SENATE—*Monday, June 10, 1991*

(Legislative day of Monday, June 3, 1991)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable TIMOTHY E. WIRTH, a Senator from the State of Colorado.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 10, 1991.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TIMOTHY E. WIRTH, a Senator from the State of Colorado, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. WIRTH thereupon assumed the chair as Acting President pro tempore.

ADJOURNMENT UNTIL TUESDAY, JUNE 11, 1991, AT 9 A.M.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate stands in adjournment until 9 a.m., Tuesday, June 11, 1991.

Thereupon, at 10 o'clock a.m. and 25 seconds, the Senate adjourned under the order of Thursday, June 6, 1991, until Tuesday, June 11, 1991, at 9 a.m.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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HOUSE OF REPRESENTATIVES—*Monday, June 10, 1991*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. MONTGOMERY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 10, 1991.

I hereby designate the Honorable G.V. (SONNY) MONTGOMERY to act as Speaker pro tempore on this day.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

On this new day when all creation breathes the fullness of life, we pray, O God, that our lives might be filled with a new spirit and our voices sing a new song. May we put aside the errors of the past, the disappointments and all the times we have missed the mark, and be clothed instead with an attitude of thanksgiving and praise for the opportunities of this day. We offer this prayer in gratefulness, O God, for all Your promises and Your presence. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Pledge of Allegiance will be led today by the gentleman from Iowa [Mr. LEACH].

Mr. LEACH led the Pledge of Allegiance as follows:

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

CELEBRATING THE MEN AND WOMEN OF DESERT SHIELD AND DESERT STORM

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, along with many hundreds of thousands of people here in Washington and certainly by television tens of thousands more, I attended the celebration on Saturday during which America, not just we who were there, but America, extended thanks to the men and women of Operation Desert Shield and Desert Storm.

I have been very proud to be an American all my life. I have also been very proud to be a Member of Congress, but to be both an American and a Member of Congress watching that parade and watching those men and women really was a high point of my life.

So I want to take this one moment more to extend our thanks to those good people. We appreciate what they did for us. We appreciate what they stood for and we certainly, now that they are back home, intend to follow through on our responsibilities to make sure that suitable educational and other programs are provided to the returning veterans of the gulf crisis.

So thank you very much. You did a good job. Well done.

POLICY DEBATE ON EL SALVADOR POSTPONED WHILE PEACE PROCESS CONTINUES

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, the House Rules Committee has acted with great wisdom and responsibility in deciding to postpone a divisive and counterproductive debate on United States policy toward El Salvador to give the ongoing negotiations a chance to reach completion.

According to President Freddy Cristiani, the 11-year-old guerrilla war going on in El Salvador may be on the verge of coming to an end. That is a goal all of us in this House urgently seek.

President Cristiani, in a Washington Post commentary on May 14, makes several important points about the lengthy conflict which has afflicted the Salvadoran people over the last decade: the war has cost billions of dollars and thousands of lives, but the support of the United States has been essential for the promotion and strengthening of democratic government.

The key element in U.S. support which I want to emphasize, and which President Cristiani refers to, is the absolute necessity of U.S. assistance to preserve the democratic process in that country. A debate at this time on a cutoff or severe restrictions on U.S. aid would only serve to make the FMLN guerrillas more intransigent in the ongoing negotiations for a cease-fire. It is imperative that the U.S. Congress not act in a way that adversely affects the peace process. That is why I strongly endorse the Rules Committee decision to avoid a debate on El Salvador at this time.

I urge my colleagues to consider President Cristiani's assessment of the ongoing peace process and accept for now the wisdom of not taking action on United States aid for El Salvador.

I am placing President Cristiani's commentary in today's Extensions of Remarks for my colleagues to read.

COMMENDING THE HOMECOMING FOUNDATION FOR A GREAT PARADE

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, let me commend the Desert Storm Homecoming Foundation. The gentleman from Kentucky mentioned about the homecoming festivities.

Let me say that the Homecoming Foundation had a responsibility for putting together and coordinating the Persian Gulf celebration for our military forces last Saturday in Washington, DC.

I want to commend Mr. Harry Walters, the general chairman, and Chuck Hagel, who was the assistant chairman, and many thousands of volunteers.

Mr. Speaker, I guess that was the largest number of volunteers that we have had for putting on a function like this. It was nothing but a wonderful day.

We had a memorial service at Arlington Cemetery for over 367 Americans who lost their lives in support of the Persian Gulf operation, a tremendous parade, probably the finest parade that has ever been seen in Washington that I know of at least for 45 years, and then after that we had a picnic on the grounds near the White House for all the Armed Forces, including all our service personnel; then the USO show late that afternoon and then the fireworks.

The best way to sum it up, Mr. Speaker, it is great to be an American.

A GREAT DAY IN WASHINGTON, DC, AND GREEN BAY, WI

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, I want to join the Chair and our friend, the gentleman from Mississippi, in those remarks.

The only time we had more volunteers than in the parade on Saturday was when the gentleman from Mississippi [Mr. MONTGOMERY] was running for Congress back in Mississippi.

As did the gentleman, I enjoyed the parade on Saturday. It was a real honor and privilege to attend such a spectacular parade and the display of military hardware in Washington was really awesome, was it not?

We thank all the men and women who served.

The following day, which was yesterday on Sunday, I attended an event in Green Bay, WI, to celebrate the return of the 890th Transportation Company, an Army Reserve unit that served in the Persian Gulf area with distinction. This parade was no less emotional for the families, friends, and neighbors of the 170 reservists than the one right here in Washington. We are all very proud of them.

Unfortunately, there are still some reservists in the Persian Gulf. The 395th Ordnance Army Reserve unit based in Appleton, WI, was activated last November and is still in the gulf. We hope they can come home very soon. They are there long after the shooting has stopped.

We should make sure that all come home as quickly as possible. There are many other Reserve units, such as the 432d also of Green Bay, WI, who will be coming home very shortly.

Please join me in urging the Pentagon to bring all of our reservists home before the July 4th event, if you can cosponsor House Concurrent Resolution 122. Let us let everyone enjoy a parade and celebrate the homecoming of the reservists on July 4.

□ 1210

LEGISLATION TO REPEAL LUXURY EXCISE TAXES

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, today I have introduced a bill to repeal all the luxury excise taxes.

The Democrats forced a luxury excise tax into last year's budget reconciliation bill in a sincere attempt to soak the rich.

They have now succeeded in drowning thousands of working men and women across the country in a wave of unemployment.

This dramatic job loss is a direct result of the Democrats' obsessive quest to get the rich.

The only people this foolhardy tax has managed to get so far is the mechanic, the craftsmen, and the hard working sales personnel who sell and service these goods.

But this is the kicker, Mr. Speaker: It doesn't even raise any money.

That's right, not only does this tax throw middle-class mechanics and salesmen out of work, it actually loses revenue for the Government.

The bottom line is that we're spending a quarter of a billion dollars to throw, at the least, thousands of American workers out of their jobs.

This is absurb. I encourage my colleagues to join me in my efforts to repeal these taxes.

Mr. Speaker, incidentally, I may say this is exactly the kind of result we get when we analyze taxes without realizing their real effect on real people and their real opportunities to have real jobs to feed their real families.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MAZZOLI). Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on both motions to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken tomorrow, Tuesday, June 11, 1991.

MONEY LAUNDERING ENFORCEMENT AMENDMENTS OF 1991

Mr. ANNUNZIO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 26) to require the Federal depository institution regulatory agencies to take additional enforcement actions against depository institutions engaging in money laundering, and for other purposes, as amended.

The Clerk read as follows:

H.R. 26

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Money Laundering Enforcement Amendments of 1991".

SEC. 2. AUTHORITY TO APPOINT CONSERVATOR FOR DEPOSITORY INSTITUTIONS CONVICTED OF MONEY LAUNDERING.

(a) NATIONAL BANKS.—

(1) IN GENERAL.—Section 203(a) of the Bank Conservation Act (12 U.S.C. 203(a)) is amended—

(A) by redesignating paragraphs (6), (7), and (8) as paragraphs (7), (8), and (9), respectively; and

(B) by inserting after paragraph (5) the following new paragraph:

"(6) The Attorney General notifies the Comptroller in writing that the bank has been found guilty of a money laundering offense.".

(2) FACTORS REQUIRED TO BE CONSIDERED; EXCEPTION IN CASE OF CHANGE IN CONTROL.—Section 203 of the Bank Conservation Act (12 U.S.C. 203) is amended by adding at the end the following new subsection:

"(f) SPECIAL RULES RELATING TO APPOINTMENT OF CONSERVATOR UNDER SUBSECTION (a)(6).—

"(1) FACTORS FOR CONSIDERATION IN APPOINTING CONSERVATOR.—In making any determination under subsection (a)(6) to appoint a conservator for any national bank, the Comptroller of the Currency shall take into account the following factors:

"(A) The extent to which directors or senior executive officers (as defined by the Comptroller pursuant to section 32(f) of the Federal Deposit Insurance Act) of the national bank knew of, or were involved in, the commission of the money laundering offense of which the bank was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the national bank which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the national bank has fully cooperated with law enforcement authorities with respect to the investigation of the money laundering offense of which the bank was found guilty.

"(D) The extent to which the national bank has implemented additional internal controls (since the commission of the offense of which the national bank was found guilty) to prevent the occurrence of any other money laundering offense.

"(2) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any national bank referred to in subsection (a)(6) is acquired (as defined in section 13(f)(8)(B) of the Federal Deposit Insurance Act)—

"(A) after the commission of any money laundering offense;

"(B) by any person who was not an institution-affiliated party of the bank, or any affiliate of any such party (as such terms are defined in section 3 of the Federal Deposit Insurance Act) at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Comptroller) which was entered into in good faith by such person,

subsection (a)(6) shall not apply to such national bank with respect to such offense.

"(3) MONEY LAUNDERING OFFENSE DEFINED.—For purposes of this subsection and subsection (a)(6), the term 'money laundering offense' means any offense under section 1956 or 1957 of title 18, United States Code, or section 5322 of title 31, United States Code.".

(b) INSURED SAVINGS ASSOCIATIONS.—

(1) FEDERAL SAVINGS ASSOCIATIONS.—Section 5(d)(2)(A) of the Home Owners' Loan Act (12 U.S.C. 1464(d)(2)(A)) is amended—

(A) by redesignating clauses (vii) and (viii) as clauses (viii) and (ix), respectively; and

(B) by inserting after clause (vi) the following new clause:

"(vii) the Attorney General notifies the Director in writing that the association has been found guilty of any money laundering offense;".

(2) STATE SAVINGS ASSOCIATIONS.—Section 5(d)(2)(C) of the Home Owners' Loan Act (12 U.S.C. 1464(d)(2)(C)) is amended—

(A) by redesignating clauses (v) and (vi) as clauses (vi) and (vii), respectively; and

(B) by inserting after clause (iv) the following new clause:

"(v) the Attorney General notifies the Director in writing that the association has been found guilty of any money laundering offense;".

(3) FACTORS REQUIRED TO BE CONSIDERED; EXCEPTION IN CASE OF CHANGE IN CONTROL.—Section 5(d)(2) of the Home Owners' Loan Act (12 U.S.C. 1464(d)(2)) is amended by adding at the end the following new subparagraphs:

"(J) FACTORS FOR CONSIDERATION IN APPOINTING CONSERVATOR OR RECEIVER UNDER SUBPARAGRAPH (A)(vii) OR (C)(v).—In making any determination under subparagraph (A)(vii) or (C)(v) to appoint any conservator or receiver for any savings association, the Director shall take into account the following factors:

"(i) The extent to which directors or senior executive officers (as defined by the Director pursuant to section 32(f) of the Federal Deposit Insurance Act) of the savings association knew of, or were involved in, the commission of the money laundering offense of which the association was found guilty.

"(ii) The extent to which the offense occurred despite the existence of policies and procedures within the savings association which were designed to prevent the occurrence of any such offense.

"(iii) The extent to which the savings association has fully cooperated with law enforcement authorities with respect to the investigation of the money laundering offense of which the association was found guilty.

"(iv) The extent to which the savings association has implemented additional internal controls (since the commission of the money laundering offense of which the savings association was found guilty) to prevent the occurrence of any other money laundering offense.

"(K) CHANGE IN CONTROL EXCEPTION UNDER SUBPARAGRAPH (A)(vii) OR (C)(v).—If the ownership or control of any savings association referred to in subparagraph (A)(vii) or (C)(v) is acquired (as defined in section 13(f)(8)(B) of the Federal Deposit Insurance Act)—

"(i) after the commission of any money laundering offense;

"(ii) by any person who was not an institution-affiliated party of the association, or any affiliate of any such party (as such terms are defined in section 3 of the Federal Deposit Insurance Act) at the time of the offense; and

"(iii) in an arms-length transaction (as determined by the Director) which was entered into in good faith by such person,

subparagraph (A)(vii) or (C)(v), as the case may be, shall not apply to such association with respect to such offense.

"(L) MONEY LAUNDERING OFFENSE DEFINED.—For purposes of subparagraphs (A)(vii), (C)(v), (J), and (K), the term 'money laundering offense' means any offense under section 1956 or 1957 of title 18, United States Code, or section 5322 of title 31, United States Code.".

(4) CONFORMING AMENDMENT.—Section 5(d)(2)(D) of the Home Owners' Loan Act (12 U.S.C. 1464(d)(2)(D)) is amended by adding at the end the following new clause:

"(iii) In the case of any determination by the Director that the ground specified in subparagraph (C)(v) exists with respect to any insured State savings association, clause (ii) of this subparagraph shall be applied by substituting '10 days' for '30 days'.".

(c) INSURED STATE BANKS.—

(1) IN GENERAL.—Section 11(c) of the Federal Deposit Insurance Act (12 U.S.C. 1821(c)) is amended by adding at the end the following new paragraph:

"(10) APPOINTMENT OF CONSERVATOR UPON CONVICTION FOR MONEY LAUNDERING.—

"(A) IN GENERAL.—Upon receipt of written notice from the Attorney General that an insured State bank has been found guilty of a money laundering offense, the Board of Directors may appoint itself conservator for the bank.

"(B) FACTORS FOR CONSIDERATION IN APPOINTING CONSERVATOR.—In making any determination under subparagraph (A) to appoint the Corporation conservator for any insured State bank, the Board of Directors shall take into account the following factors:

"(i) The extent to which directors or senior executive officers (as defined by the Corporation pursuant to section 32(f)) of the bank knew of, or were involved in, the commission of the money laundering offense of which the bank was found guilty.

"(ii) The extent to which the offense occurred despite the existence of policies and procedures within the bank which were designed to prevent the occurrence of any such offense.

"(iii) The extent to which the bank has fully cooperated with law enforcement authorities with respect to the investigation of the money laundering offense of which the bank was found guilty.

"(iv) The extent to which the bank has implemented additional internal controls (since the commission of the offense of which the bank was found guilty) to prevent the occurrence of any other money laundering offense.

"(C) NOTICE AND OPPORTUNITY FOR APPOINTMENT OF CONSERVATOR BY STATE BANKING SUPERVISOR.—If the Board of Directors determines that the Corporation should be appointed conservator under subparagraph (A) for any insured State bank—

"(i) the Board of Directors shall promptly notify the State banking supervisor of such bank of such determination; and

"(ii) the authority to appoint the Corporation conservator for such bank under subparagraph (A) shall be effective only if no conservator has been appointed by such supervisor for such bank before the end of the 10-day period beginning on the date such supervisor receives notice under clause (i).

"(D) CHANGE IN CONTROL EXCEPTION UNDER SUBPARAGRAPH (A).—If the ownership or control of any insured State bank referred to in subparagraph (A) is acquired (as defined in section 13(f)(8)(B))—

"(i) after the commission of any money laundering offense;

"(ii) by any person who was not an institution-affiliated party of the bank, or any affiliate of any such party at the time of the offense; and

"(iii) in an arms-length transaction (as determined by the Board of Directors) which was entered into in good faith by such person,

subparagraph (A) shall not apply to such bank with respect to such offense.

"(E) MONEY LAUNDERING OFFENSE DEFINED.—For purposes of this paragraph, the term 'money laundering offense' means any offense under section 1956 or 1957 of title 18, United States Code, or section 5322 of title 31, United States Code.".

(2) TECHNICAL AND CONFORMING AMENDMENT.—Section 11(c)(9) of the Federal Deposit Insurance Act (12 U.S.C. 1821(c)(9)) is amended by striking "paragraph (4) or (6)" and inserting "paragraph (4), (6), or (10)".

(d) INSURED CREDIT UNIONS.—

(1) IN GENERAL.—Section 206(h)(1) of the Federal Credit Union Act (12 U.S.C. 1786(h)(1)) is amended—

(A) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(B) by inserting after subparagraph (B) the following new subparagraph:

"(C) the Attorney General notifies the Board in writing that an insured credit union has been found guilty of a money laundering offense;".

(2) FACTORS REQUIRED TO BE CONSIDERED; DEFINITION.—Section 206(h) of the Federal Credit Union Act (12 U.S.C. 1786(h)) is amended—

(A) by redesignating paragraph (9) as paragraph (10); and

(B) by inserting after paragraph (8) the following new paragraph:

"(9) FACTORS FOR CONSIDERATION IN APPOINTING CONSERVATOR UNDER PARAGRAPH (1)(C); DEFINITION.—

"(A) FACTORS FOR CONSIDERATION IN APPOINTING CONSERVATOR.—In making any determination under paragraph (1)(C) to appoint itself conservator for any insured credit union, the Board shall take into account the following factors:

"(i) The extent to which directors, committee members, or senior executive officers (as defined by the Board in regulations which the Board shall prescribe) of the credit union knew of, or were involved in, the commission of the money laundering offense of which the credit union was found guilty.

"(ii) The extent to which the offense occurred despite the existence of policies and procedures within the credit union which were designed to prevent the occurrence of any such offense.

"(iii) The extent to which the credit union has fully cooperated with law enforcement authorities with respect to the investigation of the money laundering offense of which the credit union was convicted.

"(iv) The extent to which the credit union has implemented additional internal controls (since the commission of the offense of which the credit union was found guilty) to prevent the occurrence of any other money laundering offense.

"(B) MONEY LAUNDERING OFFENSE DEFINED.—For purposes of this paragraph and paragraphs (1)(C) and (2)(C), the term 'money laundering offense' means any offense under section 1956 or 1957 of title 18, United States Code, or section 5322 of title 31, United States Code.".

(3) CONFORMING AMENDMENT.—Section 206(h)(2) of the Federal Credit Union Act (12 U.S.C. 1786(h)(2)) is amended by adding at the end the following new subparagraph:

"(C) APPLICATION IN CASE OF MONEY LAUNDERING OFFENSE.—In the case of any determination by the Board that the ground specified in paragraph (1)(C) exists with respect to any insured credit union, subparagraph (B) of this paragraph shall be applied by substituting '10 days' for '30 days'.".

SEC. 3. REVOCATION OF CHARTER OF FEDERAL DEPOSITORY INSTITUTIONS AUTHORIZED FOR MONEY LAUNDERING OFFENSES.

(a) NATIONAL BANKS.—Section 5239 of the Revised Statutes (12 U.S.C. 93) is amended by adding at the end the following new subsection:

"(d) FORFEITURE OF FRANCHISE FOR MONEY LAUNDERING OFFENSES.—

"(1) NOTICE OF INTENTION TO DECLARE CHARTER FORFEITED.—

"(A) IN GENERAL.—If the Comptroller of the Currency receives written notice from the Attorney General that any national bank and directors or senior executive officers of the bank have been found guilty of any money laundering offense, the Comptroller

may issue a notice to the national bank of the Comptroller's intention to declare all rights, privileges, and franchises of such bank to be forfeited.

"(B) NOTICE REQUIRED IN CERTAIN CASES.—If the money laundering offense of which any national bank and directors or senior executive officers of the bank have been found guilty is an offense under section 1956 or 1957 of title 18, United States Code, the Comptroller shall issue the notice described in subparagraph (A) to the national bank.

"(2) CONTENTS OF NOTICE.—Any notice issued by the Comptroller pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed forfeiture.

"(3) HEARING, FORFEITURE OF CHARTER.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Comptroller of the Currency (or any person designated by the Comptroller for such purpose), the Comptroller finds that, taking into account the factors required to be considered under paragraph (4), the gravity of the offense of which the national bank was found guilty outweighs the benefits which the continued operation of the bank may provide (taking into account whether there will be significant losses to the Bank Insurance Fund), the Comptroller may issue an order declaring all rights, privileges, and franchises of such bank to be forfeited.

"(4) FACTORS FOR CONSIDERATION IN CHARTER REVOCATION PROCEEDING.—In making any determination under paragraph (3) to declare the forfeiture of all rights, privileges, and franchises of any national bank, the Comptroller of the Currency shall take into account the following factors:

"(A) The extent to which directors or senior executive officers of the national bank knew of, or were involved in, the commission of the money laundering offense of which the bank was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the national bank which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the national bank has fully cooperated with law enforcement authorities with respect to the investigation of the money laundering offense of which the bank was found guilty.

"(D) The extent to which the national bank has implemented additional internal controls (since the commission of the offense of which the bank was found guilty) to prevent the occurrence of any other money laundering offense.

"(5) APPEARANCE, CONSENT TO FORFEITURE.—Unless the national bank shall appear at the hearing by a duly authorized representative, the bank shall be deemed to have consented to the forfeiture of all rights, privileges, and franchises of the bank and the order referred to in paragraph (3) may be issued.

"(6) JUDICIAL REVIEW.—Any order issued by the Comptroller of the Currency under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(7) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any national bank referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B) of the Federal Deposit Insurance Act)—

"(A) after the commission of any money laundering offense;

"(B) by any person who was not an institution-affiliated party of the bank, or any affiliate of any such party (as such terms are defined in section 3 of the Federal Deposit Insurance Act), at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Comptroller) which was entered into in good faith by such person,

this subsection shall not apply to such national bank with respect to such offense.

"(8) DEFINITIONS.—For purposes of this subsection—

"(A) MONEY LAUNDERING OFFENSE DEFINED.—The term 'money laundering offense' means any offense under section 1956 or 1957 of title 18, United States Code, or section 5322 of title 31, United States Code.

"(B) NATIONAL BANK.—The term 'national bank' includes any Federal branch (as defined in section 3(r) of the Federal Deposit Insurance Act).

"(C) SENIOR EXECUTIVE OFFICERS.—The term 'senior executive officers' has the meaning given to such term by the Comptroller of the Currency pursuant to section 32(f) of the Federal Deposit Insurance Act.".

(b) FEDERAL SAVINGS ASSOCIATIONS.—Section 5 of the Home Owners' Loan Act (12 U.S.C. 1464) is amended by adding at the end the following new subsection:

"(w) FORFEITURE OF CHARTER FOR MONEY LAUNDERING OFFENSES.—

"(1) NOTICE OF INTENTION TO DECLARE CHARTER FORFEITED.—

"(A) IN GENERAL.—If the Director receives written notice from the Attorney General that any Federal savings association and directors or senior executive officers of the association have been found guilty of any money laundering offense, the Director may issue a notice to the Federal savings association of the Director's intention to declare the charter of the association to be forfeited.

"(B) NOTICE REQUIRED IN CERTAIN CASES.—If the money laundering offense of which any Federal savings association and directors or senior executive officers have been found guilty is an offense under section 1956 or 1957 of title 18, United States Code, the Director shall issue the notice described in subparagraph (A) to the association.

"(2) CONTENTS OF NOTICE.—Any notice issued by the Director pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed forfeiture.

"(3) HEARING, FORFEITURE OF CHARTER.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Director (or any person designated by the Director for such purpose), the Director finds that, taking into account the factors required to be considered under paragraph (4), the gravity of the offense of which the Federal savings association was found guilty outweighs the benefits which the continued operation of the association may provide (taking into account whether there will be significant losses to the Savings Association Insurance Fund or the Resolution Trust Corporation), the Director may issue an order declaring the charter of the association to be forfeited.

"(4) FACTORS FOR CONSIDERATION IN CHARTER REVOCATION PROCEEDING.—In making any determination under paragraph (3) to declare the forfeiture of the charter of any Federal savings association, the Director shall take into account the following factors:

"(A) The extent to which directors or senior executive officers of the savings association knew of, or were involved in, the commission of the money laundering offense of which the association was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the savings association which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the savings association has fully cooperated with law enforcement authorities with respect to the investigation of the money laundering offense of which the association was found guilty.

"(D) The extent to which the savings association has implemented additional internal controls (since the commission of the offense of which the savings association was found guilty) to prevent the occurrence of any other money laundering offense.

"(5) APPEARANCE, CONSENT TO FORFEITURE.—Unless the Federal savings association shall appear at the hearing by a duly authorized representative, the association shall be deemed to have consented to the forfeiture of the charter of the association and the order referred to in paragraph (3) may be issued.

"(6) JUDICIAL REVIEW.—Any order issued by the Director under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(7) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any Federal savings association referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B) of the Federal Deposit Insurance Act)—

"(A) after the commission of any money laundering offense;

"(B) by any person who was not an institution-affiliated party of the association, or any affiliate of any such party (as such terms are defined in section 3 of the Federal Deposit Insurance Act), at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Director) which was entered into in good faith by such person,

this subsection shall not apply with respect to such association.

"(8) DEFINITIONS.—For purposes of this subsection—

"(A) MONEY LAUNDERING OFFENSE.—The term 'money laundering offense' means any offense under section 1956 or 1957 of title 18, United States Code, or section 5322 of title 31, United States Code.

"(B) SENIOR EXECUTIVE OFFICERS.—The term 'senior executive officers' has the meaning given to such term by the Director pursuant to section 32(f) of the Federal Deposit Insurance Act.".

(c) FEDERAL CREDIT UNIONS.—Title I of the Federal Credit Union Act (12 U.S.C. 1752 et seq.) is amended by adding at the end the following new section:

"SEC. 130. FORFEITURE OF ORGANIZATION CERTIFICATE FOR MONEY LAUNDERING OFFENSES.

"(a) NOTICE OF INTENTION TO DECLARE CHARTER FORFEITED.—

"(1) IN GENERAL.—If the Board receives written notice from the Attorney General that any Federal credit union and directors, committee members, or senior executive officers (as defined by the Board in regulations which the Board shall prescribe) of the credit union have been found guilty of any money laundering offense, the Board may issue a notice to the Federal credit union of the Board's intention to declare the charter of the credit union to be forfeited.

"(2) NOTICE REQUIRED IN CERTAIN CASES.—If the money laundering offense of which any Federal credit union and directors, committee members, or senior executive officers of the credit union have been found guilty is an

offense under section 1956 or 1957 of title 18, United States Code, the Board shall issue the notice described in paragraph (1) to the credit union.

"(b) CONTENTS OF NOTICE.—Any notice issued by the Board pursuant to subsection (a) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed forfeiture.

"(c) HEARING, FORFEITURE OF CHARTER.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Board (or any person designated by the Board for such purpose), the Board finds that, taking into account the factors required to be considered under subsection (d), the gravity of the offense of which the Federal credit union was found guilty outweighs the benefits which the continued operation of the credit union may provide (taking into account whether there will be significant losses to the National Credit Union Share Insurance Fund), the Board may issue an order declaring the charter of the credit union to be forfeited.

"(d) FACTORS FOR CONSIDERATION IN CHARTER REVOCATION PROCEEDING.—In making any determination under subsection (c) to declare the forfeiture of the charter of any Federal credit union, the Board shall take into account the following factors:

"(1) The extent to which directors, committee members, or senior executive officers (as defined by the Board in regulations which the Board shall prescribe) of the credit union knew of, or were involved in, the commission of the money laundering offense of which the credit union was found guilty.

"(2) The extent to which the offense occurred despite the existence of policies and procedures within the credit union which were designed to prevent the occurrence of any such offense.

"(3) The extent to which the credit union has fully cooperated with law enforcement authorities with respect to the investigation of the money laundering offense of which the credit union was found guilty.

"(4) The extent to which the credit union has implemented additional internal controls (since the commission of the offense of which the credit union was found guilty) to prevent the occurrence of any other money laundering offense.

"(e) APPEARANCE, CONSENT TO FORFEITURE.—Unless the Federal credit union shall appear at the hearing by a duly authorized representative, the credit union shall be deemed to have consented to the forfeiture of the charter of the credit union and the order referred to in subsection (c) may be issued.

"(f) JUDICIAL REVIEW.—Any order issued by the Board under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(g) MONEY LAUNDERING OFFENSE DEFINED.—For purposes of this section, the term 'money laundering offense' means any offense under section 1956 or 1957 of title 18, United States Code, or section 5322 of title 31, United States Code.".

SEC. 4. AUTHORITY TO TERMINATE THE INSURED STATUS OF STATE DEPOSITORY INSTITUTIONS CONVICTED OF MONEY LAUNDERING.

(a) STATE DEPOSITORY INSTITUTIONS OTHER THAN STATE CHARTERED CREDIT UNIONS.—

(1) TERMINATION AUTHORIZED UPON CONVICTION OF DEPOSITORY INSTITUTION.—Section 8(a)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)(2)(A)) is amended—

(A) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively; and

(B) by inserting after clause (i) the following new clause:

"(ii) the Attorney General has provided written notice that an insured State depository institution has been found guilty of any money laundering offense;".

(2) EXCEPTION IN CASE OF CHANGE IN CONTROL.—Section 8(a) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)) is amended by adding at the end the following new paragraph:

"(11) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any State depository institution referred to in paragraph (2)(A)(ii) is acquired (as defined in section 13(f)(8)(B))—

"(A) after the commission of any money laundering offense;

"(B) by any person who was not an institution-affiliated party of the institution, or any affiliate of any such party, at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Board of Directors) which was entered into in good faith by such person,

paragraph (2)(A)(ii) shall not apply to such depository institution with respect to such offense.".

(3) HEARING ON TERMINATION REQUIRED UPON CONVICTION OF INSTITUTION AND DIRECTORS AND OFFICERS.—Section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) is amended by adding at the end the following new subsection:

"(w) TERMINATION OF INSURANCE FOR MONEY LAUNDERING OFFENSES.—

"(1) NOTICE OF INTENTION TO TERMINATE INSURANCE.—

"(A) IN GENERAL.—If the Board of Directors receives written notice from the Attorney General that any insured State depository institution and directors or senior executive officers of the depository institution have been found guilty of any money laundering offense, the Board of Directors may issue a notice to the depository institution of the Board of Directors' intention to terminate the insured status of such depository institution.

"(B) NOTICE REQUIRED IN CERTAIN CASES.—If the money laundering offense of which any insured State depository institution and directors or senior executive officers of the depository institution have been found guilty is an offense under section 1956 or 1957 of title 18, United States Code, the Board of Directors shall issue the notice described in subparagraph (A) to the depository institution.

"(2) NOTICE TO STATE BANKING SUPERVISOR.—A copy of any notice issued by the Board of Directors under paragraph (1) to any insured State depository institution shall promptly be transmitted by the Board of Directors to the appropriate State banking supervisor of such depository institution.

"(3) CONTENTS OF NOTICE.—Any notice issued by the Board of Directors pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed termination of insured status.

"(4) HEARING, TERMINATION OF INSURED STATUS.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Board of Directors (or any person designated by the Board of Directors for such purpose), the Board of Directors finds that, taking into account the factors required to be considered under paragraph (5), the gravity of the offense of which the depository institution was found guilty outweighs the benefits which the continuation of the insured status of the depository institution may provide (taking into account whether there will be significant losses to the Bank Insurance Fund, the Savings Association Insurance Fund, or the Resolution Trust Corporation), the Board of Directors may issue an order terminating the insured status of such State depository institution effective not earlier than the end of the 10-day period beginning on the date the State banking supervisor (of such depository institution) receives notice of the issuance of such order from the Board of Directors.

"(5) FACTORS FOR CONSIDERATION IN PROCEEDING TO TERMINATE INSURED STATUS.—In making any determination under paragraph (4) to terminate the insured status of any State depository institution, the Board of Directors shall take into account the following factors:

"(A) The extent to which directors or senior executive officers of the depository institution knew of, or were involved in, the commission of the money laundering offense of which the institution was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the depository institution which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the depository institution has fully cooperated with law enforcement authorities with respect to the investigation of the money laundering offense of which the institution was found guilty.

"(D) The extent to which the depository institution has implemented additional internal controls (since the commission of the offense of which the depository institution was found guilty) to prevent the occurrence of any other money laundering offense.

"(6) APPEARANCE, CONSENT TO TERMINATION OF INSURED STATUS.—Unless the State depository institution shall appear at the hearing by a duly authorized representative, the depository institution shall be deemed to have consented to the termination of the insured status of the depository institution and the order referred to in paragraph (4) may be issued.

"(7) JUDICIAL REVIEW.—Any order issued by the Board of Directors under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(8) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any depository institution referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B))—

"(A) after the commission of any money laundering offense;

"(B) by any person who was not an institution-affiliated party of the institution, or any affiliate of any such party, at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Board of Directors) which was entered into in good faith by such person,

this subsection shall not apply to such depository institution with respect to such offense.

"(9) DEFINITIONS.—For purposes of this subsection and paragraphs (2)(A)(ii) and (11) of subsection (a)—

"(A) MONEY LAUNDERING OFFENSE.—The term 'money laundering offense' means any offense under section 1956 or 1957 of title 18, United States Code, or section 5322 of title 31, United States Code.

"(B) SENIOR EXECUTIVE OFFICERS.—The term 'senior executive officers' has the meaning given to such term by the Board of

Directors pursuant to section 32(f) of the Federal Deposit Insurance Act.".

(b) STATE CHARTERED CREDIT UNIONS.—

(1) TERMINATION AUTHORIZED UPON CONVICTION OF DEPOSITORY INSTITUTION.—The 1st sentence of section 206(b)(1) of the Federal Credit Union Act (12 U.S.C. 1786(b)(1)) is amended by inserting "or the Board is notified in writing by the Attorney General that an insured credit union has been found guilty of any money laundering offense," after "entered into with the Board,".

(2) HEARING ON TERMINATION REQUIRED UPON CONVICTION OF INSTITUTION AND DIRECTORS AND OFFICERS.—Section 206 of the Federal Credit Union Act (12 U.S.C. 1786) is amended by adding at the end the following new subsection:

"(v) TERMINATION OF INSURANCE FOR MONEY LAUNDERING OFFENSES.—

"(1) NOTICE OF INTENTION TO TERMINATE INSURANCE.—

"(A) IN GENERAL.—If the Board receives written notice from the Attorney General that any insured State chartered credit union and directors, committee members, or senior executive officers (as defined by the Board in regulations which the Board shall prescribe) of the credit union have been found guilty of any money laundering offense, the Board may issue a notice to the credit union of the Board's intention to terminate the insured status of such credit union.

"(B) NOTICE REQUIRED IN CERTAIN CASES.—If the money laundering offense of which any insured State chartered credit union and directors, committee members, or senior executive officers of the credit union have been found guilty is an offense under section 1956 or 1957 of title 18, United States Code, the Board shall issue the notice described in paragraph (1) to the credit union.

"(2) NOTICE TO STATE CREDIT UNION SUPERVISOR.—A copy of any notice issued by the Board under paragraph (1) to any insured State chartered credit union shall promptly be transmitted by the Board to the appropriate State credit union supervisor of such credit union.

"(3) CONTENTS OF NOTICE.—Any notice issued pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed termination of insured status.

"(4) HEARING, TERMINATION OF INSURED STATUS.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Board (or any person designated by the Board for such purpose), the Board finds that, taking into account the factors required to be considered under paragraph (5), the gravity of the offense of which the credit union was found guilty outweighs the benefits which the continuation of the insured status of the credit union may provide (taking into account whether there will be significant losses to the National Credit Union Share Insurance Fund), the Board may issue an order terminating the insured status of such State chartered credit union effective not earlier than the end of the 10-day period beginning on the date the State credit union supervisor (of such credit union) receives notice of the issuance of such order from the Board.

"(5) FACTORS FOR CONSIDERATION IN PROCEEDING TO TERMINATE INSURED STATUS.—In making any determination under paragraph (4) to terminate the insured status of any State chartered credit union, the Board shall take into account the following factors:

"(A) The extent to which directors, committee members, or senior executive officers (as defined by the Board in regulations which the Board shall prescribe) of the credit union knew of, or were involved in, the commission of the money laundering offense of which the credit union was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the credit union which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the credit union has fully cooperated with law enforcement authorities with respect to the investigation of the money laundering offense of which the credit union was found guilty.

"(D) The extent to which the credit union has implemented additional internal controls (since the commission of the offense of which the credit union was found guilty) to prevent the occurrence of any other money laundering offense.

"(6) APPEARANCE, CONSENT TO TERMINATION OF INSURED STATUS.—Unless the State chartered credit union shall appear at the hearing by a duly authorized representative, the credit union shall be deemed to have consented to the termination of insured status of the credit union and the order referred to in paragraph (4) may be issued.

"(7) JUDICIAL REVIEW.—Any order issued by the Board under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(8) MONEY LAUNDERING OFFENSE DEFINED.—For purposes of this subsection and subsection (b)(1), the term 'money laundering offense' means any offense under section 1956 or 1957 of title 18, United States Code, or section 5322 of title 31, United States Code.".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The last sentence of section 8(a)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)(2)(A)) is amended by inserting "and shall not apply with respect to any notice under clause (ii)" before the period.

(2) Section 8(a)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)(6)) is amended by striking "such termination" the 1st place such term appears and inserting "any termination of the insured status of any depository institution under this subsection or subsection (w)".

(3) The 1st sentence of section 8(a)(7) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)(7)) is amended by striking "this subsection," and inserting "this subsection or subsection (w),".

(4) The 1st sentence of section 206(c) of the Federal Credit Union Act (12 U.S.C. 1786(c)) is amended by striking "(a)(2) or (b)" and inserting "(a)(2), (b), or (v)".

(5) The 1st sentence of section 206(d)(1) of the Federal Credit Union Act (12 U.S.C. 1786(d)(1)) is amended by striking "(a)(1) or (b)" and inserting "(a)(1), (b), or (v)".

SEC. 5. REMOVAL OF PARTIES INVOLVED IN CURRENCY REPORTING VIOLATIONS.

(a) FDIC INSURED INSTITUTIONS.—

(1) VIOLATION OF REPORTING REQUIREMENTS.—Section 8(e)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1818(e)(2)) is amended to read as follows:

"(2) SPECIFIC VIOLATIONS.—

"(A) IN GENERAL.—Whenever the appropriate Federal banking agency determines that—

"(i) any institution-affiliated party has committed a violation of any provision of subchapter II of chapter 53 of title 31, United States Code (unless such violation was inadvertent or unintentional);

"(ii) any director or officer of any insured depository institution has knowledge that any other institution-affiliated party (with respect to such institution) has committed—

"(I) any violation of such subchapter II; or

"(II) any criminal violation of section 1956 or 1957 of title 18, United States Code, or section 5322 of title 31 of such Code; or

"(iii) any director or officer of any insured depository institution has committed any violation of the Depository Institution Management Interlocks Act,

the agency may serve upon such party, director, or officer a written notice of the agency's intention to remove the person from office.

"(B) FACTORS TO BE CONSIDERED UNDER SUBPARAGRAPH (A)(ii).—In determining whether an officer or director should be removed under the circumstances described in subparagraph (A)(ii), the agency shall consider whether the director or officer took appropriate action to stop, or to prevent the recurrence of, a violation described in such subparagraph.".

(2) FELONY CHARGES.—Section 8(g) of the Federal Deposit Insurance Act (12 U.S.C. 1818(g)(1)) is amended by striking "(g)(1)" and all that follows through the end of paragraph (1) and inserting the following:

"(g) PROVISIONS APPLICABLE IN THE CASE OF FELONY CHARGES AGAINST INSTITUTION-AFFILIATED PARTIES.—

"(1) SUSPENSION OR PROHIBITION AUTHORIZED.—

"(A) IN GENERAL.—If—

"(i) any institution-affiliated party is charged in any information, indictment, or complaint, with the commission of or participation in—

"(I) a crime involving dishonesty or breach of trust which is punishable by imprisonment for a term exceeding 1 year under State or Federal law, or

"(II) a criminal violation of section 1956 or 1957 of title 18, United States Code, or an offense under section 5322 of title 31, United States Code; and

"(ii) the appropriate Federal banking agency determines that the continued service or participation by such party may—

"(I) pose a threat to the interests of the depository institution's depositors; or

"(II) threaten to impair public confidence in the depository institution,

the agency may, by written notice served upon such party, suspend such party from office or prohibit such party from further participation in any manner in the conduct of the affairs of the depository institution.

"(B) PROVISIONS APPLICABLE TO SUBPARAGRAPH (A) NOTICE.—

"(i) NOTICE TO INSTITUTION.—A copy of any notice issued under subparagraph (A) shall be served upon the depository institution referred to in such subparagraph.

"(ii) EFFECTIVE PERIOD.—Any suspension or prohibition notice under subparagraph (A) shall remain in effect until the information, indictment, or complaint referred to in such subparagraph is finally disposed of or until terminated by the agency.

"(C) REMOVAL OR PROHIBITION UPON CONVICTION.—If—

"(i) any judgment of conviction or any agreement to enter a pretrial diversion or other similar program is entered, and has become final, against any institution-affiliated party in connection with any crime described in subparagraph (A)(i)(I); and

"(ii) the appropriate Federal banking agency determines that continued service or participation by such party may—

"(I) pose a threat to the interests of the depository institution's depositors; or

"(II) threaten to impair public confidence in the depository institution,

the agency may issue and serve upon such party an order removing such party from office or prohibiting such party from further participation in any manner in the conduct of the affairs of the depository institution.

"(D) REMOVAL AND PROHIBITION REQUIRED FOR CONVICTION OF CERTAIN OFFENSES.—If any judgment of conviction or an agreement to enter any pretrial diversion or other similar program is entered, and has become final, against any institution-affiliated party in connection with any crime described in subparagraph (A)(i)(II), the appropriate Federal banking agency shall issue and serve upon such party an order removing such party from office or prohibiting such party from further participation in any manner in the conduct of the affairs of the depository institution.

"(E) PROVISIONS APPLICABLE TO SUBPARAGRAPH (C) OR (D) NOTICE.—

"(i) NOTICE TO INSTITUTION.—A copy of any order issued under subparagraph (C) or (D) shall also be served upon the depository institution referred to in such subparagraph.

"(ii) EFFECTIVE DATE OF CERTAIN ORDERS.—If the institution-affiliated party against whom an order is issued under subparagraph (C) or (D) is a director or officer of any insured depository institution, such party shall cease to be a director or officer of such depository institution upon receipt of notice by the institution under clause (i).

"(F) AUTHORITY OF AGENCY TO PROCEED IN OTHER CASES.—A finding of not guilty or other disposition of any charge described in clause (i) of subparagraph (A) shall not preclude the agency from thereafter instituting proceedings to remove such party from office or to prohibit further participation in the affairs of an insured depository institution pursuant to paragraph (1), (2), or (3) of subsection (e) of this section.

"(G) EFFECTIVE PERIOD OF NOTICE OR ORDER.—Any notice of suspension or order of removal or prohibition issued under this paragraph shall remain effective and outstanding until the completion of any hearing or appeal authorized under paragraph (3) unless terminated by the agency.".

(b) CREDIT UNIONS.—

(1) VIOLATION OF REPORTING REQUIREMENTS.—Section 206(g)(2) of the Federal Credit Union Act (12 U.S.C. 1786(g)(2)) is amended to read as follows:

"(2) SPECIFIC VIOLATIONS.—

"(A) IN GENERAL.—Whenever the Board determines that—

"(i) any institution-affiliated party has committed a violation of any provision of subchapter II of chapter 53 of title 31, United States Code (unless such violation was inadvertent or unintentional);

"(ii) an officer or director of an insured credit union has knowledge that any other institution-affiliated party (with respect to the insured credit union) has committed—

"(I) any violation of such subchapter II; or

"(II) any criminal violation of section 1956 or 1957 of title 18, United States Code, or section 5322 of title 31 of such Code; or

"(iii) an officer or director of an insured credit union committed any violation of the Depository Institution Management Interlocks Act,

the Board may serve upon such party, officer, or director a written notice of the Board's intention to remove such person from office.

"(B) FACTORS TO BE CONSIDERED UNDER SUBPARAGRAPH (A)(ii).—In determining whether an officer or director should be removed as a result of the application of subparagraph (B), the Board shall consider whether the officer or director took appropriate action to stop, or to prevent the recurrence of, a violation described in such subparagraph.".

(2) FELONY CHARGES.—Section 206(i)(1) of the Federal Credit Union Act (12 U.S.C. 1786(i)(1)) is amended to read as follows:

"(1) SUSPENSION OR PROHIBITION AUTHORIZED.—

"(A) IN GENERAL.—If—

"(i) any institution-affiliated party is charged in any information, indictment, or complaint, with the commission of or participation in—

"(I) a crime involving dishonesty or breach of trust which is punishable by imprisonment for a term exceeding 1 year under State or Federal law; or

"(II) a criminal violation of section 1956 or 1957 of title 18, United States Code, or an offense under section 5322 of title 31, United States Code; and

"(ii) the Board determines that the continued service or participation by such party may—

"(I) pose a threat to the interests of the credit union's members; or

"(II) threaten to impair public confidence in the credit union,

the Board may, by written notice served upon such party, suspend such party from office or prohibit such party from further participation in any manner in the conduct of the affairs of the credit union.

"(B) PROVISIONS APPLICABLE TO SUBPARAGRAPH (A) NOTICE.—

"(i) NOTICE TO INSTITUTION.—A copy of any notice issued under subparagraph (A) shall be served upon the credit union referred to in such subparagraph.

"(ii) EFFECTIVE PERIOD.—Any suspension or prohibition notice under subparagraph (A) shall remain in effect until the information, indictment, or complaint referred to in such subparagraph is finally disposed of or until terminated by the Board.

"(C) REMOVAL OR PROHIBITION UPON CONVICTION.—If—

"(i) any judgment of conviction or any agreement to enter a pretrial diversion or other similar program is entered, and has become final, against any institution-affiliated party in connection with any crime described in subparagraph (A)(i)(I); and

"(ii) the Board determines that continued service or participation by such party may—

"(I) pose a threat to the interests of the credit union's depositors; or

"(II) threaten to impair public confidence in the credit union,

the Board may issue and serve upon such party an order removing such party from office or prohibiting such party from further participation in any manner in the conduct of the affairs of the credit union.

"(D) REMOVAL AND PROHIBITION REQUIRED FOR CONVICTION OF CERTAIN OFFENSES.—If any judgment of conviction or any agreement to enter a pretrial diversion or other similar program is entered, and has become final, against any institution-affiliated party in connection with any crime described in subparagraph (A)(i)(II), the Board shall issue and serve upon such party an order removing such party from office or prohibiting such party from further participation in any manner in the conduct of the affairs of the credit union.

"(E) PROVISIONS APPLICABLE TO SUBPARAGRAPH (C) OR (D) NOTICE.—

"(i) NOTICE TO INSTITUTION.—A copy of any order issued under subparagraph (C) or (D) shall also be served upon the credit union referred to in such subparagraph.

"(ii) EFFECTIVE DATE OF CERTAIN ORDERS.—If the institution-affiliated party against whom an order is issued under subparagraph (C) or (D) is a director or officer of any insured credit union, such party shall cease to be a director or officer of such credit union upon receipt of notice by the credit union under clause (i).

"(F) AUTHORITY OF BOARD TO PROCEED IN OTHER CASES.—A finding of not guilty or other disposition of any charge described in clause (i) of subparagraph (A) shall not preclude the Board from thereafter instituting proceedings to remove such party from office or to prohibit further participation in the affairs of an insured credit union pursuant to paragraph (1), (2), or (3) of subsection (g) of this section.

"(G) EFFECTIVE PERIOD OF NOTICE OR ORDER.—Any notice of suspension or order of removal or prohibition issued under this paragraph shall remain effective and outstanding until the completion of any hearing or appeal authorized under paragraph (3) unless terminated by the Board.".

SEC. 6. MONEY LAUNDERING ENFORCEMENT ACTIVITIES.

(a) INCLUSION IN ANNUAL REPORTS REQUIRED.—Section 918(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833) is amended—

(1) by redesignating paragraph (6) as paragraph (8); and

(2) by inserting after paragraph (5) the following new paragraphs:

"(6) The names and locations of all insured depository institutions (as defined in section 3(c)(2) of the Federal Deposit Insurance Act), insured credit unions (as defined in section 101(7) of the Federal Credit Union Act), and institution-affiliated parties (as defined in section 3(u) of the Federal Deposit Insurance Act and section 206(r) of the Federal Credit Union Act, respectively) which were found guilty of any offense under section 1956 or 1957 of title 18, United States Code, or section 5322 of title 31, United States Code.

"(7) The actions taken by the appropriate agency described in subsection (b) with respect to any insured depository institution, insured credit union, or institution-affiliated party described in paragraph (6) as a result of such institution, credit union, or party having been found guilty of an offense under section 1956 or 1957 of title 18, United States Code, or section 5322 of title 31, United States Code.".

(b) NO PARTICIPATION IN AFFAIRS OF DEPOSITORY INSTITUTION AFTER CONVICTION FOR MONEY LAUNDERING OFFENSE.—Section 19(a)(1)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1829(a)(1)(A)) is amended by inserting "or any money laundering offense (as defined in section 8(w)(9)(A))" after "breach of trust".

(c) ATTORNEY GENERAL NOTICE REQUIREMENT.—Section 1956 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(g) NOTICE OF CONVICTION OF FINANCIAL INSTITUTIONS.—If any financial institution or any officer, director, or employee of any financial institution has been found guilty of an offense under this section, section 1957, or section 5322 of title 31, the Attorney General shall provide written notice of such fact to the appropriate regulatory agency for the financial institution.".

(d) TECHNICAL CORRECTIONS TO PROVISIONS RELATING TO MONEY LAUNDRY ENFORCEMENT ACTIVITIES.—

(1) Section 5318(a)(1) of title 31, United States Code, is amended—

(A) by striking "or the Postal Inspection Service"; and

(B) by inserting "United States" before "Postal Service".

(2) Section 5322(a) of title 31, United States Code, is amended by striking "imprisonment" and inserting "imprisoned for".

SEC. 7. CIVIL MONEY PENALTIES.

(a) IN GENERAL.—Section 5321(a)(6) of title 31, United States Code, is amended to read as follows:

"(6) NEGLIGENCE.—

"(A) IN GENERAL.—The Secretary of the Treasury may impose a civil money penalty of not more than $500 on any financial institution which negligently violates any provision of this subchapter or any regulation prescribed under this subchapter.

"(B) PATTERN OF NEGLIGENT ACTIVITY.—If any financial institution engages in a pattern of negligent violations of any provision of this subchapter or any regulation prescribed under this subchapter, the Secretary of the Treasury may, in addition to any penalty imposed under subparagraph (A) with respect to any such violation, impose a civil money penalty of not more than $50,000 on the financial institution.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to violations committed after the date of the enactment of this Act.

SEC. 8. AUTHORITY TO ORDER DEPOSITORY INSTITUTIONS TO OBTAIN COPIES OF CTRS FROM CUSTOMERS WHICH ARE UNREGULATED BUSINESSES.

Section 5326 of title 31, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (d); and

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

"(b) AUTHORITY TO ORDER DEPOSITORY INSTITUTIONS TO OBTAIN REPORTS FROM CUSTOMERS.—

"(1) IN GENERAL.—The Secretary of the Treasury may, by regulation or order, require any depository institution (as defined in section 3(c) of the Federal Deposit Insurance Act)—

"(A) to request any financial institution (other than a depository institution) which engages in any reportable transaction with the depository institution to provide the depository institution with a copy of any report filed by the financial institution under this subtitle with respect to any prior transaction (between such financial institution and any other person) which involved any portion of the coins or currency (or monetary instruments) which are involved in the reportable transaction with the depository institution; and

"(B) if no copy of any report described in subparagraph (A) is received by the depository institution in connection with any reportable transaction to which such subparagraph applies, to submit (in addition to any report required under this subtitle with respect to the reportable transaction) a written notice to the Secretary that the financial institution failed to provide any copy of such report.

"(2) REPORTABLE TRANSACTION DEFINED.—For purposes of this subsection, the term 'reportable transaction' means any transaction involving coins or currency (or such other monetary instruments as the Secretary may describe in the regulation or order) the total amounts or denominations of which are equal to or greater than an amount which the Secretary may prescribe.".

SEC. 9. IDENTIFICATION OF FINANCIAL INSTITUTIONS.

(a) IN GENERAL.—Subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after section 5326 the following new section:

"§ 5327. Identification of financial institutions

"(a) REGULATIONS REQUIRED.—By October 1, 1991, the Secretary shall prescribe regulations requiring each depository institution to identify any customer (of the depository institution) which—

"(1) is a financial institution described in—

"(A) any subparagraph of section 5312(a)(2) other than subparagraphs (A) through (G); or

"(B) any regulation under any such subparagraph; and

"(2) has any account with the depository institution.

"(b) REPORTS REQUIRED.—Each depository institution shall report the names of and other information about financial institution customers required to be identified under subsection (a) to the Secretary at such times and in such manner as the Secretary shall prescribe by regulation.

"(c) REPORTING OFFENSES.—No person shall cause or attempt to cause any depository institution to fail to file a report required by this section or to file a report containing a material omission or misstatement of fact.

"(d) AVAILABILITY OF REPORTS.—The Secretary shall provide reports filed under subsection (b) to appropriate State financial institution supervisory agencies for supervisory purposes.

"(e) DEPOSITORY INSTITUTION DEFINED.—For purposes of this section, the term 'depository institution' means any financial institution described in subparagraph (A), (B), (C), (D), (E), or (F) of section 5312(a)(2).".

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 5321(a) of title 31, United States Code, is amended by adding at the end the following new paragraph:

"(7) FINANCIAL INSTITUTION IDENTIFICATION VIOLATIONS.—

"(A) PENALTY AUTHORIZED.—The Secretary may impose a civil penalty on any person who willfully violates any provision of section 5327 or any regulation prescribed under such section.

"(B) MAXIMUM AMOUNT LIMITATION.—The amount of any civil money penalty imposed under subparagraph (A) shall not exceed $10,000 per day for each day during which a report remains unfiled or a report containing a material omission or misstatement of fact remains uncorrected.".

(c) CLERICAL AMENDMENT.—The table of sections for chapter 53 of title 31, United States Code, is amended by inserting after the item relating to section 5326 the following new item:

"5327. Identification of financial institutions.".

SEC. 10. UNIFORM STATE LICENSING AND REGULATION OF CHECK CASHING SERVICES.

(a) UNIFORM LAWS AND ENFORCEMENT.—For purposes of preventing money laundering and protecting the payment system from fraud and abuse, it is the sense of the Congress that the several States should—

(1) establish uniform laws for licensing and regulating businesses which—

(A) provide check cashing services, transmit money, or issue or redeem money orders, travelers' checks, and other similar instruments; and

(B) are not depository institutions (as defined in section 19(b)(1)(A) of the Federal Reserve Act); and

(2) provide sufficient resources to the appropriate State agency to enforce such laws and regulations prescribed pursuant to such laws.

(b) MODEL STATUTE.—It is the sense of the Congress that the several States should develop, through the auspices of the National Conference of Commissioners on Uniform State Laws, the American Law Institute, or such other forum as the States may determine to be appropriate, a model statute to carry out the goals described in subsection (a) which would include the following:

(1) LICENSING REQUIREMENTS.—A requirement that any issuer, redeemer, or cashier of travelers' checks, checks, money orders, or similar instruments, and any transmitter of money, other than a depository institution (as defined in section 19(b)(1)(A) of the Federal Reserve Act), be licensed and regulated by an appropriate State agency in order to engage in any such activity within the State.

(2) LICENSING STANDARDS.—A requirement that—

(A) in order for any issuer, redeemer, or cashier of travelers' checks, checks, money orders, or similar instruments, and any transmitter of money to be licensed in the State, the appropriate State agency shall review and approve—

(i) the business record and the capital adequacy of the business seeking the license; and

(ii) the competence, experience, integrity, and financial ability of any individual who—

(I) is a director, officer, or supervisory employee of such business; or

(II) owns or controls such business; and

(B) any record, on the part of any business seeking the license or any person referred to in subparagraph (A)(ii), of—

(i) any criminal activity;

(ii) any fraud or other act of personal dishonesty;

(iii) any act, omission, or practice which constitutes a breach of a fiduciary duty; or

(iv) any suspension or removal, by any agency or department of the United States or any State, from participation in the conduct of any federally or State licensed or regulated business,

may be grounds for the denial of any such license by the appropriate State agency.

(3) PROCEDURES TO ENSURE COMPLIANCE WITH FEDERAL CASH TRANSACTION REPORTING REQUIREMENTS.—A civil or criminal penalty for operating any business referred to in paragraph (1) without establishing and complying with appropriate procedures to ensure compliance with subchapter II of chapter 53 of title 31, United States Code (relating to records and reports on monetary instruments transactions).

(4) CRIMINAL PENALTIES FOR OPERATION OF BUSINESS WITHOUT A LICENSE.—A criminal penalty for operating any business referred to in paragraph (1) without a license within the State after the end of an appropriate transition period beginning on the date of the enactment of such model statute by the State.

(c) STUDY REQUIRED.—The Secretary of the Treasury shall conduct a study of—

(1) the progress made by the several States in developing and enacting a model statute which—

(A) meets the requirements of subsection (b); and

(B) furthers the goals of—

(i) preventing money laundering by businesses which are required to be licensed under any such statute; and

(ii) protecting the payment system, including the receipt, payment, collection, and clearing of checks, from fraud and abuse by such businesses; and

(2) the adequacy of—

(A) the activity of the several States in enforcing the requirements of such statute; and

(B) the resources made available to the appropriate State agencies for such enforcement activity.

(d) REPORT REQUIRED.—Before the end of the 3-year period beginning on the date of the enactment of this Act and by the end of each 1-year period beginning after the end of such period, the Secretary of the Treasury shall submit a report to the Congress containing the findings and recommendations of the Secretary in connection with the study under subsection (c), together with such recommendations for legislative and administrative action as the Secretary may determine to be appropriate, including any recommendation pursuant to subsection (e).

(e) RECOMMENDATIONS FOR INCENTIVES OR SANCTIONS IN CASES OF INADEQUATE REGULATION AND ENFORCEMENT BY STATES.—If the Secretary of the Treasury determines that any State has failed—

(1) to enact a statute which meets the requirements described in subsection (b);

(2) to undertake adequate activity to enforce such statute; or

(3) to make adequate resources available to the appropriate State agency for such enforcement activity,

the report submitted pursuant to subsection (d) shall contain recommendations for legislation establishing incentives which may be provided or sanctions which may be imposed to remedy such failure.

(f) FEE LIMITATIONS.—

(1) CONSIDERATION.—It is the sense of the Congress that the several States should consider, in connection with the enactment of any statute described in this section, whether or not limitations on any fee imposed, charged, or collected for cashing or redeeming any checks, money orders, travelers' checks, or other similar instruments are appropriate.

(2) SUBSECTION (e) NOT APPLICABLE.—Subsection (e) shall not apply with respect to paragraph (1).

SEC. 11. PROHIBITION OF ILLEGAL MONEY TRANSMITTING BUSINESSES.

(a) IN GENERAL.—Chapter 95 of title 18, United States Code, is amended by adding at the end the following section:

"§ 1960. Prohibition of illegal money transmitting businesses

"(a) OFFENSE ESTABLISHED.—Whoever conducts, controls, manages, supervises, directs, or owns all or part of any business with the knowledge that such business is an illegal money transmitting business shall be fined in accordance with title 18, or imprisoned not more than 5 years, or both.

"(b) DEFINITIONS.—As used in this section—

"(1) ILLEGAL MONEY TRANSMITTING BUSINESS.—The term 'illegal money transmitting business' means a money transmitting business that affects interstate or foreign commerce in any manner or degree and which is knowingly operated in a State—

"(A) without the appropriate money transmitting State license; and

"(B) where such operation is punishable as a misdemeanor or a felony under State law.

"(2) MONEY TRANSMITTING.—The term 'money transmitting' includes transferring funds on behalf of the public by any means including transfers within this country or to locations abroad by wire, check, draft, facsimile, or courier.

"(3) STATE.—The term 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.".

(b) CIVIL FORFEITURE.—

(1) IN GENERAL.—Section 981(a)(1)(A) of title 18, United States Code, is amended by striking "or 1957" and inserting ", 1957, or 1960".

(2) ENFORCEMENT PROVISION.—Section 981(b)(1)(A)(ii) of title 18, United States Code, is amended by striking "or 1957" and inserting ", 1957, or 1960".

(c) CRIMINAL FORFEITURE.—Section 982(a)(1) of title 18, United States Code, is amended by striking "or 1957" and inserting ", 1957, or 1960".

(d) CLERICAL AMENDMENT.—The table of sections for chapter 95 of title 18, United States Code, is amended by adding at the end the following new item:

"1960. Prohibition of illegal money transmitting businesses.".

SEC. 12. PROVISIONS RELATING TO RECORDKEEPING WITH RESPECT TO CERTAIN FUNDS TRANSFERS.

(a) RECORDKEEPING REGULATIONS REQUIRED.—Section 21(b) of the Federal Deposit Insurance Act (12 U.S.C. 1829b(b)) is amended—

(1) by striking "(b) Where" and inserting "(b)(1) Where"; and

(2) by adding at the end the following new paragraphs:

"(2) DOMESTIC FUNDS TRANSFERS.—Whenever the Secretary and the Board of Governors of the Federal Reserve System (hereafter in this section referred to as the 'Board') determine that the maintenance of records, by insured depository institutions, of payment orders which direct transfers of funds over wholesale funds transfer systems has a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings, the Secretary and the Board shall jointly prescribe regulations to carry out the purposes of this section with respect to the maintenance of such records.

"(3) INTERNATIONAL FUNDS TRANSFERS.—

"(A) IN GENERAL.—Before May 15, 1991, the Secretary and the Board shall jointly prescribe, after consultation with State banking supervisors, such final regulations as may be appropriate to ensure that insured depository institutions, businesses that provide check cashing services, money transmitting businesses, and businesses that issue or redeem money orders, travelers' checks or other similar instruments maintain such records of payment orders which—

"(i) involve international transactions; and

"(ii) direct transfers of funds over wholesale funds transfer systems or on the books of any insured depository institution, or on the books of any business that provides check cashing services, any money transmitting business, and any business that issues or redeems money orders, travelers' checks or similar instruments,

as will have a high degree of usefulness in criminal, tax, or regulatory investigations or proceedings.

"(B) FACTORS FOR CONSIDERATION.—In prescribing the regulations required under subparagraph (A), the Secretary and the Board shall consider—

"(i) the usefulness in criminal, tax, or regulatory investigations or proceedings of any record required to be maintained pursuant to the proposed regulations; and

"(ii) the effect the recordkeeping required pursuant to such proposed regulations will have on the cost and efficiency of the payment system.

"(C) AVAILABILITY OF RECORDS.—Any records required to be maintained pursuant to the regulations prescribed under subparagraph (A) shall be submitted or made available to the Secretary or the Board upon request.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 21(c) of the Federal Deposit Insurance Act (12 U.S.C. 1829b(c)) is amended by striking "Each insured" and inserting "Subject to the requirements of any regulations prescribed jointly by the Secretary and the Board under paragraph (2) or (3) of subsection (b), each insured".

(2) Section 21(e) of the Federal Deposit Insurance Act (12 U.S.C. 1829b(e)) is amended by striking "Whenever any" and inserting "Subject to the requirements of any regulations prescribed jointly by the Secretary and the Board under paragraph (2) or (3) of subsection (b), whenever any".

(3) Section 21(f) of the Federal Deposit Insurance Act (12 U.S.C. 1829b(f)) is amended by striking "In addition to" and inserting "Subject to the requirements of any regulations prescribed jointly by the Secretary and the Board under paragraph (2) or (3) of subsection (b) and in addition to".

SEC. 13. NONDISCLOSURE OF ORDERS.

Section 5326 of title 31, United States Code, is amended by inserting after subsection (b) (as added by section 8 of this Act) the following new subsection:

"(c) NONDISCLOSURE OF ORDERS.—No financial institution or officer, director, employee or agent of a financial institution subject to an order under this section may disclose the existence of or terms of the order to any person except as prescribed by the Secretary.".

SEC. 14. RIGHT TO FINANCIAL PRIVACY ACT AMENDMENT.

The last sentence of section 1103(c) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3403(c)) is amended—

(1) by inserting "in good faith" after "disclosure of information";

(2) by striking "or" after "such disclosure" and inserting a comma; and

(3) by inserting before the period the following: ", or for a refusal to do business with that customer after having made such disclosure".

SEC. 15. WHISTLEBLOWER PROTECTION FOR EMPLOYEES OF FINANCIAL INSTITUTIONS OTHER THAN DEPOSITORY INSTITUTIONS.

(a) IN GENERAL.—Subchapter II of chapter 53 of title 31, United States Code, is amended by inserting after section 5327 (as added by section 9(a) of this Act) the following new section:

"§ 5328. Whistleblower protections

"(a) PROHIBITION AGAINST DISCRIMINATION.—No financial institution may discharge or otherwise discriminate against any employee with respect to compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to the request of the employee) provided information to the Secretary of the Treasury, the Attorney General, or any Federal supervisory agency regarding a possible violation of any provision of this subchapter or section 1956, 1957, or 1960 of title 18, or any regulation under any such provision, by the financial institution or any director, officer, or employee of the financial institution.

"(b) ENFORCEMENT.—Any employee or former employee who believes that such employee has been discharged or discriminated

against in violation of subsection (a) may file a civil action in the appropriate United States district court before the end of the 2-year period beginning on the date of such discharge or discrimination.

"(c) REMEDIES.—If the district court determines that a violation has occurred, the court may order the financial institution which committed the violation to—

"(1) reinstate the employee to the employee's former position;

"(2) pay compensatory damages; or

"(3) take other appropriate actions to remedy any past discrimination.

"(d) LIMITATION.—The protections of this section shall not apply to any employee who—

"(1) deliberately causes or participates in the alleged violation of law or regulation; or

"(2) knowingly or recklessly provides substantially false information to the Secretary, the Attorney General, or any Federal supervisory agency.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 53 of title 31, United States Code, is amended by inserting after the item relating to section 5327 (as added by section 9(c) of this Act) the following new item:

"5328. Whistleblower protections.".

SEC. 16. ACCESS BY STATE FINANCIAL INSTITUTION SUPERVISORS TO CURRENCY TRANSACTIONS REPORTS.

Section 5319 of title 31, United States Code, is amended—

(1) in the first sentence, by striking "to an agency" and inserting "to an agency, including any State financial institutions supervisory agency,"; and

(2) by inserting after the second sentence the following new sentence: "The Secretary may only require reports on the use of such information by any State financial institutions supervisory agency for other than supervisory purposes.".

SEC. 17. ADVISORY GROUP ON REPORTING REQUIREMENTS.

(a) ESTABLISHMENT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Treasury shall establish a Bank Secrecy Act Advisory Group consisting of representatives of the Department of the Treasury, the Department of Justice, and the Office of National Drug Control Policy and of other interested persons and financial institutions subject to the reporting requirements of subchapter II of chapter 53 of title 31, United States Code, or section 6050I of the Internal Revenue Code of 1986.

(b) PURPOSES.—The Advisory Group shall provide a means by which the Secretary—

(1) informs private sector representatives, on a regular basis, of the ways in which the reports submitted pursuant to the requirements referred to in subsection (a) have been used;

(2) informs private sector representatives, on a regular basis, of how information regarding suspicious financial transactions provided voluntarily by financial institutions has been used; and

(3) receives advice on the manner in which the reporting requirements referred to in subsection (a) should be modified to enhance the ability of law enforcement agencies to use the information provided for law enforcement purposes.

(c) INAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act shall not apply to the Bank Secrecy Act Advisory Group established pursuant to subsection (a).

SEC. 18. INFORMATION FROM CURRENCY SURPLUS REPORTS REQUIRED TO BE PROVIDED TO THE ATTORNEY GENERAL AND THE SECRETARY OF THE TREASURY.

At the request of the Attorney General of the United States or the Secretary of the Treasury, the Board of Governors of the Federal Reserve System shall provide any information and data contained in or related to the cash surplus reports of the Federal Reserve banks (relating to currency held by each such bank and depository institutions within the Federal Reserve bank districts) which may be relevant or useful for detecting violations of money laundering, recordkeeping, and reporting requirements to the Attorney General and the Secretary of the Treasury.

SEC. 19. GAO FEASIBILITY STUDY OF THE FINANCIAL CRIMES ENFORCEMENT NETWORK.

(a) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a feasibility study of the Financial Crimes Enforcement Network (popularly referred to as "Fincen") established by the Secretary of the Treasury in cooperation with other agencies and departments of the United States and appropriate Federal banking agencies.

(b) SPECIFIC REQUIREMENTS.—In conducting the study required under subsection (a), the Comptroller General shall examine and evaluate—

(1) the extent to which Federal, State, and local governmental and nongovernmental organizations are voluntarily providing information which is necessary for the system to be useful for law enforcement purposes;

(2) the extent to which the operational guidelines established for the system provide for the coordinated and efficient entry of information into, and withdrawal of information from, the system;

(3) the extent to which the operating procedures established for the system provide appropriate standards or guidelines for determining—

(A) who is to be given access to the information in the system;

(B) what limits are to be imposed on the use of such information; and

(C) how information about activities or relationships which involve or are closely associated with the exercise of constitutional rights is to be screened out of the system; and

(4) the extent to which the operating procedures established for the system provide for the prompt verification of the accuracy and completeness of information entered into the system and the prompt deletion or correction of inaccurate or incomplete information.

(c) REPORT TO CONGRESS.—Before the end of the 1-year period beginning on the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to the Congress containing the findings and conclusions of the Comptroller General in connection with the study conducted pursuant to subsection (a), together with such recommendations for legislative or administrative action as the Comptroller General may determine to be appropriate.

SEC. 20. REPORTS ON AMOUNTS AND DENOMINATIONS OF CURRENCY CONFISCATED IN CONNECTION WITH DRUG SEIZURES AND DRUG-RELATED MONEY LAUNDERING.

(a) COLLECTION OF INFORMATION.—

(1) IN GENERAL.—The Secretary of the Treasury shall collect and maintain information on—

(A) the total dollar amount of Federal Reserve notes (and any other currency) which are confiscated by law enforcement agents in connection with the seizure of any controlled substance or any enforcement action with regard to a drug-related money laundering operation; and

(B) the total dollar amount of each denomination of such notes and other currency.

(2) INFORMATION PROVIDED BY OTHER AGENCIES.—In the case of any confiscation described in paragraph (1) by any Federal law enforcement agents who are not employed within the Department of the Treasury, the head of the department or agency in which such agents are employed shall promptly provide the information referred to in such paragraph to the Secretary of the Treasury.

(b) PLAN FOR COLLECTION OF INFORMATION FROM STATE AND LOCAL AGENCIES.—

(1) IN GENERAL.—The Secretary of the Treasury shall develop a plan for obtaining from appropriate agencies and departments of State and local governments information on the amounts and the denominations of Federal Reserve notes (and any other currency) which are confiscated by State or local law enforcement agents in connection with the seizure of any controlled substance or any enforcement action with regard to a drug-related money laundering operation.

(2) REPORT.—Before the end of the 90-day period beginning on the date of the enactment of this Act, the Secretary of the Treasury shall submit a report to the Congress on the plan developed pursuant to paragraph (1), including such recommendations for legislative or administrative action as the Secretary determines to be necessary to implement the plan.

(c) PERIODIC REPORTS ON COLLECTED INFORMATION.—The Secretary of the Treasury shall submit a report to the Congress containing a summary of the information collected and maintained by the Secretary under this section at the end of each 6-month period beginning after the date of the enactment of this Act.

(d) REPORT ON NEED FOR ADDITIONAL INFORMATION.—Before the end of the 90-day period beginning on the date of the enactment of this Act, the Secretary of the Treasury shall submit a report to the Congress on what other information (in addition to the information maintained pursuant to subsection (a)) would be needed in order to determine—

(1) whether Federal Reserve notes in denominations of $50 and $100 are used primarily for drug trafficking and other illegal activities; and

(2) the feasibility of withdrawing Federal Reserve notes in denominations of $50 and $100 from circulation and the deterrent effect such withdrawal would have on drug trafficking and other illegal activities.

(e) REPORT ON CURRENCY CHANGES.—Before the end of the 90-day period beginning on the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Attorney General and the Administrator of Drug Enforcement, shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives on the advantages for money laundering enforcement, and any disadvantages, of—

(1) changing the size, denominations, or color of United States currency; or

(2) providing that the color of United States currency in circulation in countries outside the United States will be of a different color than currency circulating in the United States.

SEC. 21. USE OF CERTAIN RECORDS.

Section 1112(f) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3412(f)) is amended—

(1) in paragraph (1), by inserting "or the Secretary of the Treasury" after "the Attorney General"; and

(2) in paragraph (2), by inserting "or only for criminal investigative or prosecutive purposes relating to money laundering by the Department of the Treasury" after "the Department of Justice".

SEC. 22. ADDITIONAL WHISTLEBLOWER PROTECTIONS.

(a) ADDITIONAL COVERAGE ESTABLISHED UNDER FEDERAL DEPOSIT INSURANCE ACT.—

(1) IN GENERAL.—Section 33(a) of the Federal Deposit Insurance Act (12 U.S.C. 1831j(a)) is amended to read as follows:

"(a) IN GENERAL.—

"(1) EMPLOYEES OF DEPOSITORY INSTITUTIONS.—No insured depository institution may discharge or otherwise discriminate against any employee with respect to compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to the request of the employee) provided information to any Federal banking agency or to the Attorney General regarding any possible violation of any law or regulation by the depository institution or any director, officer, or employee of the institution.

"(2) EMPLOYEES OF BANKING AGENCIES.—No Federal banking agency, Federal home loan bank, or Federal Reserve bank may discharge or otherwise discriminate against any employee with respect to compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to the request of the employee) provided information to any such agency or bank or to the Attorney General regarding any possible violation of any law or regulation by—

"(A) any depository institution or any such bank or agency;

"(B) any director, officer, or employee of any depository institution or any such bank; or

"(C) any officer or employee of the agency which employs such employee.".

(2) TECHNICAL AND CONFORMING AMENDMENT.—Section 33(c) of the Federal Deposit Insurance Act (12 U.S.C. 1831j(c)) is amended by inserting ", Federal home loan bank, Federal Reserve bank, or Federal banking agency" after "depository institution".

(3) DEFINITION.—Section 33 of the Federal Deposit Insurance Act (12 U.S.C. 1831j) is amended by adding at the end the following new subsection:

"(e) FEDERAL BANKING AGENCY DEFINED.—For purposes of subsections (a) and (c), the term 'Federal banking agency' means the Corporation, the Board of Governors of the Federal Reserve System, the Federal Housing Finance Board, the Comptroller of the Currency, and the Director of the Office of Thrift Supervision.".

(4) EFFECTIVE DATE.—Paragraph (2) of section 33(a) of the Federal Deposit Insurance Act (as added under the amendment made by paragraph (1)) shall be treated as having taken effect on January 1, 1987, and for purposes of any cause of action arising under such paragraph (as so effective) before the date of the enactment of this Act, the 2-year period referred to in section 33(b) of such Act shall be deemed to begin on such date of enactment.

(b) ADDITIONAL COVERAGE ESTABLISHED UNDER FEDERAL CREDIT UNION ACT.—

(1) IN GENERAL.—Section 213(a) of the Federal Credit Union Act (12 U.S.C. 1790b(a)) is amended to read as follows:

"(a) IN GENERAL.—

"(1) EMPLOYEES OF CREDIT UNIONS.—No insured credit union may discharge or otherwise discriminate against any employee with respect to compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to the request of the employee) provided information to the Board or the Attorney General regarding any possible violation of any law or regulation by the credit union or any director, officer, or employee of the credit union.

"(2) EMPLOYEES OF THE ADMINISTRATION.—The Administration may not discharge or otherwise discriminate against any employee (including any employee of the National Credit Union Central Liquidity Facility) with respect to compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to the request of the employee) provided information to the Administration or the Attorney General regarding any possible violation of any law or regulation by—

"(A) any credit union the Administration;

"(B) any director, officer, or employee of any depository institution or any such bank; or

"(C) any officer or employee of the Administration.".

(2) TECHNICAL AND CONFORMING AMENDMENT.—Section 213(c) of the Federal Credit Union Act (12 U.S.C. 1790b(c)) is amended by inserting "or the Administration" after "credit union".

(3) EFFECTIVE DATE.—Paragraph (2) of section 213(a) of the Federal Credit Union Act (as added under the amendment made by paragraph (1)) shall be treated as having taken effect on January 1, 1987, and for purposes of any cause of action arising under such paragraph (as so effective) before the date of the enactment of this Act, the 2-year period referred to in section 213(b) of such Act shall be deemed to begin on such date of enactment.

(c) COVERAGE FOR EMPLOYEES OF RTC AND RTC CONTRACTORS.—

(1) COVERAGE ESTABLISHED.—Section 21A of the Federal Home Loan Bank Act (12 U.S.C. 1441a) is amended by adding at the end the following new subsection:

"(q) RTC AND RTC CONTRACTOR EMPLOYEE PROTECTION REMEDY.—

"(1) PROHIBITION AGAINST DISCRIMINATION.—The Corporation and any person who is performing, directly or indirectly, any function or service on behalf of the Corporation may not discharge or otherwise discriminate against any employee (including any employee of the Federal Deposit Insurance Corporation in such corporation's capacity as manager of the Corporation or any personnel referred to in subsection (b)(9)(B)(ii)) with respect to compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to the request of the employee) provided information to the Corporation, the Attorney General, or any appropriate Federal banking agency (as defined in section 3(q) of the Federal Deposit Insurance Act) regarding any possible violation of any law or regulation by the Corporation or such person or any director, officer, or employee of the Corporation or the person.

"(2) ENFORCEMENT.—Any employee or former employee who believes that such employee has been discharged or discriminated against in violation of paragraph (1) may file a civil action in the appropriate United States district court before the end of the 2-year period beginning on the date of such discharge or discrimination.

"(3) REMEDIES.—If the district court determines that a violation has occurred, the court may order the Corporation or the person which committed the violation to—

"(A) reinstate the employee to the employee's former position;

"(B) pay compensatory damages; or

"(C) take other appropriate actions to remedy any past discrimination.

"(4) LIMITATION.—The protections of this section shall not apply to any employee who—

"(A) deliberately causes or participates in the alleged violation of law or regulation; or

"(B) knowingly or recklessly provides substantially false information to the Corporation, the Attorney General, or any appropriate Federal banking agency.".

(2) EFFECTIVE DATE.—Subsection (q) of section 21A of the Federal Home Loan Bank Act (as added under the amendment made by paragraph (1)) shall be treated as having taken effect on August 9, 1989, and for purposes of any cause of action arising under such subsection (as so effective) before the date of the enactment of this Act, the 2-year period referred to in section 21A(q)(2) of such Act shall be deemed to begin on such date of enactment.

SEC. 23. CURRENCY REPORTING REQUIREMENTS APPLICABLE TO CONGRESS.

(a) IN GENERAL.—Any officer of the Senate or the House of Representatives who provides check cashing or deposit services for Members of Congress shall provide such services in accordance with such procedures as may be necessary to ensure compliance with subchapter II of chapter 53 of title 31, United States Code.

(b) EXERCISE OF RULEMAKING POWER.—Subsection (a) is enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such it shall be considered as part of the rules of each House, and shall supersede any other rule only to the extent of any inconsistency with such other rule; and

(2) with full recognition of the constitutional right of either House to change such rule (so far as relating to such House) in the same manner and to the same extent as in the case of any other rule of such House.

SEC. 24. RESTRICTIONS ON STATE BRANCHES AND AGENCIES OF FOREIGN BANKS CONVICTED OF MONEY LAUNDERING OFFENSE.

(a) Section 7 of the International Banking Act of 1978 (12 U.S.C. 3105) is amended by adding at the end the following new subsection:

"(e) LIMITATION ON ACTIVITIES AFTER CONVICTION FOR MONEY LAUNDERING OFFENSES.—

"(1) NOTICE OF INTENTION TO ISSUE ORDER.—

"(A) IN GENERAL.—If the Board finds or receives written notice from the Attorney General that any foreign bank which operates a State agency or a State branch which is not an insured branch, any State agency, any State branch which is not an insured branch, or any director or senior executive officer of any such foreign bank, agency, or branch has been found guilty of any money laundering offense, the Board may issue a notice to the agency or branch of the Board's intention to issue an order which prohibits the agency or branch from—

"(i) participating directly or indirectly in any aspect of the payment system, including any clearing or electronic fund transfer system;

"(ii) accepting deposits, offering or providing payment services, holding credit balances, and making loans; and

"(iii) engaging in any other activity which is similar to any activity described in this subparagraph.

"(B) NOTICE REQUIRED IN CERTAIN CASES.—If the money laundering offense of which any foreign bank, State agency, State branch, or director or senior executive officer referred to in subparagraph (A) has been found guilty is an offense under section 1956, 1957, or 1960 of title 18, United States Code, the Board shall issue the notice described in subparagraph (A) to the agency or branch.

"(2) CONTENTS OF NOTICE.—Any notice issued by the Board pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed order.

"(3) HEARING, ISSUANCE OF ORDER.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Board (or any person designated by the Board for such purpose), the Board finds that, taking into account the factors required to be considered under paragraph (4), the gravity of the offense of which the State agency or branch was found guilty outweighs the benefits which the continued operation of the agency or branch may provide, the Board may issue the order described in paragraph (1)(A).

"(4) FACTORS FOR CONSIDERATION IN PROCEEDING.—In making any determination under paragraph (3) to issue an order described in paragraph (1)(A) to any State agency or branch, the Board shall take into account the following factors:

"(A) The extent to which directors or senior executive officers of the agency or branch knew of, or were involved in, the commission of the money laundering offense of which the bank was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the agency or branch which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the agency or branch has fully cooperated with law enforcement authorities with respect to the investigation of the money laundering offense of which the agency or branch was found guilty.

"(D) The extent to which the agency or branch has implemented additional internal controls (since the commission of the offense of which the agency or branch was found guilty) to prevent the occurrence of any other money laundering offense.

"(5) APPEARANCE, CONSENT TO FORFEITURE.—Unless the State agency or branch to which a notice was issued under paragraph (1)(A) shall appear at the hearing by a duly authorized representative, the agency or branch shall be deemed to have consented to the forfeiture of all rights, privileges, and franchises of the agency or branch and the order referred to in paragraph (3) may be issued.

"(6) JUDICIAL REVIEW.—Any order issued by the Board under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(7) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any State agency or branch referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B) of the Federal Deposit Insurance Act)—

"(A) after the commission of any money laundering offense;

"(B) by any person who was not an institution-affiliated party of the agency or branch, or any affiliate of any such party (as such terms are defined in section 3 of the Federal Deposit Insurance Act), at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Board) which was entered into in good faith by such person,

this subsection shall not apply to such agency or branch with respect to such offense.

"(8) DEFINITIONS.—For purposes of this subsection—

"(A) INSURED BRANCH.—The term 'insured branch' has the meaning given such term in section 3(s) of the Federal Deposit Insurance Act.

"(B) MONEY LAUNDERING OFFENSE DEFINED.—The term 'money laundering offense' means any offense under section 1956, 1957, or 1960 of title 18, United States Code, or section 5322 of title 31, United States Code.

"(C) SENIOR EXECUTIVE OFFICERS.—The term 'senior executive officers' has the meaning given to such term by the Board pursuant to section 32(f) of the Federal Deposit Insurance Act.".

SEC. 25. TECHNICAL CORRECTION TO MONEY LAUNDERING PROVISION.

Section 1956(c)(7)(D) of title 18, United States Code, is amended by striking "section 1341 (relating to mail fraud) or section 1343 (relating to wire fraud) affecting a financial institution, section 1344 (relating to bank fraud),".

SEC. 26. STRUCTURING TRANSACTIONS TO EVADE CMIR REPORTING REQUIREMENTS.

(a) IN GENERAL.—Section 5324 of title 31, United States Code, is amended—

(1) by striking "No person" and inserting "(a) DOMESTIC COIN AND CURRENCY TRANSACTIONS.—No person"; and

(2) by adding at the end the following new subsection:

"(b) INTERNATIONAL MONETARY INSTRUMENT TRANSACTIONS.—No person shall for the purpose of evading the reporting requirements of section 5316—

"(1) fail to file a report required by section 5316, or cause or attempt to cause a person to fail to file a report required under section 5316;

"(2) file, or cause or attempt to cause a person to file, a report required under section 5316 that contains a material omission or misstatement of fact; or

"(3) structure or assist in structuring, or attempt to structure or assist in structuring, any importation or exportation of monetary instruments.".

(b) CONFORMING AMENDMENT.—Section 5321(a)(4)(C) of title 31, United States Code, is amended by striking "under section 5317(d)".

SEC. 27. ELECTRONIC SCANNING OF CERTAIN UNITED STATES CURRENCY.

Section 102 of the Crime Control Act of 1990 is amended to read as follows:

"SEC. 102. ELECTRONIC SCANNING OF CERTAIN UNITED STATES CURRENCY.

"Before the end of the 30-day period beginning on the date of the enactment of the Money Laundering Enforcement Amendments of 1991, the Secretary of the Treasury shall initiate a study by the Department of the Treasury under which—

"(1) a survey shall be conducted of the methods and technologies that may be used in the production of Federal Reserve notes issued under the 1st undesignated paragraph of section 16 of the Federal Reserve Act in denominations of $10 or more to make such notes traceable through the use of an electronic scanning device (including any such notes in circulation on such date); and

"(2) an assessment and evaluation shall be made of the cost of implementing the methods and technologies surveyed pursuant to paragraph (1) and the amount of time which would be needed to implement each such method or technology.".

SEC. 28. GAO STUDY OF CASH TRANSACTION REPORTING SYSTEM.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the manner in which the Secretary of the Treasury has implemented and is enforcing compliance with the recordkeeping and reporting requirements of subchapter II of chapter 53 of title 31, United States Code and section 6050I of the Internal Revenue Code of 1986.

(b) CERTAIN ISSUES TO BE INCLUDED IN STUDY.—The study conducted pursuant to subsection (a) shall include—

(1) a review of the operation of the system established for receiving cash transaction reports from financial institutions pursuant to such requirements and the extent to which—

(A) the manner in which such reports have been obtained and used by the Secretary has improved compliance with criminal, tax, and regulatory provisions of law; and

(B) the reports have been useful to the Secretary in criminal, tax, or regulatory investigations or proceedings; and

(2) an assessment of the tangible and intangible costs which compliance with the recordkeeping and reporting requirements described in subsection (a) directly or indirectly imposes on the payment system and financial institutions which are part of the payment system.

(c) REPORT REQUIRED.—Before the end of the 1-year period beginning on the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to the Congress containing—

(1) the Comptroller General's finding and conclusions in connection with the study conducted pursuant to subsection (a); and

(2) such recommendations for legislative or administrative action as the Comptroller General may determine to be appropriate.

SEC. 29. PROHIBITION ON DISCLOSURE OF SUSPICIOUS TRANSACTION REPORTS.

Section 5318 of title 31, United States Code, is amended by adding at the end the following new subsection:

"(g) NONDISCLOSURE OF SUSPICIOUS TRANSACTION REPORTS.—If any financial institution or any officer, director, employee, or agent of any financial institution provides information described in the second sentence of section 1103(c) of the Right to Financial Privacy Act which may be relevant to a possible violation of this subchapter or section 1956, 1957, or 1960 of title 18 to the Secretary or any appropriate supervisory agency, the fact that such information has been provided to the Secretary, the Attorney General, or the agency may not be disclosed, directly or indirectly, by the financial institution or any officer, director, employee, or agent of the financial institution to any person named in or otherwise the subject of the information provided to the Secretary or agency except as prescribed by the Secretary.".

SEC. 30. CIVIL FORFEITURE OF FUNGIBLE PROPERTY.

(a) IN GENERAL.—Chapter 46 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 984. Civil forfeiture of fungible property

"(a) IN GENERAL.—

"(1) CERTAIN DEFENSES PRECLUDED.—In any forfeiture action in rem in which the subject property is cash, monetary instruments in bearer form, funds deposited in an account in

a financial institution, or other fungible property, it shall not be—

"(A) necessary for the Government to identify the specific property involved in the offense giving rise to the forfeiture; and

"(B) a defense that the property involved in such offense has been removed and replaced by identical property.

"(2) IDENTICAL PROPERTY FOUND IN THE SAME PLACE.—Except as provided in subsection (b), any identical property found in the same place or account as the property involved in the offense giving rise to forfeiture shall be subject to forfeiture under this section.

"(b) STATUTE OF LIMITATIONS.—The Government may not rely on this section to forfeit property not traced directly to the offense giving rise to forfeiture unless the action for forfeiture is commenced before the end of the 1-year period beginning on the date of the offense giving rise to the forfeiture.

"(c) SCOPE OF APPLICATION.—This section shall apply to any action for forfeiture brought by the Government in connection with any offense under section 1956, 1957, or 1960 of this title or section 5322 of title 31.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 46 of title 18, United States Code, is amended by adding at the end the following new item:

"984. Civil forfeiture of fungible property.".

(c) RETROACTIVE APPLICATION.—The amendments made by this section shall apply retroactively.

SEC. 31. ADMINISTRATIVE SUBPOENAS.

(a) IN GENERAL.—Chapter 46 of title 18, United States Code, is amended by inserting after section 984 (as added by section 30 of this Act) the following new section:

"§ 985. Administrative subpoenas

"(a) For the purpose of conducting a civil investigation in contemplation of a civil in rem forfeiture proceeding in connection with any suspected violation of section 1956, 1957, or 1960 of this title or section 5322 of title 31, the Attorney General may—

"(1) administer oaths and affirmations;

"(2) take evidence; and

"(3) by subpoena, summon witnesses and require the production of any books, papers, correspondence, memoranda, or other records which the Attorney General deems relevant or material to the inquiry. Such subpoena may require the attendance of witnesses and the production of any such records from any place in the United States at any place in the United States designated by the Attorney General.

"(b) The same procedures and limitations as are provided with respect to civil investigative demands in subsections (g), (h), and (j) of section 1968 of title 18, United States Code, apply with respect to a subpoena issued under this section. Process required by such subsections to be served upon the custodian shall be served on the Attorney General. Failure to comply with an order of the court to enforce such subpoena shall be punishable as contempt.

"(c) In the case of a subpoena for which the return date is less than 5 days after the date of service, no person shall be found in contempt for failure to comply by the return date if such person files a petition under subsection (b) not later than 5 days after the date of service.

"(d) A subpoena may be issued pursuant to this section at any time up to the commencement of a judicial proceeding under this section.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 46 of title 18, United States Code, is amended by inserting after the item relating to section 984 (as added by section 30 of this Act) adding the following new item:

"985. Administrative subpoenas.".

SEC. 32. PROCEDURE FOR SUBPOENAING BANK RECORDS.

(a) IN GENERAL.—Chapter 46 of title 18, United States Code, is amended by inserting after section 985 (as added by section 31 of this Act) the following new section:

"§ 986. Subpoenas for bank records

"(a) At any time after the commencement of any action for forfeiture in rem brought by the Government under any law of the United States, any party may request the clerk of the court in the district in which the proceeding is pending to issue a subpoena duces tecum to any financial institution (as defined in section 5312(a) of title 31) to produce books, records, and any other documents at any place designated by the requesting party. All parties to the proceeding shall be notified of the issuance of any such subpoena. The procedures and limitations set forth in section 985 of this title shall apply to subpoenas issued under this section.

"(b) Service of a subpoena issued pursuant to this section shall be by certified mail. Records produced in response to such a subpoena may be produced in person or by mail, common carrier, or such other method as may be agreed upon by the party requesting the subpoena and the custodian of records. The party requesting the subpoena may require the custodian of records to submit an affidavit certifying the authenticity and completeness of the records and explaining the omission of any records called for in the subpoena.

"(c) Nothing in this section shall preclude any party from pursuing any form of discovery pursuant to the Federal Rules of Civil Procedure.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 46 of title 18, United States Code, is amended by inserting after the item relating to section 985 (as added by section 31 of this Act) the following new item:

"986. Subpoenas for bank records.".

SEC. 33. USE OF GRAND JURY INFORMATION FOR BANK FRAUD AND MONEY LAUNDERING FORFEITURES.

Section 3322(a) of title 18, United States Code, is amended—

(1) by striking "section 981(a)(1)(C)" and inserting "section 981(a)(1)"; and

(2) by inserting "or money laundering" after "concerning a banking law".

SEC. 34. MONEY LAUNDERING CONSPIRACIES.

Section 371 of title 18, United States Code (relating to conspiracy to commit offense or to defraud the United States) is amended—

(1) in the 1st undesignated paragraph, by striking "If two or more" and inserting "(a) IN GENERAL.—If 2 or more";

(2) in the 2d undesignated paragraph, by striking "If, however, the offense" and inserting "(b) PUNISHMENT IN CASE OF CONSPIRACY TO COMMIT A MISDEMEANOR.—Notwithstanding the punishment provided in subsection (a), if the offense"; and

(3) by adding at the end the following new subsection:

"(c) PUNISHMENT IN CASE OF CONSPIRACY TO COMMIT A MONEY LAUNDERING OFFENSE.—Notwithstanding the maximum punishment provided in subsection (a), if the offense, the commission of which is the object of the conspiracy, is an offense under section 1956 or 1957, the person conspiring to commit such offense shall be subject to the same penalties as the penalties prescribed under such sections for the offense.".

SEC. 35. MONEY LAUNDERING.

(a) ANNUAL REPORTS.—Section 481(e) of the Foreign Assistance Act of 1961 is amended—

(1) by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively; and

(2) by inserting after paragraph (6) the following new paragraph (7):

"(7)(A) Each report pursuant to this subsection shall include a report on major money laundering countries. This report shall specify—

"(i) which countries are major money laundering countries;

"(ii) which of the countries identified pursuant to clause (i) have financial institutions engaging in currency transactions involving international narcotics trafficking proceeds that include significant amounts of United States currency or currency derived from illegal drug sales in the United States or that otherwise significantly affect the United States;

"(iii) which countries identified pursuant to clause (ii) have not reached agreement with the United States authorities on a mechanism for exchanging adequate records in connection with narcotics investigations and proceedings; and

"(iv) which countries identified pursuant to clause (iii)—

"(I) are negotiating in good faith with the United States to establish such a record-exchange mechanism, or

"(II) have adopted laws or regulations that ensure the availability to appropriate United States Government personnel of adequate records in connection with narcotics investigations and proceedings.

"(B) In addition, for each major money laundering country, the report shall include findings on the country's adoption of laws and regulations considered essential to prevent narcotics-related money laundering. Such findings shall include whether a country has—

"(i) criminalized narcotics money laundering;

"(ii) required financial institutions to record large currency transactions at thresholds appropriate to that country's economic situation;

"(iii) required financial institutions to report suspicious transactions;

"(iv) established systems for identifying, tracing, freezing, seizing, and forfeiting narcotics-related assets;

"(v) enacted laws for the sharing of seized narcotics assets with other governments; and

"(vi) cooperated when requested with appropriate law enforcement agencies of other governments investigating financial crimes related to narcotics.

The report shall also detail instances of refusals to cooperate with foreign governments, and any actions taken by the United States Government to address such obstacles, including the imposition of sanctions or penalties.

"(C) The report shall also include information on multilateral and bilateral strategies pursued by the Department of State, the Department of Justice, the Department of the Treasury, and other relevant United States Government agencies, either collectively or individually, to ensure the cooperation of foreign governments with respect to narcotics-related money laundering and to demonstrate that all United States Government agencies are pursuing a common strategy with respect to major money laundering countries.

"(D) As used in this paragraph, the term 'major money laundering country' means a country whose financial institutions engage in currency transactions involving significant amounts of proceeds from international narcotics trafficking.".

(b) DEFINITION OF MAJOR DRUG-TRANSIT COUNTRY.—Section 481(i)(5) of that Act is amended—

(1) by inserting "or" at the end of subparagraph (A);

(2) by striking out "; or" at the end of subparagraph (B) and inserting in lieu thereof a period; and

(3) by striking out subparagraph (C).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois [Mr. ANNUNZIO] will be recognized for 20 minutes and the gentleman from Iowa [Mr. LEACH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ANNUNZIO].

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 26, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ANNUNZIO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to bring this bill to the floor today. The Money Laundering Enforcement Amendments of 1991 is carefully crafted legislation designed to get tough with banks and other financial institutions convicted of laundering money.

Last year, Congress came within a whisker of enacting nearly identical legislation. On two separate occasions, the House passed money laundering bills. Unfortunately, the Senate failed to enact this legislation before the 101st Congress adjourned. This legislation takes up where we left off last year.

I appreciate the assistance and cooperation in crafting this legislation received from the chairman of the Banking Committee, Mr. GONZALEZ. Without his assistance and efforts, we would not be considering this bill today.

I also want to recognize the special efforts of the ranking minority member of the Subcommittee on Financial Institutions and my close colleague, Mr. WYLIE. He has worked very hard on this legislation, both this year and last year, and he deserves much credit for this bipartisan effort on preventing money laundering. As always, it has been both an honor and a pleasure working with him.

Unfortunately, Mr. WYLIE could not be on the floor for consideration of this legislation. However, I am pleased to recognize the presence of the distinguished gentleman from Iowa [Mr. LEACH] who was also very instrumental in the development of this legislation.

At the outset, I want to make one fact perfectly clear. Money laundering is not some victimless, inconsequential byproduct of illegal drug activity. Nothing could be further from the truth.

Money laundering is the very core of the illegal narcotics business. It is just as essential to dealers as the drugs they sell. Without money laundering, the drug trade in this Nation could be reduced to little more than a trickle.

Let us remind ourselves of one core fact of the drug business: dealers do not sell drugs out of a sense of charity. Their motivation is greed. Extraordinary profits result from the sale of drugs, sometimes tens of thousands of dollars a day, or more.

Another core fact of the drug business is that it is a cash business. Drug dealers do not use checks, and they do not accept credit cards.

They accept cash, and nothing else. However, rooms filled with $10, $20, and $50 bills don't have much real value. Sure, you can buy mink coats, fancy jewelry, and maybe even expensive cars with cash, but drug dealers can take in hundreds of thousands of dollars each week.

After a certain point, all these rooms filled with millions in currency have little real value, unless these ill-gotten profits can be converted into bank credit. Unless this cash can be laundered, the drug dealer becomes awash in dollar bills, and his millions are worth only what he can wear, drive, or carry. Those dollars are nothing but pieces of paper until the dope dealer converts them to bank credit.

Thus, money laundering is the drug dealer's lifeline to profitability. Without money laundering, a vast majority of the drug dealer's profits would be choked off. Without extraordinary profits, there would not be much of a drug business in this country.

That is why money laundering is so important to the drug trade, and why it is so important that Congress take every effort to eliminate money laundering in the United States.

Those who launder drug money are accomplices to every drug-related murder in this country. Murderers can go to the electric chair but, until now no one has devised a way to execute a bank.

The bill before us today amends the Bank Secrecy Act. This law was designed to enable law enforcement authorities to track the deposits of large sums of cash into the banking system. The law has been strengthened over the years and remains the prime tool for detecting money laundering. H.R. 26 further strengthens this law, by taking money laundering out of banks, and banks and bankers out of money laundering.

The bill permits financial institution regulators to revoke the charters of banks engaged in money laundering when two or more officers or directors are also convicted. Thus, this legislation puts grossly negligent institutions out of business. The threat of fines and forfeitures have proven to be totally inadequate. All too often, it is merely a cost of doing business.

This bill also banks individuals convicted of money laundering from future bank employment. It allows Federal regulators to remove the management of banks convicted of money laundering.

Money laundering threatens the safety and soundness of banks and corrupts the banking system. It is no coincidence in my mind that money laundering occurred in the two biggest bank failures of the past year, the National Bank of Washington and the Bank of New England.

These convictions occurred because bank management had little interest and fewer procedures in place to prevent money laundering. We have since learned that the same attitude extended to these bank's lending practices, where there was little or no attempt to monitor asset quality.

My legislation gives the regulators the authority to revoke the charter of money laundering financial institutions. We can only speculate how much money would have been saved if the management of these banks had been removed or the institution put into conservatorship. New management might not have saved these banks, but it certainly couldn't have done much worse than the management which allowed them to launder money and make bad loans.

This legislation not only takes the profit out of money laundering, it takes the management out of money laundering institutions. H.R. 26 deserves the support of this House.

Mr. Speaker, I urge passage of this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. GONZALEZ. Mr. Speaker, I rise today in support of H.R. 26, the Money Laundering Enforcement Amendments of 1991. I want to congratulate Mr. ANNUNZIO, chairman of the Subcommittee on Financial Institutions, for his tireless efforts in bringing this bill forward. Thanks to his efforts, we will soon have the tools to more effectively combat drug traffickers and money launderers.

I want to remind my colleagues that this important legislation was first brought before this House, and passed, in similar form, last year. Unfortunately, it did not become law when the Senate failed to take it up.

At the start of the 102d Congress, the subcommittee immediately began hearings and passed out a bill for the full committee's consideration. The full committee supports this bill and passed it by voice vote in early March.

This bill is designed to keep our Nations' law enforcement agencies a step ahead of the

drug dealers, the foreign cartels, and the underworld kingpins that launder their illegal profits through banks and cash businesses. I urge my colleagues to support this legislation as the next step in addressing the drug trade that tears at the heart of our communities.

Mr. LEACH. Mr. Speaker, I also rise in strong support of this legislation. Many of the provisions of this bill may seem familiar to my colleagues. The last Congress, the House then passed two similar pieces of legislation. One passed unanimously, 406 to 0, the other passed by a voice vote. Unfortunately, the other body did not pass either bill.

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For the last 2 years, under the leadership of the subcommittee chairman, the gentleman from Illinois [Mr. ANNUNZIO], and the ranking Republican, the gentleman from Ohio [Mr. WYLIE], the Committee on Banking, Finance and Urban Affairs has held hearings to get understanding of how best to curb or to strengthen Federal efforts to curb money laundering. The main thrust of the committee has been the initiative to impose the death penalty on financial institutions which launder money.

Under H.R. 26, federally chartered banks, thrifts, and credit unions could have their charters revoked and State institutions could lose Federal deposit insurance if they are caught laundering money. Bank officers or directors convicted of money laundering would be barred from future employment with financial institutions.

Mr. Speaker, as this body understands, putting banks out of business for channeling illegal moneys is a very serious and very severe penalty. Accordingly, this penalty is reserved only for institutions where the felonious conduct is pervasive within the institution and where the gravity of the offense outweighs the benefits the institution may provide to its community in the future.

The bill also includes provisions making it easier for the Government to seize, through civil forfeiture proceedings, money laundered funds and increasing penalties for money laundering offenses. These provisions were added by the gentleman from Ohio [Mr. WYLIE].

Mr. Speaker, financial markets are rapidly changing. Organized crime syndicates and drug traffickers are finding new ways to mainstream the loot gained from their criminal activities. Financial institutions willing to assist traffickers in recycling drug profits stand to gain huge profits themselves. The lure of such illegal profits must be curbed, and that is exactly what this legislation is designed to do.

Mr. Speaker, the administration supports House passage of this legislation but will seek certain amendments in the other body to, among other things, change the bank secrecy law to implement recommendations of the G-7 Financial Action Task Force on Money Laundering.

The gentleman from Illinois [Mr. ANNUNZIO] and the gentleman from Ohio [Mr. WYLIE] have done yeoman-like work in this legislation. They are to be commended. I compliment them in this legislation, and I urge unanimous support for passage of this particular bill.

Mr. WYLIE. Mr. Speaker, I want to go on record in support of H.R. 26, the Money Laundering Amendments of 1991. This bill represents 2 years of bipartisan effort. I commend my colleague, Chairman ANNUNZIO, for his untiring efforts to pass this much needed money laundering legislation. I support all of the provisions in H.R. 26 except for one section that was changed after this bill was reported out of the Banking Committee. I will address my concerns about this section, involving international negotiations, later.

Mr. Speaker, money laundering is the lifeblood of any large criminal enterprise involving the sale of drugs. Drug dealers must rid themselves of vast quanitities of cash in order to legitimize their profits. Many drug dealers use couriers to carry cash out of the country in suitcase. Some of these criminal have been able to gain access to domestic banks and branches of foreign banks in the United States. The most notable example of a rogue bank is the Bank of Credit and Commerce International. This Arab-owned, Luxembourg-based bank used its branches in Florida to launder millions in drug proceeds for several Colombian cartels. In 1988, BCCI pleaded guilty to money laundering and paid a $14 million fine.

H.R. 26 will allow the Government to shut down banks, such as BCCI, if there is a conviction for money laundering. I believe that this sanction, the loss of the bank's charter, will prove to be a very effective deterrent to those individuals who are considering using banks to convert their cash. This is especially true when you look at all of the activities in which BCCI was involved. Since BCCI's indictment we have discovered that BCCI had an international reputation for capital flight, tax fraud, and money laundering that far exceeded its Florida operation. Equally disturbing is the clandestine control that BCCI had over some other banks in this country. You only need to look as far as First American Bankshares here in Washington. I am hoping that the House Banking Committee will look into the operations of these banks with more scrutiny.

Mr. Speaker, H.R. 26 contains a number of other provisions that will go a long way toward fighting money laundering. People operating illegal money transmitting businesses will be subject to fine or imprisonment. The Federal Reserve will be authorized to shut down foreign branches and agencies that are convicted of money laundering. Additionally, the bill contains a number of provisions to allow the Justice Department to seize laundered funds through civil forfeiture proceedings. I proposed these amendments adding this new civil forfeiture authority. It will make it easier for U.S. attorneys to seize fungible property, such as funds that have been converted to other accounts or other financial products. The Attorney General will also be able to use administrative subpoenas to pursue civil forfeiture investigations rather than having to use the grand jury process.

There is, however, one section of H.R. 26 that troubles me and I hope to be able to improve it when we go to conference. I offered an amendment during committee markup of this bill to assist the Treasury Department in its attempts to negotiate agreements with countries whose financial institutions are suspected of engaging in money laundering. These agreements would allow for the exchange of information regarding drug traffickers and would also act as an incentive for countries to adopt their own money laundering laws. Unfortunately, a provision in the 1988 drug bill provided for explicit, mandatory sanctions for countries that do not sign agreements. These sanctions include a prohibition on accounts in U.S. banks and the exclusion of a country from the international payments system. This has resulted in a number of countries refusing to even talk about money laundering agreements, even though they are more than willing to negotiate on any other kind of law enforcement treaty. The Banking Committee passed an amendment giving Treasury a broader mandate to negotiate these agreements, and requiring Treasury to report to Congress what progress is being made. The amendment also allowed Treasury to recommend what sanctions would be appropriate. I am confidant that if we passed the Banking Committee's language we would get more cooperation from other countries and still have the ability to apply sanctions on a case-by-case basis.

Regrettably, the Foreign Affairs Committee thought otherwise and reinstated the sanctions from the 1988 drug bill, which I believe will inhibit international negotiations. As defined in section 35, virtually every country in Latin America, and many others throughout the world, would fall under the label major money laundering country because of the large number of drug dollars which, wittingly or unwittingly, pass through financial institutions. The bill does not sufficiently address the problem of the laundering of drug proceeds through means other than currency transactions, such as funds transfers by wire and the purchase or sale of checks, money orders, or other monetary instruments. Finally, by requiring identification of pending discussions and negotiations, the Foreign Affairs amendment could jeopardize talks now underway and may preclude the initiation of others. The Treasury Department has consistently assured countries that the U.S. Government would not comment on the status of these talks in a public forum.

Despite these reservations, I am still strongly in favor of H.R. 26. I just wanted to share my concerns with my colleagues and hopefully work with them to improve the international provisions.

Mrs. PATTERSON. Mr. Speaker, Members of the House will vote on H.R. 26, the Money Laundering Enforcement Amendments of 1991. As a member of the Banking Committee, I strongly support this bill.

Money laundering conceals a source of funds derived from unlawful activity. Those engaged in illegal activity often use the American banking system to convert their criminal proceeds into clear profits. More often than not,

the illegal activity I am referring to is the drug trade.

The drug trade is, for the most part, a cash and carry business. It is a business that generates a huge amount of cash. In a briefing, the Subcommittee on Financial Institutions listened to officers from various metropolitan law enforcement agencies tell incredible stories—true stories—of drug traffickers bringing suitcases full of cash to deposit into the U.S. banking system.

H.R. 26 is designed to expose the criminal and take the profit out of crime. More importantly, it is designed to target not only the criminal on the corner, but the criminal in the corner office.

H.R. 26 contains provisions that will impose sanctions on those institutions that knowingly participate in money laundering schemes. Bank managers will no longer be able to look the other way as tellers count up thousands of dollars for deposit. The bill would allow regulators to impose the death penalty—shutting down a nationally chartered institution where the senior managers are convicted of money laundering. State chartered institutions whose senior level managers are found guilty would face termination of the Federal deposit insurance.

H.R. 26 provides job protection for bank employees who report suspicious activities to banking regulators or the Justice Department. It also closes a loophole by requiring the Treasury and the Federal Reserve to adopt rules governing Federal wire transfers. Too often, criminals who make their profits on Main Street wire it out of the country to avoid investigation.

Mr. Speaker, H.R. 26 gives this Congress the opportunity to do something about drug profits. It will stop criminals from making a clean getaway with dirty money.

Mr. LEACH. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Speaker, I thank the gentleman from Iowa [Mr. LEACH], my friend, for yielding, and I just want to add a few brief thoughts on this very important issue. I want to compliment the gentleman from Illinois [Mr. ANNUNZIO], the gentleman from Ohio [Mr. WYLIE] and, of course, my good friend, the gentleman from Iowa [Mr. LEACH], for all the time they have put into this effort.

Mr. Speaker, this is very important legislation. If we are going to win this war, the war on drugs, then this is one of the things that we have to implement, and money laundering must be stopped in order to win this war essentially.

Mr. Speaker, we have looked at this legislation in our Committee on Banking, Finance and Urban Affairs for a long time. There are only two ways we can win the war on drugs basically, and that is impede the sale of drugs; that is, to get at the supplier and/or after the user, and we must do that to get after money laundering. This legislation has had a good deal of study and consideration by the members of the committee. It is a type of legislation that we can all support. The legislation does not run roughshod over due process. It is not perfect, but it goes a long way to solving this problem and helping us win the war on drugs.

One of the other issues that I think we have to bring up which dovetails with this is that we do need a strong crime bill. We have to get after the drug pusher. We have to get after the people who violate the law, and, once they know we mean business, I think that we can go a long way to winning the war on drugs, and nothing would please me more than to get up on the floor of Congress and to say that the new Norman Schwarzkopf is the man from Chicago, Mr. ANNUNZIO.

Mr. Speaker, I say to the gentleman from Illinois [Mr. ANNUNZIO], "I think we are going to go a long way in making it possible for us to win this war which is so essential for the future of this country and to the young people of our country, the children of this country, so I compliment the people in this Congress who have worked so long and hard on this legislation."

Mr. ANNUNZIO. Mr. Speaker, I thank the gentleman from Wisconsin [Mr. ROTH].

Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Ohio [Mr. FEIGHAN].

Mr. FEIGHAN. Mr. Speaker, let me briefly draw attention to a very important issue included in H.R. 26, as amended: Reporting on international money laundering.

The 1988 drug bill included a provision known as the Kerry amendment. That amendment attempted to focus attention on an increasingly important issue: international money laundering.

It required the Secretary of the Treasury to identify foreign countries which are major money launderers.

It required negotiations with those countries to enable the United States to obtain information on drug-related currency transactions.

And it held out the threat of denying access to U.S. financial markets to countries which failed to reach agreement on providing such information. A final report on these negotiations was submitted in November 1990.

Unfortunately, the executive branch has dragged its feet in complying with the Kerry amendment's requirements. Many U.S. embassies were not notified until the last minute that a country had been identified as a major money laundering country. During 2 years, only one agreement was signed.

And the final report submitted to the Congress was classified, which prevented any public discussion of which countries were considered to be major money laundering countries by the executive branch, much less the degree to which they were willing to exchange information with the United States.

The reporting requirement contained in the Kerry amendment has now expired, but the important issue addressed by that amendment has not. Drug-related money laundering continues to be a major problem. In fact, some have suggested that attacking the profits of the drug trade will eventually prove more effective than all of our efforts on eradication and interdiction. But in an age of wire transfers, we can only attack the money laundering problem if we have international cooperation.

The bill which we have before us, H.R. 26, contains in section 35, a follow-on provison which I sponsored. Section 35 builds on an important lesson we have learned since the Kerry amendment was adopted: Drug traffickers are getting more sophisticated with their financial shenanigans. The world of money laundering extends far beyond the currency transactions on which the Kerry amendment focused. We also need to look at suspicious transactions, cross-border transactions, a country's ability to identify, trace, freeze, seize, and forfeit drug-related assets, and other such issues. This amendment would require reporting on all of those areas.

Second, the reporting on these issues is to be done in the annual INCSR report, the State Department drug control report. There are two reasons for this; one is to consolidate reporting wherever possible instead of requiring separate reports. The other is to bring this information out into the open. We already require substantial unclassified reporting on other areas of international cooperation in the drug arena. There is no convincing reason as to why problem countries, or cooperative countries for that matter, shouldn't be named publicly.

Third, section 35 will give us information on money laundering initiatives carried out by all U.S. Government agencies. It also suggests the need for those agencies to develop common strategies. The Departments of State, Justice, and Treasury all have international money laundering initiatives underway. We need to be aware of all of them, and try to ensure some degree of commonality among them. Rather than take the side of one agency or the other, we give this reporting authority to the President.

Finally, my amendment retains that part of current law which allows the President to impose sanctions on countries which he deems to be less than forthcoming in sharing financial information with us. My amendment does not require the President to impose sanctions, but leaves him the flexibility to do so.

I believe that section 35 of the bill before us, as approved by the Foreign Affairs Committee, and agreed to by the Banking Committee, strengthens and improves current law. I would like to thank Chairman GONZALEZ, ranking minority member CHALMERS WYLIE,

and subcommittee Chairman FRANK ANNUNZIO and their respective staffs for their assistance and cooperation in bringing this matter to the floor. I hope that all Members will support this important initiative.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. FEIGHAN. I yield to the gentleman from Illinois.

Mr. ANNUNZIO. Mr. Speaker, I appreciate the gentleman from Ohio [Mr. FEIGHAN] yielding, and I just want to acknowledge the outstanding job that he has done on the Committee on Foreign Affairs. His contribution has made this a better bill. I am looking forward to having the bill passed by the House, and we are going to take it to the Senate once more.

□ 1230

Mr. LEACH. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Speaker, I thank my friend, the gentleman from Iowa, for yielding time to me, and I would like to compliment him on his fine work. I would also like to take this time to compliment the chairman of the subcommittee, the gentleman from Illinois [Mr. ANNUNZIO] for his fine work on this legislation.

I am from California, and we certainly do have a very serious problem with the flow of drug trafficking dollars which have come into our State, as do many of the States which are considered to be in the southern part of this country.

As we look at this challenge, it really is a war. Some people have said we should not call this a war on drugs, but it obviously is, and we know that as we look at the many different ways in which we deal with this war through the interdiction at the borders. We deal with that in Mexico, and we are seeing improvement in that area.

So it seems to me that as we improve our results in the interdiction of drugs at the border, it is apparent that we should do everything possible to attack the problem we face in the area of drug trafficking dollars. That is exactly what this legislation does.

I had the opportunity to work on this when I was a member of the Committee on Banking, Finance and Currency, and I am delighted to have the opportunity to compliment my colleagues on their results. It took my departure from the committee for the Members to get this legislation out. I look forward to more of their fine work, and I look forward to the time when this bill becomes law.

Mr. LEACH. Mr. Speaker, I have no further requests for time, but before yielding back my time, I would like to say that this truly is an ornament to the career of the gentleman from Illinois [Mr. ANNUNZIO], and the Members should be very appreciative of his initiative.

Mr. ANNUNZIO. Mr. Speaker, the gentleman from Texas [Mr. PICKLE] is a member of the Committee on Ways and Means, and I am delighted that he is here with us. I want to express my deep thanks to him and the Committee on Ways and Means for their contribution to this bill and what they have done to make this a better bill.

Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Speaker, I thank the gentleman from Illinois for yielding time to me.

Mr. Speaker, the Committee on Ways and Means has jurisdiction over section 6050I of the Internal Revenue Code which is the subject of a number of provisions in this legislation. I believe that the Committee on Ways and Means should have had an opportunity to consider the provisions relating to the Internal Revenue Code. However, I also believe strongly that action by the Congress to address money laundering in this country is of utmost importance. As such, I do not intend to raise jurisdictional concerns at this time. I would like to use the consideration of H.R. 26 as an opportunity to make the House aware of the recent activities of the Committee on Ways and Means and the Internal Revenue Service to address money laundering.

The Ways and Means Committee's Subcommittee on Oversight, which I chair, conducted an extensive investigation into compliance with section 6050I last year resulting in significant legislative reforms to improve the business community's compliance large cash transaction reporting. As a result of the Oversight Subcommittee's efforts, section 6050I was modified to prevent the structuring of transactions to avoid reporting and strengthen sanctions of noncompliance.

Administratively, the IRS has developed a comprehensive money laundering action plan to increase compliance through enforcement and public education. The IRS is also conducting sweeps in various cities to detect business noncompliance with the cash reporting requirements.

The Subcommittee on Oversight is continuing to monitor developments relating to section 6050I and the form 8300 program. The Ways and Means Committee looks forward to receiving the results of the studies contained in H.R. 26.

Money launderers are notorious for devising new and ingenious ways to clean or disguise their cash. That makes it necessary for Congress to continually reexamine our existing laws and procedures to determine if they are adequate to the task.

Mr. Speaker, I wish to include with my remarks two articles, one of the Associated Press dated May 24, 1991, and the other an article appearing in New York Newsday on May 25, 1991, on this subject matter. The articles are as follows:

[From the Associated Press, May 24, 1991]

IRS PROPOSES NEW MONEY LAUNDERING REGULATIONS

(By Carolyn Skorneck)

WASHINGTON.—People who hope to spend ill-gotten gains and hide the transactions from the government by paying with a combination of cash, bank drafts and traveler's checks had better think again.

The Internal Revenue Service has proposed new regulations to crack down on money laundering by drug-traffickers and tax cheaters who want to hide their income.

"We're trying to hinder people with stacks of $100 bills," IRS spokesman Don Roberts said Thursday. "There's nothing as useless as a $100 bill if you can't spend it. We want to make it difficult if not impossible for them to convert the bales of cash they have into the consumer goods they want."

Under current regulations, businesses of all kinds must tell the IRS about cash payments when they are $10,000 or more by filing something called a Form 8300.

The new twist is that cashier's checks, bank drafts, traveler's checks and money orders would be considered the same as cash and would be reported if the combination totals $10,000 or more.

"We've heard of some businesses that advise customers in some cases not to give $10,000 in cash, but to break it up and give them less than $10,000 in some kind of other instrument, money order or traveler's check," said Wilson Fadely, another IRS spokesman.

In an example cited by the IRS of how the proposed regulations would work, a jewelry store that accepts a $9,000 money order and $9,000 in cash for an $18,000 diamond ring would have to file a Form 8300. That's not required under the current rules.

The proposed changes were prompted by a congressional hearing on such evasions held last fall by the House Ways and Means Committee's oversight subcommittee headed by Rep. J.J. Pickle, D-Texas.

Pickle praised the proposed changes as a "good start," but he said businesses have failed to report all the cash transactions they should have reported under the current rules.

"Without their help, government will never be able to stamp out money laundering and tax evasion." Pickle said. "Businessmen must stop doing business under the table. It's illegal.

The civil penalties for failing to file the form range from $50 for an inadvertent failure to $100,000 for intentionally disregarding the rules, Fadely said. Those guilty of the latter may also face money laundering charges.

Since the law requiring Form 8300 filings for cash purchases took effect in 1985, businesses have filed some 107,000 of the forms, the IRS said.

The proposed changes will not take effect for at least a few months.

Written comments on the proposal are due June 14, and a public hearing is scheduled for June 28, Fadely said. After that, final regulations will be drawn up, and they will become law 60 days after they are issued.

[From New York Newsday, May 25, 1991]

IRS TARGETS ILL-GOTTEN GAINS: BANK DRAFTS, TRAVELER'S CHECKS, MONEY ORDERS REDEFINED AS CASH

WASHINGTON.—People who hope to spend ill-gotten gains and hide the transactions

from the government by paying with a combination of cash, bank drafts and traveler's checks has better think again.

The Internal Revenue Service has proposed new regulations to crack down on money laundering by drug-traffickers and tax cheaters who want to hide their income.

"We're trying to hinder people with stacks of $100 bills," IRS spokesman Don Roberts said, "There's nothing as useless as a $100 bill if you can't spend it."

Under current regulations, businesses of all kinds must tell the IRS about cash payments when they are $10,000 or more by filing a special form.

The new twist is that cashier's checks, bank drafts, traveler's checks and money orders would be considered the same as cash and would be reported if the combination totals $10,000 or more.

In an example cited by the IRS of how the proposed regulation would work, a jewelry store that accepts a $9,000 money order and $9,000 in cash for an $18,000 diamond ring would have to file a Form 8300. That's not required under the current rules.

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Pickle praised the proposed changes as a "good start," but he said businesses have failed to report all the cash transactions they should have reported under the current rules. "Without their help, government will never be able to stamp out money laundering and tax evasion," Pickle said.

The civil penalties for failing to file the form range from $50 for an inadvertent failure to $100,000 for intentionally disregarding the rules, the IRS said. Those guilty of the latter may also face money laundering charges.

Mr. ANNUNZIO. Mr. Speaker, I thank the gentleman from Texas [Mr. PICKLE] for his very excellent statement and for his support of this legislation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Illinois [Mr. ANNUNZIO] that the House suspend the rules and pass the bill, H.R. 26, as amended.

The question was taken.

Mr. ANNUNZIO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

PERMISSION FOR MEMBERS TO FILE AMENDMENTS TO H.R. 2508, INTERNATIONAL COOPERATION ACT OF 1991

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent that all Members may have until 5 p.m. today to file amendments to H.R. 2508, the International Cooperation Act of 1991, pursuant to the rule.

I understand that this unanimous consent has been acquiesced in by the minority side.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

□ 1240

NATIONAL COUNCIL ON EDUCATION STANDARDS AND TESTING ACT

Mr. KILDEE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2435) to establish a National Council on Education Standards and Testing, as amended.

The Clerk read as follows:

H.R. 2435

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Council on Education Standards and Testing Act".

SEC. 2. PURPOSE OF FINDINGS.

(a) PURPOSE.—The purpose of this Act is to create a national council to provide advice on the desirability and feasbility of national standards and testing in education.

(b) FINDINGS.—The Congress finds that—

(1) organizations have begun developing national education standards for various subject areas and grade levels;

(2) groups have called for the expansion of national testing for school children;

(3) decisions regarding the desirability and feasibility of additional national testing should follow such decisions on national standards for education;

(4) efforts regarding national standards and testing should be undertaken with the broadest possible participation by the public; and

(5) a major national council is needed to assure broad participation by the public, to provide a focus for national debate on national education standards and testing, and to provide advice on the desirability and feasibility of developing national standards and testing.

SEC. 3. ESTABLISHMENT.

There is established a council to be known as the National Council on Education Standards and Testing (in this Act referred to as the "Council").

SEC. 4. DUTIES.

The Council shall advise the American people on—

(1) whether suitable specific education standards should and can be established, such as world class standards, for—

(A) the knowledge and skills that students should possess and that schools should impart in order that American students leave grades 4, 8, and 12 demonstrating competency in challenging subject matter including English, mathematic, science, history, and geography; and

(B) every school in America to ensure that all students learn to use their minds well so that they will be prepared for responsible citizenship, further learning, and productive employment in our modern economy; and

(2) whether, while respecting State and local control of education, an appropriate system for voluntary national tests or examination should and can be established, such as American achievement tests, that will provide prompt, accurate information to parents, educators, and policymakers on the progress being made toward the specific education standards by individual students, schools, school systems, States, and the Nation as a whole (if such system shall be to foster good teaching and learning, as well as to monitor performance.

SEC. 5. REPORTS.

(a) FINAL REPORT.—The Council shall, as soon as possible, but not later than December 31 1991, submit a report to the Congress, the Secretary of Education, and the National Education Goals Panel that contains recommendations regarding long-term policies, structures, mechanisms, and other important considerations with respect to the objectives described in paragraphs (1) and (2) of section 4. A discussion of the validity, reliability, fairness, and costs of implementing a system of voluntary national tests or examinations shall also be included in such report.

(b) INTERIM REPORTS.—The Council may submit to the Congress, the Secretary of Education, and the National Education Goals Panel interim reports it considers appropriate.

SEC. 6. MEMBERSHIP.

(a) IN GENERAL.—The Council shall be composed of 32 members as follows:

(1) The Secretary of Education shall appoint 22 members to include at least one representative from each of the following:

(A) The Administration.

(B) The Commission on Achievement of Necessary Skills.

(C) The National Assessment Governing Board.

(D) State legislators.

(E) Chief State school officers.

(F) School administrators.

(G) Elementary or secondary school teachers.

(H) Institutions of higher education.

(I) Individuals with expertise in education standards and testing.

(J) National teacher organizations.

(2) The Chairperson or a designee of the National Education Goals Panel.

(3) The Governor designated to serve as Chairperson of the National Education Goals Panel for the year succeeding the year in which such panel is meeting (or a designee).

(4) The Speaker of the House of Representatives shall appoint 1 member (excluding Members of Congress).

(5) The minority leader of the House of Representatives shall appoint 1 member (excluding Members of Congress).

(6) The majority leader of the Senate shall appoint 1 member (excluding Members of Congress).

(7) The minority leader of the Senate shall appoint 1 member (excluding Members of Congress).

(8) The Chairman of the Committee on Education and Labor of the House or a designee.

(9) The ranking minority member of the Committee on Education and Labor of the House or a designee.

(10) The Chairman of the Committee on Labor and Human Resources of the Senate or a designee.

(11) The ranking minority member of the Committee on Labor and Human Resources of the Senate or a designee.

(b) VACANCIES.—A vacancy in the Council shall be filled in the manner in which the original appointment was made.

(c) TERM OF APPOINTMENT.—Members shall be appointed for the life of the Council.

(d) QUORUM.—17 members of the Council shall constitute a quorum.

(e) COCHAIRPERSONS.—The Chairperson of the National Education Goals Panel or a designee and the Governor designated to serve as the Chairperson for the succeeding year in which the panel is meeting (or a designee) shall serve as cochairpersons of the Council upon the date of the enactment of this Act.

(f) COMPENSATION.—

(1) MEMBERS.—Except as provided in paragraph (2), members of the Council shall each be reimbursed at a rate not to exceed the rate of pay for level III of the Executive Schedule for each day (including travel time) during which they are engaged in the performance of duties vested in the Council.

(2) EXCEPTION.—Members of the Council who are full-time officers or employees of the United States or Members of Congress shall receive no additional compensation by reason of their service on the Council.

SEC. 7. DIRECTOR AND STAFF; EXPERT AND CONSULTANTS.

(a) DIRECTOR.—The cochairpersons of the Council shall, without regard to the provisions of title 5, United States Code relating to the appointment and compensation of officers or employees of the United States, appoint a Director to be paid at a rate not to exceed the rate of basic pay for level III of the Executive Schedule.

(b) APPOINTMENT AND PAY OF STAFF.—The cochairpersons may appoint personnel as they consider appropriate without regard to the provisions of title 5, United States Code, governing appointments to the competitive service. The staff of the Council may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification and General Schedule pay rates. The rate of pay of the staff of the Council shall not exceed the rate of basic pay for level V of the Executive Schedule.

(c) EXPERTS AND CONSULTANTS.—The Council may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(d) STAFF OF FEDERAL AGENCIES.—Upon the request of the Council, the head of any department or agency of the United States is authorized to detail, on a reimbursable basis, any of the personnel of that agency to the Council to assist the Council in its duties under this Act.

SEC. 8. POWERS OF COUNCIL.

(a) HEARINGS.—The Council may, for the purpose of this Act, hold hearings, sit and act at the times and places, take testimony, and receive evidence, the Council considers appropriate. The Council may administer oaths or affirmations to witnesses appearing before it.

(b) DELEGATION OF AUTHORITY.—Any number or agent of the Council may, if authorized by the Council, take any action the Council is authorized to take by this section.

(c) INFORMATION.—The Council may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon request of the Chairperson of the Council, the head of a department or agency shall furnish the information to the Council to the extent permitted by law.

(d) GIFTS AND DONATIONS.—(1) Subject to the regulations established under paragraph (2), the Council may accept, use, and dispose of gifts or donations of services or property.

(2) The Cochairpersons of the Council are authorized to establish regulations setting forth the criteria the Council shall use to determine whether the acceptance of gifts or donations of services under paragraph (1) would reflect unfavorably upon the ability of the Council or any employee to carry out its responsibilities or official duties in a fair and objective manner, or would compromise the integrity of or the appearance of the integrity of a government program or any official involved in such program.

(e) MAILS.—The Council may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(f) SUPPORT SERVICE.—The Secretary of Education shall provide to the Council, on a reimbursable basis, administrative support services as the Council may request.

SEC. 9. FEDERAL ADVISORY COMMITTEE ACT.

Sections 10 and 11 of the Federal Advisory Committee Act (5 U.S.C. App.) are the only sections of such Act that shall apply with respect to the Council.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $1,000,000 to carry out this Act which shall remain available until expended or until the termination of the Council, whichever occurs first.

SEC. 11. TERMINATION.

The Council will cease to exist 90 days after submitting its final report.

The SPEAKER pro tempore (Mr. MAZZOLI). Pursuant to the rule, the gentleman from Michigan [Mr. KILDEE] will be recognized for 20 minutes and the gentleman from Wisconsin [Mr. GUNDERSON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2435 proposes the establishment of a National Council on Education Standards and Testing to make recommendations to the Congress, the Secretary of Education and the National Educational Goals Panel regarding the desirability and feasibility of national education standards and a system of national testing.

Its provisions are the result of a subcommittee hearing on testing and conversations I have had with the Secretary Alexander and Governor Romer, chair of the National Education Goals Panel.

We all agree that combining the efforts of the National Education Goals Panel and the Congress concerning the questions of standards and testing is a constructive way to proceed.

The issues of national education standards and national testing have tremendous implications for our Nation's public education.

The collaboration provided for in this bill should help us find out more about both the desirability and the feasibility of such proposals, and should clarify what further action, if any, the Congress ought to take in this area.

The National Council on Education Standards and Testing would supercede an interim advisory panel recently organized by the National Education Goals Panel.

As part of our agreement, those individuals previously identified to serve on the interim panel will now serve on the National Council on Education Standards and Testing.

Four Members of Congress will serve on the Council and the House and the Senate will each appoint additional members of the Council.

The Council would be asked to issue its recommendations as quickly as possible, but no later than December 31, 1991.

One million dollars is authorized for the Council's operation.

The issues addressed by H.R. 2435 require careful, deliberate, and timely consideration, and that is what the bill provides.

H.R. 2435 represents both an agreement between the House and executive branch as well as a bipartisan agreement within the House.

The following is the joint statement on the bill which Secretary Alexander, Congressman GOODLING, and I have agreed to:

Secretary Alexander and I have talked with Governors, both Democrat and Republican, who are working on these matters. They think, as we do, that combining the efforts of the National Education Goals Panel and Members of Congress on these questions of standards and testing is a constructive way to work together. This should help us know more about how to go about encouraging or creating a national examination system as well as whether there ought to be one. As these discussions continue, it should become clearer what further action, if any, the Congress ought to take in this area.

I urge the adoption of this bill.

Mr. FORD of Michigan. Mr. Speaker, I rise in support of H.R. 2435, a bill to create a National Council on Education Standards and Testing.

There are few more important issues that will be debated this year affecting education than whether we ought to have national standards and national testing in elementary and secondary education. Over the last several months, the President and several organizations have called for such national standards and testing.

During the entire course of our Nation's history, the operating principle in public education has been local control. Yet, for a variety of reasons the President and other prestigious groups and individuals have decided that we must alter this tradition for the sake of the country.

Mr. Speaker, I myself do not know whether I agree or disagree with this call for national standards and testing. But cearly it is an issue that ought to be debated thoroughly with the full involvement of all parts of our population. The adoption of national standards and testing, even if voluntary, will have an enormous influence on what is taught in our schools, and, therefore, we must be highly thoughtful in deciding these issues.

Congressman KILDEE has offered a good approach to dealing with this matter. Earlier this year Mr. KILDEE perceived that these issues would be of prime importance and, therefore, he scheduled hearings and began drafting legislation in this area. The bill we are considering today is the legislation that Mr. KILDEE has been writing for the last several months.

Two weeks ago the administration announced its intent to appoint a council to consider the same issues of national standards and testing. Fortunately, Mr. KILDEE and Secretary Alexander were able to mesh their proposals so that we have before us today a council which is supported by both the Congress and the administration.

A key difference between the Secretary's proposal and Mr. KILDEE'S is that Mr. KILDEE wanted the council to consider the desirability as well as the feasibility of national standards and testing. The Secretary, reflecting the President's decision to advocate such standards and tesing, limited his proposal to considering how best the President's recommendations could be implemented. I am pleased that Secretary Alexander has seen the wisdom in Mr. KILDEE'S approach and has agreed that this Council should consider both the desirability and feasibility of national standards and testing.

Another key aspect of the legislation is that the Congress will appoint eight members to this Council. We understand that the Secretary will appoint to the council the people whom he recommended as his appointees 2 weeks ago. However, Congress reserves the right to appoint additional people under this bill in order to assure the broadest participation involving all points of view in the deliberations of this Council.

Mr. Speaker, again let me commend Congressman KILDEE and Secretary Alexander for agreeing on this proposal. Our Nation needs cooperation from the highest level in Washington down to the classroom level if we are all to work together to improve education. This bill serves as a good beginning.

Mr. GUNDERSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation before us is important for at least two reasons. First, H.R. 2435 is really the first component of President Bush's and Secretary Alexander's education initiative, America 2000, to reach the House floor. The fact that the minority and majority of our committee along with the Secretary were able to reach agreement on this proposal signals that we will be able to have a constructive debate on reforming education in the House and produce legislation that will be truly revolutionary. In addition, this bill makes the Congress and the Committee on Education and Labor a player in this important policy area.

This legislation is also important for what it proposes, that America come together and decide whether it is in the national interest to have national education standards. These standards would represent what it is students need to know if they are to be successful, and if America is to be successful. Further, the Council created by H.R. 2435 would debate the pros and cons of a voluntary national examination system. A system that would tell every parent who elects to participate how his or her child is doing relative to these agreed upon goals.

I will admit that this is a major departure from how Americans have viewed education in the past. Several concerns have been raised about creating national standards and a voluntary national test. Many of these concerns are valid and need to be discussed openly and weighed carefully. The challenge facing this Council will be to balance the desirability of an exam system that would provide public accountability and improvement of instruction while ensuring that such a system is fair, reliable, valid, and cost effective.

The results of the National Assessment of Educational Progress [NAEP] released last week underline the need for dramatic and swift action to improve our school system. While I was pleased to see my own State of Wisconsin among the top States in math achievement, the Nation must be given a C− overall for its performance. Let me quote from the NAEP report:

> Fewer than half the high-school seniors (46 percent) demonstrated a consistent grasp of decimals, percents, fractions, and simple algebra, and only 5 percent showed an understanding of geometry and algebra that suggested preparedness for the study of relatively advanced mathematics. These figures show that many students appear to be graduating from high school with little of the mathematics understanding required by the fastest growing occupations or for college work.

More disturbing than the scores, or output measures, were the findings that many math teachers are not properly prepared to teach math, that many students are not exposed to math concepts tested by NAEP, and that students do very little math homework. Most troubling, however, was the finding that students generally have a positive view of their math abilities despite their dismal performance.

So, it appears that we have a long way to go as a nation to improve our teacher preparation, support for learning in the home, improved curriculum and instruction, and better measures of student performance. H.R. 2435 is a good start toward achieving these objectives and the Nation's education goals set out by the President in American 2000.

I congratulate Mr. KILDEE for his work in bringing this bill to the floor and urge my colleagues to vote in favor of its passage.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. KILDEE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. KILDEE] that the House suspend the rules and pass the bill, H.R. 2435, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. KILDEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 64) to provide for the establishment of a National Commission on a Longer School Year, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 64

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

SECTION 1. TABLE OF CONTENTS.

The table of contents is as follows:

Sec. 1. Table of contents.

TITLE I—NATIONAL COMMISSION ON A LONGER SCHOOL YEAR

Sec. 101. Short title.

Sec. 102. National Commission on a Longer School Year Act.

TITLE II—NATIONAL WRITING PROJECT

Sec. 201. Findings.

Sec. 202. National writing project.

TITLE III—MISCELLANEOUS

Sec. 301. Instruction on the history and principles of democracy in the United States.

TITLE I—NATIONAL COMMISSION ON A LONGER SCHOOL YEAR

SEC. 101. SHORT TITLE.

This title may be cited as the "National Commission on a Longer School Year Act".

SEC. 102. NATIONAL COMMISSION ON A LONGER SCHOOL YEAR ACT.

(a) ESTABLISHMENT.—There is hereby established a National Commission on a Longer School Year Act (hereafter in this title referred to as the "Commission").

(b) MEMBERSHIP OF THE COMMISSION.—

(1) IN GENERAL.—The Commission shall consist of nine members, of whom—

(A) three members shall be appointed by the President from among the Secretaries of the executive departments as set forth in section 101 of title 5, United States Code;

(B) three members shall be appointed by the Speaker of the House of Representatives in consultation with the Minority Leader of the House of Representatives; and

(C) three members shall be appointed by the President pro tempore of the Senate upon the recommendation of the Majority Leader and Minority Leader of the Senate.

(2) REQUIREMENTS.—

(A) Members of the Commission shall be appointed on the basis of exceptional education, training, or experience from—

(i) individuals who are representatives of nonprofit organizations or foundations committed to the improvement of American education;

(ii) individuals who are engaged in the professions of teaching;

(iii) individuals engaged in school administration, members of school boards, parents or representatives of parents or parent organizations;

(iv) individuals who are State officials directly responsible for education; and

(v) individuals representing organizations with an interest in lengthening the academic year or lengthening the school day.

(B) The first nine members of the Commission shall be appointed no later than 60 days after the date of enactment of this Act.

(3) VACANCIES.—A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment was made.

(4) TERMS.—Members of the Commission shall be appointed to serve for the life of the Commission.

(5) COMPENSATION.—Each member of the Commission shall serve without compensation, but shall be allowed travel expenses including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, when engaged in the performance of Commission duties.

(6) ACTIVITY OF COMMISSION.—The Commission may begin to carry out its duties under this subsection when at least 5 members of the Commission have been appointed.

(c) FUNCTIONS OF THE COMMISSION.—

(1) STUDY.—The Commission shall study and make recommendations regarding the advisability of lengthening the school day to a predetermined minimum number of hours and lengthening the academic year in all United States public elementary and secondary schools. Such recommendations shall include—

(A) a comparative analysis of the length of academic days and academic years in schools throughout the United States and in schools of other nations;

(B) a recommendation of the appropriate number of hours per day and days per year of instruction for United States public elementary and secondary schools;

(C) an examination as to whether an increase in the length of school days and school years should be accompanied by an appropriate increase in teacher compensation;

(D) a model plan for adopting a longer academic day and academic year in all United States public elementary and secondary schools by the end of this decade, including recommendations regarding mechanisms to assist States, school districts, schools, and parents in transitioning from current academic day and year to an academic day and year of a longer duration;

(E) suggestions for such changes in laws and regulations as may be required to facilitate States, school districts, and schools in adopting longer academic days and years;

(F) an analysis and estimate of the additional costs, including the cost of increased teacher compensation, to States and local school districts if longer academic days and years are adopted; and

(G) a plan to assist States and local districts in meeting all such additional costs.

(2) REPORT.—The Commission shall submit a final report and plan pursuant to subsection (d).

(d) COMMISSION REPORT.—

(1) REQUIREMENT.—Not later than September 1, 1991, or one year after the Commission concludes its first meeting of members, whichever is longer, the Commission shall submit a report to the President and the Congress on the study and recommendations required pursuant to the provisions of this subsection.

(2) CONSIDERATIONS.—The report described in paragraph (1) shall consider current educational policies and practices regarding the length of the school year and school day throughout the United States and the world.

(e) POWERS OF THE COMMISSION.—

(1) HEARINGS.—The Commission may, for the purpose of carrying out this subsection, conduct such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) TESTIMONY; PUBLIC HEARINGS.—In carrying out this subsection, the Commission shall receive testimony and conduct public hearings in different geographic areas of the country, both urban and rural, to receive the reports, views, and analyses of a broad spectrum of experts and the public regarding the advisability of lengthened academic day and year.

(3) INFORMATION.—The Commission may secure directly from any Federal agency such information as may be necessary to enable the Commission to carry out this subsection. Upon request of the Chairman of the Commission, the head of the agency shall furnish such information to the Commission.

(4) GIFTS.—The Commission may accept, use, and dispose of gifts or donations of services or property.

(5) USE OF MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as the departments and agencies of the United States.

(6) SUPPORT SERVICES.—The Administrator of the General Services Administration shall provide to the Commission on a reimbursable basis such administrative and support services as the Commission may request.

(f) ADMINISTRATIVE PROVISIONS.—

(1) MEETINGS.—The Commission shall meet on a regular basis, as necessary, at the call of the Chairman or a majority of its members.

(2) QUORUM.—A majority of the appointed members of the Commission shall constitute a quorum for the transaction of business.

(3) CHAIRMAN AND VICE CHAIRMAN.—

(A) The Chairman and Vice Chairman of the Commission shall be elected by and from the members of the Commission for the life of the Commission.

(B) The Chairman of the Commission, in consultation with the Vice Chairman, shall appoint and fix the compensation of a staff administrator and such support personnel as may be reasonable and necessary to enable the Commission to carry out its functions without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision of law, relating to the number, classification, and General Schedule rates.

(4) OTHER FEDERAL PERSONNEL.—Upon request of the Chairman of the Commission, the head of any Federal agency is authorized to detail, without reimbursement, any personnel of such agency to the Commission to assist the Commission in carrying out its duties under the subsection. Such detail shall be without interruption or loss of civil service status or privilege.

(g) TERMINATION OF THE COMMISSION.—The Commission shall terminate 90 days after submitting the final report required by subsection (d).

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $1,000,000 for fiscal year 1991 and such sums as may be necessary in each of the fiscal years 1992 through 1994 to carry out the provisions of this title.

TITLE II—NATIONAL WRITING PROJECT

SEC. 201. FINDINGS.

The Congress finds that—

(1) the United States faces a crisis in writing in schools and in the workplace;

(2) only 25 percent of 11th grade students have adequate analytical writing skills;

(3) over the past two decades, universities and colleges across the country have reported increasing numbers of entering freshmen who are unable to write at a level equal to the demands of college work;

(4) American businesses and corporations are concerned about the limited writing skills of entry-level workers, and a growing number of executives are reporting that advancement was denied to them due to inadequate writing abilities;

(5) the writing problem has been magnified by the rapidly changing student populations in the Nation's schools and the growing number of students who are at risk because of limited English proficiency;

(6) most teachers in the United States elementary schools, secondary schools, and colleges, have not been trained to teach writing;

(7) since 1973, the only national program to address the writing problem in the Nation's schools has been the National Writing Project, a network of collaborative university-school programs whose goal is to improve the quality of student writing and the teaching of writing at all grade levels and to extend the uses of writing as a learning process through all disciplines;

(8) the National Writing Project offers summer and school year inservice teacher training programs and a dissemination network to inform and teach teachers of developments in the field of writing;

(9) the National Writing Project is a nationally recognized and honored nonprofit organization that recognizes that there are teachers in every region of the country who have developed successful methods for teaching writing and that such teachers can be trained and encouraged to train other teachers;

(10) the National Writing Project has become a model for programs in other academic fields;

(11) the National Writing Project teacher-teaching-teachers program identifies and promotes what is working in the classrooms of the Nation's best teachers;

(12) the National Writing Project teacher-teaching-teachers project is a positive program that celebrates good teaching practices and good teachers and through its work with schools increases the Nation's corps of successful classroom teachers;

(13) evaluations of the National Writing Project document the positive impact the project has had on improving the teaching of writing, student performance, and student thinking and learning ability;

(14) the National Writing Project programs offer career-long education to teachers, and teachers participating in the National Writing Project receive graduate academic credit;

(15) each year approximately 85,000 teachers voluntarily seek training through word of mouth endorsements from other teachers in National Writing Project intensive summer workshops and school-year inservice programs through one of the 141 regional sites located in 43 States, and in 4 sites that serve United States teachers teaching overseas;

(16) 250 National Writing Project sites are needed to establish regional sites to serve all teachers;

(17) 13 National Writing Project sites in 8 different States have been discontinued in 1988 due to lack of funding; and

(18) private foundation resources, although generous in the past, are inadequate to fund all of the National Writing Project sites needed and the future of the program is in jeopardy without secure financial support.

SEC. 202. NATIONAL WRITING PROJECT.

(a) AUTHORIZATION.—The Secretary is authorized to make a grant to the National Writing Project (hereafter in this section referred to as the "grantee"), a nonprofit educational organization which has as its primary purpose the improvement of the quality of student writing and learning, and the teaching of writing as a learning process in the Nation's classrooms—

(1) to support and promote the establishment of teacher training programs, including the dissemination of effective practices and research findings regarding the teaching of writing and administrative activities;

(2) to support classroom research on effective teaching practice and to document student performance; and

(3) to pay the Federal share of the cost of such programs.

(b) REQUIREMENTS OF GRANT.—The grant shall provide that—

(1) the grantee will enter into contracts with institutions of higher education or other nonprofit educational providers (hereafter in this section referred to as "contractors") under which the contractors will agree to establish, operate, and provide the non-Federal share of the cost of teacher training programs in effective approaches and processes for the teaching of writing;

(2) funds made available by the Secretary to the grantee pursuant to any contract entered into under this section will be used to pay the Federal share of the cost of establishing and operating teacher training programs as provided in paragraph (1); and

(3) the grantee will meet such other conditions and standards as the Secretary determines to be necessary to assure compliance with the provisions of this section and will provide such technical assistance as may be necessary to carry out the provisions of this section.

(c) TEACHER TRAINING PROGRAMS.—The teacher training programs authorized in subsection (a) shall—

(1) be conducted during the school year and during the summer months;

(2) train teachers who teach grades kindergarten through college;

(3) select teachers to become members of a National Writing Project teacher network whose members will conduct writing workshops for other teachers in the area served by each National Writing Project site; and

(4) encourage teachers from all disciplines to participate in such teacher training programs.

(d) FEDERAL SHARE.—

(1) IN GENERAL.—Except as provided in paragraph (2) or (3) and for purposes of subsection (a), the term "Federal share" means, with respect to the costs of teacher training programs authorized in subsection (a), 50 percent of such costs to the contractor.

(2) WAIVER.—The Secretary may waive the provisions of paragraph (1) on a case-by-case basis if the National Advisory Board described in subsection (f) determines, on the basis of financial need, that such waiver is necessary.

(3) MAXIMUM.—The Federal share of the costs of teacher training programs conducted pursuant to subsection (a) may not exceed $40,000 for any one contractor, or $200,000 for a statewide program administered by any one contractor in at least 5 sites throughout the State.

(4) SPECIAL RULE.—For the purposes of paragraph (1), the costs of teacher programs do not include the administrative costs, publication cost, or the cost of providing technical assistance to the grantee.

(e) CLASSROOM TEACHER GRANTS.—

(1) IN GENERAL.—The National Writing Project may reserve an amount not to exceed 5 percent of the amount appropriated pursuant to the authority of this section to make grants, on a competitive basis, to elementary and secondary school teachers to enable such teachers to—

(A) conduct classroom research;

(B) publish models of student writing;

(C) conduct research regarding effective practices to improve the teaching of writing; and

(D) conduct other activities to improve the teaching and uses of writing.

(2) SUPPLEMENT AND NOT SUPPLANT.—Grants awarded pursuant to paragraph (1) shall be used to supplement and not supplant State and local funds available for the purposes set forth in paragraph (1).

(3) MAXIMUM GRANT AMOUNT.—Each grant awarded pursuant to this subsection shall not exceed $2,000.

(f) NATIONAL ADVISORY BOARD.—

(1) ESTABLISHMENT.—The National Writing Project shall establish and operate a National Advisory Board.

(2) COMPOSITION.—The National Advisory Board established pursuant to subsection (a) shall consist of—

(A) national educational leaders;

(B) leaders in the field of writing; and

(C) such other individuals as the National Writing Project deems necessary.

(3) DUTIES.—The National Advisory Board established pursuant to subsection (a) shall—

(A) advise the National Writing Project on national issues related to student writing and the teaching of writing;

(B) review the activities and programs of the National Writing Project; and

(C) support the continued development of the National Writing Project.

(g) EVALUATION.—The National Writing Project may reserve up to $100,000 from the amount authorized to be appropriated pursuant to the authority of this section to evaluate the teacher training programs conducted pursuant to this Act. The results of such evaluation shall be made available to the appropriate committees of the Congress.

(h) RESEARCH AND DEVELOPMENT ACTIVITIES.—

(1) GRANTS AUTHORIZED.—From amounts available to carry out the provisions of this subsection, the Secretary, through the Office of Educational Research and Improvement, shall make grants to individuals and institutions of higher education to conduct research activities involving the teaching of writing.

(2) PRIORITY.—(A) In awarding grants pursuant to paragraph (1), the Secretary shall give priority to junior researchers.

(B) The Secretary shall award not less than 25 percent of the funds received pursuant to subsection (i)(2) to junior researchers.

(C) The Secretary shall make available to the National Writing Project and other national information dissemination networks the findings of the research conducted pursuant to the authority of paragraph (1).

(i) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated for the grant to the National Writing Project, $10,000,000 for fiscal year 1991 to carry out the provisions of this section.

(2) RESEARCH AND DEVELOPMENT.—There are authorized to be appropriated $500,000 for fiscal year 1991 to carry out the provisions of subsection (h).

(j) DEFINITION.—As used in this Act—

(1) the term "institution of higher education" has the same meaning given such term in section 1201(a) of the Higher Education Act of 1965;

(2) the term "junior researcher" means a researcher at the assistant professor rank or the equivalent who has not previously received a Federal research grant; and

(3) the term "Secretary" means the Secretary of Education.

TITLE III—MISCELLANEOUS

SEC. 301. INSTRUCTION ON THE HISTORY AND PRINCIPLES OF DEMOCRACY IN THE UNITED STATES.

Part F of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3151 et seq.) is amended—

(1) by redesignating section 4608 (as added by Public Law 100-297) as section 4610; and

(2) by inserting before section 4610 (as redesignated by paragraph (1) of this section) the following:

"SEC. 4609. INSTRUCTION ON THE HISTORY AND PRINCIPLES OF DEMOCRACY IN THE UNITED STATES.

"(a) GENERAL AUTHORITY.—

"(1) PROGRAM ESTABLISHED.—The Secretary shall carry out a program to educate students about the history and principles of the Constitution of the United States, including the Bill of Rights, and to foster civic competence and civil responsibility. Such program shall be known as 'We the People . . . The Citizen and the Constitution'.

"(2) EDUCATIONAL ACTIVITIES.—The program required by paragraph (1) shall continue and expand the educational activities of the National Bicentennial Competition of the Constitution and Bill of Rights administered by the Center for Civic Education.

"(3) CONTRACT AUTHORIZED.—The Secretary is authorized to enter into a contract with the Center for Civic Education to carry out the program required by paragraph (1).

"(b) PROGRAM CONTENT.—The education program authorized by this section shall provide—

"(1) a course of instruction on the basic principles of our constitutional democracy and the history of the Constitution and Bill of Rights;

"(2) school and community simulated congressional hearings following the course of study at the request of participating schools; and

"(3) an annual competition of simulated congressional hearings at the congressional district, State, and national levels for secondary students who wish to participate in such program.

"(c) PROGRAM PARTICIPANTS.—The education program authorized by this section shall be made available to public and private elementary schools in the 435 congressional districts, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the District of Columbia.

"(d) SPECIAL RULE.—Funds provided under this section may be used for the advanced training of teachers about the Constitution and Bill of Rights after the provisions of subsection (b) have been implemented.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $5,000,000 for the fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992 and 1993 to carry out the provi-

sions of this section.".

MOTION OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. KILDEE moves to strike all after the enacting clause of the Senate bill, S. 64, and to insert in lieu thereof the text of H.R. 2435, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to establish a National Council on Education Standards and Testing."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 2435) was laid on the table.

APPOINTMENT OF CONFEREES

Mr. KILDEE. Mr. Speaker, I ask unanimous consent to insist upon the House amendment to S. 64 and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

□ 1250

The SPEAKER pro tempore (Mr. MAZZOLI). The Speaker will appoint conferees upon his taking the chair.

GENERAL LEAVE

Mr. KILDEE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 2534 and S. 64.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

REREFERRAL OF H.R. 2009, MECHANISM FOR MAKING GRANTS TO INDIAN TRIBES FOR POST-SECONDARY GRANT PROGRAMS

Mr. KILDEE. Mr. Speaker, I ask unanimous consent that the bill (H.R. 2009) to establish a mechanism for making grants to tribes to administer postsecondary grant programs for Indian students and for other purposes, be rereferred to the Committee on Education and Labor.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

INTRODUCTION OF LUXURY TAX REPEAL BILL

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NICHOLS. Mr. Speaker, today I am introducing legislation to repeal the luxury tax included in the Omnibus Budget Reconciliation Act of 1990. This is the same legislation that Senator DOLE will be introducing in the Senate later this week.

The purpose of my bill is not to protect the rich. It is to restore and preserve the jobs of working men and women in this country who produce these goods and revitalize the industry they work in which have been severely and negatively impacted.

The luxury tax was included to add a 10-percent excise tax on newly manufactured products Congress considered luxuries. These included aircraft over $250,000, boats over $100,000, vehicles over $30,000, furs over $10,000, and jewelry over $5,000. Remember, those persons who purchase these products have always had to pay all State and local sales taxes.

The luxury tax is a misnomer, it does not place an additional tax burden on potential buyers of these goods. They can simply forgo the purchase of these products, or they simply buy used products. For instance, under the law a person wishing to purchase an aircraft which would cost $300,000 new, can buy the same aircraft used and not have to pay the excise tax, even if the aircraft cost more than $250,000.

It's simple economics. When prices get too high people stop buying the product—and they have. Sales of these products has been significantly affected by the luxury tax. The fact of the matter is the wealthy have not been hurt, but the working people have.

The purchase of these items may be a luxury to the purchasers, but to the men and women producing these goods their jobs and salaries are a necessity. It is not fair to punish working men and women who produce goods simply because they produce goods Congress labels as luxuries.

Beech Aircraft in my State has been devastated by the luxury tax. In the first 3 months of 1991, the company lost new retail orders totaling $77.6 million for 39 new aircraft specifically due to the luxury tax. That represents a loss of 255 jobs for 1 year for working men and women.

That amounts to a net loss to the Federal Government of $1.6 million. How much revenue did the luxury tax generate? $16,000. That's not even enough to pay for the collection of the tax.

According to a study done by Temple, Barker, & Sloane for the Fair Tax Coalition the luxury tax on automobiles, effective January 1, 1991, has created a permanent drop in demand of at least 20 percent for vehicles priced over $30,000. The drop will lead to a $135.5 million loss in revenue to State and local governments in 1991. Also, at least 3,320 Americans will lose their jobs.

The luxury excise tax has contributed to the impending loss of up to 19,000 blue-collar manufacturing jobs and bankruptcy for countless small, family-owned businesses across the United States. According to the National Marine Manufacturers Association, the boat tax cripples America's ability to compete abroad with domestically manufactured boats. The unit level of sales of inboard cruisers in January and February were off by 62 percent and 56 percent respectively from forecast levels.

The Congress, in its haste to point the tax gun at wealthy Americans, has shot the working men and women of this Nation in the back.

It is more and more apparent that the luxury tax will not generate additional revenue but actually result in a total net loss to our economy. With the Nation's economy trying to climb out of recession the continuation of a tax which cripples industry and puts working men and women in the unemployment line is misguided and reckless.

There are other bills out there which would repeal the excise tax on specific products impacted by the Budget Reconciliation Act. I support these measures, however, if you are philosophically opposed to this tax as I am, you should support an across-the-board repeal of this unjust tax. I urge my colleagues to support this legislation and help put our economy back on track.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON VETERANS' AFFAIRS

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Veterans' Affairs; which was read and, without objection, referred to the Committee on Appropriations:

COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, May 29, 1991.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Section 5004 of title 38, United States Code, requires that the Committees on Veterans' Affairs adopt a resolution approving major medical construction projects costing $2 million or more and leases of $500,000 or more proposed by the Department of Veterans Affairs for each fiscal year.

The House Committee on Veterans' Affairs met on May 29, 1991, and authorized leasing and construction of various projects for fiscal year 1992 by unanimous voice vote.

A copy of the Resolution adopted by the Committee and a listing of the projects authorized are enclosed.

Sincerely,

G. V. (SONNY) MONTGOMERY,
Chairman.

RESOLUTION OF THE COMMITTEE ON VETERANS' AFFAIRS

Resolved by the House Committee on Veterans' Affairs, That pursuant to the provisions of Section 5004, title 38, United States Code, the attached listing of major medical construction projects is approved. This approval is by project and includes funds authorized in Fiscal Year 1992 and future fiscal years.

There was no objection.

DOMESTIC POLICY AGENDA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 60 minutes.

Mr. DREIER of California. Mr. Speaker, as I said, I will not take the entire 60 minutes. I have taken this special order out this afternoon to talk about an issue that came to my attention, frankly, over the weekend.

I was in my district in southern California, and a number of people talked about the domestic policy priorities that we face.

Then when I returned to Washington, I saw last night a clip on the news in which a number of people were raising the fact that we have, as a Congress, been unable to meet a very important charge that was given to us right here in this Chamber on March 6 of this year.

It was on March 6 that President Bush stood here and talked about the tremendous victory of Operation Desert Storm. We were heralding the return of our half a million troops. There was a parade over the weekend here in Washington, which unfortunately, as I said, I had to be in California so I missed. But I just saw a little clip on the cable news network. They are arranging a ticker tape parade that is going on in New York City at this time. And it really started with this victory, which President Bush talked about here on March 6.

During Operation Desert Storm, the Persian Gulf war, a number of people said, "George Bush does a great job of dealing with foreign policy." And our colleagues on the other side of the aisle acknowledge the fact that he obviously handled Operation Desert Storm extraordinarily well and demonstrated that he clearly is a superb Commander in Chief.

"But," they said, "when it comes to domestic issues, George Bush doesn't care about them and even if he cared about them, he really hasn't been doing much and we really don't have an agenda put forth to deal with those things."

Well, it was fascinating that when we were heralding the success of Operation Desert Storm, the President stood right behind me here and spoke about domestic policy agenda. He talked about a wide range of things that we need to address.

In fact, in that March 6 speech, and I am going to quote a few things here, he said:

> Let's begin with two initiatives we should be able to agree on quickly: transportation and crime. And then let's build on success with those and enact the rest of our domestic policy agenda.

He said:

> If our forces could win the ground war in 100 hours, then surely the Congress can pass this legislation in 100 days. If we can selflessly confront evil for the sake of good in a land so far away, then surely we can make this land all that it should be.

It seems to me, Mr. Speaker, that those were very clear words that came to us in that address to Congress on March 6. Some of the President's other initiatives which he has unveiled in his State of the Union Message and in other speeches that he has given include his call for one of the most important jobs creation bills manageable. That is a rollback in the capital gains tax so that we can get this economy rolling and create an incentive for small business men and women and other investors in this country to create jobs and opportunity.

He has unveiled a national energy strategy to lessen America's dependence on foreign oil. He has called for the expansion of choice in education.

I mentioned crime. He has a comprehensive crime package which clearly strengthens our laws against illegal firearms, gang violence, drug trafficking, child abuse and terrorism. He has called for one of the most important things, if we are going to compete internationally, that being reform of the banking system to improve safety and soundness and again increase the opportunity for us to compete internationally.

□ 1300

Antijob discrimination legislation that will not lead to quotas and excessive litigation clearly has been a priority, and we all know from the vigorous debate which went on in this House last week that that is something the President feels very strongly about, and we are still trying to work on civil rights legislation.

Also, the President has called for a new highway bill which is designed to rebuild our Nation's infrastructure, and that is a priority item.

Again, I come from southern California, and in southern California we have a very important transportation crisis. Unfortunately, the 100 days since March 6 come up to an end this Friday, and as I look at the schedule that we have for this week, it is apparent that we are not going to be bringing it up, and the President has, I believe correctly, pointed to the fact that Congress has been dilatory and we have not responded to his domestic policy agenda. So anyone who chooses to stand here on the other side of the aisle and say President Bush does not have a domestic policy agenda obviously is dead wrong, Mr. Speaker.

I believe that we need to move as quickly as we can to try and respond to these domestic policy needs which the American people face and which those of us on this side of the aisle very much want to address. Unfortunately, we have seen people use really what I call sleight of hand when it comes to legislative action on a number of these issues.

Last Thursday we had a very good success and a great victory because of a package which we had been working on for a number of years, and we were able to get it here to the House floor. I am speaking specifically of the President's program to create the opportunity for what is known as HOPE, the acronym meaning Homeownership for People Everywhere. Our great Secretary of Housing and Urban Development, our former colleague, Jack Kemp, and President Bush have worked diligently to create an opportunity for people in blighted urban areas who are living in substandard housing and dealing with all the problems that that creates, drug trafficking and crime and poor living conditions. We have worked hard to try, on a task force on which I have been working over the last several years and legislatively on the Housing Subcommittee, to push forward with a bill, which would, as we debated here in the House last week, create the opportunity for people in blighted urban areas to have that pride of ownership which gives them a little individual responsibility, and we all believe will have a chance, as this House determined, will have the opportunity to do that and take care of their homes.

Well, the leadership on the other side of the aisle, Mr. Speaker, has consistently tried to prevent us from having an opportunity to even offer that legislation here on the House floor. I am very pleased that we were able to have bipartisan support in the Committee on Rules to bring this measure to the floor. Unfortunately, the majority, which has a 2-to-1 plus 1 control over the Committee on Rules over those of us on the minority, has blocked this legislation in years past from coming to the floor, and while we did authorize it in August last year when it actually came to the appropriations process, we unfortunately were not allowed to consider it because of some activities that had gone on upstairs in the Committee on Rules. We did put together a bipartisan coalition that, first, in the Committee on Rules, gave us a chance to offer it and when we did have the chance to offer it here on the floor, by roughly a 50-vote margin, because there was so much common sense to this legislative-reform agenda that the President had dealing with the opportunity for people in blighted urban areas to own their homes, we by a 50-

vote margin were able to pass it here on the House floor.

Mr. Speaker, I am convinced that if the Democratic leadership will allow us to deal with these other issues, crime, transportation, education, all of these issues which I have just outlined, that we could put together a bipartisan coalition here in the House which would allow us to bring the American people what it is that they so desperately want.

Critics naturally say this is nothing more than politics as usual. The President proposes and Congress disposes, as the old saying goes. Well, Mr. Speaker, I believe very strongly that if Congress gets a chance to consider these things here on the House floor, because they are such very important and positive programs, that we, just like we did last week on the Homeownership for People Everywhere program, which the President pushed forward, I think that we would have the chance to put together a bipartisan coalition, because there are many of our colleagues on the other side of the aisle who do bring the same kind of common sense which emanates in great loads from the Republican side.

I think that we could then put together a package of passing these domestic policy items. So that this is not simply politics as usual other than the fact that it is a Congress which, frankly, has been recalcitrant.

Some in the other body have said Republicans have held up this legislation. Now, as I read the Constitution, as I look at the way this place has been run, Republicans really do not guide the rudder in either this House or the other body, Mr. Speaker. It is the Democrat majority which makes the determination, their leadership, as to whether or not bills are going to be considered here on the floor.

So I hope very much that as we look toward this Friday and attempt to implement this 100-day agenda which on March 6 the President talked about here, we can do something. Again, it does not look like we are planning to by this Friday, but even if we do not do it by this Friday, I think that President Bush could understand if maybe next week we would complete his domestic policy agenda.

But if we could take that action, I think the American people would have a greater degree of confidence in their Government, and I believe that they would all be much better off.

Mr. Speaker, I hope that we are able to put this together, and I thank my colleagues who have been supportive in this attempt. I know President Bush is very appreciative of those who want to move ahead with this very important domestic policy agenda.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. ROUKEMA (at the request of Mr. MICHEL), for the week of June 10, on account of family obligations.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. DREIER of California) to revise and extend his remarks and include extraneous material):

Mr. DREIER of California, for 60 minutes, today.

(The following Members (at the request of Mr. KILDEE) to revise and extend their remarks and include extraneous material):

Mr. HUTTO, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ANDREWS of New Jersey, for 5 minutes, on June 12 and 15.

Mr. MCCURDY, for 60 minutes, on June 18, 19 and 20.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DREIER of California) and to include extraneous matter):

Mr. KOLBE.

Mr. LAGOMARSINO.

Ms. ROS-LEHTINEN.

Mr. NICHOLS.

Mr. DREIER of California.

(The following Members (at the request of Mr. KILDEE) and to include extraneous matter):

Mr. TOWNS.

Mr. ROE.

Mr. HOYER.

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN.

Mr. CLEMENT.

Mrs. KENNELLY.

Mr. VENTO.

Mr. LEHMAN of California.

Mr. WAXMAN.

ADJOURNMENT

Mr. DREIER of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 6 minutes p.m.), the House adjourned until tomorrow, Tuesday, June 11, 1991, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1517. A letter from the Assistant Attorney General—Legislative Affairs, Department of Justice, transmitting their views on H.R. 2427; to the Committee on Appropriations.

1518. A letter from the Secretary of the Air Force, transmitting factsheets providing details of the recommended closure of 15 Air Force bases located in the United States; to the Committee on Armed Services.

1519. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. 05-91, concerning a proposed memorandum of understanding cooperative project with the defense establishments of France, Germany, Italy, and Spain, pursuant to 22 U.S.C. 2767(f); to the Committee on Foreign Affairs.

1520. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1521. A letter from the Secretary of Agriculture, transmitting the semiannual report of the inspector general, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1522. A letter from the President, National Railroad Passenger Corporation, transmitting a report on the activities of the Office of Inspector General, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1523. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend title 5, United States Code, to provide a remote maintenance allowance to certain officers and employees of the United States assigned to Johnston Island; to the Committee on Post Office and Civil Service.

1524. A letter from the Deputy Administrator, General Services Administration, transmitting prospectus proposing a building project or lease, pursuant to 40 U.S.C. 606(a); to the Committee on Public Works and Transportation.

1525. A letter from the Director, Office of Management and Budget, transmitting a report entitled "Budgeting for Federal Deposit Insurance," pursuant to Public Law 101-508, section 13201(a) (104 Stat. 1388-614); jointly, to the Committees on Government Operations and Banking, Finance and Urban Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FORD of Michigan: Committee on Education and Labor. H.R. 2435. A bill to establish a National Council on Education Standards and Testing; with an amendment (Rep. 102-104). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ARMEY (for himself, Mr. DELAY, and Mr. WALKER):

H.R. 2598. A bill to amend the Internal Revenue Code of 1986 to repeal the excise taxes on luxury items; to the Committee on Ways and Means.

By Mr. BENNETT (for himself, Mr. SPENCE, and Mr. ROTH (both by request)):

H.R. 2599. A bill to authorize the disposal of certain strategic and critical materials from the national defense stockpile during fiscal years 1992 and 1993 and to amend the Strategic and Critical Materials Stock Piling Act to improve the management of the stockpile; to the Committee on Armed Services.

By Mr. WYDEN (for himself and Mr. KASICH):

H.R. 2600. A bill to amend the Petroleum Marketing Practices Act; to the Committee on Energy and Commerce.

By Mr. DANNEMEYER:

H.R. 2601. A bill to provide for a resumption of the gold standard; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DREIER of California:

H.R. 2602. A bill to repeal the outside earnings limitation under title II of the Social Security Act, to repeal taxation of Social Security and tier 1 railroad retirement benfits, and to eliminate FICA and SECA taxes for individuals who have attained age 70; to the Committee on Ways and Means.

By Mr. LANTOS:

H.R. 2603. A bill to provide for the payment of death benefits to members of the armed forces of the United Kingdom killed by friendly fire during the Persian Gulf conflict; jointly, to the Committees on Armed Services and Veterans' Affairs.

By Mr. NICHOLS:

H.R. 2604. A bill to amend the Internal Revenue Code of 1986 to repeal the luxury excise tax; to the Committee on Ways and Means.

By Mr. VENTO:

H.R. 2605. A bill amending the Hazardous Liquid Pipeline Safety Act of 1979 to require the installation of remote control valves and supervisory control and data acquisition systems on certain pipeline facilities, and for other purposes; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

MEMORIALS

Under clause 4 of rule XXII,

180. The SPEAKER presented a memorial of the Legislature of the State of Hawaii relative to humanitarian assistance to the people of Rongelap Atoll, Marshall Islands; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 318: Mr. ZIMMER.

H.R. 392: Mr. PETERSON of Florida, Mrs. COLLINS of Michigan, Mr. CAMPBELL of Colorado, Mr. RAVENEL, Mr. LEACH, Mr. CLAY, Mr. ZIMMER, Mr. CHANDLER, and Mr. LAROCCO.

H.R. 467: Mr. ROHRABACHER, Mr. SLAUGHTER of Virginia, Mr. WALSH, Mr. RITTER, Mr. OWENS of New York, and Mr. HOCHBRUECKNER.

H.R. 917: Mr. OBERSTAR, Mr. RAVENEL, Mr. HENRY, Mr. CLAY, Mrs. BOXER, Mr. STARK, Mr. MURTHA, Mr. FOGLIETTA, Mr. GALLEGLY, Ms. HORN, Mr. DOOLEY, Mr. SMITH of Iowa, and Mr. TORRICELLI.

H.R. 1048: Mr. YATRON.

H.R. 1355: Mr. HORTON, Mr. DUNCAN, Mr. MCGRATH, Mr. HOCHBRUECKNER, and Mr. JONTZ.

H.R. 1473: Mr. SCHAEFER and Mr. HAYES of Illinois.

H.R. 1774: Mr. BUSTAMANTE.

H.R. 2049: Mr. CRANE and Mrs. MEYERS of Kansas.

H.R. 2391: Mr. FASCELL.

H.R. 2392: Mr. FASCELL.

H.J. Res. 191: Mr. FISH, Mr. SHAYS, Mr. DWYER of New Jersey, Mr. BURTON of Indiana, Mr. BILIRAKIS, Mr. BERMAN, Mr. LENT, Mr. ANNUNZIO, Mr. BATEMAN, Mrs. BENTLEY, Mr. CALLAHAN, and Mr. BRYANT.

H.J. Res. 252: Mr. SAXTON, Mr. WISE, Mr. LEHMAN of Florida, Mr. HORTON, Mr. MCMILLEN of Maryland, Mr. WILSON, Mr. GONZALEZ, Mr. HARRIS, Mr. FALEOMAVAEGA, Mr. ERDREICH, Mrs. COLLINS of Illinois, and Mr. ACKERMAN.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2508

By Mrs. BENTLEY:

—At the appropriate place, insert the following new section—

SEC. . SITUATION OF THE SERBIAN MINORITY IN THE REPUBLIC OF CROATIA.

It is the sense of Congress that—

(1) ethnic Serbians living in the Republic of Croatia and in other parts of Yugoslavia should not be discriminated against because of their ethnicity;

(2) ethnic Serbians in the Republic of Croatia should retain their full ethnic, linguistic, religious, and political rights and the government of the Republic of Croatia should take the necessary steps to ensure these rights.

(3) Serbian leaders in the Republic of Croatia and other Yugoslav and Croatian leaders should resolve their differences through negotiations and should not, under any circumstance, resort to violence or repression.

By Mr. BEREUTER:

—Page 63, after line 11, insert the following:

"(2) that imported through private or governmental sectors from the United States, in the most recent year for which trade statistics are available, an amount of United States goods and services equal to or greater than the amount of the cash transfer;

—Page 63, line 12, strike out "(2)" and insert in lieu thereof "(3)".

—Page 64, line 7, strike out "(3)" and insert in lieu thereof "(4)"; and line 16, strike out "(3)" and insert in lieu thereof "(4)".

—Page 64, line 23, after "so" insert "or that failure to waive the provisions of this section would impair the competitiveness of United States exports".

—Page 63, after line 11, insert the following:

"(2) that has a mortality rate for children under 5 years of age greater than 70 per 1,000 live births;

"(3) that has a primary education completion rate of fewer than 80 percent of primary school age children;

—Page 63, line 12, strike out "(2)" and insert in lieu thereof "(4)".

—Page 64, line 7, strike out "(3)" and insert in lieu thereof "(5)"; and line 16, strike out "(3)" and insert in lieu thereof "(5)".

—Page 64, line 21, strike out "with respect to a country".

—Page 65, after line 5, insert the following:

"(g) EXPIRATION.—This section shall not apply after fiscal year 1993.

—Page 62, line 11, delete "Country" and insert the following: "recipient government".

—Page 62, line 17, after "purchased". insert the following: "by the recipient government".

By Mr. BROOMFIELD:

—On page 128, insert the following new section after line 2:

"SEC. 2208. COMMITMENT OF PRIOR-YEAR GRANT FINANCING.

"If the President at any time notifies the Congress that no further sales will be made pursuant to the Defense Trade and Export Control Act after the date of such notification to a specified country under circumstances then prevailing, any uncommitted funds allocated for such country that, prior to the effective date of title II of the International Cooperation Act of 1991, were transferred under the former authority of section 503(a)(3) of the Foreign Assistance Act of 1961 or section 23 of the Arms Export Control Act for the purpose of financing such sales may be committed to finance such sales to other eligible countries subject to advance notification to the Committees on Appropriations and Foreign Relations of the Senate and the Committees on Appropriations and Foreign Affairs of the House of Representatives.".

—On page 171, strike out lines 14 and 15 and insert in lieu thereof:

"(3) the collection of evidence of any unauthorized end use or transfer by recipient countries of defense articles and the transmission of such evidence to the Secretary of State;".

—On page 186, strike out lines 3 through and including line 7 and insert in lieu thereof:

"(b) COOPERATIVE TRAINING AGREEMENTS.—Section 21(g) of the Defense Trade and Export Control Act is amended in the first sentence by striking out 'similar agreements' and all that follows through 'allies' and inserting in lieu thereof 'similar agreements with countries that are major non-NATO allies or that received assistance under the former authorities of Chapter 5 of part II of the Foreign Assistance Act of 1961 in fiscal year 1990'.".

—On page 171, strike out the word "supervision" in line 14 and insert in lieu thereof the word "monitoring".

—Page 79, line 21, strike "and" and insert "or";

—Page 79, line 24, insert "and medium-sized" after "small";

—Page 79, line 25, insert "and capital" after; "credit";

—Page 80, after line 2, insert:

"(2) PRIVATIZATION.—The activity makes credit available to support the privatization of state-owned commercial enterprises and the private provisions of public services."

"(3) ENVIRONMENT.—The activity demonstrates that projects having a positive environment impact can be commercially feasible investments for the private sector."

—Page 80, line 3, strike (2) before "United";

—Page 80, line 3, insert "(4)" before "United";

—Page 80, line 11, insert "investments in guarantees of or" after "with";

—Page 81, strike lines 5 through 25;

—Page 82, strike lines 1 through 12;

—Page 82, line 13, strike "(D)" after "The";

—Page 82, line 13, insert "(C)" before "The";

—Page 83, line 4, strike "(E)" before "Not";

—Page 83, line 4, insert "(D)" before "Not";

—Page 83, line 5, strike "Of funds loaned and" after "of";

—Page 83, line 8, strike "(F)" after "In";

—Page 83, line 8, insert "(E)" before "In";
—Page 83, line 9, insert "and medium-sized" after "small".
—Page 83, line 17, insert "s" after "obligation";
—Page 83, line 17, strike "qualifies" after "contracted";
—Page 83, line 17, insert "qualify" after "contracted".
—Page 79, line 21, strike "and" and insert "or";
—Page 79, line 24, insert "and medium-sized" after "small";
—Page 82, line 10, strike "85" and insert "66";
—Page 83, line 9, insert "and medium-sized" after "small".

By Mr. BRYANT:

—Page 549, insert the following after line 21:

(e) LIMITATION ON ASSISTANCE.—

(1) STATEMENT OF POLICY.—(A) The Congress strongly supports the preservation of the security and freedom of the State of Israel, and recognizes the extraordinary burden borne by Israel in accommodating the influx of Soviet Jews. The Congress also appreciates Israel's policy of restraint in the Persian Gulf conflict.

(B) The Congress recognizes that the United States commitment of $3,000,000,000 annually to Israel is a significant one, and one which will likely continue until obstacles to peace in the Middle East region are removed. Accordingly, the removal of obstacles to peace is a matter of significant importance to the United States.

(2) REPORTS ON INVESTMENT BY ISRAEL IN WEST BANK AND GAZA.—The President shall submit to the Congress, not later than February 1, 1992, and not later than February 1, 1993, a report on the extent of investment by the Government of Israel in new and expanded settlements in the West Bank and Gaza, other than in Jerusalem. The first report shall cover such investment during the 1991 fiscal year of Israel, and the second report shall cover such investment during the 1992 fiscal year of Israel.

(3) RESTRICTION ON ASSISTANCE FOR FISCAL YEAR 1992.—(A) Of the amounts otherwise made available under subsection (a) for fiscal year 1992, $82,500,000 shall be withheld, notwithstanding subsection (a)(2).

(B) The restriction contained in subparagraph (A) shall cease to apply if and when the President certifies to the Congress that the Government of Israel has demonstrated that it is not investing in new and expanded settlements in the West Bank and Gaza, other than in Jerusalem.

(4) RESTRICTION ON ASSISTANCE FOR FISCAL YEAR 1993.—(A) If a certification has not been made under paragraph (3)(B) by September 30, 1992, then of the amounts otherwise made available under subsection (a) for fiscal year 1993, an amount shall, notwithstanding subsection (a)(2), be withheld which is equal to the amounts expended by the Government of Israel in investment described in paragraph (2) as reflected in the report submitted under paragraph (2) by February 1, 1992.

(B) The restriction contained in subparagraph (A) shall cease to apply if and when the President makes a certification described in paragraph (3)(B).

(5) AVAILABILITY OF WITHHELD FUNDS.—Amounts withheld under paragraphs (3) and (4) shall remain available until expended, notwithstanding any conflicting provision contained in any appropriation Act.

By Mr. BURTON of Indiana:

—Page 657, after line 25, insert the following:

SEC. 927. HUMAN RIGHTS IN INDIA.

(a) REPORT ON ACCESS OF HUMAN RIGHTS MONITORING ORGANIZATIONS.—Not later than 60 days after the date of enactment of this Act, the President shall report to the Congress whether the Government of India is implementing a policy which prevents representatives of Amnesty International and other human rights organizations from visiting India in order to monitor human rights conditions in that country.

(b) TERMINATION OF DEVELOPMENT ASSISTANCE PROGRAMS.—If the President reports to the Congress, either pursuant to subsection (a) or at any other time, that the Government of India is implementing a policy which prevents representatives of Amnesty International and other human rights organizations from visiting India in order to monitor human rights conditions in that country, all development assistance for India shall be terminated, except for assistance to continue the vaccine and immunodiagnostic development project, the child survival health support project, and the private and voluntary organizations for health II project.

(c) RESUMPTION OF ASSISTANCE.—Assistance terminated pursuant to subsection (b) may be resumed only if the President reports to the Congress that the Government of India is no longer implementing a policy which prevents representatives of Amnesty International and other human rights organizations from visiting India in order to monitor human rights conditions in that country.

—Page 657, after line 25, insert the following:

SEC. 927. FREEDOM FOR KASHMIR.

(a) FINDINGS.—The Congress finds that—

(1) the historically independent people of the State of Jammu and Kashmir (commonly referred to as "Kashmir") have been denied the plebiscite that was promised them by resolutions adopted in 1948 and 1949 by the United Nations Commission for India and Pakistan;

(2) those resolutions were agreed to by the Government of India and the Government of Pakistan, with the firm support of the United States;

(3) the United States, as the world's most powerful democracy, has supported the principle that the status of the State of Jammu and Kashmir should be decided by the democratic method of a plebiscite under impartial control and supervision;

(4) despite those resolutions, during the past 40 years the people of the State of Jammu and Kashmir have suffered through 2 wars and continuous unrest while being denied the right to self-determination by the Government of India;

(5) the inevitable frustrations of a people being governed without their consent have recently resulted in an upsurge of conflict and violence in the State of Jammu and Kashmir;

(6) the Government of India has responded to this situation by isolating the State of Jammu and Kashmir from the outside world;

(7) there have been an increasing number of reports of unwarranted use of deadly force, as well as torture, rape, beatings, restriction of medical services, and other violations of basic human rights;

(8) the Government of India has continued to refuse the requests of Amnesty International and the International Committee of the Red Cross, to enter the State of Jammu and Kashmir to investigate and evaluate the situation;

(9) the Government of India has refused to respond to unofficial offers by the International Committee of Red Cross to provide humanitarian assistance to the State of Jammu and Kashmir; and

(10) the United States supports the Universal Declaration of Human Rights and the internationally recognized rights of freedom of speech, assembly, and press, and due process of law.

(b) POLICY DECLARATIONS.—The Congress—

(1) deplores the excessive use of force and violence, including torture, by the security forces of the Government of India against civilians in the State of Jammu and Kashmir;

(2) demands that the Government of India open the borders of the State of Jammu and Kashmir to Amnesty International and the International Committee of the Red Cross to permit an accurate assessment of the human rights situation in the State of Jammu and Kashmir;

(3) reaffirms that the question of the future status of the State of Jammu and Kashmir be decided through the democratic method of a free and impartial plebiscite; and

(4) calls on the President, the United Nations, and the international community to use all measures at their disposal to establish the conditions necessary for a free and impartial plebiscite in the State of Jammu and Kashmir.

—Page 688, after line 3, insert the following:

(c) LIMITATION ON ASSISTANCE.—Assistance for any fiscal year under the Foreign Assistance Act of 1961, including assistance with funds appropriated before the date of enactment of this Act, may not be delivered to any organization or institution in South Africa which—

(1) is formally linked to the Communist Party of South Africa;

(2) is engaged in violations of internationally recognized human rights, including the unlawful detention of individuals; or

(3) does not have in place democratic processes for internal decisionmaking and the selection of leaders.

This subsection does not prevent the provision of training, instruction, or education in democratic processes for individual members of an organization or institution that is ineligible for assistance under this subsection.

—Page 568, after line 14, insert the following:

SEC. 818. JORDAN.

The Congress is extremely distressed at Jordan's behavior and attitude during Operation Desert Storm. Assistance may not be provided to Jordan for fiscal year 1992 under the Foreign Assistance Act of 1961.

—Page 707, after line 23, add the following:

(c) DISAPPROVAL OF ACTIONS AND STATEMENTS IN OPPOSITION TO UNITED STATES POLICIES.—The Congress is disappointed in those countries in Africa that opposed United States policy during Operation Desert Storm. The Congress expresses special displeasure with the actions of Zambia, whose President traveled to Baghdad at the height of the Gulf crisis in a show of support for Saddam Hussein. Finally, the Congress completely rejects statements of leaders of the African National Congress equating United States and Iraq actions in the Middle East.

—Strike out section 1024 (page 673, line 9, through page 676, line 22), and redesignate sections 1025 through 1031 as sections 1024 through 1030, respectively.

By Mr. CAMPBELL of California:

—Page 568, after line 14, insert the following:

SEC. 826. SYRIAN POLICY TOWARD ISRAEL.

(a) FINDINGS.—The Congress finds that—

(1) the State of Israel suffered significant damage from Iraqi SCUD attacks during the recent Persian Gulf war;

(2) Syria possessed SCUD capabilities before the war;

(3) Syria increased its SCUD supplies during the Persian Gulf war, including missiles with chemical capabilities;

(4) Syria remains implacably opposed to Israel's right to exist and has waged war on Israel in 1948, 1967, and 1973;

(5) the Syrian Government has sponsored terrorist groups that have repeatedly attacked Israel; and

(6) the Syrian Government has violated the sovereignty of Lebanon and claims sovereignty over Israel.

(b) POLICY DECLARATIONS.—It is the sense of the Congress that—

(1) Syria remains a threat to the State of Israel; and

(2) it should be the policy of the United States to limit Syria's offensive capabilities and encourage the Syrian Government to unequivocally recognize Israel's right to exist as a sovereign nation.

By Mr. CUNNINGHAM:

—Page 568, after line 14, insert the following:

SEC. 818. PROHIBITION ON ASSISTANCE FOR JORDAN.

Assistance may not be provided for Jordan for fiscal year 1992 or 1993 under the Foreign Assistance Act of 1961.

—Page 568, after line 14, insert the following:

SEC. 818. PROHIBITION ON ASSISTANCE FOR JORDAN.

Assistance may not be provided for Jordan for Fiscal Year 1992 under the Foreign Assistance Act of 1961, unless the President certifies that such assistance is in the national interest of the United States.

By Mr. DE LA GARZA:

—Amend chapter 4 of title V of the Foreign Assistance Act of 1961, as amended by section 501 of the bill, to read as follows:

"CHAPTER 4—ENTERPRISE FOR THE AMERICAS INITIATIVE

"SEC. 5401. REDUCTION OF CERTAIN DEBT.

"(a) AUTHORITY TO REDUCE DEBT.—

"(1) In addition to the debt specified under section 604 of the Agricultural Trade Development and Assistance Act of 1954 (7 USC 1738c), the President may reduce the amount of debt owed to the United States (or any agency of the United States) that is outstanding as of January 1, 1990, as result of concessional loans made by the United States pursuant to the former authorities of Part I of this Act (or predecessor foreign economic assistance legislation) to a country eligible for benefits under the Facility established pursuant to section 601 of the Agricultural Trade Development and Assistance Act of 1954 (7 USC 1738).

"(2) LIMITATIONS.—

"(A) FEDERAL CREDIT REFORM ACT REQUIREMENTS.—The authority of this section may be exercised only to the extent that the budget authority for the resulting additional cost (within the meaning of the Federal Credit Reform Act of 1990) has been provided in advance in appropriations Acts.

"(B) LIMITATION OF AUTHORIZATION AMOUNTS.—Notwithstanding section 505(a) of the Federal Credit Reform Act of 1990, the following amounts only are authorized to be appropriated for such costs for fiscal years 1992 and 1993: $242,356,000 for fiscal year 1992 and $224,644,000 for fiscal year 1993.

"(C) Except as otherwise specifically authorized under this section, any debt reduced pursuant to this section shall be subject to the conditions, limitations, and administrative procedures prescribed for the reduction of debt under title VI of the Agricultural Trade Development and Assistance Act of 1954.

"(3) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to this section shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

"(b) IMPLEMENTATION OF DEBT REDUCTION.—

"(1) IN GENERAL.—Any debt reduction pursuant to subsection (a) shall be accomplished at the direction of the Facility established pursuant to section 601 of the Agricultural Trade Development and Assistance Act of 1954 by the exchange of a new obligation for obligations outstanding as of January 1, 1990.

"(2) EXCHANGE OF OBLIGATIONS.—Such Facility shall notify the administering agency of the agreement with an eligible country to exchange a new obligation for outstanding obligations pursuant to this subsection; and at the direction of such Facility, the old obligations shall be canceled and a new debt obligation for the country shall be established, and the administering agency shall make an adjustment in its accounts to reflect the debt reduction.".

By Mr. DORGAN of North Dakota:

—Page 17, line 16, after "issues," insert "policies concerning the furnishing of foreign military financing assistance,".

—Page 127, line 1, strike out "$4,411,444,000" and insert in lieu thereof "$3,907,299,000".

—Page 127, line 1, strike out "$4,411,444,000" and insert in lieu thereof "$4,151,000,000".

—Page 107, after line 4, insert the following:

"(e) POLICY REGARDING CONSISTENCY WITH ACHIEVEMENT OF ECONOMIC ASSISTANCE OBJECTIVES.—Military assistance should not be provided to a country under this title if such assistance would hinder the achievement of the four basic objectives set forth in section 1102 of promoting sustainable economic growth, sustainable resource management, poverty alleviation, and democracy.

—Page 126, strike out lines 11 through 21 and insert in lieu thereof the following:

"SEC. 2206. CONSIDERATIONS IN FURNISHING ASSISTANCE.

"Decisions to furnish assistance under this chapter—

"(1) shall be made in coordination with the administering agency for title I and the United States Arms Control and Disarmament Agency; and

"(2) shall take into account—

"(A) the opinion of the administering agency for title I as to whether such assistance will hinder the achievement of the four basic objectives set forth in section 1102 of promoting sustainable economic growth, sustainable resource management, poverty alleviation, and democracy in the recipient country; and

"(B) the opinion of the United States Arms Control and Disarmament Agency as to whether such assistance will—

"(i) contribute to an arms race;

"(ii) increase the possibility of outbreak or escalation of conflict; or

"(iii) prejudice the development of bilateral or multilateral arms control arrangements.

By Mr. DREIER of California:

—Page 588, after line 24, insert the following:

(h) PROGRAM FOR EAST EUROPEAN POLITICAL EDUCATION (PEEPLE).—Title II, as amended by subsection (g) of this section, is further amended by adding at the end the following:

"SEC. 209. PROGRAM FOR EAST EUROPEAN POLITICAL EDUCATION (PEEPLE).

"(a) ESTABLISHMENT OF PROGRAM.—In order to assist with encouraging the transition from totalitarianism to democratic society by empowering Eastern Europe's indigenous forces for political and economic freedom, the Director of the United States Information Agency shall establish a Program for East European Political Education. This program shall be designed to provide training and hands-on experience for East European leaders with the United States Congress, in political campaigns in the United States, with the United States media, and with United States business by awarding Congressional Gift of Democracy Fellowships.

"(b) CONGRESSIONAL GIFT OF DEMOCRACY FELLOWSHIPS.—Congressional Gift of Democracy Fellowships pursuant to this section shall be awarded by no more than 2 nongovernmental organizations selected by the Director of the United States Information Agency to develop and administer the Program for East European Political Education. In selecting such organizations, the Director shall consider an organization's past experience in conducting Eastern European internship programs and its ability to coordinate activities with East European democratic and educational organizations.

"(c) MATCHING FUNDS.—Each organization selected pursuant to subsection (b) shall be required to use its own funds or other funds derived from nongovernmental sources, in an amount not less than the amount of funds made available to that organization under this section, for fellowships and its expenses in administering the Program for East European Political Education.

"(d) PERIOD OF FELLOWSHIPS.—Each fellowship pursuant to this section shall be for a period not to exceed 5 months.

"(e) FUNDING.—Of the funds made available to carry out section 204, up to $300,000 for each of the fiscal years 1992 and 1993 shall be transferred to the United States Information Agency for use in carrying out this section.

"(f) TERMINATION.—The Program for East European Political Education shall terminate as of September 30, 1993, unless extended by the Congress, and Congressional Gift of Democracy Fellowships may not be awarded after that date.".

(i) BUSINESS TO BUSINESS PROGRAM.—Title II, as amended by subsections (g) and (h) of this section, is further amended by adding at the end the following:

"SEC. 210. BUSINESS TO BUSINESS PROGRAM.

"The Congress—

"(1) finds that the Peace Corps, the Department of Commerce, and the Small Business Administration are working together to develop a Business to Business Program to send experienced United States businessmen and businesswomen as volunteers to Central and Eastern Europe for an extended period of time to work with private companies and individuals in order to teach basic business and management skills;

"(2) commends the Peace Corps, the Department of Commerce, and the Small Business Administration for developing their Business to Business Program and for recognizing the importance of sending business experts to help in the development of free-market economies; and

"(3) authorizes the Peace Corps to use funds made available to carry out the Peace Corps Act to implement the Peace Corps' responsibilities under the Business to Business Program.".

—Page 589, line 1, strike out "(h)" and insert in lieu thereof "(j)".

—Page 590, in the text following line 2, strike out the closing quotation marks and the second period and after the item relating to section 208 insert the following:

"Sec. 209. Program for East European Political Education (PEEPLE).

"Sec. 210. Business to Business Program.".

—Page 611, after line 22, insert the following:

(10) PROGRAM FOR EAST EUROPEAN POLITICAL EDUCATION (PEEPLE).—By adding at the end the following:

"(29) PROGRAM FOR EAST EUROPEAN POLITICAL EDUCATION (PEEPLE).—Programs to provide training and hands-on experience for young East European leaders with the United States Congress, in political campaigns in the United States, with the United States media, and with United States business.".

(11) BUSINESS TO BUSINESS PROGRAMS.—By adding after paragraph (29), as added by paragraph (10) of this section, the following:

"(30) BUSINESS TO BUSINESS PROGRAMS.—Sending experienced United States businessmen and business women to eligible East European countries to work with private companies and individuals in order to teach basic business and management skills.".

—Page 574, line 6, strike out the closing quotation marks and the second period; and after line 6, insert the following:

"(d) FINDINGS REGARDING ECONOMIC FREEDOM.—The Congress finds as follows:

"(1) The development of a free and open society is a prerequisite for sustained economic growth.

"(2) The United States, in partnership with eligible East European countries, would derive mutual benefits from economic freedoms that generate economic growth, increased trade, and investment opportunities.

"(3) United States assistance to eligible East European countries should be used to encourage policies that further sustain economic growth, rather than offset the costly effects of policies which discourage individual initiative, produce capital flight, and subsidize environmentally destructive or wasteful use of resources.

"(4) The American offer of assistance to eligible East European countries constitutes a partnership based on mutual benefit, devotion of resources, and commitment to the achievement of policies conducive to the sustainable economic growth necessary for the alleviation of poverty. United States economic assistance, which is a limited resource, should be primarily directed to those countries that exhibit the greatest commitment to the partnership for development through policies conducive to economic development.

"(5) Economic reforms leading to sustainable economic growth can require short-term assistance for economic sectors where the previous growth-impeding policies which distort the allocation of resources. The United States should work with international financial institutions and eligible East European countries to alleviate possible short-term costs associated with economic reform in those countries.

"(6) To be effective, United States assistance should be accompanied by a policy framework that promotes long-term, self-sustainable economic growth and development.

"(e) INDEX OF ECONOMIC FREEDOM.—In determining whether United States assistance should be provided for an eligible East European country, the President should consider the following factors:

"(1) PROPERTY RIGHTS.—The extent to which poor or landless individuals are illegally or otherwise artificially constrained from acquiring land or other forms of property or are unable to gain secure legal title to land, the degree to which laws and an independent judiciary protect private property and enforce contracts for individuals against the government, the extent of nationalization of property and the state's power to nationalize private property, and the degree of access of private parties to the judicial system.

"(2) REGULATIONS.—The difficulty and costliness of securing a business license, regulations which inherently favor established business at the expense of newcomers, and limitations on the freedom and ability of citizens to establish businesses or add prohibitive costs or additional risks to maintaining such businesses.

"(3) INFORMAL SECTOR.—The extent to which government policies force economic activity into nominally illegal informal sectors where otherwise legal activities are conducted outside of government regulations and requirements, and the extent to which those policies discourage the development of locally controlled nongovernmental institutions.

"(4) WAGE AND PRICE CONTROLS.—The identity of industries or goods which are subject to government mandated wages or prices, the value of goods sold wholesale and retail subject to price controls, the degree to which private farmers are forced to sell produce at government established prices, and the degree to which farmers are not allowed to profit from the real market price of their products.

"(5) TAXATION.—The highest rate of taxation, the income level at which this rate takes effect, the relationship between per capita income and the level at which the highest rate of taxation takes effect, rate of any value added tax (VAT), the level of taxation on assets, and the rate of monetary inflation.

"(6) TRADE POLICY.—Customs duty rates, quantitative restrictions on imports, import quotas, import prohibitions, foreign exchange availability for those engaged in international trade, export taxes, restrictive export practices, market-distorting export incentives such as subsidies, import license, and country-of-origin restrictions.

"(7) RESTRICTIONS ON INVESTMENT AND CAPITAL FLOWS.—Limitations on foreign investment and foreign ownership, limits on repatriation of principal and profits for foreign investors, and restrictions on removal of foreign or domestic capital from the home country.

"(8) SIZE OF STATE SECTOR.—The value of industries owned by the government, the percentage of gross national product produced by state-owned industries, prohibitions on private economic activities in certain sectors, the value of the state sector assets, and the progress being made toward reducing state ownership of the means of production.

"(9) BANKING.—The degree of government ownership of banking sector, private citizens rights to own and operate banks, and citizens' access to private sources of credit.

"(f) USE OF PRIVATE ASSISTANCE CHANNELS.—The President shall funnel assistance for eligible East European countries through nongovernmental organizations or private individuals whenever possible.".

(b) CLARIFICATION OF PROHIBITION ON BENEFITS FOR COMMUNIST PARTIES.—Section 3 (as so redesignated by subsection (a) of this section) is amended in subsection (b)(3)(A) by striking out "or" the first place it appears and inserting in lieu thereof "parties or political organizations or to any".

—Page 574, line 7, strike out "(b)" and insert in lieu thereof (c)".

—Page 611, after line 22, insert the following:

SEC. 852. TASK FORCE ON REGULATORY REFORM.

(a) FINDINGS.—The Congress finds that—

(1) American businesses and private voluntary organizations have complained publicly that the Agency for International Development's applications and requirements are "unnecessarily complicated and enormously time-consuming"; and

(2) the Agency's regulations and the lengthy application process discouraged many organizations from applying for funding, and have delayed the implementation and approval of programs for Eastern Europe that could further the transition to a market economy.

(b) TASK FORCE TO REFORM THE APPLICATION PROCESS FOR UNITED STATES ASSISTANCE TO EASTERN EUROPE.—

(1) ESTABLISHMENT AND FUNCTIONS.—The Administrator of the Agency for International Development shall establish a task force to review, and recommend revisions to, the Agency's regulations governing the application process for private voluntary organizations and businesses to receive funding from the Agency for activities relating to Eastern Europe. The task force shall have 5 members appointed by the Administrator, as follows:

(A) 2 officials from the Agency for International Development.

(B) 1 representative of private voluntary organizations.

(C) 1 representative of the United States business community.

(D) 1 individual who is a representative of either private voluntary organizations or the United States business community.

(2) REPORT AND IMPLEMENTATION.—The task force shall report the results of its review and its recommendations for revisions to such regulations to the Administrator, who shall implement those recommendations within 1 year after the date of enactment of this Act.

—Page 601, strike out line 12 and all that follows through line 14 on page 602 and insert in lieu thereof the following:

(1) FINDINGS.—The Congress finds that—

(A) the free flow of information is an essential component of modern commerce and is conducive to economic development and democracy;

(B) the United States is the world's leader in the development of commercial information systems for business and government;

(C) the United States business community urgently requires thorough and timely information on enterprises, government commercial policies, and investment opportunities in the emerging democracies of Eastern Europe; and

(D) it is the policy of the United States to favor efficient private sector delivery of government services where possible.

(2) PRIVATIZATION OF INFORMATION SYSTEM.—Section 602 (22 U.S.C. 5462) is amended to read as follows:

"SEC. 602. EASTERN EUROPEAN BUSINESS INFORMATION CENTER SYSTEM.

"(a) PURPOSE.—The President shall encourage and facilitate United States investment in East European business enterprises through the widest possible dissemination of commercial and legal information on Eastern Europe to the United States business community through United States information services companies.

"(b) ESTABLISHMENT.—Under the direction of the President, the SEED Program coordinator shall promptly establish a Eastern European Business Information Center System, employing the services and expertise of a United States information services company. This system shall work in coordination with the Foreign Commercial Service and the

governments of eligible East European countries.

"(c) FUNCTIONS.—

"(1) IN GENERAL.—The Eastern European Business Information Center System shall serve as a central clearinghouse and data resource service for United States and Eastern European businesses, providing information relating to—

"(A) business conditions in Eastern Europe;

"(B) legal and regulatory information needed by United States companies seeking to do business in Eastern Europe;

"(C) investment and trade opportunities for United States companies resulting from the region's efforts to privatize state enterprises and move toward a market economy; and

"(D) voluntary assistance efforts to countries in Eastern Europe.

"(2) PRIVATE ENTERPRISE DEVELOPMENT.—The Eastern European Business Information Center System shall be established, among other purposes—

"(A) to encourage United States information companies to invest in and develop an infrastructure for gathering and disseminating information on business in Eastern Europe to the United States business community;

"(B) to provide the widest possible dissemination of such information to United States business interested in investment in Eastern European private enterprises and in trade with such enterprises;

"(C) to encourage the submission of economically sound business proposals to the Polish-American Enterprise Fund, the Hungarian-American Enterprise Fund, and similar entities that may be established; and

"(D) to encourage the involvement of United States businesses in voluntary development efforts in Eastern Europe.

"(d) INFORMATION ACCESS.—The Eastern European Business Information Center System shall be made accessible to the widest possible number of United States businesses through commercially available on-line information services. The SEED Program coordinator shall also endeavor to make information accessible to local enterprises in Eastern Europe seeking trade with or investment from the United States through the establishment of Eastern European trade information centers in Budapest, Hungary; Warsaw, Poland; and such other locations as the coordinator my designate.

"(e) REQUIREMENT FOR PRIVATE MATCHING FUNDING.—Funds made available to carry out this section may be provided to a United States company on a grant or contract basis for use in carrying out functions under this section only if that company, in carrying out those functions, uses either its own funds or other funds derived from nongovernment sources in an amount not less than twice the amount of the grant or contract.

"(f) FUNDING.—The Secretary of Commerce may use up to $500,000 of the funds appropriated for the International Trade Administration for each of the fiscal years 1992 and 1993 to carry out this section.".

—Page 602, line 15, after "602" insert ", as amended by paragraph (2) of this subsection,"; and line 17, strike out "(d)" and insert in lieu thereof "(g)".

—Page 604, in the text following line 7, after "Center" insert "System".

By Mr. DURBIN:

—Insert the following at the end of Section 862.

(g) RESTRICTION OF AID TO THE CENTRAL GOVERNMENT OF THE SOVIET UNION.

(1) PROHIBITION.—Except as provided in paragraph (2), no funds authorized under this section shall be awarded to the Central Government of the Soviet Union.

(2) WAIVER.—Assistance otherwise prohibited by paragraph (1) may be provided if the President certifies that:

(i) Such aid will be distributed equitably to the Baltic States and the Soviet Republics as shown through a detailed statement of proposed distribution;

(ii) All suppressive action by the central government against the people and governments of the Baltic States and the Republics has ceased; and

(iii) The central government has returned control of all communication centers within the Baltic States to the freely elected governments of the Baltic States.

—At the end of the bill (page 721, after line 16), insert the following:

SEC. 1109. RESTRICTION ON SECURITY ASSISTANCE TO COUNTRIES HAVING AN OFFENSIVE CHEMICAL WEAPONS PROGRAM.

(a) PROHIBITION.—Except as provided in subsection (b), security assistance may not be provided to any country that—

(1) has an offensive chemical weapons program; and

(2) has not expressed a willingness to be an original signatory to the chemical weapons convention being negotiated in Geneva, Switzerland.

(b) WAIVER.—Assistance otherwise prohibited by subsection (a) may be provided to a country if the President determines, and certifies in writing to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate, that security assistance for that country is vital to United States national security interests.

(d) DEFINITIONS.—For purposes of this section—

(1) a country shall be considered to have an offensive chemical weapons program if that country possesses any chemical weapons, is producing any chemical weapons, is developing any chemical weapons, or is conducting any research relating to the development or production of chemical weapons;

(2) the term "security assistance" means economic support assistance, foreign military financing assistance, and international military education and training; and

(3) the term "willingness to be an original signatory to the chemical weapons convention" means that either the executive branch or the legislative branch of the government of the country has officially stated that that country plans to sign the chemical weapons convention when it is opened for signature.

(e) REPORTS TO CONGRESS.—Not later than 90 days after the date of enactment of this Act, the Secretary of State shall submit to the Congress—

(1) a report on the status of the negotiations on a chemical weapons convention that are being conducted in Geneva, Switzerland; and

(2) a report identifying those countries that are not participants in or observers of those negotiations and that have not expressed a willingness to become original signatories to that convention.

—At the end of the bill (page 721, after line 16), insert the following:

SEC. 1109. RESTRICTION ON SECURITY ASSISTANCE TO COUNTRIES HAVING AN OFFENSIVE CHEMICAL WEAPONS PROGRAM.

(a) PROHIBITION.—Security Assistance may not be provided to any country that—

(1) has an offensive chemical weapons program; and

(2) has not expressed a willingness to support a total ban on offensive chemical weapons such as is being negotiated at the Chemical Weapons Convention in Geneva.

(b) DEFINITIONS.—For the purpose of this section—

(1) the term "security assistance" means economic support assistance, foreign military assistance, and international military education and training.

—At the end of the bill (page 721, after line 16), insert the following:

SEC. 1109. RESTRICTION ON SECURITY ASSISTANCE TO COUNTRIES HAVING AN OFFENSIVE CHEMICAL WEAPONS PROGRAM.

(a) PROHIBITION.—Security Assistance may not be provided to any country that—

(1) has an offensive chemical weapons program; and

(2) has not expressed its support for the Chemical Weapons Convention being negotiated in Geneva.

(b) DEFINITIONS.—For the purpose of this section—

(1) the term "security assistance" means economic support assistance, foreign military assistance, and international military education and training.

—Page 615, add the following after line 24:

(g) RESTRICTION OF AID TO THE CENTRAL GOVERNMENT OF THE SOVIET UNION.—

(1) PROHIBITION.—Except as provided in paragraph (2), no assistance may be provided pursuant to this section to the central government of the Soviet Union.

(2) WAIVER.—Assistance may be provided under this section notwithstanding paragraph (1) if the President certifies to the Congress that—

(A) such assistance will be distributed equitably to the Baltic states and the Soviet republics as shown through a detailed statement of proposed distribution;

(B) all suppressive acts by the central government against the people and governments of the Baltic states and the republics has ceased; and

(C) the central government has returned control of all communication centers within the Baltic states to the freely elected governments of the Baltic States.

By Mr. GILMAN:

—At the end of the bill (page 721, after line 16), add the following:

TITLE XII—INTERNATIONAL INDIGENOUS PEOPLES PROTECTION

SEC. 1201. SHORT TITLE.

This title may be cited as the "International Indigenous Peoples Protection Act of 1991".

SEC. 1202. FINDINGS.

(a) DETERIORATING SITUATION FACING INDIGENOUS AND TRIBAL PEOPLES.—The Congress makes the following findings:

(1) The situation of indigenous and tribal peoples is deteriorating world-wide.

(2) Many of these populations face severe discrimination, denial of human rights, loss of cultural and religious freedoms, or in the worst cases, cultural or physical destruction.

(3) If current trends in many parts of the world continue, the cultural, social, and linguistic diversity of humankind will be radically and irrevocably diminished.

(4) In addition, immense, undocumented repositories of ecological, biological, and pharmacological knowledge will be lost, as well as an immeasurable wealth of cultural, social, religious, and artistic expression, which together constitute part of the collective patrimony of the human species.

(5) The pressures on indigenous and tribal peoples, about 10 percent of the world's population, include denial of political and civil rights and of opportunities for self-determination, destruction of natural resources necessary for survival, and ethnic, racial, and economic marginalization.

(6) In many cases, unsound development policy that results in destruction of natural resources seriously jeopardizes indigenous and tribal peoples' physical survival and their cultural autonomy, frequently also undermining the possibility for long-term sustainable economic development.

(7) The loss of the cultural diversity of indigenous and tribal peoples is not an inevitable or natural process.

(8) In light of United States concern and respect for human rights and basic human freedoms, including rights to express cultural and religious preferences, as well as the United States desire for sustainable economic development, it is incumbent on the United States to take a leadership role in addressing indigenous and tribal peoples' rights to physical and cultural survival.

(b) DEFINITION OF INDIGENOUS AND TRIBAL PEOPLES.—Indigenous and tribal peoples are those populations that are ethnically, culturally, or socially distinct from the politically dominant society on the regional or national level. These people are often (but not invariably) minorities, and invariably have little, if any political representation or influence in governments. Many such peoples are marginally integrated into market economies and practice traditional, partially or wholly subsistence-based forms of economic activity.

SEC. 1203. PROMOTING AND PROTECTING THE RIGHTS OF INDIGENOUS AND TRIBAL PEOPLES.

The Secretary of State and the Administrator of the Agency for International Development shall ensure—

(1) that United States foreign policy and foreign assistance vigorously promote the rights of indigenous and tribal peoples throughout the world; and

(2) that United States foreign assistance is not provided for any project or program detrimental to the rights of indigenous or tribal peoples or to their livelihood.

The rights of indigenous and tribal peoples to be promoted and protected pursuant to this section include the right to maintain their cultural, religious, and other traditions, customs, and institutions.

SEC. 1204. BASELINE REPORT ON INDIGENOUS AND TRIBAL PEOPLES.

(a) PURPOSE.—The purpose of this section and section 1205 is to help—

(1) guide future United States foreign assistance and other actions that could affect indigenous and tribal peoples, and

(2) permit United States actions that would assist these peoples.

(b) PREPARATION OF REPORT.—The Administrator of the Agency for International Development, in consultation with the Secretary of State, shall prepare a report on indigenous and tribal peoples in all countries that are reported on pursuant to section 6302(d) of the Foreign Assistance Act of 1961 (relating to the annual human rights reports). This report shall include the following:

(1) A description of the economic, political, and social situation of indigenous and tribal peoples.

(2) A discussion of the effects of United States bilateral foreign assistance and United States-supported multilateral assistance on indigenous and tribal peoples, including a description of those projects and activities currently being funded by the Agency for International Development—

(A) which have a positive impact on indigenous and tribal peoples, or

(B) which have negative impact on indigenous and tribal peoples.

(3) A comprehensive strategy for regulatory monitoring and improving the situatioin of indigenous and tribal peoples, including—

(A) a description of the methodology and the guidelines to be used in carrying out the monitoring required by section 1205, and

(B) a description of the specific actions that the Agency for International Development proposes to take to improve the situation of indigenous and tribal peoples.

(c) CONSULTATION WITH NGOs.—The Administrator shall consult with nongovernmental organizations with experience in monitoring and reporting on human rights and on indigenous and tribal peoples, and with other interested persons, throughout the preparation of the report required by subsection (b), but in particular—

(1) in determining the scope of that report; and

(2) in developing the methodology to be used in preparing that report.

(d) SUBMISSION TO CONGRESS.—Not later than 6 months after the date of enactment of this Act, the Administrator shall submit the report prepared pursuant to subsection (b) to the Congress.

SEC. 1205. MONITORING REGARDING INDIGENOUS AND TRIBAL PEOPLES.

(a) MONITORING.—The Administrator of the Agency for International Development (in consultation with the Department of State), on a regular basis, shall collect information concerning and shall analyze the situation of indigenous and tribal peoples in the countries for which reports are required under section 1204(b).

(b) USE OF NGOs.—In carrying out subsection (a), the Administrator shall, wherever appropriate, use nongovernmental organizations with experience in monitoring and reporting on human rights and on indigenous and tribal peoples.

(c) ANNUAL REPORTS TO CONGRESS.—Following completion of the report required by section 1204, the Administrator shall submit to the Congress, not later than February 1 each year, a report which—

(1) presents the findings resulting from the monitoring of indigenous and tribal peoples carried out pursuant to subsection (a);

(2) updates the information provided in the report submitted pursuant to section 1204; and

(3) describes the activities which the Agency for International Development proposes to fund for the coming fiscal year to address the problems facing indigenous and tribal peoples, specifying which activities will be carried out by the Agency and which will be carried out by nongovernmental organizations.

SEC. 1206. ANNUAL HUMAN RIGHTS REPORTS.

In each report submitted to the Congress pursuant to section 6302(d) of the Foreign Assistance Act of 1961, the Secretary of State shall include a description of each country's practices regarding the observation of and respect for the internationally recognized human rights of indigenous and tribal peoples in that country.

By Mr. HALL of Ohio;

—Page 214, line 8, strike the period and insert the following:

, that—

(A) includes a linkage of humanitarian and developmental objectives with security objectives in Third World countries, particularly the poorest of the poor countries; and

(B) encourages countries selling military equipment and services to consider the following factors before making conventional arms sales: the security needs of the purchasing countries, the level of defense expenditures by the purchasing countries, and the level of indigenous production of the purchasing countries.

—(1) Page 22, line 7, after "promoted" insert "through research and".

—Page 22, line 17, before the semicolon, insert ", maintenance of soil structure and fertility, and minimization of soil erosion and soil and water contamination".

—Page 22, after line 17, insert the following new clause (ii), and redesignated existing clauses (ii) through (viii) as clauses (iii) through (ix), respectively:

"(ii) adoption of appropriate use of fertilizer and pesticides;

—(2) Page 40, line 14, strike out "AND" and after "DEFICIENCY" insert ", AND BASIC EDUCATION"' and page 41, after line 20, insert the following:

"(c) BASIC EDUCATION.—Of the aggregate amounts made available for development assistance under section 1202, assistance from the Development Fund for Africa, and economic support assistance, not less than $135,000,000 for fiscal year 1992 and not less than $175,000,000 for fiscal year 1993 shall be available only for programs in support of basic education, including early childhood education, primary education, teacher training, and other necessary activities in support of early childhood and primary education, and literacy training for adults.

—(3) Page 41, after line 9, insert the following:

"(3) CHILD SURVIVAL ACTIVITIES.—Of the aggregate amounts made avaialble for development assistance under section 1202, assistance from the Development Fund for Africa, and economic support assistance, not less than $275,000,000 for fiscal year 1992 and not less than $335,000,000 for fiscal year 1993 shall be available only for activities described in section 1201(d)(4), relating to child survival activities.

—(4) Page 415, after line 16, insert the following:

"(4) A detailed description of United States contributions to the achievement of the goals and strategies enunciated in the World Declaration on the Survival, Protection and Development of Children; the Plan of Action for Implementing the World Declaration on the Survival, Protection and Development of Children; the World Declaration on Education for All; and the Framework for action to Meet Basic Learning Needs; including a detailed description of the funding provided for child survival activities and for basic education under United States foreign assistance programs for the current fiscal year and the pending fiscal year, as well as planned funding levels for at least the next 2 fiscal years.

—Page 510, line 10, after "709," insert "section 712,".

—Page 718, strike out lines 18 and 19 and insert in lieu thereof the following:

SEC. 1106. FOOD AS A HUMAN RIGHT.

(a) FINDINGS.—The Congress finds that—

(1) the right to food remains an unfulfilled promise for hundreds of millions of people in many countries around the world; and

(2) an international convention on the right to food could be a useful tool in increasing international respect for the right

to food, especially among governments and armed opposition groups.

(b) THE RIGHT TO FOOD AND UNITED STATES FOREIGN POLICY.—

(1) IN GENERAL.—The United States shall, in accordance with its international obligations and in keeping with the longstanding humanitarian tradition of the United States, promote increased respect internationally for the rights to food and to medical care, including the protection of these rights with respect to civilians and noncombatants during times of armed conflict (such as through ensuring safe passage of relief supplies and access to impartial humanitarian relief organizations providing relief assistance).

(2) RESPONSIBILITIES OF THE ASSISTANT SECRETARY OF STATE FOR HUMAN RIGHTS AND HUMANITARIAN AFFAIRS.—The responsibilities of the Assistant Secretary of State for Human Rights and Humanitarian Affairs shall include promoting increased respect internationally for the rights to food and to medical care in accordance with paragraph (1).

(c) UNITED NATIONS CONVENTION ON THE RIGHT TO FOOD.—

By Mr. HYDE:

—Page 382, line 10, strike "(1) IN GENERAL.—";

—Page 382, lines 17–18, strike the words ", subject to paragraph (2)";

—Page 382, line 19, strike all through page 384, line 14;

—Page 637, line 4, strike all through line 12;

—Page 637, line 13, strike "(B)";

—Page 637, line 17, insert a period after the word "Pacific" and strike all else through line 18.

—Page 643, line 3, strike all through line 10;

—Page 643, line 11, strike "(2)";

—Page 643, line 14, insert a period after the word "Pacific" and strike all else through line 16.

—Page 653, line 6, strike all through line 14;

—Page 653, line 15, strike "(B)";

—Page 653, line 19, insert a period after the word "Pacific" and strike all else through line 20.

—Page 215, line 23, strike out "shall" and insert in lieu thereof "should".

—Page 217, beginning in line 23, strike out "on or after May 21, 1991," and insert in lieu thereof "after the date of enactment of this Act".

—Page 221, line 19, strike out "May 21, 1991" and insert in lieu thereof "the date of enactment of this Act".

By Mr. KASICH:

—Page 568, after line 14, insert the following:

SEC. 818. SADDAM HUSSEIN'S WAR CRIMES.

It is the sense of the Congress that the United States Government should significantly increase its efforts in cooperation with the United Nations Security Council, the International Court of Justice, and other appropriate international organizations, to apprehend the President of the Republic of Iraq, Saddam Hussein, and to bring about his trial for crimes against peace, violations of the laws of war, and crimes against humanity.

By Mr. KOLTER:

—Page 622, insert the following after line 5:

SEC. 869. RESTRICTION ON ASSISTANCE TO THE SOVIET UNION.

(a) RESTRICTION ON ASSISTANCE.—No assistance may be provided under this Act to the Soviet Union for fiscal year 1992 or 1993 unless the President certifies to the Congress that the Government of the Soviet Union has paid all overdue debts it owes, on the effective date set forth in section 1101, to any business concern organized under the laws of the United States whose principal place of business is in the United States.

(b) CERTAIN ASSISTANCE NOT AFFECTED.—Subsection (a) shall not apply to assistance under this Act to the government of, or through nongovernmental organizations to, any of the Baltic states or any eligible recipient in the Soviet Union as defined in section 862(f).

By Mr. KOSTMAYER:

—On Page 43, after line 15, insert the following Section, and renumber the successive Sections accordingly:

"SEC. 1206. SENSE OF THE CONGRESS REGARDING ALLEGATIONS OF COERCIVE ABORTION IN CHINA.

"It is the sense of the Congress that the Peoples Republic of China should be subject to export controls or other trade sanctions until the President certifies to the Congress that the Chinese Government is not engaged in a program of coercive abortion or involuntary sterilization.

—On Page 645, after line 15, insert the following Section, and renumber the successive Sections accordingly:

"SEC. 911. SENSE OF THE CONGRESS REGARDING ALLEGATIONS OF COERCIVE ABORTION IN CHINA

"It is the sense of the Congress that the Peoples Republic of China should be subject to export controls or other trade sanctions until the President certifies to the Congress that the Chinese Government is not engaged in a program of coercive abortion or involuntary sterilization.

By Mr. LAGOMARSINO:

—Page 567, line 9 strike subsection (a) part (4) and insert in lieu thereof:

(4) there is a lack of full political rights in Kuwait, manifest in part by the 1986 suspension of the elected national assembly and the restricted nature of the franchise in Kuwait.

—Page 567, line 13, strike subsection (b) and insert in lieu thereof:

(b) CONSIDERATIONS IN MAKING MILITARY SALES.—During fiscal years 1992 and 1993, in determining whether to make any sales of defense articles or defense services to Kuwait under the Defense Trade and Export Control Act the President shall take into account whether the Government of Kuwait has—

(1) has taken serious and substantial steps designed to end the occurrences of arbitrary arrest, torture, and extrajudicial killing by Kuwaiti armed forces and is making a genuine effort to stop such acts by non-governmental resistance groups;

(2) has clarified the legal basis for arrest and detention in Kuwait;

(3) has ensured that those detained have access to legal counsel and to humanitarian and human rights groups;

(4) has ensured that the rights to a speedy trial, due process, and a meaningful appeal of any sentence are accorded to each and every detainee;

(5) has the intention to expand the right to vote to all citizens irrespective of sex or literacy and in accordance with the 1962 Kuwaiti Constitution; and

(6) established a date certain, that is not later than December 31, 1992 (unless the government and the opposition agree on another date), on which parliamentary elections will be held.

—Page 658 Following section 926, add the new section:

SEC. 927. INDIA.

"(a) AUTHORITY TO WAIVE PROHIBITION.—

"(1) IN GENERAL.—The President may waive the prohibitions of section 6201 (a) (5) of this Act with respect to paragraph (1) of section 6206 at any time during the period beginning on the date of enactment of this section and ending on September 30, 1993, to provide assistance to India during that period if he determines that to do so is in the national interest of the United States, subject to paragraph (2).

"(2) LIMITATION.—The President may not exericise the waiver authority of this subsection unless a certification under subsection (b) of this section is in effect.

"(b) ANNUAL CERTIFICATION.—No assistance shall be furnished to India and no military equipment or technology shall be sold or transferred to India, pursuant to the authorities contained in this Act or any other Act, unless the President shall have certified in writing to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate, during the fiscal year in which assistance to be furnished or military equipment or technology is to be sold or transferred, that India does not possess a nuclear explosive device and that the proposed United States assistance program will reduce significantly the risk that India will possess a nuclear explosive device.

"(c) FURTHER RESTRICTION ON ASSISTANCE.—Subject to subsection (d), unless a certification under subsection (b) of this section is in effect on September 30, 1992, no funds may be allocated for fiscal year 1993 for assistance to India, or for the sale or transfer of defense articles or defense services to India.

"(d) IF A CERTIFICATION IS MADE.—If a certification under subsection (b) is made in a fiscal year after the prohibition in subsection (c) applies, funds for assistance, sales, or transfers described in subsection (c) may be allocated for India pursuant to the reprogramming provisions of section 6304 of this Act or pursuant to a subsequent appropriation Act.

"(e) PRESIDENTIAL DETERMINATION AND WAIVER.—

"(1) The President may provide the assistance described in paragraph (2), notwithstanding the provisions of subsections (a), (b) and (c), if he determines that it is in the national interest of the United States to do so.

"(2) The assistance referred to in paragraph (1) includes—

"(A) assistance provided under Title I, Chapter 2 of the International Cooperation Act of 1991 (related to development assistance);

"(B) assistance provided under Title XV, Subtitle A of the Food, Agriculture, Conservation and Trade Act of 1990 (related to food assistance); and

"(C) assistance authorized under Title I, Chapter 3 of the International Cooperation Act of 1991 (related to economic support assistance) which is made available pursuant to subparagraph (A).

—Page 566, beginning on line 18, section 817, Democratic Reform and Human Rights in Kuwait.

Strike section 817. Redesignate the following sections accordingly.

—Page 553, lines 21 and 22, section 808, Subsection (a), paragraph (7) after "American University of Beirut" strike the word "and" and insert "," in lieu thereof. Following "Beirut University College" insert "and International College".

—Page 384, line 14, section 5504, after subsection (g) add the following new subsection:

"(h) PRESIDENTIAL DETERMINATION AND WAIVER.—

"(1) The President may provide the assistance described in paragraph (2), notwith-

standing the provisions of subsection (d), (e) and (f), if he determines that it is in the national interest of the United States to do so.

"(2) The assistance referred to in paragraph (1) includes—

"(A) assistance provided under Title I, Chapter 2 of the International Cooperation Act of 1991 or under Part I, Chapter 1 of the Foreign Assistance Act of 1961 (related to development assistance);

"(B) assistance provided under Title XV, Subtitle A of the Food, Agriculture, Conservation and Trade Act of 1990 (related to food assistance); and

"(C) assistance authorized under Title I, Chapter 3 of the International Cooperation Act of 1991 (related to economic support assistance) or Part II, Chapter 4 of the Foreign Assistance Act of 1961 (related to the economic support fund) which is made available pursuant to subparagraph (A).

By Mr. McCOLLUM:

—Page 712, after line 12, insert the following:

(c) RESTRICTION ON PROGRAMS IN LAOS.—The Peace Corps may not carry out programs in Laos until the President determines, and so reports to the appropriate congressional committees, that—

(1) free and fair elections have been held in Laos under the auspices of an international observer team;

(2) all political prisoners in Laos have been released; and

(3) there has been a fair, full, and complete accounting with regard to all POW/MIA cases in Laos that are still pending.

—Page 627, strike out lines 1 through 4, and redesignate paragraphs (6) and (7) as paragraphs (5) and (6).

—Page 629, before the period at the end of line 4, insert the following: ", except that such assistance may not be provided in areas of Cambodia under the control of the Phnom Penh regime until the President and the member nations of the Association of Southeast Asian Nations (ASEAN) have confirmed that all Vietnamese troops, including paramilitary troops, have left Cambodia.".

—Page 631, before the period at the end of line 23, insert the following: ", except that such assistance may not be provided in areas of Cambodia under the control of the Phnom Penh regime until the President and the member nations of the Association of Southeast Asian Nations (ASEAN) have confirmed that all Vietnamese troops, including paramilitary troops, have left Cambodia.".

By Mr. McHUGH of New York:

—On p. 88, lines 6 and 7, strike "$40,000,000" in both places and insert "$70,000,000" in both places; and on p. 88, line 10, strike "$100,000,000" and insert "$70,000,000".

By Mr. MILLER of Washington:

—Page 568, after line 14, insert the following:

SEC. 818. JORDAN.

The Congress is extremely distressed at Jordan's behavior and attitude during Operation Desert Storm. Assistance may not be provided to Jordan for fiscal year 1992 under the Foreign Assistance Act of 1961.

By Mr. OWENS of Utah:

—Page 622, after line 5, insert the following:

SEC. 869. NAGORNO-KARABAKH CRISIS.

(a) FINDINGS.—The Congress finds that—

(1) the Government of the Soviet Union and Government of the Azerbaijan Republic have dramatically escalated their attacks against civilian Armenians in Nagorno-Karabaakh, Azerbaijan, and Armenia itself;

(2) the Government of the Soviet Union has refused Armenia's request to convene a special session of the Supreme Soviet of the Union of Soviet Socialist Republics to resolve the Nagorno-Karabakh crisis;

(3) Soviet and Azerbaijani forces have destroyed Armenian villages and depopulated Armenian areas in and around Nagorno-Karabakh in violation of internationally recognized human rights; and

(4) armed militia threaten stability and peace in Armenia, Nagorno-Karabakh, and Azerbaijan.

(b) CONGRESSIONAL DECLARATION OF POLICY.—The Congress—

(1) condemns the attacks on innocent children, women, and men in Armenian areas and communities in and around Nagorno-Karabakh and in Armenia;

(2) condemns the indiscriminate use of force, including the shelling of civilian areas, on Armenia's eastern and southern borders;

(3) calls for the end of the blockades and other uses of force and intimidation directed against Armenia and Nagorno-Karabakh, and calls for the withdrawal of Soviet forces newly deployed for the purpose of intimidation;

(4) called for dialogue among all parties involved as the only acceptable route to achieving a lasting resolution of the conflict;

(5) reconfirms the commitment of the United States to the success of democracy and self-determination in the Soviet Union and its various republics, by expressing its deep concern about any Soviet action of retribution, intimidation, or leverage against those republics and regions which have chosen to seek the fulfillment of their political aspirations; and

(6) calls for an immediate end to deportations of Armenians from Nagorno-Karabakh and the freedom for all refugees to return to their homes.

By Mr. ROGERS:

—Page 61, line 19, before the period insert the following: ", except that this sentence does not apply with respect to any United States coal purchased pursuant to such an agreement".

—Page 64, line 18, before the comma insert "(except that this clause does not apply with respect to any United States coal purchased pursuant to such an agreement)".

—Page 62, strike out line 1 and all that follows through line 5 on page 65 (section 1303).

By Mr. ROHRABACHER:

—Page 403, after line 18, insert the following:

"(4) EXCEPTION FOR ASSISTANCE TO DEMOCRATICALLY ELECTED GOVERNMENTS OF REPUBLICS.—Subsection (a)(1) does not apply with respect to assistance provided directly to democratically elected governments within any country that has a federal system of government in which the federal government has a ruling communist majority or provided directly to democratically elected governments of states whose incorporation into the Union of Soviet Socialist Republics has never been recognized by the United States. As used in this paragraph, the term 'democratically elected' means elected through open, free, and fair elections.

—Page 575, strike out lines 5 through 9 and insert in lieu thereof the following:

"(b) EAST EUROPEAN COUNTRIES.—For purposes of this Act, the term 'East European country' includes Yugoslavia, any state whose incorporation into the Union of Soviet Socialist Republics has never been recognized by the United States and that has a democratically elected government, and any republic within the Union of Soviet Socialist Republics or Yugoslavia that has a democratically elected government. As used in this subsection, the term 'democratically elected' means elected through open, free, and fair elections.".

—Page 29, after line 2, insert the following:

"(D) With regard to economic assistance under this Act or the Support for East European Democracy (SEED) Act of 1989 for countries that are in transition from communism to democracy, it shall be the policy of the United States, to the extent feasible, to provide assistance directly to democratically elected governments of republics within any country that has a federal system of government in which the federal government has a ruling communist majority, as well as directly to democratically elected governments of states whose incorporation into the Union of Soviet Socialist Republics has never been recognized by the United States). As used in this subparagraph, the term 'democratically elected' means elected through open, free, and fair elections.

—Page 107, after line 4, insert the following:

"(e) MILITARY ASSISTANCE FOR DEMOCRATICALLY ELECTED GOVERNMENTS WITHIN COMMUNIST COUNTRIES.—

"(1) POLICY.—With regard to any military assistance provided under this title for any country that is in transition from communism to democracy, it shall be the policy of the United States, to the extent feasible, to provide assistance directly to democratically elected governments of republics within any country that has a federal system of government in which the federal government has a ruling communist majority, as well as directly to democratically elected governments of states whose incorporation into the Union of Soviet Socialist Republics has never been recognized by the United States.

"(2) AUTHORIZATION FOR DIRECT MILITARY ASSISTANCE.—In order to allow military assistance to be provided consistent with paragraph (1), military assistance is authorized to be provided for military forces under the control of democratically elected governments described in paragraph (1).

"(3) DEFINITION.—As used in this subsection, the term 'democratically elected' means elected through open, free, and fair elections.

By SMITH of New Jersey;

—Page 42, strike out line 18 and all that follows through line 15 on page 43 (section 1205), and redesignate section 1206 as section 1205.

—Page 43, strike out lines 16 through 23 (section 1206).

—Page 42, strike out line 18 and all that follows through line 23 on page 43 (sections 1205 and 1206).

By Mr. SOLOMON:

—Page 379, after line 13: Insert the following new sentence: "Grants may not be made under this subsection to any organization which has a functional relationship with the South African Communist Party."

—Page 383, line 3: After the words "ANNUAL CERTIFICATION."—insert "(1) CERTIFICATION OF PAKISTAN.—".

—Page 383, after line 15: Insert the following new paragraph:

"(2) WAIVER.—Notwithstanding the provisions of paragraph (1), the President may provide funds for the International Military Education and Training Program (IMET) and for the maintenance of previously-supplied U.S. equipment. Such funds may be made available for fiscal years 1992 and 1993 for assistance to Pakistan."

—Page 383, line 15: After the period, insert the following new sentence: "Notwithstanding any other provision of law, this prohibition shall not apply to P.L. 480 food assistance or Development Assistance."

—Page 383, line 15: After the period, insert the following new sentence: "Notwithstanding any other provision of law, this prohibi-

tion shall not apply to P.L. 480 food assistance, Development Assistance, of Economic Support Funds which support the basic objectives of Chapter 1, Title I of the Foreign Assistance Act of 1961; nor shall this prohibition apply to narcotics control-related projects."

—Page 644, lines 4 and 5: Delete, "Iran, Iraq, Libya, Pakistan, and Syria", and insert in lieu thereof, "Countries Listed Pursuant to Section 6(j) of the Export Administration Act of 1979".

—Page 417, line 10: After the period, insert the following new sentence: "Such reports shall also include a description of the policies and practices in force in each country concerning military conscription."

—Page 644, lines 4 and 5: Delete, "Iran, Iraq, Libya, Pakistan, and Syria", and insert in lieu thereof, "Terrorist States".

—Page 645, after line 15: Insert the following new section:

"SEC. 911. TAIWAN'S ADMISSION INTO THE GATT.

(a) FINDINGS.—The Congress finds that—

(1) Taiwan is a rapidly industrializing country that has become one of the most important commercial powers in the global economy;

(2) Taiwan is the thirteenth largest trading entity in the world, possesses the world's second largest reserve of foreign exchange, and is the United States' fifth largest trading partner;

(3) Taiwan has substantially liberalized its trading regime in recent years and has expressed an active interest in playing an even more cooperative role in the global economy;

(4) On January 1, 1990, Taiwan applied for membership in the General Agreement on Tariffs and Trade (GATT);

(5) By applying to GATT membership as a separate customs union, 'The Customs Territory of Taiwan, Penghuy, Kinmen and Matsu,' Taiwan deliberately sought to avoid controversy over the question of political sovereignty; and

(6) The purposes of GATT, to regulate and strengthen a free system of international trade, will be enhanced if Taiwan is admitted as a member.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the President should actively support the application of 'The Customs Territory of Taiwan, Penghuy, Kinmen and Matsu' for membership in GATT."

—Page 670: Strike line 18 and all that follows through page 673, line 8, and insert in lieu thereof the following:

(a) STATEMENT OF POLICY.—The Congress—

(1) believes the demise of the regime in Ethiopia headed by Mengistu Haile Mariam represents the first important step toward realizing the hope of reconciliation and reconstruction in that country;

(2) commends those American officials and envoys who were instrumental in facilitating the departure of Mengistu Haile Mariam from Ethiopia and in arranging a cease-fire between the various warring factions in Ethiopia;

(3) further commends those American officials and envoys who were instrumental in facilitating the success of "Operation Solomon," the swift and safe airlift of 14,000 Ethiopian Jews to Israel;

(4) finds that thirty years of civil war, recurring cycles of drought, widespread and systematic abuses of basic human rights by the Mengistu regime, and the destructive political, economic, and social policies of the Mengistu regime have left the Ethiopian state in a condition of profound crisis and internal disarray;

(5) finds that without fundamental reform of the Ethiopian state or peaceful resolution of Ethiopia's internal wars, there will be no end to Ethiopia's deep social crisis, no prospects for a transition to stability, growth, and liberty in Ethiopia, and minimal hope that the Horn of Africa will reverse the spread of devastating internal wars that have created massive human dislocation across the region;

(6) calls upon the authorities who now exercise control over the central government in Ethiopia to protect the basic human rights of all citizens, to release from detention all political prisoners and other detainees who were apprehended by the Mengistu regime, and to facilitate the distribution of emergency humanitarian assistance throughout the country;

(7) calls upon the authorities in Eritrea to open the ports of Mitsiwa and Aseb with all deliberate speed and to permit the restoration of commerce through those ports, as well as the use of those ports in the delivery and distribution of emergency humanitarian assistance to Eritrea and to Ethiopia as a whole;

(8) urges all authorities in Ethiopia to make good faith efforts to—

(A) make permanent the cease-fire now in place and to permit the restoration of tranquility in the country, and

(B) make arrangements for a transitional government that is broadly-based, that accommodates all appropriate points of view, that respects basic human rights, and that is committed to a process of reform leading to the writing of a Constitution and the establishment of a representative government;

(9) favors the resumption of economic assistance to Ethiopia for development and reconstruction in the event there is a permanent cease-fire, clear progress in resolving Ethiopia's internal disputes, protection of basic human rights, and implementation of economic reforms.

(10) urges the President to continue active diplomatic efforts on behalf of reconciliation and reconstruction in Ethiopia.

(b) REPORTS TO CONGRESS.—Not more than 90 days after the date of enactment of this Act and at the end of each 90-day period thereafter, the President shall submit to the appropriate congressional committees a report describing the actions of authorities in Ethiopia during the preceding 90 days with regard to the settlement of internal disputes, the protection of human rights, the implementation of economic reforms, and the establishment of a constitutional, representative government. Each such report shall describe the response of the United States to progress, or lack of progress, by authorities in Ethiopia in these critical areas.

EXTENSIONS OF REMARKS

MINING LAW OF 1872 REFORM

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. RAHALL. Mr. Speaker, the Subcommittee on Mining and Natural Resources has completed a series of field hearings on H.R. 918, legislation to reform the Mining Law of 1872.

Under the mining law of 1872, mining claims are located on public domain lands for minerals such as gold, silver, lead, copper and zinc. No payments of any kind for the use of Federal lands are required. In order to maintain the claim, its holder need spend only $100 per year in prospecting, exploration or development work. Moreover, if valuable minerals are found, the claim holder can receive title to the land from the Federal Government. The return to the Government for these sales is $2.50 or $5 an acre.

In my view, much has changed in the area of public land policy and mineral exploration and development techniques since 1872. While the mining law remained static, the world around it has evolved. As such, despite administrative and judicial attempts to twist and mold the mining law of 1872 into some semblance of compatibility with the mineral requirements, modern business practices, and public land use philosophies of today's America, some of the more archaic provisions of the law that thwart these goals remain. Nothing short of legislation can fix this situation.

The field hearings conducted by the subcommittee were held in Denver, Reno, Santa Fe and Fairbanks. We heard testimony from 166 witnesses and received countless other written submission for the record. In addition, this past weekend, I traveled to Montana in order to discuss mining law reform with both industry and environmental group representatives. Further, on June 18 and 20, the subcommittee will hold hearings on the legislation here in Washington, DC. Suffice it to say that the subcommittee is making every effort possible to obtain public input in this matter.

While reform of the mining law of 1872 is an emotionally charged issue, in two particular States, Montana and Alaska, this is perhaps more the case than elsewhere. It is for this reason that I would like to share with my colleagues editorials in support of reform from the Billings, MT, Gazette, dated May 16, 1991, and from the Anchorage, AK, Daily News, dated June 2, 1991.

[From the Billings Gazette, May 16, 1991]

MINING LAW NEEDS REFORM

Finders keepers; losers weepers.

That's the precept behind the 1872 Mining Law.

Finders have been keepers since the law was enacted. For more than a century, mining interests have had basically free access to the nation's mineral resources.

In that regard, the law has worked well.

In 1872, Congress was more interested in developing the great desert west of the Mississippi than in protecting the lands. Dredges and high-pressure water systems virtually destroyed some mineral-bearing watersheds. Vestiges of this time are clearly etched on western landscapes.

But now times have changed and the laws haven't changed enough, and the losers are weeping.

Jim Baca, New Mexico's elected lands commissioner, says of the law, "It developed the West, but now it's giving it away."

Mining companies won't be paying royalties to develop mines on state lands if they can mine for free on federal lands in the West, Baca said.

"They don't pay the taxpayer a nickel for what they're taking off of the public grounds, they're getting something for nothing. Why should they want to change that?"

The issue isn't that simple. The fact is that all Americans own all of America's natural resources on public lands. The fact is that we give these resources—in some cases for a leasing fee—to the people with the expertise, initiative and financial standing to develop them within reasonable limits. In return, they provide jobs and tax bases.

Certainly, mining is not the search and destroy industry it once was. Environmental interests are an important consideration in approving mine sites, and modern companies are much more concerned about the economic and natural environment than their predecessors.

Certainly, we need to develop this nation's mineral resources.

But the 1872 mining law is outdated and needs reform. The mining law should better reflect today's needs and not those of more than a century ago.

[From the Anchorage Daily News, June 2, 1991]

1872 + 119=TROUBLE—FEDERAL MINING LAW IS FRONTIER RELIC

A lot of things have changed in 119 years. Back in 1872, the country was run by a war hero named Ulysses S. Grant. Settlers headed west by the thousands, and bloody battles with indigenous Indians often followed. Alaska had been U.S. territory for all of five years. Four dollars was a good day's wage.

But in all those 119 years, one thing hasn't changed: the essential elements of the federal mining law of 1872.

That law allows prospectors to enter vast reaches of federal lands and stake mining claims. Holding onto a claim requires only $100 worth of work a year. If the site yields an economically valuable deposit, the miner can buy the whole package—minerals and land—for a token price of no more than $5 an acre. The claim buyer gets a perpetual right to cart off a formerly public resource—without having to pay another penny for the privilege.

This framework has undeniably done what it was intended to do: Encourage the discovery and development of minerals. The law, and the energy of those who took advantage of it, helped build the economies of the western states, especially Alaska.

But the law is generous and open to abuse. In a major study two years ago, Congress' General Accounting Office found many serious flaws.

Patented claims obtained for token sums proved to be worth several hundred times what the buyers paid. In one case, 17,000 acres were bought for $42,500. Weeks later the same claims were sold for $37 million. The GAO reviewed 20 cases where miners paid $4,500 for lands that less than two decades later proved to be worth a minimum $13.8 million.

The GAO also found the law had harmful environmental side effects. Mining on patented claims can conflict with recreation or wildlife values on nearby federal lands. The $100 annual work requirement sometimes leads claimholders to gouge up the land as proof they have done some work.

Also, as owner of the land to be mined, the federal government could insist on special environmental protections and proper reclamation—opportunities the current system squanders.

These flaws have provoked a nationwide call for reform. Key proposals include keeping the underlying land in public hands; replacing the work requirement, which is easy to cheat on, with an annual rent fee; and charging a royalty on mineral production.

Such reforms needn't drive the small miner out of business or wreak havoc on the industry. In the past few years, Alaska has started charging rent on claims and a production royalty because the state constitution demands them. The sums involved are hardly burdensome: just $20 a year per claim and 3 percent of the net profits. And unlike the feds, the state doesn't let a miner buy clear title to the land.

The 1872 federal act made a lot more sense when we were a young and growing country, ignorant of the mineral wealth hidden across a vast and inaccessible frontier. But modern life demands modern laws.

The challenge for Congress is to craft a new mining law that does right by the federal taxpayer, lessens the potential for environmental harm, and doesn't drive the small miner out of business.

EL SALVADOR DESERVES THAT AID

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. LAGOMARSINO. Mr. Speaker, I wish to call to the attention of my colleagues the following commentary by Salvadoran President Freddy Cristiani, which appeared in the May 14 edition of the Washington Post.

President Cristiani makes several important points about the lengthy conflict which has afflicted the Salvadoran people over the last decade: the war has cost billions of dollars and thousands of lives, but the support of the United States has been essential for the pro-

motion and strengthening of Democratic government.

The key element in U.S. support which I want to emphasize, and which President Cristiani refers to, is the absolute necessity of U.S. assistance to preserve the democratic process in that country. A cutoff or severe restrictions on U.S. aid will only serve to make the FMLN guerrillas more instransigent in the ongoing negotiations for a cease-fire. It is imperative that the U.S. Congress not act in a way that adversely affects the peace process.

[From the Washington Post, May 14, 1991]

EL SALVADOR DESERVES THAT AID

(By Alfredo Cristiani)

What I am about to say may come as a shock to many Americans, but El Salvador, regarded by some as the quagmire of Central America, is on the verge of becoming El Salvador, a triumph for democracy in Central America with thanks to a considerable assist from the United States.

How dare we be so optimistic? Consider the ground we have covered in the past 12 months toward a just peace and sound economic development.

We are close to ending the 11-year-old guerrilla war with a peace agreement that would make winners out of all Salvadorans and strengthen our democratic process. The only losers are the extremists on the left and the right who tried to impose their own nondemocratic systems on us.

Despite predictions that we would never investigate much less prosecute military officers for criminal acts, four army officers and five enlisted men accused of the barbarous murder of six Jesuit priests and their two women housekeepers 18 months ago will go on trial, possibly within the next three months.

In the economy, we have suffered through the first difficult steps to reverse the downward spiral brought on by heavy-handed state interference and to lay the groundwork for a market-oriented system that rewards individual initiative. Last year inflation dropped significantly, agricultural production and exports turned around, and our overall economic growth was the highest since 1979, before the war began. We have high hopes for continuing this trend and achieving our electoral promise of reducing severe poverty. Meanwhile, a special Social Emergency Program is doing much to minimize the adverse impact on the lowest income groups of the drastic measures we were forced to implement.

Nothing will improve our economy so much as peace. Last month after three weeks of intense negotiations with the Farabundo Marti National Liberation Front (FMLN) in Mexico City under the auspices of the United Nations, we laid the constitutional foundation for a final truce agreement that we hope to reach when we reconvene negotiations. The constitutional reforms, which we are already in the process of enacting, place the military firmly under civilian control, set up a civilian police force, strengthen the independence of the judiciary branch and establish a special prosecutor for crimes against human rights.

These reforms go to the heart of the critical problems that plunged our country into a decade of violence. When we took office in 1989, it was the first time in our history that the administration was passed from one elected civilian president to another. Every other elected government had been ousted by a military strong man. It is a major sign of our growing maturity as a democratic nation that our military men are now willing to accept civilian control.

The stage is set for all of these reforms to be cemented into law as soon as the FMLN accepts a cease-fire. It is now up to the FMLN to forswear its terrorism and back off its attempt to impose a bankrupt Marxist system on unwilling Salvadorans. We are encouraged that Joaquin Villalobos, one of their five top leaders, declared that he has given up Marxism to become a Social Democrat. Actually, without admitting it, the left has already become a part of our democratic system; as a result of our March 10 legislative elections, Ruben Zamora, a member of the left's political front, has been chosen vice president of the new National Assembly, and a member of Schafik Handal's Communist Party has one seat in the assembly. Handal is another of the five guerrilla leaders.

Those popular elections, the seventh we have held in the last 10 years, were an important watershed for our efforts to fulfill our campaign promise of bringing peace and unity to El Salvador. While on the surface it appeared that our party, Arena, lost ground to the Convergence of the Left, which won eight seats, the real significance is that the left finally participated in our democratic system and discovered that it could win a meaningful role. Even though Arena remains the most popular single political party, the way is clearly open for the left to have a genuine opportunity to influence policies through political compromise within our democratic system, making violence unjustifiable.

These are the very goals the United States set when it began assisting us in the 1980s. With success for your policy so near at hand, we urge Congress to see us through to the end by continuing its aid program. However, last year's action of withholding military aid to supposedly force the Salvadoran military to support the peace process sent the wrong signal to the FMLN. While we made concessions, the FMLN sought to exploit the situation by smuggling in arms and launching a bloody offensive against the civilian population, which included the cold-blooded murder of two downed American pilots. Wisely, President Bush, citing the FMLN aggression, decided to restore the aid.

We urge Congress this time to demonstrate its support for the democratic forces in the new aid bill in order to send the FMLN a clear signal that it must accept a cease-fire without further delay. Once a cease-fire is in place, we guarantee to redirect military funds toward assisting and retraining the combatants on all sides for useful civilian roles and to rebuilding the infrastructure of our war-ravaged rural areas. Then, we will be truly beating our swords into plowshares.

WHEN THOSE CREDIT REPORTS ARE WRONG

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. LEHMAN of California. Mr. Speaker, I include the following editorial from the Los Angeles Times in today's CONGRESSIONAL RECORD:

[FROM THE LOS ANGELES TIMES, JUNE 10, 1991]

WHEN THOSE CREDIT REPORTS ARE WRONG: RIGHT NOW THERE'S LITTLE YOU CAN DO; THAT COULD, AND MUST, CHANGE SOON

A credit report cost James Russell Wiggins of Washington his job because it erroneously said he had pleaded guilty to cocaine possession. Bill collectors hassled Gregory N. Evans of Englewood, Colo., for months to collect debts that were mistakenly listed as his by a credit reporting company.

Who needs such grief? No one, yet thousands of consumers have been denied a car, house or even a job because of sloppy credit reports compiled by one of the 1,000 credit reporting companies. That consumers have to suffer so is an outrage.

So it's no surprise that a consensus is emerging in Congress that it's time to update the 1970 Fair Credit Reporting Act. When the law was enacted, credit reports were compiled by hand. Today, sophisticated computer systems enable credit reporting companies to amass huge collections of consumer credit files and sell their lists and files to other businesses.

Major credit reporting bureaus spew out 450 million reports a year with errors in as many as 40% of the files, U.S. Rep. Richard H. Lehman, a Democrat from Sanger, Calif., told a House consumer affairs subcommittee last week. He has introduced a bill to strengthen protections in the credit reporting laws by giving consumers the right to see all their files and to receive a free copy of their own report once a year. Consumer advocates also want provisions that would provide prompt correction of errors, require credit bureaus to notify consumers after adverse information is placed on their record and bar the release of information for marketing lists without consent.

These are badly needed changes, considering that the Federal Trade Commission reports that complaints about the privacy and accuracy of credit reports rose 50% in 1990, to 9,000 and now are No. 1 in consumer complaints to the agency. A spot check by the California Public Interest Group showed that consumers who complained to the FTC had tried on average for nearly six months to resolve their problems and many had made more than five phone calls, with no success at getting errors corrected.

Erroneous credit reports that cause consumers to lose jobs or credit are inexcusable. Credit reporting is a $1-billion-a-year business that should not make mistakes, especially with computers that make it so easy to add or delete information.

Greater consumer protection will give greater incentives to companies to be error-free.

SPECIAL TRIBUTE TO REV. MSGR. LADISLAUS J. FLEK, MARKING THE GOLDEN JUBILEE OF HIS ORDINATION TO THE PRIESTHOOD

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. ROE. Mr. Speaker, it is with distinct pleasure that I rise today to honor an exceptional man and a distinguished member of the clergy in my Eighth Congressional District of New Jersey. On Sunday, June 16, Rev. Msgr. Ladislaus J. Flek, pastor of St. Joseph's

Roman Catholic Church in Passaic, NJ, will mark the golden jubilee of his ordination to the priesthood. After this very special mass, parishioners and friends will honor him with a dinner at the Sevilla Restaurant in Passaic.

Mr. Speaker, Monsignor Flek has truly served his flock for his entire life. He was born and raised in the very parish he now presides over. To serve and nurture the spiritual needs of a religious community is a calling of profound responsibility, but one which may yield many rewards. It must be a special source of honor and extraordinary satisfaction for Monsignor Flek to have come home to guide and attend the friends and family of the community which he knew as a young man.

Monsignor Flek's parishioners have prepared a special biography outlining his many contributions to the communities he has served. At this point, Mr. Speaker, I would like to read that statement into the RECORD so that all my colleagues may know and share in the love and respect held by all those who have been touched by this remarkable individual.

BIOGRAPHY OF REV. MSGR. LADISLAUS J. FLEK

In our Parish Baptismal records, in the year 1916, there proves to be among the hundreds of babies born in St. Joseph's Parish in Passaic, that of our own Pastor, the Rev. Msgr. Ladislaus Flek. His first home was on Jackson Street, only two blocks from the church. His good parents, the late Sophia and Valentine Bielecki, who migrated from Poland to make their home in Passaic, were also married at St. Joseph's. Monsignor is the second of three children; he has two sisters, Mrs. John (Mary) Ulaszewski, and Mrs. Anthony (Angela) Gawell.

The future priest and pastor was graduated from St. Joseph's School in 1929; he pursued his high school studies at Don Bosco Preparatory School, Ramsey, N.J. under the guidance of the Salesian Fathers and Brothers. His college studies were taken at Seton Hall University, South Orange, N.J., followed by theological studies at Immaculate Conception Seminary, Darlington, N.J. On June 7, 1941, the Sacred Priesthood of Our Lord Jesus Christ was bestowed upon him in the Cathedral of St. John the Baptist by the late Most Rev. Thomas H. McLaughlin, the first bishop of the Diocese of Paterson. On the following day, this new young priest offered his first solemn Mass at the same altar, here at St. Joseph's, where he had served as an altar boy for many years.

Father Flek's first six months of priesthood were spent at Holy Rosary Parish, Passaic, under the late very Rev. Canon Stanislaus Kruczek. In January, 1942, he was assigned to St. Anthony's Church, Hawthorne, N.J., where he served until July, 1954, when he was first named a pastor at St. Simon the Apostle Church, Green Pond. Here, he also had the responsibility for the parishioners of St. Thomas the Apostle Church in Oak Ridge. In September, 1961, Father Flek was named Pastor of Our Lady of Mt. Carmel Church, Boonton. During his eight years there, he had the privilege of rebuilding one of the oldest and most beautiful churches in the diocese.

In June, 1969, Father Flek received the unusual honor of being named Pastor of the parish in which he was baptized, the parish which was the scene of his childhood, the parish which included his own parents as part of his flock, our dear parish of St. Joseph's.

The parishioners are all well aware of Monsignor's keen interest and ability in administering the needs of the parish, both physical and, above all, spiritual. Our beautiful grounds, our church building and the many inspiring and enlightening Spiritual Devotions give testimony to this. Most especially Monsignor Flek evidences a priestly zeal in his deep concern for the sick and elderly.

In recognition of our pastor's zeal and many years of dedicated service to Holy Mother Church, on January 7, 1981, our Holy Father, Pope John Paul II, on the recommendation of His Excellency, Most Rev. Frank J. Rodimer, Bishop of Paterson, bestowed upon him the honor and title of "Prelate of Honor to the Holy Father", bearing the title of Rev. Monsignor. The entire parish family of St. Joseph's rejoiced with Msgr. Flek for this well-deserved honor. A portion of the letter, which announced the good news to our pastor, follows: "It is my great pleasure to inform you that our Holy Father, Pope John Paul II, has named you Prelate of Honor. I hope that this recognition of your zeal and dedication to the work of Christ will bring added encouragement and joy to you, your family, friends, and the people of God to whom you have continued to minister so faithfully through the years". The letter was signed, "Fraternally yours in Christ, Most Rev. Frank J. Rodimer, Bishop of Paterson".

We lift up our minds and our hearts in thanking Almighty God for this great honor and for His gift of Fifty Years of fruitful and inspiring priestly service to our Pastor, Monsignor Flek. May our Dear Lord, the Eternal High Priest and Good Shepherd, continue to bestow upon our pastor His many blessings and graces for many more years to come. Ad Multos Annos!

QUEEN OF THE CLERGY, PRAY FOR HIM

Mr. Speaker, as Msgr. Ladislaus J. Flek celebrates his 50th anniversary of his ordination to the priesthood, I know that you and all of our colleagues here in the Congress will want to join me in extending our warmest greetings and felicitations for the excellence of his service to his faith, our Nation, and all of mankind. We do indeed salute an esteemed clergyman, exemplary pastor, and great American—Rev. Msgr. Ladislaus J. Flek.

INTRODUCING LEGISLATION TO DESIGNATE THE LAST WEEK IN JULY AS NATIONAL PARENTS OF MULTIPLE BIRTH CHILDREN WEEK

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mrs. KENNELLY. Mr. Speaker, recently the Mothers of Twins Association of Connecticut wrote to me describing the activities of their organization. They engage in educational and research pursuits as well as exchange information on the joys and challenges of multiple births. Having twin siblings myself, I know first hand of this phenomenon. Today, I am introducing legislation to designate the last week of July as National Parents of Multiple Birth Children Week.

The National Organization of Mothers of Twins Clubs, Inc. was founded in 1960 exclusively for the purpose of educating parents, researchers, educators, and the general public to promote better understanding of the unique aspects of child development presented by multiple births.

This organization sponsors workshops, forums and social activities so that mothers of twins can provide a happy and secure environment for their children. It also serves as a clearing house for research studies in genetics and behavioral science. Finally, it is affiliated with the International Society for Twin Studies.

Mr. Speaker, it is clear that multiple births require special parenting skills and create a unique set of circumstances in which to grow up. I believe we can learn a lot from them. I encourage my colleagues to enact legislation to designate the last week in July as National Parents of Multiple Birth Children Week and recognize the special contributions these families make in our quest for improvements in child welfare.

TAX FAIRNESS FOR OLDER AMERICANS

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. DREIER of California. Mr. Speaker, with the rising costs of quality medical care and of long-term health care options, it is time to do something that will make older Americans more financially independent and less victimized by the whims of seemingly random budget cuts. For this reason, I have introduced the Retirement Equity Act to give seniors this independence by repealing gross inequities in the Social Security System and our tax system. This bill will encourage more older Americans to work and to remain financially independent.

Specifically, the Retirement Equity Act eliminates the Social Security outside earnings limitation. The earnings limitation imposes a great burden on those older Americans with the greatest need—those who have had a career of low earnings and who did not qualify for employer pensions. This limitation requires Social Security to deduct $1 for every $3 earned above the exempt annual amount. This translates into a substantial tax on those older workers who want, or need, to continue working. The earnings limitation almost forces these people into full retirement.

Let me suggest that the earnings limitation is one of the few remaining—though indirect—mandatory retirement policies imposed by the Federal Government. And this policy affects a significant number of elderly. Last year, 1 million people had their benefits reduced because of the test; another million lost their benefits entirely; and labor economists estimate that the test deters another 1 million from working. This is happening at a time when we are expecting a labor shortage in the 1990's.

The Retirement Equity Act would eliminate the tax on Social Security beneficiaries who earn above the arbitrary annual limit. We continue to encourage today's workers to plan ahead for retirement, reminding them that Social Security is only a partial retirement plan. Yet, we tax up to one-half the benefits of retir-

ees if their full retirement earnings amount to more than the arbitrary cap: $25,000 for an individual, or $32,000 for a couple filing jointly. To add fuel to the fire, these income thresholds are not indexed for inflation.

Finally, the Retirement Equity Act eliminates the FICA and SECA tax on individuals over age 70. It makes no sense that these individuals must continue to pay into a retirement system for which they may never see a return. Not only are they forced to continue paying into the system, but should they make more than $25,000, they are subject to the Social Security tax.

Seniors who have been productive members of our society should not be made to feel that their survival is based on Government assistance. And yet, this occurs with our current Social Security and payroll tax policies. A pension recipient can earn any amount of income on top of the benefits received, without penalty. Under Social Security, benefits are reduced for those who planned well or want to keep working. This sends the wrong message to today's workers. Our policies say: Don't plan ahead; rely totally on Social Security. We must not lock our elderly into one retirement plant of questionable solvency We should give them incentives to save, and to work.

Mr. Speaker, let us work to eliminate these restrictions on older Americans for their sake and for the good of the economy. At a time when our population is aging, we must devise solutions beyond more Government programs and increased Medicare budgets. Let's work for long-term care solutions to these programs by allowing our senior citizens to achieve a greater sense of financial independence. I urge my colleagues to support this legislation.

THE SAFE PIPELINE ACT OF 1991

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. VENTO. Mr. Speaker, today I am introducing the Safe Pipeline Act of 1991, to amend the Hazardous Liquid Pipeline Safety Act of 1979, to mandate the installation of remote control valves [RCV's] on hazardous liquid pipelines in major urban and suburban communities within 5 years and to provide greater safety for pipelines in environmentally sensitive areas and in substantial risk areas.

This legislation stems from the results of an extensive Department of Transportation study, entitled, "Emergency Flow Restricting Devices Study," which Congress mandated nearly 3 years ago in section 305 of the Pipeline Safety Reauthorization Act of 1988—Public Law 100–561. The study concluded that based on current technology, the only emergency flow restricting devices that are technically feasible, effective, and cost beneficial are remotely controlled valves and check valves on certain hazardous liquid pipelines.

The Department of Transportation estimates that approximately 7 percent of all hazardous liquid main pipeline mileage, 10,850 miles, is located in populated areas. According to the Census Bureau, 193 million Americans, or 77 percent of the total U.S. population, lives in 1 of the 284 Metropolitan Statistical Areas [MSA's]. An MSA has a threshold population of at least 50,000 people.

Based on the information provided by the pipeline industry, the Department of Transportation has determined that remote control valves on hazardous liquid pipelines in urban areas would provide a benefit of $1.59 for every $1 of cost to the operators. The legislation which I am introducing today will require the installation of remote control valves with leak detection systems in densely populated metropolitan areas.

In 1986, a gasoline pipeline explosion in Mounds View, MN, in the district which I represent, killed a young mother and her 7-year-old daughter, severely injured another woman, and caused well over $1 million in property damage. The accident was caused by a seam failure in an electric resistance weld segment of pipeline. This tragedy was exacerbated by a back flow or draining from the pipeline after manually operated valves on either side of the ruptured section of the pipeline were not closed. It took the pipeline operator over 1 hour and 40 minutes from the time of the rupture to isolate the ruptured section of pipeline using manually operated valves. During that time period, approximately 714 barrels—30,000 gallons—or 21 percent of the total volume in the 10-mile manually valved section of the pipeline, spilled into the surrounding residential area.

Since the 1986 accident, the operator, Williams Pipeline Co., has installed RCV's on either side of the Mounds View section of the pipeline, spaced 5.7 miles apart. While an operative RCV system might not have prevented this tragedy, it certainly would have permitted a much faster response from the operator in closing down the pipeline to prevent a backflow from the pipeline. The DOT study also cites other examples where RCV's would have mitigated the damages caused in pipeline accidents in both urban and rural areas. These facts underscore the need for the policy change which I am advocating today.

The bill also mandates the installation of RCV's on either side of a water crossing that is more than 100 feet wide or of a body of water with an average flow rate of 5 cubic feet per second or greater. RCV's would also be required on either side of any reservoir which holds a drinking water supply. The potential threat to drinking water supplies and the threat of severe environmental damage to soil, ground water, rivers lakes, as well as wildlife, birds, and waterfowl from a pipeline accident near certain bodies of water makes it imperative that we impose the strictest possible safety standards at these locations.

.This legislation also provides for the installaiton of SCADA [supervisory control and data acquisition] systems with leak detection subsystems on pipelines in urban and suburban areas within 5 years. DOT would also be required to develop standards for both RCV's and SCADA systems within 1 year. SCADA systems which monitor flow rates, operating pressures, and temperature, along with other data, are an essential component of an effective system for isolating a section of pipeline in an emergency situation.

The bill directs the Department of Transportation to initiate within 1 year an assessment of whether to require the installation of RCV's and SCADA systems with leak detection subsystems on pipelines in substantial risk locations. Substantial risk locations are defined as those locations where the risk to public safety, property, wildlife, and the environment would be great in the event of a pipeline accident. This would also include those areas, such as California, which are regularly subject to seismic or earthquake activity.

Currently, pipeline operators are not required to report to the Department of Transportation about the environmental impact of a pipeline accident or spill. Under this legislation, the Department would be directed to amend the hazardous liquid accident report form, as well as relevant regulations, to require operators to report the environmental effects, including, but not limited to, water pollution, soil contamination, and the impact upon wildlife, birds, fish, and waterfowl resulting from any pipeline accident.

Mr. Speaker, I want to recognize the outstanding leadership of the chairman of the Subcommittee on Energy and Power, Mr. SHARP, whose subcommittee is currently considering the reauthorization of the hazardous liquid and natural gas pipeline safety programs. Chairman SHARP has always been very receptive to effective measures for strengthening pipline safety. I was particularly pleased to have had the opportunity to work closely with him and his staff in 1988 to include additional safety provisions in the last reauthorization bill. Earlier this year, Chairman SHARP and I sent a letter to Secretary Skinner urging the Department of Transportation to release this congressionally mandated study on emergency flow restricting devices.

This study lays out a clear path which I believe we should follow. Remote control valves on hazardous liquid pipelines in densely populated areas is certainly an idea whose time has come. I hope that my colleagues will join me in supporting this measure to further strengthen the safety of hazardous liquid pipelines.

CONGRATULATIONS B'NAI B'RITH

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. CLEMENT. Mr. Speaker, I would like to take this opportunity to congratulate and pay homage to an outstanding organization and a distinguished constituent who has recently been elected president of that group.

District seven of B'nai B'rith includes Alabama, Arkansas, Louisiana, Mississippi, Oklahoma, and Tennessee. However, this organization consists of more than geographic boundaries. For 117 years district seven of B'nai B'rith has defined the parameters of honesty, fairness, courage, and dignity. On June 17, 1991, they will hold their 116th convention in Ft. Worth, TX, and install new officers.

At that time Mr. Jim Blumberg of Nashville, TN, will become president of B'nai B'rith district seven. On his path to the presidency he has established a record of integrity and effective leadership second to none. He has stood

courageously against the forces of hate and discrimination which B'nai B'rith has traditionally opposed, and there is no doubt that his era will develop impressive new boundaries of service and distinction.

Additionally, this is a particularly sentimental occasion for both Mr. Blumberg and myself. On June 17, 1951, Jim Blumberg's father was installed as president of district seven, and my father, Frank G. Clement had the honor of being a quest at that dinner.

Mr. President, Nashville is proud that one of its own is assuming the presidency of this dynamic organization. I invite you and our colleagues to join me in wishing district seven of B'nai B'rith a successful convention, and in saluting an organization which will continue its tradition of productivity under Jim Blumberg's capable leadership.

TRIBUTE TO ABNER TURNER

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. CAMP. Mr. Speaker, it is with great pleasure that I rise today to recognize a truly outstanding individual in mid-Michigan, Mr. Abner Turner of St. Johns, MI. The St. Johns Lions Club has submitted Mr. Turner's name for consideration for the Points of Light Program which recognizes outstanding community volunteers. I am sure that you will agree that Mr. Turner is deserving of this honor.

For the past 13 years Mr. Turner has volunteered more than 1,200 hours per year knitting caps and scarves for the needy in his area. Mr. Turner's selfless nature has meant that many children in the St. Johns area have been a little warmer in the winter. One year he made 65 hat and scarf sets for the Big Brothers/Big Sisters organization. This is no small feat, especially when you consider that each set means 7 hours of labor.

Mr. Turner has devoted many hours to the charitable organizations of his community. Organizations that have benefited from his charitable work include the local Lions Club, Big Brothers/Big Sisters, Head Start, Recovery After Violent Encounter, and Community Services.

It is through his volunteer work that 87-year-old Mr. Turner has directed his life to help others. He has used his special skills to enhance the lives of many young people and adults in his community.

Mr. Speaker, I know that you will join me in thanking and commending this truly exceptional man for all his years of dedication to the community of St. Johns, MI. We all wish this extraordinary gentleman well, and continued success in all his endeavors.

YOUTH CRIME WATCH OF AMERICA PROGRAM

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, Youth Crime Watch of America is a partnership with our young people which has helped bring sensibility, law, order, and constructive change back into our schools. We have happily discovered that our young people, the very segment most threatened by crime and drugs, are an extremely potent force in this all-important effort. It is the goal of Youth Crime Watch to provide our young people with crime and drug resistance education and vital leadership skills.

This organization takes several different approaches to the problem of crime. It promotes workshops, provides reference materials, encourages an exchange of ideas, sponsors the National Youth Crime Prevention Conference, and goes to schools and communities to deliver onsite training of crime prevention. It encourages drug-free environments, instills positive values, fosters patriotism, and teaches students to cooperate and help each other fight against crime.

The results are astonishing. Over the 5-year period after it was established in the Dade County public school system in 1980, robberies decreased by 52 percent, arson by 50 percent, breaking and entering by 45 percent, assaults by 40 percent, narcotics by 40 percent, vandalism by 37 percent, and larceny by 18 percent. It has become one of the most comprehensive, popular, anticrime, antidrug, student-led programs in the country.

Many people are to be thanked for its endeavors. The executive director Ann Whitten Lisk; staff members Virginia Hill, Patricia Redmend Waters, and Jan Poole; the 1991 executive board consisting of Betty Ann Good, president; Louis Wolfson III, first vice president; Roger Fritze, second vice president; Maj. Doug Hughes, third vice president; Marilyn Morris, secretary; Joyce Nunez Bell, treasurer; Jane McMillan, Esq., legal adviser; Linda Brown; Sgt. James DiBernardo; William Flanagan; James Kelly; E.O. McAllister; Jeff Miller; Kip Parsons; Howard Rasmussen; Donna Uzzell, and Harry Wright. Also, the 1991 new advisory board members including Dr. William Butler, Tom Cash, Chief Robert Rossman, Fred Taylor of the Metro Dade Police Department, Sheriff Guy Tunnell, and William Turner.

A second-based crime prevention program has impacts far beyond the confines of the classroom. In supporting the Youth Crime Watch, I continue my effort to safeguard the rights of crime victims and prosecute the offenders. While there is no easy solution to the problem of crime, the Youth Crime Watch is a step in the right direction. It is my privilege to bring it to the attention of the House and the American public.

A TRIBUTE TO NED SAXON

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. HUBBARD. Mr. Speaker, I take this opportunity to pay tribute to my longtime friend, Ned Saxon, who died February 8, at his home near Mayfield, KY.

Ned Saxon, 77, was a retired pipefitter, an active member of Mayfield's First United Methodist Church and Landrum Masonic Lodge No. 448. But Ned Saxon was also a tremendous man—well-liked, admired, personable, a devoted Christian husband, father, and grandfather—who is already very much missed by those of us who knew him.

Ned Saxon and his lovely wife Louise, who celebrated their 50th wedding anniversary last October 13, were a terrific couple. Louise Saxon worked for many years at Mayfield's Liberty Savings Bank—now Liberty Bank and Trust Co.—where she served as secretary, teller, then vice president.

In addition to his wife Louise, Ned Saxon was survived by three daughters: Sharlotte Kelley, who was my first secretary when I began a solo practice of law at Mayfield in 1968, and she was also my first secretary at Mayfield as a State senator in 1968; Nedra Nall and Patricia Morris, all of Mayfield; three brothers, David Saxon, Wingo, KY, Billy Saxon, Cuba, KY, and Glenn Saxon, Pryorsburg, KY; two sisters, Faye Gillum, Pryorsburg; and Fern Combs, Evansville, IN, who died last month. He is also survived by five grandchildren, several nieces and nephews, and several brothers-in-law, including Graves circuit court clerk Joe Stewart, Mayfield.

My wife Carol and I extend our sympathy to the family of the late and beloved Ned Saxon.

IN RECOGNITION OF BRADFORD COUNTY VETERANS APPRECIATION DAY

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. McDADE. Mr. Speaker, I rise today to bring to my colleagues' attention a very special event that will be held in Bradford, County, PA, on June 16. The third annual Bradford County Veterans' Appreciation Day will be held at Hornbrook Park in my district to show the community's gratitude for the efforts of the men and women who have served our country so selflessly in our history.

In the wake of the grand success of Operation Desert Storm, communities throughout this Nation have organized tributes to our veterans, who have given so much to us by answering the call to duty. But what makes this third annual celebration in Bradford County so special is the effort to bring out veterans who seldom have the opportunity to spend an afternoon out—veterans who are homebound or who live in hospitals, many in wheelchairs. A considerable effort is made to find and

transport veterans from their homes and the hospitals to Bradford County Veterans' Appreciation Day, where they are treated to an afternoon of food, companionship, and entertainment.

Volunteers from the local Vietnam Veterans Post put together the first Veterans' Appreciation Day in Bradford County in 1989. The group decided after that first celebration to make the event an annual one. I would like to share with my colleagues the reflections of Joe Larnard, a Vietnam veteran and one of the organizers, of that first celebration:

A young lady was asked to take a Polaroid picture of each guest. When she approached one older gentleman in a wheelchair, he was shaking his head "no." It was hard to tell what he was trying to say. When I was asked to come over to see if I could help, it didn't take long to see what he wanted—he wanted her in the picture with him! As I got ready to take the picture, another young lady gave him a kiss on the cheek. When I handed him the grayish Polaroid, he looked disappointed. As the photograph slowly developed you could see his face light up, and when it was finished, off he went to show all his buddies. You knew for him, that one picture made his whole day.

Later that day, as the last wheelchair was loaded on the bus to leave, we all sat down together totally exhausted—some had not slept in over 60 hours. Donnie said, "When I saw the look on their faces, it made it all worthwhile." We did it for them, but we knew we got much more out of it than they did.

More volunteers from the community came forward to offer their services, and the second celebration grew to include bands, shows, t-shirts, and caps. Then and now, the support of local businesses has been invaluable in the success of the celebration. The second annual Veterans' Appreciation Day gave special recognition to America's POW's and MIA's.

The Veterans' Appreciation Day on June 16 in Hornbrook Park will pay special tribute to veterans of the Korean war, as we near the 40th anniversary of the beginning of that conflict. Special guests will be homebound veterans of Bradford County and residents from the Veterans' Administration Medical Centers in Wilkes-Barre, PA, and Bath, NY. It again promises to be a memorable event for the special guests, thanks to the tremendous volunteer effort that has allowed this celebration to become an annual occurrence.

Mr. Speaker, I ask my colleagues to join me in commending the volunteers who have made Bradford County Veterans' Appreciation Day such a resounding success, and in sending our best wishes to those who will join in the celebration June 16 at Hornbrook Park.

TRIBUTE TO VIRGINIA NOVAK

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. KOLBE. Mr. Speaker, I rise today to pay tribute to Virginia Novak. Recently, Virginia was named Employee of the Year at the Carondelet St. Joseph Hospital in my district. Although her work as a medical records clerk rarely brings her into direct contact with the patients she serves, she nevertheless plays a vital role in the delivery of quality health care services. Indeed, in many ways a patient's life is dependent on the precise, correct, and diligent work of Virginia.

Our health care delivery system has been under much scrutiny lately. Although there are serious flaws in our current system, there is still a valuable core foundation present which will, I believe, help us restore the high level of quality we've grown to expect from our health care system. Virginia Novak is an important part of this foundation, and I am proud to commend her and all members of the medical community who serve our Nation.

TRIBUTE TO ROBERT E. FREEMAN

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. WAXMAN. Mr. Speaker, on June 19, 1991, the Family Service of Los Angeles [FSLA] will be celebrating its 60th annual meeting and bidding farewell to its current chairman of the board, Mr. Robert Freeman.

Mr. Freeman's steadfast commitment to enhancing our community through the strengthening of families has been of tremendous benefit to Family Service of Los Angeles. He has served on the board of directors of FSLA for many years, actively supporting all agency activities, as well as serving on many specialized board committees.

Mr. Freeman has brought strong leadership, cohesiveness, integrity, and direction to Family Service of Los Angeles during his tenure as chairman of the board of directors. Mr. Freeman's commitment helped FSLA to provide essential programs and services, including a suicide prevention center and a community center, in order to meet the changing needs of our community.

In addition to being a longtime member of Family Service of Los Angeles, Mr. Freeman also serves on the board of directors for the Southern California Business Association, the Universal City/North Hollywood Chamber of Commerce, and the AMI Medical Center of North Hollywood.

I ask my colleagues to join with me in congratulating Robert Freeman and his familly on this special occasion and commending him for his dedicated efforts and outstanding contributions to the Family Service of Los Angeles.

TRIBUTE TO JAMES F. SULLIVAN, JR.

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. ATKINS. Mr. Speaker, I rise today to pay tribute to James F. Sullivan, Jr., on the occasion of his retirement from 33 years of dedicated service to the Lowell Public School System. Jim has contributed immeasurably to the growth, character, and intellectual capacity of thousands of students who have been the recipients of his knowledge, kindness, and understanding. Throughout his life in the field of education, he's always exemplified the highest ideals of a teacher and administrator. He has earned the respect and admiration of students, parents, and faculty members. Jim first began as a teacher in the Lowell Public School System in 1958, at the Butler Junior High School as a math teacher, it is here that he became a junior high football coach under the legendary Ray Riddick. He was at the Butler School for 7 years before he was elected principal of the Moody Junior High School in 1965. He has held this position for 26 years and exemplifies the highest quality that our Nation has to offer in the education profession. I join Jim's wife, Louise, their two children, Nancy and Maura, friends and colleagues in congratulating him on his well-earned retirement and in wishing him well in all future endeavors.

TRIBUTE TO SANTIAGO B. LOPEZ

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. TORRES. Mr. Speaker, I rise today to posthumously recognize a special individual, Mr. Santiago Banuelos Lopez. Extraordinary father, supportive grandfather, writer, musician, church activist. Mr. Lopez was all these things.

This year as his family celebrates the 102d year of his birth, Mr. Lopez's legacy lives on. The father of 7 daughters, 23 grandchildren, 57 great-grandchildren, and 7 great great-grandchildren, Mr. Lopez is still annually honored by a family whose lives were all indelibly influenced by the support and kindness of a man whose story epitomizes the opportunity which continues to burn brightly in this country.

Mr. Lopez was born on November 27, 1889, in Zacatecas, Mexico. He and his bride Perfecta Lopez, economic refugees of the Mexican Revolution, emigrated to the United States in 1918, and became naturalized citizens of the United States in 1925. Before leaving Mexico, Mr. Lopez had studied at the School of Priesthood, University of Mexico City. But the economic devastation that accompanied the Revolution of 1910 dramatically changed the circumstances of Mr. Lopez's life. Undaunted, he struggled to overcome the language and racial barriers that were so prevalent and so much a part of the lives of those hundreds of thousands of Mexican immigrants who migrated to the United States in the wake of the Revolution.

Working as a laborer and migrant worker in the fields of California during the 1920's Mr. Lopez lost his wife during childbirth in 1929, because the policy of the rural hospital in the area where he and his family were picking fruits and vegetables was to admit Mexican-Americans on a cash only basis. Possessing inadequate resources to gain proper medical treatment for his spouse, he watched helplessly as his wife died from complications of childbirth in a tent in Santa Clara County.

A widower, Mr. Lopez went on to successfully raise seven daughters, Esther L. Reymont, Beatrice L. Hernandez, Frances L. Granados, Ruth L. Juntilla, Margaret L. Hamilton, Sarah L. Varela, and Catalina Adams, with the help of his mother Refugia, and eventually worked his way from campesino to trusted employee of the Rapid Transit District of Los Angeles. He eventually retired from the RTD and remained an active Mason in the Quovadis Chapter in Los Angeles until his death on December 12, 1963.

Mr. Speaker, Mr. Lopez's family will be holding an event to honor the 102d anniversary of his birth in Fountain Valley, CA, on June 15, 1991. I ask my colleagues to join me in saluting Santiago Banuelos Lopez for the marvelous example he has represented for his over 87 direct descendants.

"BUILDERS OF COMMUNITY" AWARD GOES TO THE BIRNS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. LEVINE of California. Mr. Speaker, I rise today to ask my colleagues in the U.S. House of Representatives to join me as the Westwood Kehilla, a modern orthodox synagogue in west Los Angeles, honors two extraordinary people, Jack and Shayne Birns, whose drive, courage, and spirit of adventure have inspired friends, family, and professional colleagues with each new challenge and achievement. This joyous event will take place on Thursday, June 13, 1991.

After graduating from Cleveland's East Technical High School and Ohio Northern University, Jack began his career as a journalist, working for United Press, Scripps-Howard Feature Service, and International News Service.

He moved to Los Angeles in 1946 and, in 1947, married Shayne Lee Golsen, a graduate of Venice High School, in Los Angeles, and the University of California at Los Angeles [UCLA].

Jack was doing photo assignments for Coronet, Cosmopolitan, Fortune, Holiday, Pageant, Redbook, and Time magazines when Life magazine discovered him. Within 6 months he had set a record for Life freelancers of 30 pages and a cover, exceeding the annual output of many staffers. Life offered him a full-time job and a plum assignment as foreign correspondent, covering Southeast Asia generally and the Chinese civil war in particular.

Thus began the Birns odyssey from Shanghai to Hong Kong to Rome. Again, Jack set a record for the number of photographs and pages published, ultimately receiving the first Overseas Press Club of America Award for best coverage of foriegn news by a photographer. Meanwhile, Shayne was working on her own prodigious output: Michael, born in Shanghai, Jeffrey, born in Hong Kong; and Rebecca, born in Rome, Italy.

Finally they returned to Los Angeles in 1951. Jack opened a camera store and, later, a professional motion picture equipment company, Birns and Sawyer, where he developed an entirely new type of underwater light. In 1978 Jack started Birns Oceanographics, making underwater light products in the fields of energy and the environment.

In Los Angeles, Shayne's career burgeoned as she added Eliav, Debby, Eric, and Abby to the roster of Birns offspring. Not finding enough of a challenge to manage a household of nine, Shayne took on leadership, training, and management positions in PTA, Valley Jewish Community Center—now Adat Ariel Synagogue—Hadassah, ORT, and both neighborhood and Council levels of Girl Scouts. In her, no doubt, voluminous part time, she became a Braille transcriber certified by the U.S. Library of Congress, transcribing more than 16,000 pages.

In 1972, Jack and Shayne took another giant step into the unknown: They moved to Israel. While Jack shuttled between Jerusalem and Los Angeles, Shayne worked as a teacher at Bikur Holim Hospital Nursery School for Neurologically Damaged Children. In 1975, however, business affairs forced the couple to return to Los Angeles. That same year Shayne received her master's degree from California State University, Los Angeles, with a major in special education, besides picking up four teaching credentials: In secondary education [Spanish] and special education [visually handicapped, learning handicapped, and severely handicapped]. By 1981 Shayne was assistant director of the Foundation for the Junior Blind, and from 1983 to 1987 she served as adjunct assistant professor at the University of Southern California School of Education, department of counseling and special education. In 1982, she received her doctorate from USC in special education with a minor in education psychology.

Ten grandchildren later—Kayla, Sarah, Avi, Simha, Liora, Moshe, Shmuel, Rina, Yisrael, and Malkiel—the Birnses are an inspiration to their vast network of relatives, friends, and associates. This all the more true as they have coped with catastrophe: Their eldest son, Michael's death, in 1987; a grandchild's cancer and cure; and Shayne's own unyielding struggle with cancer. And through it all their irrepressible geniality and calm pragmatism there was never a complaint, never a harsh word.

In 1982, in response to a small announcement in the Jewish press, Jack and Shayne became founding members of a fledgling orthodox congregation, joining five other families in this endeavor. From that core of pioneers grew the Westwood Kehilla, a vibrant, welcoming, tolerant, and caring community of Jews committed to learning and worship, involved in the larger Jewish community and its institutions, and dedicated to Zionism and the State of Israel.

It is a genuine pleasure to share with you the life and times of Jack and Shayne Birns, a truly dynamic couple.

HONORING QUEENS COUNTY CLERK JOHN J. DURANTE

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 10, 1991

Mr. MANTON. Mr. Speaker, on May 8, 1991, the Honorable John J. Durante retired after serving for more than 21 years as Queens County clerk in New York. He was appointed clerk on November 1, 1969.

John Durante was born and raised in New York City. John met with tragedy early in his life when he lost his father at the age of 3 and was placed in the care of the Mission of the Immaculate Virgin, Mount Loretto in Staten Island. John survived this tragedy and became an outstanding student, at DeWitt Clinton High School and later graduated from my alma mater St. John's University.

During World War II, John fought bravely and honorably in the China-Burma-India theater as a member of the Army Air Corps.

After the war, John became active in government and politics. He served as chairman of the Frank Kenna Republican Club of Astoria, and later became the leader of the Queens Republican Party. John also worked for the New York State Legislature. John was an effective legislative professional for the division of veterans affairs, the ways and means committee, and the court reorganization committee.

Mr. Speaker, on June 11, 1991, a group of friends and colleagues will gather at Russo's on the Bay in Queens, NY, to honor John J. Durante for his outstanding career in public service. I know all of my colleagues join me in congratulating John Durante on the important contributions he has made to New York and the Nation.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, June 11, 1991, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 12

9:00 a.m.
Armed Services
To hold a briefing on the Persian Gulf War.
SH-216
Select on Indian Affairs
To hold hearings on S. 962, and S. 963, bills to confirm the jurisdictional authority of tribal governments in Indian country.
SR-485

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings to examine certain issues relating to conventional weapons trade.
SD-342
Veterans' Affairs
To hold hearings on S. 775 and S. 23, to increase the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of certain disabled veterans, sections 111 through 113 of S. 127, and related proposals with regard to radiation compensation, and proposed legislation providing for VA hospice-care.
SR-418

10:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on the nomination of Ann M. Veneman, of California, to be Deputy Secretary of Agriculture.
SR-332
Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1992 for the Department of State.
S-146, Capitol
Banking, Housing, and Urban Affairs
To hold hearings on issues relating to lender liability.
SD-538
Finance
Taxation and Debt Management Subcommittee
To hold hearings on miscellaneous tax bills, including S. 90, S. 150, S. 267, S. 284, S. 649, and S. 913.
SD-215
Judiciary
Constitution Subcommittee
To hold hearings on proposed legislation authorizing funds for the Civil Rights Commission.
SD-226
Labor and Human Resources
To continue hearings to examine universal access to health care and health care cost containment.
SD-430

2:00 p.m.
Armed Services
Strategic Forces and Nuclear Deterrence Subcommittee
To hold hearings on S. 1066, authorizing funds for fiscal years 1992 and 1993 for the Department of Defense, focusing on the safety and restart issues.
SR-222
Banking, Housing, and Urban Affairs
Securities Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Government Securities Act.
SD-538
Finance
Deficits, Debt Management, and International Debt Subcommittee
To hold hearings on the impact of capital flight on Latin American debt and development prospects.
SD-215
Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 654, to revise Federal patent law to provide for the patentability of certain processes along with a machine, manufacture, or composition of matter with which they are associated, and S. 756, to revise Federal copyright law to provide an automatic copyright renewal system for all works copyrighted before January 1, 1978.
SD-226

2:15 p.m.
Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

4:00 p.m.
Appropriations
Business meeting, to mark up H.R. 2506, making appropriations for fiscal year 1992 for the Legislative Branch, and H.R. 2427, making appropriations for fiscal year 1992 for energy and water development.
S-128, Capitol

JUNE 13

9:00 a.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of James H. Quello, of Virginia, to be a Member of the Federal Communications Commission.
SR-253

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings on the nominations of Carolyn R. Bacon, of Texas, Martha Buchanan, of Texas, and Sheila Tate, of Virginia, each to be a Member of the Board of Directors of the Corporation for Public Broadcasting.
SR-253
Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on proposed legislation on municipal pollution control, including S. 1081, authorizing funds for water pollution prevention and control programs of the Clean Water Act.
SD-406
Foreign Relations
East Asian and Pacific Affairs Subcommittee
To hold hearings to evaluate China's policies two years after Tiananmen.
SD-419
Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings of enforcement of anti-dumping and countervailing duties.
SD-342

10:00 a.m.
Banking, Housing, and Urban Affairs
International Finance and Monetary Policy Subcommittee
To hold oversight hearings on activities of the Export-Import Bank of the United States.
SD-538
Judiciary
Business meeting, to consider pending calendar business.
SD-226
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on proposed legislation authorizing funds for the Office of Educational Research and Improvement, Department of Education.
SD-430
Labor and Human Resources
Aging Subcommittee
To hold hearings to examine issues relating to nursing home reform.
SD-608

10:30 a.m.
Armed Services
To hold hearings on the nominations of Gen. Gordon R. Sullivan, USA, to be Chief of Staff of the Army, and Lt. Gen. Carl E. Mundy, Jr., USMC, to be Commandant of the Marine Corps.
SR-222

1:30 p.m.
Judiciary
Constitution Subcommittee
To hold joint hearings with the House Committee on Judiciary's Subcommittee on Civil and Constitutional Rights on certain issues relating to standards for forensic DNA analysis.
2226 Rayburn Building

2:00 p.m.
Armed Services
Strategic Forces and Nuclear Deterrence Subcommittee
To continue hearings on S. 1066, authorizing funds for fiscal years 1992 and 1993 for the Department of Defense, focusing on chemical defense and chemical demilitarization issues.
SR-222
Foreign Relations
To hold hearings on the Agreement between the United States and the Union of Soviet Socialist Republics on the Maritime Boundary, with Annex, signed at Washington, June 1, 1990 (Treaty Doc. 101-22).
SD-419

2:30 p.m.
Finance
Energy and Agricultural Taxation Subcommittee
To hold hearings to examine conservation and renewable energy tax incentives.
SD-215

JUNE 14

9:30 a.m.
Armed Services
Projection Forces and Regional Defense Subcommittee
To hold hearings on S. 1066, authorizing funds for fiscal years 1992 and 1993 for the Department of Defense, focusing on naval force issues.
SR-222

Finance
Energy and Agricultural Taxation Subcommittee
To continue hearings to examine conservation and renewable energy tax incentives.
SD-215

JUNE 18

9:30 a.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 1029, to designate certain lands in the State of Colorado as components of the National Wilderness Preservation System.
SD-366

Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to examine efforts to combat fraud and abuse in the insurance industry.
SD-342

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings on proposed legislation to modernize the National Weather Service of the National Oceanic and Atmospheric Administration, Department of Commerce.
SR-253

Judiciary
To resume hearings on legislative proposals to strengthen crime control.
SD-226

JUNE 19

9:00 a.m.
Select on Indian Affairs
To hold oversight hearings on the National Native American Advisory Commission.
SR-485

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine dairy supply management options.
SR-332

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on S. 49, to establish an Ocean and Coastal Resources Enhancement Fund and a Coastal Zone Impact Assistance Fund, and to require the Secretary of Commerce to provide States and local governments with block grants from moneys in the Funds.
SR-253

Environment and Public Works
Water Resources, Transportation, and Infrastructure Subcommittee
To hold hearings on S. 481, authorizing funds for research into the desalting of water and water reuse.
SD-406

Foreign Relations
European Affairs Subcommittee
To hold hearings to examine the future of the Soviet economy.
SD-419

1:30 p.m.
Agriculture, Nutrition, and Forestry
To continue hearings to examine dairy supply management options.
SR-332

2:00 p.m.
Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold hearings on S. 933, to provide fair funds to consumers of natural gas who are found to have been overcharged.
SD-366

JUNE 20

9:30 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings to review broadcasters' public interest obligations.
SR-253

2:00 p.m.
Commerce, Science, and Transportation
To hold hearings on the nomination of Dennis A. Yao, of Pennsylvania, to be a Federal Trade Commissioner.
SR-253

JUNE 21

9:00 a.m.
Armed Services
Readiness, Sustainability and Support Subcommittee
To hold hearings on S. 1066, authorizing funds for fiscal years 1992 and 1993 for the Department of Defense, focusing on the Defense Environmental Restoration Account and the service environmental compliance funds accounts.
SR-232-A

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings in conjunction with the National Ocean Policy Study on S. 884, to require the President to impose economic sanctions against countries that fail to eliminate large-scale driftnet fishing, and related issues.
SR-253

JUNE 25

2:30 p.m.
Foreign Relations
To hold hearings on the nominations of Mary Ann Casey, of Colorado, to be Ambassador to the Democratic and Popular Republic of Algeria, John Thomas McCarthy, of New York, to be Ambassador to the Republic of Tunisia, Robert H. Pelletreau, Jr., of Connecticut, to be Ambassador to the Arab Republic of Egypt, and Nicholas Platt, of the District of Columbia, to be Ambassador to the Islamic Republic of Pakistan.
SD-419

JUNE 26

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to examine efforts to combat fraud and abuse in the insurance industry.
SD-342

Veterans' Affairs
Business meeting, to mark up pending calendar business.
SR-418

2:00 p.m.
Select on Indian Affairs
To hold hearings on S. 362, to provide Federal recognition of the Mowa Band of Choctaw Indians of Alabama.
SR-485

JULY 9

2:00 p.m.
Select on Indian Affairs
To hold oversight hearings on the Navajo-Hopi relocation program.
SR-485

JULY 10

2:00 p.m.
Commerce, Science, and Transportation
Foreign Commerce and Tourism Subcommittee
To hold hearings to examine national tourism policy.
SR-253

JULY 11

9:30 a.m.
Select on Indian Affairs
To hold oversight hearings on employment on Indian reservations.
SR-485

JULY 16

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on proposed legislation authorizing funds for rail safety programs.
SR-253

JULY 17

9:00 a.m.
Select on Indian Affairs
To hold hearings on S. 754, to provide that a portion of the income derived from trust or restricted land held by an individual Indian shall not be considered as a resource or income in determining eligibility for assistance under any Federal or federally assisted program.
SR-485

JULY 23

9:30 a.m.
Rules and Administration
To hear and consider a report from the Architect of the Capitol on current projects, and to consider other pending legislative and administrative business.
SR-301

JULY 25

2:00 p.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings to review revenues from additional radio spectrum allocations.
SR-253

CANCELLATIONS

JUNE 20

9:00 a.m.
Select on Indian Affairs
To hold oversight hearings on the Navajo-Hopi relocation program.
SR-485

POSTPONEMENTS

JUNE 19

2:00 p.m.

Commerce, Science, and Transportation
Communications Subcommittee

To hold hearings on proposed legislation authorizing funds for the Corporation for Public Broadcasting.

SR-253