of assistance from other departments or agencies to support activities of the Centers and any other activities authorized under this Act.

[(d) COOPERATIVE EFFORTS.—The Secretary and the National Science Foundation shall, on a continuing basis, provide each other the opportunity to comment on any proposed program of activity under section 7, 9, 11, 15, 17, or 20 of this Act before funds are committed to such program in order to mount complementary efforts and avoid duplication.]

SEC. 11. UTILIZATION OF FEDERAL TECHNOLOGY.

(a) * * *

* * * * *

(c) FUNCTIONS OF RESEARCH AND TECHNOLOGY APPLICATIONS OFFICE.—It shall be the function of each Office of Research and Technology Applications—

(1) * * *

* * * * *

(3) to cooperate with and assist the National Technical Information Service[, the Federal Laboratory Consortium for Technology Transfer,] and other organizations which link the research and development resources of that laboratory and the Federal Government as a whole to potential users in State and local government and private industry;

* * * * *

(d) DISSEMINATION OF TECHNICAL INFORMATION.—The National Technical Information Service shall—

(1) * * *

(2) utilize the expertise and services of the National Science Foundation [and the Federal Laboratory Consortium for Technology Transfer]; particularly in dealing with State and local governments;

(3) receive requests for technical assistance from State and local governments, respond to such requests with published information available to the Service[, and refer such requests to the Federal Laboratory Consortium for Technology Transfer to the extent that such requests require a response involving more than the published information available to the Service];

* * * * *

[(e) ESTABLISHMENT OF FEDERAL LABORATORY CONSORTIUM FOR TECHNOLOGY TRANSFER.—(1) There is hereby established the Federal Laboratory Consortium for Technology Transfer (hereinafter referred to as the "Consortium") which, in cooperation with Federal Laboratories and the private sector, shall—

[(A) develop and (with the consent of the Federal laboratory concerned) administer techniques, training courses, and materials concerning technology transfer to increase the awareness of Federal laboratory employees regarding the commercial potential of laboratory technology and innovations;

[(B) furnish advice and assistance requested by Federal agencies and laboratories for use in their technology transfer programs (including the planning of seminars for small business and other industry);

[(C) provide a clearinghouse for requests, received at the laboratory level, for technical assistance from States and units of local governments, businesses, industrial development organizations, not-for-profit organizations including universities, Federal agencies and laboratories, and other persons, and—

[(i) to the extent that such requests can be responded to with published information available to the National Technical Information Service, refer such requests to that Service, and

[(ii) otherwise refer these requests to the appropriate Federal laboratories and agencies;

[(D) facilitate communication and coordination between Offices of Research and Technology Applications of Federal laboratories;

[(E) utilize (with the consent of the agency involved) the expertise and services of the National Science Foundation, the Department of Commerce, the National Aeronautics and Space Administration, and other Federal agencies, as necessary;

[(F) with the consent of any Federal laboratory, facilitate the use by such laboratory of appropriate technology transfer mechanisms such as personnel exchanges and computer-based systems;

[(G) with the consent of any Federal laboratory, assist such laboratory to establish programs using technical volunteers to provide technical assistance to communities related to such laboratory;

[(H) facilitate communication and cooperation between Offices of Research and Technology Applications of Federal laboratories and regional, State, and local technology transfer organizations;

[(I) when requested, assist colleges or universities, businesses, nonprofit organizations, State or local governments, or regional organizations to establish programs to stimulate research and to encourage technology transfer in such areas as technology program development, curriculum design, long-term research planning, personnel needs projections, and productivity assessments; and

[(J) seek advice in each Federal laboratory consortium region from representatives of State and local governments, large and small business, universities, and other appropriate persons on the effectiveness of the program (and any such advice shall be provided at no expense to the Government).

[(2) The membership of the Consortium shall consist of the Federal laboratories described in clause (1) of subsection (b) and such other laboratories as may choose to join the Consortium. The representatives to the Consortium shall include a senior staff member of each Federal laboratory which is a member of the Consortium and a senior representative appointed from each Federal agency with one or more member laboratories.

[(3) The representatives to the Consortium shall elect a Chairman of the Consortium.

[(4) The Director of the National Institute of Standards and Technology shall provide the Consortium, on a reimbursable basis, with administrative services, such as office space, personnel, and support services of the Institute, as requested by the Consortium and approved by such Director.

[(5) Each Federal laboratory or agency shall transfer technology directly to users or representatives of users, and shall not transfer technology directly to the Consortium. Each Federal laboratory shall conduct and transfer technology only in accordance with the practices and policies of the Federal agency which owns, leases, or otherwise uses such Federal laboratory.

[(6) Not later than one year after the date of the enactment of this subsection, and every year thereafter, the Chairman of the Consortium shall submit a report to the President, to the appropriate authorization and appropriation committees of both Houses of the Congress, and to each agency with respect to which a transfer of funding is made (for the fiscal year or years involved) under

paragraph (7), concerning the activities of the Consortium and the expenditures made by it under this subsection during the year for which the report is made. Such report shall include an annual independent audit of the financial statements of the Consortium, conducted in accordance with generally accepted accounting principles.

[(7)(A) Subject to subparagraph (B), an amount equal to 0.008 percent of the budget of each Federal agency from any Federal source, including related overhead, that is to be utilized by or on behalf of the laboratories of such agency for a fiscal year referred to in subparagraph (B)(ii) shall be transferred by such agency to the National Institute of Standards at the beginning of the fiscal year involved. Amounts so transferred shall be provided by the Institute to the Consortium for the purpose of carrying out activities of the Consortium under this subsection.

[(B) A transfer shall be made by any Federal agency under subparagraph (A), for any fiscal year, only if—

[(i) the amount so transferred by that agency (as determined under such subparagraph) would exceed \$10,000; and

[(ii) such transfer is made with respect to the fiscal year 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, 1995, or 1996.

[(C) The heads of Federal agencies and their designees, and the directors of Federal laboratories, may provide such additional support for operations of the Consortium as they deem appropriate.]

* * * * *

SEC. 17. MALCOLM BALDRIGE NATIONAL QUALITY AWARD.

(a) * * *

* * * * *

(c) CATEGORIES IN WHICH AWARD MAY BE GIVEN.—(1) [Subject to paragraph (2), separate] *Separate* awards shall be made to qualifying organizations in each of the following categories—

- (A) Small businesses.
- (B) Companies or their subsidiaries.
- (C) Companies which primarily provide services.

[(2) The Secretary may at any time expand, subdivide, or otherwise modify the list of categories within which awards may be made as initially in effect under paragraph (1), and may establish separate awards for other organizations including units of government, upon a determination that the objectives of this section would be better served thereby; except that any such expansion, subdivision, modification, or establishment shall not be effective unless and until the Secretary has submitted a detailed description thereof to the Congress and a period of 30 days has elapsed since that submission.]

[(3) (2) Not more than two awards may be made within any subcategory in any year (and no award shall be made within any category or subcategory if there are no qualifying enterprises in that category or subcategory).

* * * * *

(f) FUNDING.—The Secretary is authorized to seek and accept gifts from public and private sources to carry out the program under this section. If additional sums are needed to cover the full

cost of the program, the Secretary shall impose fees upon the organizations applying for the award in amounts sufficient to provide such additional sums. The Director is authorized to use appropriated funds to carry out *administrative* responsibilities under this Act.

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TITLE 13, UNITED STATES CODE

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CHAPTER 1—ADMINISTRATION

* * * * *

SUBCHAPTER I—GENERAL PROVISIONS

§ 1. Definitions

As used in this title, unless the context requires another meaning or unless it is otherwise provided—

- (1) “Bureau” means the Bureau of the Census;
- (2) “Secretary” means the [Secretary of Commerce] *Secretary of the Treasury*; and

* * * * *

§ 2. Bureau of the Census

The Bureau [is continued as an agency within, and under the jurisdiction of, the Department of Commerce.] *is an agency within, and under the jurisdiction of, the Department of the Treasury.*

* * * * *

§ 4. Functions of Secretary; regulations; delegation

The Secretary shall perform the functions and duties imposed upon him by this title, may issue such rules and regulations as he deems necessary to carry out such functions and duties, and may delegate the performance of such functions and duties and the authority to issue such rules and regulations to such officers and employees of the [Department of Commerce] *Department of the Treasury* as he may designate.

* * * * *

§ 9. Information as confidential; exception

(a) Neither the Secretary, nor any other officer or employee of the [Department of Commerce] *Department of the Treasury* or bureau or agency thereof, or local government census liaison, may, except as provided in section 8 or 16 or chapter 10 of this title—

- (1) * * *

* * * * *

(c)(1) *Nothing in subsection (a)(3) shall be considered to permit the disclosure of any matter or information to an officer or employee of the Department of the Treasury who is not referred to in subchapter II if, immediately before the date specified in section 213(a)*

of the Department of Commerce Dismantling Act, such disclosure (if then made by an officer or employee of the Department of Commerce) would have been impermissible under this section (as then in effect).

(2) Paragraph (1) shall not apply with respect to any disclosure made to the Secretary.

* * * * *

SUBCHAPTER II—OFFICERS AND EMPLOYEES

* * * * *

§ 23. Additional officers and employees

(a) * * *

(b) In addition to employees of the [Department of Commerce] *Department of the Treasury*, employees of other departments and independent offices of the Government may, with the consent of the head of the respective department or office, be employed and compensated for field work in connection with the work provided for by law without regard to section 301 of the Dual Compensation Act.

* * * * *

§ 24. Special employment provisions

(a) * * *

* * * * *

(e) The Secretary may authorize the expenditure of necessary sums for travel expenses of persons selected for appointment for attendance at training courses held by the [Department of Commerce] *Department of the Treasury* with respect to any of the work provided for by law.

* * * * *

CHAPTER 3—COLLECTION AND PUBLICATION OF STATISTICS

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SUBCHAPTER I—COTTON

§ 44. Foreign cotton statistics

In addition to the information regarding cotton in the United States provided for in this subchapter, the Secretary shall compile, by correspondence or the use of published reports and documents, any available information concerning the production, consumption, and stocks of cotton in foreign countries, and the number of cotton-consuming spindles in such countries. Each report published by the [Department of Commerce] *Department of the Treasury* or agency or bureau thereof regarding cotton shall contain an abstract of the latest available information obtained under the provisions of this section, and the Secretary shall furnish the same to the Department of Agriculture for publication in connection with the reports

of that department concerning cotton in the same manner as in the case of statistics relating to the United States.

* * * * *

SUBCHAPTER V—MISCELLANEOUS

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§ 103. Designation of reports

All reports covering any of the statistics collected under the provisions of this subchapter shall be designated as “Special Reports” followed by the name of whatever bureau or agency of the [Department of Commerce] *Department of the Treasury* is designated by the Secretary to collect and compile such statistics.

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CHAPTER 5—CENSUSES

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SUBCHAPTER I—MANUFACTURES, MINERAL INDUSTRIES,
AND OTHER BUSINESSES

* * * * *

§ 132. Controlling law; effect on other agencies

To the extent that the provisions of this subchapter or subchapter IV of this chapter conflict with any other provision of this title or other law, pertaining to the Secretary or the [Department of Commerce] *Department of the Treasury*, the provisions of this title shall control; but nothing in this title shall be deemed to revoke or impair the authority of any other Federal agency with respect to the collection or release of information.

* * * * *

CHAPTER 7—OFFENSES AND PENALTIES

* * * * *

SUBCHAPTER I—OFFICERS AND EMPLOYEES

§ 211. Receiving or securing compensation for appointment of employees

Whoever—

- (1) receives or secures to himself any fee, reward, or compensation as a consideration for the appointment of any person as supervisor, enumerator, clerk, or other officer or employee of the [Department of Commerce] *Department of the Treasury* or bureau or agency thereof, referred to in subchapter II of chapter I of this title; or
- (2) in any way receives or secures to himself any part of the compensation paid to any person so appointed—

shall be fined not more than \$3,000 or imprisoned not more than five years, or both.

* * * * *

§ 213. False statements, certificates, and information

(a) * * *

(b) Whoever, being an officer or employee referred to in subchapter II of chapter I of this title—

(1) willfully and knowingly makes a false certificate or fictitious return; or

(2) knowingly or willfully furnishes or causes to be furnished, or, having been such an officer or employee, knowingly or willfully furnished or caused to be furnished, directly or indirectly, to the Secretary or to any other officer or employee of the [Department of Commerce] *Department of the Treasury* or bureau or agency thereof, any false statement or false information with reference to any inquiry for which he was authorized and required to collect information provided for in this title—

shall be fined not more than \$2,000 or imprisoned not more than five years, or both.

* * * * *

SUBCHAPTER II—OTHER PERSONS

§ 221. Refusal or neglect to answer questions; false answers

(a) Whoever, being over eighteen years of age, refuses or willfully neglects, when requested by the Secretary, or by any other authorized officer or employee of the [Department of Commerce] *Department of the Treasury* or bureau or agency thereof acting under the instructions of the Secretary or authorized officer, to answer, to the best of his knowledge, any of the questions on any schedule submitted to him in connection with any census or survey provided for by subchapters I, II, IV, and V of chapter 5 of this title, applying to himself or to the family to which he belongs or is related, or to the farm or farms of which he or his family is the occupant, shall be fined not more than \$100.

* * * * *

§ 222. Giving suggestions or information with intent to cause inaccurate enumeration of population

Whoever, either directly or indirectly, offers or renders to any officer or employee of the [Department of Commerce] *Department of the Treasury* or bureau or agency thereof engaged in making an enumeration of population under subchapter II, IV, or V of chapter 5 of this title, any suggestion, advice, information or assistance of any kind, with the intent or purpose of causing an inaccurate enumeration of population to be made, shall be fined not more than \$1,000 or imprisoned not more than one year, or both.

* * * * *

§ 224. Failure to answer questions affecting companies, businesses, religious bodies, and other organizations; false answers

Whoever, being the owner, official, agent, person in charge, or assistant to the person in charge, of any company, business, institution, establishment, religious body, or organization of any nature whatsoever, neglects or refuses, when requested by the Secretary or other authorized officer or employee of the [Department of Commerce] *Department of the Treasury* or bureau or agency thereof, to answer completely and correctly to the best of his knowledge all questions relating to his company, business, institution, establishment, religious body, or other organization, or to records or statistics in his official custody, contained on any census or other schedule or questionnaire prepared and submitted to him under the authority of this title, shall be fined not more than \$500; and if he willfully gives a false answer to any such question, he shall be fined not more than \$10,000.

§ 225. Applicability of penal provisions in certain cases

(a) In connection with any survey conducted by the Secretary or other authorized officer or employee of the [Department of Commerce] *Department of the Treasury* or bureau or agency thereof pursuant to subchapter IV of chapter 5 of this title, the provisions of sections 221, 222, 223 and 224 of this title shall apply—

(1) with respect to the answering of questions and furnishing of information, only to such inquiries as are within the scope of the schedules and questionnaires and of the type and character heretofore used in connection with the taking of complete censuses under subchapters I and II of chapter 5 of this title, or in connection with any censuses hereafter taken pursuant to such subchapters;

(2) only after publication of a determination with reasons therefore certified by the Secretary, or by some other authorized officer or employee of the [Department of Commerce] *Department of the Treasury* or bureau or agency thereof with the approval of the Secretary, that the information called for is needed to aid or permit the efficient performance of essential governmental functions or services, or has significant application to the needs of the public, business, or industry and is not publicly available for nongovernmental or other governmental sources;

(3) in the case of any new survey, only after public notice, given by the Secretary or other authorized officer or employee of the [Department of Commerce] *Department of the Treasury* or bureau or agency thereof at least thirty days in advance of requesting a return, that such survey is under consideration.

* * * * *

SUBCHAPTER III—PROCEDURE

§ 241. Evidence

When any request for information, made by the Secretary or other authorized officer or employee of the [Department of Com-

merce] *Department of the Treasury* or bureau or agency thereof, is made by registered or certified mail or telegram, the return receipt therefore or other written receipt thereof shall be prima facie evidence of an official request in any prosecution under such section.

CHAPTER 9—COLLECTION AND PUBLICATION OF FOREIGN COMMERCE AND TRADE STATISTICS

Sec.

301. Collection and publication.

302. Rules, regulations, and orders.

[303. Secretary of Treasury, functions.]

* * * * *

§ 302. Rules, regulations, and orders

The Secretary may make such rules, regulations, and orders as he deems necessary or appropriate to carry out the provisions of this chapter. Any rules, regulations, or orders issued pursuant to this authority may be established in such form or manner, may contain such classifications or differentiations, and may provide for such adjustments and reasonable exceptions as in the judgment of the Secretary are necessary or proper to effectuate the purpose of this chapter, or to prevent circumvention or evasion of any rule, regulation, or order issued hereunder. The Secretary may also provide by rule or regulation, for such confidentiality, publication, or disclosure, of information collected hereunder as he may deem necessary or appropriate in the public interest. [Rules, regulations, and orders, or amendments thereto shall have the concurrence of the Secretary of the Treasury prior to promulgation.]

§ 303. Secretary of Treasury functions

[To assist the Secretary to carry out the provisions of this chapter, the Secretary of the Treasury shall collect information in the form and manner prescribed by the regulations issued pursuant to this chapter from persons engaged in foreign commerce or trade, other than by mail, and from the owners or operators of carriers.]

§ 304. Filing export information, delayed filings, penalties for failure to file

(a) The information or reports in connection with the exportation or transportation of cargo required to be filed by carriers with the Secretary [of the Treasury] under any rule, regulation, or order issued pursuant to this chapter may be filed after the departure of such carrier from the port or place of exportation or transportation, whether such departing carrier is destined directly to a foreign port or place or to a noncontiguous area, or proceeds by way of other ports or places of the United States, provided that a bond in an approved form in the penal sum of \$1,000 is filed with the Secretary [of the Treasury]. The Secretary [of Commerce] may, by a rule, regulation, or order issued in conformity herewith, prescribe a maximum period after such departure during which the required information or reports may be filed. In the event any such information or report is not filed within such prescribed period, a penalty not to exceed \$100 for each day's delinquency beyond the prescribed period, but not more than \$1,000, shall be exacted. Civil suit may be

instituted in the name of the United States against the principal and surety for the recovery of any penalties that may accrue and be exacted in accordance with the terms of the bond.

* * * * *

CHAPTER 10—EXCHANGE OF CENSUS INFORMATION

* * * * *

§401. Exchange of census information with Bureau of Economic Analysis.

(a) EXCHANGE OF INFORMATION.—The Bureau of the Census shall exchange with the Bureau of Economic Analysis of the [Department of Commerce] *Federal Reserve System* information collected under this title, and under the International Investment and Trade in Services Survey Act, that pertains to any business enterprise that is operating in the United States, if the Secretary [of Commerce] determines such information is appropriate to augment and improve the quality of data collected under the International Investment and Trade in Services Survey Act. Information provided to the Bureau of Economic Analysis by the Bureau of the Census shall be only those data collected directly from respondents by the Bureau of the Census.

* * * * *

ACT OF FEBRUARY 14, 1903

CHAPTER 552.—An Act To establish the Department of Commerce and Labor

* * * * *

BUREAUS IN DEPARTMENT

SEC. 12. The following named bureaus, administrations, services, offices, and programs of the public service, and all that pertains thereto, shall be under the jurisdiction and subject to the control of the Secretary of Commerce:

(a) * * *

* * * * *

[(e) Bureau of the Census;]

* * * * *

SECTION 8 OF THE FOREIGN DIRECT INVESTMENT AND INTERNATIONAL FINANCIAL DATA IMPROVEMENTS ACT OF 1990

SEC. 8. ACCESS TO INFORMATION; CONFIDENTIALITY.

(a) * * *

* * * * *

(e) IMPLEMENTATION.—(1) The [Secretary of Commerce] *Secretary of the Treasury* shall be responsible for the implementation of the exchange of information under this Act between the Bureau

of the Census and the Bureau of Economic Analysis, and shall resolve any questions on access to information, data, or methodology that may arise between the Bureau of the Census and the Bureau of Economic Analysis, except that the Secretary shall not construe this section in a manner which would prevent the augmentation and improvement of the quality of international data collected under the International Investment and Trade in Services Survey Act. The Bureau of Economic Analysis and the Bureau of the Census shall agree in writing to the data to be shared under this Act.

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COMMUNICATIONS ACT OF 1934

* * * * *

TITLE III—PROVISIONS RELATING TO RADIO

* * * * *

PART IV—ASSISTANCE FOR PUBLIC TELECOMMUNICATIONS FACILITIES; TELECOMMUNICATIONS DEMONSTRATIONS; CORPORATION FOR PUBLIC BROADCASTING

[SUBPART A—ASSISTANCE FOR PUBLIC TELECOMMUNICATIONS FACILITIES

[SEC. 390. DECLARATION OF PURPOSE.

[The purpose of this subpart is to assist, through matching grants, in the planning and construction of public telecommunications facilities in order to achieve the following objectives: (1) extend delivery of public telecommunications services to as many citizens of the United States as possible by the most efficient and economical means, including the use of broadcast and nonbroadcast technologies; (2) increase public telecommunications services and facilities available to, operated by, and owned by minorities and women; and (3) strengthen the capability of existing public television and radio stations to provide public telecommunications services to the public.

[SEC. 391. AUTHORIZATION OF APPROPRIATIONS.

[There are authorized to be appropriated \$42,000,000 for each of the fiscal years 1992, 1993, and 1994, to be used by the Secretary of Commerce to assist in the planning and construction of public telecommunications facilities as provided in this subpart. Sums appropriated under this subpart for any fiscal year shall remain available until expended for payment of grants for projects for which applications approved by the Secretary pursuant to this subpart have been submitted within such fiscal year. Sums appropriated under this subpart may be used by the Secretary to cover the cost of administering the provisions of this subpart.

[SEC. 392. GRANTS FOR CONSTRUCTION AND PLANNING.

[(a) For each project for the construction of public telecommunications facilities there shall be submitted to the Secretary an application for a grant containing such information with respect to such project as the Secretary may require, including the total cost of

such project, the amount of the grant requested for such project, and a 5-year plan outlining the applicant's projected facilities requirements and the projected costs of such facilities requirements. Each applicant shall also provide assurances satisfactory to the Secretary that—

[(1) the applicant is (A) a public broadcast station; (B) a non-commercial telecommunications entity; (C) a system of public telecommunications entities; (D) a nonprofit foundation, corporation, institution, or association organized primarily for educational or cultural purposes; or (E) a State or local government (or any agency thereof), or a political or special purpose subdivision of a State;

[(2) the operation of such public telecommunication facilities will be under the control of the applicant;

[(3) necessary funds to construct, operate, and maintain such public telecommunications facilities will be available when needed;

[(4) such public telecommunications facilities will be used primarily for the provision of public telecommunications services and that the use of such public telecommunications facilities for purposes other than the provision of public telecommunications services will not interfere with the provision of such public telecommunications services as required in this part;

[(5) the applicant has participated in comprehensive planning for such public telecommunications facilities in the area which the applicant proposes to serve, and such planning has included an evaluation of alternate technologies and coordination with State educational television and radio agencies, as appropriate; and

[(6) the applicant will make the most efficient use of the grant.

[(b) Upon approving any application under this section with respect to any project for the construction of public telecommunications facilities, the Secretary shall make a grant to the applicant in an amount determined by the Secretary, except that such amounts shall not exceed 75 percent of the amount determined by the Secretary to be the reasonable and necessary cost of such project.

[(c) The Secretary may provide such funds as the Secretary deems necessary for the planning of any project for which construction funds may be obtained under this section. An applicant for a planning grant shall provide such information with respect to such project as the Secretary may require and shall provide assurances satisfactory to the Secretary that the applicant meets the eligible requirements of subsection (a) to receive construction assistance.

[(d) Any studies conducted by or for any grant recipient under this section shall be provided to the Secretary, if such studies are conducted through the use of funds received under this section.

[(e) The Secretary shall establish such rules and regulations as may be necessary to carry out this subpart, including rules and regulations relating to the order of priority in approving applications for construction projects and relating to determining the amount of each grant for such projects.

[(f) In establishing criteria for grants pursuant to section 393 and in establishing procedures relating to the order of priority established in subsection (e) in approving applications for grants, the Secretary shall give special consideration to applications which would increase minority and women's ownership of, operation of, and participation in public telecommunications entities. The Secretary shall take affirmative steps to inform minorities and women of the availability of funds under this subpart, and the localities where new public telecommunications facilities are needed, and to provide such other assistance and information as may be appropriate.

[(g) If, within 10 years after completion of any project for construction of public telecommunications facilities with respect to which a grant has been made under this section—

[(1) the applicant or other owner of such facilities ceases to be an agency, institution, foundation, corporation, association, or other entity described in subsection (a)(1); or

[(2) such facilities cease to be used primarily for the provision of public telecommunications services (or the use of such public telecommunications facilities for purposes other than the provision of public telecommunications services interferes with the provision of such public telecommunications services as required in this part);

the United States shall be entitled to recover from the applicant or other owner of such facilities the amount bearing the same ratio to the value of such facilities at the time the applicant ceases to be such an entity or at the time of such determination (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facilities are situated), as the amount of the Federal participation bore to the cost of construction of such facilities.

[(h) Each recipient of assistance under this subpart shall keep such records as may be reasonably necessary to enable the Secretary to carry out the functions of the Secretary under this subpart, including a complete and itemized inventory of all public telecommunications facilities under the control of such recipient, and records which fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project in connection with which such assistance is given or used, the amount and nature of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

[(i) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any recipient of assistance under this subpart that are pertinent to assistance received under this subpart.

[SEC. 393. CRITERIA FOR APPROVAL AND EXPENDITURES BY SECRETARY OF COMMERCE.

[(a) The Secretary, in consultation with the Corporation, public telecommunications entities, and as appropriate with others, shall establish criteria for making construction and planning grants. Such criteria shall be consistent with the objectives and provisions

set forth in this subpart, and shall be made available to interested parties upon request.

[(b) The Secretary shall base determinations of whether to approve applications for grants under this subpart, and the amount of such grants, on criteria developed pursuant to subsection (a) and designed to achieve—

[(1) the provision of new telecommunications facilities to extend service to areas currently not receiving public telecommunications services;

[(2) the expansion of the service areas of existing public telecommunications entities;

[(3) the development of public telecommunications facilities owned by, operated by, and available to minorities and women; and

[(4) the improvement of the capabilities of existing public broadcast stations to provide public telecommunications services, including services to underserved audiences such as deaf and hearing impaired individuals and blind and visually impaired individuals.

[(c) Of the sums appropriated pursuant to section 391 for any fiscal year, a substantial amount shall be available for the expansion and development of noncommercial radio broadcast station facilities.

[SEC. 393A. LONG-RANGE PLANNING FOR FACILITIES.

[(a) The Secretary, in consultation with the Corporation, public telecommunications entities, and as appropriate with other parties, shall develop a long-range plan to accomplish the objectives set forth in section 390. Such plan shall include a detailed 5-year projection of the broadcast and nonbroadcast public telecommunications facilities required to meet such objectives, and the expenditures necessary to provide such facilities.

[(b) The plan required in subsection (a) shall be updated annually, and a summary of the activities of the Secretary in implementing the plan, shall be submitted concurrently to the President and the Congress not later than the 31st day of December of each year.

[SUBPART B—NATIONAL ENDOWMENT FOR CHILDREN'S EDUCATIONAL TELEVISION

[SEC. 394. ESTABLISHMENT OF NATIONAL ENDOWMENT.

[(a) It is the purpose of this section to enhance the education of children through the creation and production of television programming specifically directed toward the development of fundamental intellectual skills.

[(b)(1) There is established, under the direction of the Secretary, a National Endowment for Children's Educational Television. In administering the National Endowment, the Secretary is authorized to—

[(A) contract with the Corporation for the production of educational television programming for children; and

[(B) make grants directly to persons proposing to create and produce educational television programming for children.

The Secretary shall consult with the Advisory Council on Children's Educational Television in the making of the grants or the awarding of contracts for the purpose of making the grants.

[(2) Contracts and grants under this section shall be made on the condition that the programming shall—

[(A) during the first two years after its production, be made available only to public television licensees and permittees and noncommercial television licensees and permittees; and

[(B) thereafter be made available to any commercial television licensee or permittee or cable television system operator, at a charge established by the Secretary that will assure the maximum practicable distribution of such programming, so long as such licensee, permittee, or operator does not interrupt the programming with commercial advertisements.

The Secretary may, consistent with the purpose and provisions of this section, permit the programming to be distributed to persons using other media, establish conditions relating to such distribution, and apply those conditions to any contract or grant made under this section. The Secretary may waive the requirements of subparagraph (A) if the Secretary finds that neither public television licensees and permittees nor noncommercial television licensees and permittees will have an opportunity to air such programming in the first two years after its production.

[(c)(1) The Secretary, with the advice of the Advisory Council on Children's Educational Television, shall establish criteria for making contracts and grants under this section. Such criteria shall be consistent with the purpose and provisions of this section and shall be made available to interested parties upon request. Such criteria shall include—

[(A) criteria to maximize the amount of programming that is produced with the funds made available by the Endowment;

[(B) criteria to minimize the costs of—

[(i) selection of grantees,

[(ii) administering the contracts and grants, and

[(iii) the administrative costs of the programming production; and

[(C) criteria to otherwise maximize the proportion of funds made available by the Endowment that are expended for the cost of programming production.

[(2) Applications for grants under this section shall be submitted to the Secretary in such form and containing such information as the Secretary shall require by regulation.

[(d) Upon approving any application for a grant under subsection (b)(1)(B), the Secretary shall make a grant to the applicant in an amount determined by the Secretary, except that such amounts shall not exceed 75 percent of the amount determined by the Secretary to be the reasonable and necessary cost of the project for which the grant is made.

[(e)(1) The Secretary shall establish an Advisory Council on Children's Educational Television. The Secretary shall appoint ten individuals as members of the Council and designate one of such members to serve as Chairman.

[(2) Members of the Council shall have terms of two years, and no member shall serve for more than three consecutive terms. The

members shall have expertise in the fields of education, psychology, child development, or television programming, or related disciplines. Officers and employees of the United States shall not be appointed as members.

[(3) While away from their homes or regular places of business in the performance of duties for the Council, the members of the Council shall serve without compensation but shall be allowed travel expenses, including per diem in lieu of subsistence, in accordance with section 5703 of title 5, United States Code.

[(4) The Council shall meet at the call of the Chairman and shall advise the Secretary concerning the making of contracts and grants under this section.

[(f)(1) Each recipient of a grant under this section shall keep such records as may be reasonably necessary to enable the Secretary to carry out the Secretary's functions under this section, including records which fully disclose the amount and the disposition by such recipient of the proceeds of such grant, the total cost of the project, the amount and nature of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

[(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purposes of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to a grant received under this section.

[(g) The Secretary is authorized to make such rules and regulations as may be necessary to carry out this section, including those relating to the order of priority in approving applications for projects under this section or to determining the amounts of contracts and grants for such projects.

[(h) There are authorized to be appropriated \$2,000,000 for fiscal year 1991, \$4,000,000 for fiscal year 1992, \$5,000,000 for fiscal year 1993, and \$6,000,000 for fiscal year 1994 to be used by the Secretary to carry out the provisions of this section. Sums appropriated under this subsection for any fiscal year shall remain available for contracts and grants for projects for which applications approved under this section have been submitted within one year after the last day of such fiscal year.

[(i) For purposes of this section—

[(1) the term "educational television programming for children" means any television program which is directed to an audience of children who are 16 years of age or younger and which is designed for the intellectual development of those children, except that such term does not include any television program which is directed to a general audience but which might also be viewed by a significant number of children; and

[(2) the term "person" means an individual, partnership, association, joint stock company, trust, corporation, or State or local governmental entity.

[SUBPART C—TELECOMMUNICATIONS DEMONSTRATIONS

[SEC. 395. ASSISTANCE FOR DEMONSTRATION PROJECTS.

[(a) It is the purpose of this subpart to promote the development of nonbroadcast telecommunications facilities and services for the

transmission, distribution, and delivery of health, education, and public or social service information. The Secretary is authorized, upon receipt of an application in such form and containing such information as he may by regulation require, to make grants to, and enter into contracts with, public and private nonprofit agencies, organizations, and institutions for the purpose of carrying out telecommunications demonstrations.

[(b) The Secretary may approve an application submitted under subsection (a) if he determines that—

[(1) the project for which application is made will demonstrate innovative methods or techniques of utilizing nonbroadcast telecommunications equipment or facilities to satisfy the purpose of this subpart;

[(2) demonstrations and related activities assisted under this subpart will remain under the administration and control of the applicant;

[(3) the applicant has the managerial and technical capability to carry out the project for which the application is made; and

[(4) the facilities and equipment acquired or developed pursuant to the application will be used substantially for the transmission, distribution, and delivery of health, education, or public or social service information.

[(c) Upon approving any application under this subpart with respect to any project, the Secretary shall make a grant to or enter into a contract with the applicant in an amount determined by the Secretary not to exceed the reasonable and necessary cost of such project. The Secretary shall pay such amount from the sums available therefor, in advance or by way of reimbursement, and in such installments consistent with established practice, as he may determine.

[(d) Funds made available pursuant to this subpart shall not be available for the construction, remodeling, or repair of structures to house the facilities or equipment acquired or developed with such funds, except that such funds may be used for minor remodeling which is necessary for and incidental to the installation of such facilities or equipment.

[(e) For purposes of this section, the term “nonbroadcast telecommunications facilities” includes, but is not limited to, cable television systems, communications satellite systems and related terminal equipment, and other modes of transmitting, emitting, or receiving images and sounds or intelligence by means of wire, radio, optical, electromagnetic or other means.

[(f) The funding of any demonstration pursuant to this subpart shall continue for not more than 3 years from the date of the original grant or contract.

[(g) The Secretary shall require that the recipient of a grant or contract under this subpart submit a summary and evaluation of the results of the demonstration at least annually for each year in which funds are received pursuant to this section.

[(h)(1) Each recipient of assistance under this subpart shall keep such records as may be reasonably necessary to enable the Secretary to carry out the Secretary’s functions under this subpart, including records which fully disclose the amount and the disposition

by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

[(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purposes of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this subpart.

[(i) The Secretary is authorized to make such rules and regulations as may be necessary to carry out this subpart, including regulations relating to the order of priority in approving applications for projects under this subpart or to determining the amounts of grants for such projects.

[(j) The Commission is authorized to provide such assistance in carrying out the provisions of this subpart as may be requested by the Secretary. The Secretary shall provide for close coordination with the Commission in the administration of the Secretary's functions under this subpart which are of interest to or affect the functions of the Commission. The Secretary shall provide for close coordination with the Corporation in the administration of the Secretary's functions under this subpart which are of interest to or affect the functions of the Corporation.

[(k) There are authorized to be appropriated \$1,000,000 for each of the fiscal years 1979, 1980, and 1981, to be used by the Secretary to carry out the provisions of this subpart. Sums appropriated under this subsection for any fiscal year shall remain available for payment of grants or contracts for projects for which applications approved under this subpart have been submitted within one year after the last day of such fiscal year.]

* * * * *

ACT OF DECEMBER 22, 1989

AN ACT To provide for the conservation and enhancement of the salmon and steelhead resources of the United States, assistance to treaty and nontreaty harvesters of those resources, and for other purposes.

* * * * *

TITLE II—PROMOTION OF AMERICAN FISHERIES

SEC. 201. SHORT TITLE.

This title may be cited as the "American Fisheries Promotion Act".

PART A—RESEARCH AND DEVELOPMENT REGARDING UNITED STATES FISHERIES

* * * * *

SEC. 211. UNITED STATES FISHERY TRADE OFFICERS.

[(a) APPOINTMENT.—For purposes of carrying out export promotion and other fishery development responsibilities, the Secretary of Commerce (hereinafter in this section referred to as the “Secretary”) shall appoint not fewer than six officers who shall serve abroad to promote United States fishing interests. These officers shall be knowledgeable about the United States fishing industry, preferably with experience derived from the harvesting, processing, or marketing sectors of the industry or from the administration of fisheries programs. Such officers, who shall be employees of the Department of Commerce, shall have the designation of fishery trade officers.]

[(b) ASSIGNMENT.—Upon the request of the Secretary, the Secretary of State shall officially assign fishery trade officers to such diplomatic missions of the United States as the Secretary designates (three of which shall be those in Brussels, Belgium; Rome, Italy; and Tokyo, Japan) and shall obtain for them diplomatic privileges and immunities equivalent to those enjoyed by foreign service personnel of comparable rank and salary.]

[(c) FUNCTIONS OF FISHERY TRADE OFFICERS.—The functions of fishery trade officers appointed under subsection (a) shall be—

[(1) to increase the effectiveness of United States fishery export promotion efforts through such activities as the coordination of market development efforts and the provision of services and facilities for exporters of United States fishery products;

[(2) to develop, maintain, and make available to interested persons listings of (A) trade, government, and other organizations that are concerned with, or have an interest in, international trade in United States fishery products, and (B) United States fishery products available for such trade;

[(3) to prepare quarterly reports regarding (A) the supply, demand, and prices of each United States fishery product exported, or for which there may be exported potential, to the foreign nation or area concerned, and (B) the trade barriers or incentives of such nation or area that affect imports of such products;

[(4) to prepare weekly statements regarding the prices for each fishery product for which there may be United States export potential to the foreign nation or area concerned; and

[(5) to carry out such other functions as the Secretary may require.]

[(d) ADMINISTRATION.—The Secretary of State and the Secretary shall enter into cooperative arrangements concerning the provision of office space, equipment, facilities, clerical services, and such other administrative support as may be required for fishery trade officers and their families.]

* * * * *

ACT OF AUGUST 11, 1939

COMMONLY KNOWN AS THE "SALTONSTALL-KENNEDY ACT"

AN ACT To authorize the Federal Surplus Commodities Corporation to purchase and distribute surplus products of the fishing industry.

* * * * *

SEC. 2. (a) * * *

[(b) FUND.—(1) The Secretary of Agriculture shall transfer to the Secretary each fiscal year, beginning with the fiscal year commencing July 1, 1954, and ending on June 30, 1957, from moneys made available to carry out the provisions of section 32 of such Act of August 24, 1935, an amount equal to 30 per centum of the gross receipts from duties collected under the customs laws on fishery products (including fish, shellfish, mollusks, crustacea, aquatic plants and animals, and any products thereof, including processed and manufactured products), which shall be maintained in a separate fund only for—

[(A) use by the Secretary—

[(i) to provide financial assistance for the purpose of carrying out fisheries research and development projects approved under subsection (c),

[(ii) to implement the national fisheries research and development program provided for under subsection (d); and

[(iii) to implement the Northwest Atlantic Ocean Fisheries Reinvestment Program established under section 314 of the Magnuson Fishery Conservation and Management Act.

[(B) the provision of moneys, subject to paragraph (2), to carry out the purposes of the Fisheries Promotion Fund established under section 208(a) of the Fish and Seafood Promotion Act of 1986.

[(2) There are transferred from the fund established under paragraph (1) to the Fisheries Promotion Fund referred to in paragraph (1)(B) \$750,000 in fiscal year 1987, \$3,000,000 in each of fiscal years 1988 and 1989, and \$2,000,000 in each of fiscal years 1990 and 1991.]

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NORTH AMERICAN FREE TRADE AGREEMENT IMPLEMENTATION ACT

* * * * *

TITLE I—APPROVAL OF, AND GENERAL PROVISIONS RELATING TO, THE NORTH AMERICAN FREE TRADE AGREEMENT

* * * * *

SEC. 105. UNITED STATES SECTION OF THE NAFTA SECRETARIAT.

(a) * * *

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for [each fiscal year after fiscal year 1993] *each of fiscal years 1994 and 1995* to the department or agency within which the United States Section is established the lesser of—

- (1) such sums as may be necessary; or
- (2) \$2,000,000;

for the establishment and operations of the United States Section and for the payment of the United States share of the expenses of binational panels and extraordinary challenge committees convened under chapter 19, and of the expenses incurred in dispute settlement proceedings under chapter 20, of the Agreement.

* * * * *

TITLE V—NAFTA TRANSITIONAL ADJUSTMENT ASSISTANCE AND OTHER PROVISIONS

* * * * *

Subtitle D—Implementation of NAFTA Supplemental Agreements

PART 1—AGREEMENTS RELATING TO LABOR AND ENVIRONMENT

* * * * *

SEC. 533. AGREEMENT ON BORDER ENVIRONMENT COOPERATION COMMISSION.

(a) BORDER ENVIRONMENT COOPERATION COMMISSION.—

(1) * * *

(2) CONTRIBUTIONS TO THE COMMISSION BUDGET.—There are authorized to be appropriated to the President (or such agency as the President may designate) \$5,000,000 for fiscal year 1994 [and each fiscal year thereafter] *fiscal year 1995* for United States contributions to the budget of the Border Environment Cooperation Commission pursuant to section 7 of Article III of Chapter I of the Border Environment Cooperation Agreement. Funds authorized to be appropriated for such contributions by this paragraph are in addition to any funds otherwise available for such contributions. Funds authorized to be appropriated by this paragraph are authorized to be made available until expended.

* * * * *



ACT OF JUNE 18, 1934**COMMONLY KNOWN AS THE FOREIGN TRADE ZONES ACT**

AN ACT To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That when used in this Act—

(a) * * *

(b) The term “Board” means the Board which is hereby established to carry out the provisions of this Act. The Board shall consist of the [Secretary of Commerce] *Administrator of the United States Trade Administration established in section 215(d) of the Trade Reorganization Act of 1995*, who shall be chairman and executive officer of the Board, the Secretary of the Treasury, and the Secretary of War;

* * * * *

SECTION 771 OF THE TARIFF ACT OF 1930**SEC. 771. DEFINITIONS; SPECIAL RULES.**

For purposes of this title—

(1) ADMINISTERING AUTHORITY.—The term “administering authority” means the [Secretary of Commerce] *Administrator of the United States Trade Administration established in section 215(d) of the Trade Reorganization Act of 1995*, or any other officer of the United States to whom the responsibility for carrying out the duties of the administering authority under this title are transferred by law.

* * * * *

SECTION 661 OF THE FOREIGN ASSISTANCE ACT OF 1961**[SEC. 661. TRADE AND DEVELOPMENT AGENCY.**

[(a) PURPOSE.—The Trade and Development Agency shall be an agency of the United States under the foreign policy guidance of the Secretary of State. The purpose of the Trade and Development Agency is to promote United States private sector participation in development projects in developing and middle-income countries.

[(b) AUTHORITY TO PROVIDE ASSISTANCE.—

[(1) AUTHORITY.—The Director of the Trade and Development Agency is authorized to work with foreign countries, including those in which the United States development programs have been concluded or those not receiving assistance under part I, to carry out the purpose of this section by providing funds for feasibility studies, architectural and engineering design, and other activities related to development projects which provide opportunities for the use of United States exports.

[(2) USE OF FUNDS.—Funds under this section may be used to provide support for feasibility studies for the planning, de-

velopment, and management of, and procurement for, bilateral and multilateral development projects, including training activities undertaken in connection with a project, for the purpose of promoting the use of United States goods and services in such projects. Funds under this section may also be used for architectural and engineering design, including—

[(A) concept design, which establishes the basic technical and operational criteria for a project, such as architectural drawings for a proposed facility, evaluation of site constraints, procurement requirements, and equipment specifications; and

[(B) detail design, which sets forth specific dimensions and criteria for structural, mechanical, electrical, and architectural operations, and identifies other resources required for project operations.

[(3) INFORMATION DISSEMINATION.—(A) The Trade and Development Agency shall disseminate information about its project activities to the private sector.

[(B) Other agencies of the United States Government shall cooperate with the Trade and Development Agency in order for the Agency to provide more effectively informational services to persons in the private sector concerning trade development and export promotion related to development projects.

[(4) NONAPPLICABILITY OF OTHER PROVISIONS.—Any funds used for purposes of this section may be used notwithstanding any other provision of law.

[(c) DIRECTOR AND PERSONNEL.—

[(1) DIRECTOR.—There shall be at the head of the Trade and Development Agency a Director who shall be appointed by the President, by and with the advice and consent of the Senate.

[(2) OFFICERS AND EMPLOYEES.—(A) The Director may appoint such officers and employees of the Trade and Development Agency as the Director considers appropriate.

[(B) The officers and employees appointed under this paragraph shall have such functions as the Director may determine.

[(C) Of the officers and employees appointed under this paragraph, 2 may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be compensated without regard to the provisions of chapter 51 or subchapter III of chapter 53 of such title.

[(D) Under such regulations as the President may prescribe, any individual appointed under subparagraph (C) may be entitled, upon removal (except for cause) from the position to which the appointment was made, to reinstatement to the position occupied by that individual at the time of appointment or to a position of comparable grade and pay.

[(d) ANNUAL REPORT.—The President shall, not later than December 31 of each year, submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a report on the activities of the Trade and Development Agency in the preceding fiscal year.

[(e) AUDITS.—

[(1) IN GENERAL.—The Trade and Development Agency shall be subject to the provisions of chapter 35 of title 31, United States Code, except as otherwise provided in this section.

[(2) INDEPENDENT AUDIT.—An independent certified public accountant shall perform a financial and compliance audit of the financial statements of the Trade and Development Agency each year, in accordance with generally accepted Government auditing standards for a financial and compliance audit, taking into consideration any standards recommended by the Comptroller General. The independent certified public accountant shall report the results of such audit to the Director of the Trade and Development Agency. The financial statements of the Trade and Development Agency shall be presented in accordance with generally accepted accounting principles. These financial statements and the report of the accountant shall be included in a report which contains, to the extent applicable, the information identified in section 3512 of title 31, United States Code, and which the Trade and Development Agency shall submit to the Congress not later than 6½ months after the end of the last fiscal year covered by the audit. The Comptroller General may review the audit conducted by the accountant and the report to the Congress in the manner and at such times as the Comptroller General considers necessary.

[(3) AUDIT BY COMPTROLLER GENERAL.—In lieu of the financial and compliance audit required by paragraph (2), the Comptroller General shall, if the Comptroller General considers it necessary or upon the request of the Congress, audit the financial statements of the Trade and Development Agency in the manner provided in paragraph (2).

[(4) AVAILABILITY OF INFORMATION.—All books, accounts, financial records, reports, files, workpapers, and property belonging to or in use by the Trade and Development Agency and the accountant who conducts the audit under paragraph (2), which are necessary for purposes of this subsection, shall be made available to the representatives of the General Accounting Office designated by the Comptroller General.

[(f) FUNDING.—

[(1) AUTHORIZATION.—(A) There are authorized to be appropriated for purposes of this section, in addition to funds otherwise available for such purposes, \$77,000,000 for fiscal year 1995 and such sums as are necessary for fiscal year 1996.

[(B) Amounts appropriated pursuant to the authorization of appropriations under subparagraph (A) are authorized to remain available until expended.

[(2) FUNDING FOR TECHNICAL ASSISTANCE GRANTS BY MULTILATERAL DEVELOPMENT BANKS.—(A) The Trade and Development Agency should, in fiscal years 1993 and 1994, substantially increase the amount of funds it provides to multilateral development banks for technical assistance grants.

[(B) As used in subparagraph (A)—

[(i) the term “technical assistance grants” means funding by multilateral development banks of services from the United States in connection with projects and programs

supported by such banks, including, but not limited to, engineering, design, and consulting services; and

[(ii) the term “multilateral development bank” has the meaning given that term in section 1701(c) of the International Financial Institutions Act.]

HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES

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GENERAL NOTES

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3. RATES OF DUTY.—The rates of duty in the “Rates of Duty” columns designated 1 (“General” and “Special”) and 2 of the tariff schedule apply to goods imported into the customs territory of the United States as hereinafter provided in this note:

(a) RATE OF DUTY COLUMN 1.

(i) * * *

* * * * *

(iv) PRODUCTS OF INSULAR POSSESSIONS.

(A) Except [as provided in additional U.S. note 5 of chapter 91 and except] as provided in additional U.S. note 2 of chapter 96, and except as provided in section 423 of the Tax Reform Act of 1986, goods imported from insular possessions of the United States which are outside the customs territory of the United States are subject to the rates of duty set forth in column 1 of the tariff schedule, except that all such goods the growth or product of any such possession, or manufactured or produced in any such possession from materials the growth, product or manufacture of any such possession or of the customs territory of the United States, or of both, which do not contain foreign materials to the value of more than 70 percent of their total value (or more than 50 percent of their total value with respect to goods described in section 213(b) of the Caribbean Basin Economic Recovery Act), coming to the customs territory of the United States directly from any such possession, and all goods previously imported into the customs territory of the United States with payment of all applicable duties and taxes imposed upon or by reason of importation which were shipped from the United States, without remission, refund or drawback of such duties or taxes, directly to the possession from which they are being returned by direct shipment, are exempt from duty.

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CHAPTER 91.—CLOCKS AND WATCHES AND PARTS THEREOF

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Additional U.S. Notes

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[5. PRODUCTS OF INSULAR POSSESSIONS.—

[(a) Except as provided in paragraphs (b) through (ij) of this note, any article provided for in this chapter which is the product of the Virgin Islands, Guam and American Samoa (hereinafter referred to as the “insular possessions”) and which contains any foreign component shall be subject to duty:

[(i) At the rates set forth in column 1, if the countries of origin of more than 50 percent in value of the foreign components are countries to products of which column 1 rates apply; and

[(ii) At the rates set forth in column 2, if the countries of origin of 50 percent or more in value of the foreign components are countries to products of which column 2 rates apply.

[(b) Watch movements and watches (including watch straps, watch bands, and watch bracelets assembled onto watches) that are produced or manufactured in a United States insular possession which contain any foreign component may be admitted free of duty without regard to the value of the foreign materials such watches contain if they conform with the provisions of this note, but the total quantity of such articles entered free of duty shall not exceed the amounts established by or pursuant to paragraph (d) of this note.

[(c) Notwithstanding the provisions of paragraph (b) of this note, the provisions of this note and the benefits thereunder shall not apply to any article containing any material which is the product of any country with respect to which column 2 rates of duty apply.

[(d)(i) In calendar year 1983 the total quantity of such articles which may be entered free of duty shall not exceed 4,800,000 units.

[(ii) In subsequent calendar years, the Secretary of Commerce and the Secretary of the Interior (hereinafter referred to as the “Secretaries”), acting jointly, shall establish a limit on the quantity which may be entered free of duty during the calendar year, and shall consider whether such limit is in the best interest of the insular possessions and not inconsistent with domestic or international trade policy considerations. The quantity the Secretaries establish in any calendar year under this paragraph shall not—

[(A) exceed 10,000,000 units or one-ninth of apparent domestic consumption (as determined by the International Trade Commission pursuant to paragraph (e) of this note), whichever is greater;

[(B) be decreased by more than 10 percent of the quantity established for the immediately preceding calendar year; and

[(C) be increased to more than 7,000,000 units or by more than 20 percent of the quantity established for the immediately preceding calendar year, whichever is greater.

[(e) On or before April 1 of each calendar year (beginning with the first year in which imports from the United States in-

sular possessions exceed 9,000,000 units), the International Trade Commission shall determine the apparent United States consumption of watches and watch movements during the preceding calendar year, shall report such determination to the Secretaries, and shall publish such determination in the *Federal Register*.

[(f)(i) In calendar year 1983, not more than 3,000,000 units of the total quantity of articles described in paragraph (d) which may be entered free of duty shall be the product of the Virgin Islands, not more than 1,200,000 units shall be the product of Guam, and not more than 600,000 units shall be the product of American Samoa.

[(ii) For calendar year 1984 and thereafter, the Secretaries may establish new territorial shares of the total amount which may be entered free of duty, taking into account the capacity of each territory to produce and ship its assigned amounts. A territory's share in any year shall not be reduced:

[(A) by more than 200,000 units in calendar year 1984 or 1985; and

[(B) by more than 500,000 units in calendar year 1986 or thereafter, except that no territorial share shall be established at less than 500,000 units.

[(g) The Secretaries, acting jointly, shall allocate the calendar year duty exemptions provided by paragraphs (b), (d) and (f) of this note on a fair and equitable basis among producers located in the insular possessions, and shall issue appropriate licenses thereof. Allocations made by the Secretaries shall be final. In making the allocations, the Secretaries shall consider the potential impact of territorial production on domestic production of like articles and shall establish allocation criteria (including minimum assembly requirements) that will reasonably maximize the net amount of direct economic benefits to the insular possessions.

[(h)(i) In the case of each calendar year beginning after December 31, 1982, and before January 1, 1995, the Secretaries, acting jointly, shall:

[(A) verify the wages paid by each producer to permanent residents of the insular possessions during the preceding calendar year; and

[(B) issue to each producer (not later than March 1 of such year) a certificate for the applicable amount.

[(ii) For purposes of subparagraph (i), except as provided in subparagraphs (iii) and (iv), the term "applicable amount" means an amount equal to the sum of:

[(A) 90 percent of the producer's creditable wages on the assembly during the preceding calendar year of the first 300,000 units; plus

[(B) the applicable graduated declining percentage (determined each year by the Secretaries) of the producer's creditable wages on the assembly during the preceding year of units in excess of 300,000 but not in excess of 750,000.

[(iii) The aggregate amount of all certificates which are issued during any calendar year shall not exceed an amount which bears the same ratio to \$5,000,000 as:

[(A) the gross national product of the United States (as determined by the Secretary of Commerce) for the preceding calendar year, bears to:

[(B) the gross national product of the United States (as so determined) for 1982.

[(iv) (A) Subject to the provision of clause (B), if the amount of the certificates issued under subparagraph (i) would exceed the limit under subparagraph (iii), the applicable amount of each producer's certificate shall be reduced proportionately by the amount of such excess.

[(B) The applicable amount of any producer's certificate shall not be reduced below the amount determined under subparagraph (ii)(A), except that if the application of this clause would result in the aggregate amount of the certificates exceeding the limit under subparagraph (iii), the applicable amount of each producer's certificate shall again be reduced proportionately by the amount of the excess determined after application of this clause.

[(v) Any certificate issued under subparagraph (i) shall entitle the certificate holder to secure the refund of duties equal to the face value of the certificate on watches, watch movements and, with the exception of discrete cases, parts therefor imported into the customs territory of the United States by the certificate holder. Such refunds shall be made under regulations issued by the Treasury Department. Not more than 5 percent of such refunds may be retained as a reimbursement to the Customs Service for the administrative costs of making the refunds.

[(vi) Any certificate issued under subparagraph (i), or any portion thereof, shall be negotiable.

[(vii) Any certificate issued under subparagraph (i) shall expire 1 year from the date of issuance and may be applied against duties on imports of watches and watch movements the entry of which were made within 2 years prior to the date of issuance of the certificate.

[(viii) For purposes of determining the applicable amount of any producer's certificate to be issued during calendar year 1983, the greater of:

[(A) the producer's creditable wages for calendar year 1982;

or

[(B) 60 percent of the producer's creditable wages for calendar year 1981 shall be considered the creditable wages for calendar year 1982.

[(i-j) the Secretaries are authorized to issue such regulations, not inconsistent with the provisions of this note, as they determine necessary to carry out their respective duties under this note. Such regulations shall include minimum assembly requirements. Any duty-free entry determined not to have been made in accordance with applicable regulations shall be subject to the applicable civil remedies and criminal sanctions, and, in addition, the Secretaries may cancel or restrict the license or certificate of any manufacturer found in willful violation of the regulations.]

* * * * *

DEMOCRATIC DISSENTING VIEWS

We strongly disagree with the Committee decision to report favorably H.R. 1756, the "Department of Commerce Dismantling Act," and the amendment in the nature of a substitute offered by Chairman Archer and adopted by the Committee. H.R. 1756, as amended, would abolish the Department of Commerce and establish a Commerce Programs Resolution Agency to wind up the affairs of the Department over the course of 3 years. Numerous existing programs would be terminated, while others would be transferred to other agencies. Among other things, the bill, as amended, would place the existing trade functions of the Department into a newly created United States Trade Administration.

We believe that this legislation is nothing more than political trophy-hunting. In recent years, the Department of Commerce has emerged as one of the most effective government agencies in carrying out its assigned responsibilities. In an intensely competitive global economy, the Department of Commerce has become the surest ally of the U.S. business community in promoting exports and thereby domestic economic growth and job creation. Even though it is the smallest government Department, Commerce provides a vital resource base for the private sector. It also serves as a tireless advocate at home and abroad for U.S. business and economic interests, and provides a Cabinet-level voice for these interests.

We are particularly disturbed that the Committee would consider and favorably report legislation as important as this when neither the Committee nor the Subcommittee on Trade have held public hearings nor received public comment on this or any other proposal to eliminate the Department of Commerce and reorganize the government's trade functions. We ask how the Committee can deal responsibly with this matter when it has not even developed a public record on the issue. In our view, no convincing or compelling case has been made, either in the Committee or elsewhere, for taking action of this type. There has been no response to the question, "What is broken that needs fixing?" Therefore, the Committee's action is irresponsible public policy-making. This legislation is nothing more than a proposed solution to a problem that simply does not exist.

It has been argued that the proposed legislation will save some \$8 billion over 5 years. These alleged savings apparently were based on the 1995 CBO baseline budget estimates for 1996–2000. It has come to our attention, however, that other analyses of the budgetary impact of this legislation conclude that, due to significant errors, omissions, and invalid assumptions in calculating the alleged savings, the net additional costs of the legislation would actually exceed the projected savings by \$2.342 billion. Unfortunately, due to the way this legislation has been processed by the Committee, we are not in a position to determine what the budg-

etary impact would be. Further, the legislation would cut authorized funding for the transferred Commerce trade functions by 25 percent from 1994 levels. We strongly oppose these cuts. No Committee consideration was given to the impact of such a reduction on the ability of the new agency to carry out its statutory functions.

We offer the following observations on the proposed reorganization of the government's trade functions. First, the current scope and structure of the Department of Commerce's trade functions arise from decisions made by the Committee on Ways and Means and the Congress in the late 1970s. Commerce has performed these functions—import administration, export licensing well. Indeed, in recent years under strong leadership, Commerce has developed a productive synergy between these functions, together with the technology functions of the Department, that has enhanced the ability of our economy to compete in today's global marketplace. The proposed legislation needlessly reshuffles and reduces these activities at exactly the wrong time. Proposed reorganization and funding cuts apparently arise from the mistaken belief that today's marketplace is still a national and not an international marketplace, and that the marketplace alone will solve our competitive problems. The reality is that every other country in the world assists its companies to compete globally. For us to eliminate a Department that has been performing well and to cut or eliminate those programs that promote growth and competitiveness is shortsighted and will ultimately be detrimental to the economic and competitive position of this country. It is ironic that it is the Republicans who are proposing action that will be injurious to the ability of U.S. business to compete globally.

Second, we oppose various provisions in the substitute dealing with specific trade matters. There has been no public input on these matters nor was there any meaningful discussion by the Republicans with the Administration or Committee Democrats on the advisability of these provisions. Specifically, we oppose the requirement that future U.S. participation in the NAFTA Secretariat and the Border Environment Cooperation Commission be funded out of authorizations for other trade functions. No rationale was provided for eliminating the separate authorizations for these functions. We also oppose the prohibition on the authority of the President to appoint any officer of the Office of the U.S. Trade Representative (USTR) other than the USTR and the Deputies to ambassadorial rank. There may be important negotiations and trade policy matters for which it would be entirely appropriate for another officer of USTR to have such rank. For example, the lead negotiators for the Uruguay Round and for the U.S.-Canadian Free Trade Agreement both had ambassadorial rank, equivalent to the status of the negotiators representing foreign countries. A statutory limitation on who can have ambassadorial rank at USTR is totally inappropriate. Finally, we question the elimination of the U.S. watch import program. We wonder what the economic impact will be on the Virgin Islands and whether our Republican colleagues held consultations with representatives of the Virgin Islands on this provision.

Lastly, while we strongly oppose this legislation, we do agree with our Republican colleagues, as reflected in Chairman Archer's

substitute, that it is absolutely essential to leave the Office of the United States Trade Representative as it is. This Office was created by the Committee on Ways and Means and the Congress in 1962 to serve as a supra-Cabinet-level agency within the Executive Office of the President to coordinate trade policy-making and to serve as the President's and the Congress' chief trade adviser and negotiator. This relatively small White House office is essential to coordinate and arbitrate the differing policy perspectives represented by the existing Departments.

USTR is a unique agency because it is responsible to both the President and to the Congress. It has performed its duties successfully and is widely acknowledged to be one of the most effective agencies in government. To remove USTR from the Executive Office of the President and merge it with the Commerce trade functions, as some have suggested, would downgrade USTR to the same status as other Departments and destroy its ability to coordinate trade policy within the Executive branch. It would also reverse continuing efforts by the Congress and the private sector over the past 20 years to make international trade policy considerations a high priority in interagency decision-making. Such a merger would be unacceptable and a repudiation of over three decades of bipartisanism on trade matters in the Congress. Whatever else happens on reorganization of the government's trade functions, USTR simply must remain an independent agency within the Executive Office of the President to coordinate trade policy and conduct trade negotiations for the United States.

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RICHARD E. NEAL.
PETE STARK.
WILLIAM J. COYNE.
HAROLD FORD.

ADDITIONAL DISSENTING VIEWS

We believe that the Committee's decision to dismantle the Department of Commerce is bad news for the competitiveness of American industry and the American worker. However, the amendment in the nature of a substitute adopted by the Committee is particularly bad news for the textile and apparel industry and its workers.

First, by adopting the substitute, the Committee abolishes the ambassadorial rank for USTR's Chief Textile negotiator. Like negotiators involved in the Uruguay Round and the U.S.-Canada Free Trade Agreement, textile negotiators generally have ambassadorial rank. As with other U.S. negotiators, dictating who can have ambassadorial rank is inappropriate.

Second, by adopting the substitute, the Committee opted to eliminate the Committee for the Implementation of Textile Agreements (CITA). This was done without any consideration of CITA's place in the administration of the textile program. Worse, CITA's elimination will not produce any budget savings. All of the members of CITA have their own particular responsibilities and budgets that will continue after CITA's elimination. The substitute amendment adopted by the Committee scatters CITA's functions to two separate and very different agencies: USTR, a small, negotiations-focused department located in the Executive Office of the President; and the International Trade Commission, an independent agency headed by six commissioners that has never had responsibility for the textile program and is already experiencing a surge in its workload due to the implementation of the Uruguay Round. As in most aspects of the dismantling of the Department of Commerce, the Committee's action leaves troubling questions unanswered. How will USTR perform CITA's complicated and critical duties with only two staff members dedicated to the textile program? How will USTR and the ITC interact to administer the textile program in a coherent fashion? Where will the domestic industry and workers find their views represented in the administration of the textile program? How will the often wide-ranging views of the departments of State, Treasury and Labor—all CITA members—be solicited and conveyed under the substitute?

The elimination of CITA provides one more example of the unaddressed and unanswered questions relating to the dismantling of the Department of Commerce, as well as one more reason we oppose this legislation.

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