HOUSE OF REPRESENTATIVES—*Tuesday, September 27, 1994*

The House met at 10:30 a.m. and was called to order by the Speaker pro tempore [Mr. SANGMEISTER].

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
September 27, 1994.

I hereby designate the Honorable GEORGE E. SANGMEISTER to act as Speaker pro tempore on this day.

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

MORNING BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of February 11, 1994, and June 10, 1994, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority and minority leader limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from California [Mr. MILLER] for 2 minutes.

COMMENTS ON GOP CONTRACT WITH AMERICA

Mr. MILLER of California. Mr. Speaker, today future Minority Leader GINGRICH will blindfold the Republican candidates and bring them to the Capitol and get them to sign a contract for the future of America. Unfortunately, not only does this contract signal the bankruptcy of Republican ideas, but it foretells the bankruptcy of this Nation. The last time we embarked on this program of tax cuts for the rich, increased defense spending, and no way to pay for it, this country accumulated $4 trillion in debt, $1 trillion in new debt of the eighties. Not only were the eighties bankrupt, but so was the Nation at the end of the eighties.

I would hope that Americans would read this contract before they decide whether they will want to sign it or not. We fully expect the Republican candidates for office to sign this contract, because tonight at a fund-raiser they will be paid for signing this contract. They will be paid by the special interests who seek to have these tax cuts for their narrow special interests and their wealthy friends.

Today the Republicans converge on the Capitol to sign a contract, a contract to increase the deficit by at least $120 billion, a contract to cut Social Security, a contract to reduce Medicare coverage for the elderly, a contract that provides tax cuts for the rich and $1 trillion in debt for the middle class.

We have seen this before, ladies and gentlemen of this Chamber, and we have seen this before, I say to our constituents throughout the country, and that was the 1980's, when we tripled the debt of this country and we lost our ability to compete overseas.

Now, the Republicans are obviously doing this because they have run out of ideas to combat what has taken place here with the real deficit reduction of the Clinton economic proposal of last year, where none of them, none of them, supported what now has turned out to be deficit reduction far beyond the expectations of the critics of that plan and even the supporters of that plan.

I would hope that America would not follow the three blind mice of the Republican Party.

OUR CONTRACT WITH THE AMERICAN PEOPLE

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from Ohio [Mr. BOEHNER] is recognized during morning business for 5 minutes.

Mr. BOEHNER. Mr. Speaker, you can see that our Democrat colleagues on the other side of the aisle do not like our contract with America. Today, Republicans are signing a contract with the American people. What makes this effort different than promises made in the past is we are in the majority, we will bring up 10 bills for complete and open consideration on the floor within the first 100 days. If we do not live up to our end of the contract, we would urge the American people to throw us out of office.

The liberal Democrat establishment in Washington is worried. Judging from their violent reaction to the idea of a contract with America, it is clear they are afraid—if the American people are given a pledge that is kept, it will ruin their chances of ever making empty promises again.

The liberal Democrat establishment in Washington does not understand the concept of a contract because they do not understand the meaning or the power of a kept promise. That is why my colleagues on the other side are so unhappy today.

Everyone should be aware that the people who are upset with the contract with America are the same people who promised to deliver health care within 100 days—2 years ago; the same people who promised a middle-class tax cut and raised everyone's taxes instead; the same people who promised to end politics as usual and instead have given us a scandal a week.

They never intended to delivery on their promises, so they assume everyone else does the same—but they are wrong, dead wrong.

And if we have a Republican House next year we will prove them wrong. Our word is our bond and it is our hope that this contract will help us restore the confidence of the American people in their elected leaders—and change politics as usual once and for all.

What is the contract?

The contract with America consists of commonsense ideas that have been consistently blocked by the liberal Democrat leadership of this House for the 40 years they have controlled Congress.

The contract is based on three basic principles that have been scarce in these parts for a long time: Accountability, opportunity, and responsibility. The populist proposals outlined in the contract are aimed at creating a Congress: More accountable to the people they represent and for tax dollars they spend; a Congress more willing to expand opportunity for our families, senior citizens, and for our free enterprise system; and a Congress more responsible for American security both here and abroad while encouraging greater personal responsibility rather than Government dependence.

Specifically, the contract is composed of 10 major legislative initiatives we shall bring to the House floor within the first 100 days of the next legislative session. Each part of the contract will be given full and open debate with a clear vote on each. In addition, the legislation will be available for public scrutiny before it is considered on the floor. In this way the American people will have the opportunity to have their concerns debated and voted on by the House of Representatives.

Specifically, the proposals included in the contract include:

Term limits.—Republicans promise a vote on a constitutional amendment to limit the number of terms Members of Congress can serve;

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Welfare reform.—Replace the welfare state with programs which encourage people to work, not to have children out-of-wedlock.

Balanced budget amendment and line-item veto.—Force the Congress to live within their means with a constitutional amendment while giving the President the power to eliminate specific pork projects from spending bills.

Commonsense legal reform.—Limit the excessive legal claims by trial lawyers and frivolous lawsuits.

The point of this contract is accountability, something we have not seen in Washington in a long time. Too many politicians say one thing at home, then hide behind the Democrat leadership's manipulation of the rules to avoid having to actually vote. Proposals are buried in committees, rules are rigged to avoid open debate and the process is stacked against accountability. Bringing these proposals to a vote ensures accountability.

My support for the contract consists of more than just words—my signature is on the dotted line. This agenda is only radical inside the beltway, where for years the powers-that-be prevented these straightforward ideas from even being considered by the people's House.

Mr. Speaker, the contract is designed to restore the bonds of trust between the American people and their elected representatives.

Those that laugh at the contract are part of the same group that has controlled the House for 40 years. They forgot long ago what it means to be accountable.

Remember, this is not a promise, this is a contract. And if we do not live up to our part of the bargain, throw us out.

□ 1040

REPUBLICAN CONTRACT WITH AMERICA

The SPEAKER pro tempore (Mr. SANGMEISTER). Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from South Carolina [Mr. DERRICK] is recognized during morning business for 3 minutes.

Mr. DERRICK. Mr. Speaker, right outside, on the steps of the U.S. Capitol, Republicans are saying they are signing a contract to help the American people. NEWT GINGRICH is out there telling all who will listen this contract is a great plan for the people.

But let me share with you some facts NEWT won't tell you.

The only people who will gain anything by this so-called contract are the Republican leadership and their wealthy contributors.

This is one of those prearranged contracts for cash. NEWT GINGRICH and his wealthy political contributors tell Republican candidates for Congress exactly what to do.

The Republican candidates sign a blood oath, a contract for cash, to do exactly what NEWT and his merry band of wealthy contributors want them to do. Then tonight, the Republican candidates receive their big payoff.

Tonight, Republicans will attend a big political fundraiser. If you are one of the Republican candidates who sold your future votes by signing NEWT's contract today, then you can pick up a check tonight from NEWT's wealthy contributors.

So, it is simple. If you are a Republican candidate for Congress, your party bosses told you to sign away your independent voice. You have signed away the priorities and the best interests of your district. For selling your vote and your district in exchange for what is best for NEWT and the Republican Party bosses, you will receive a big check tonight.

How do I know this contract was written by NEWT and his wealthy contributors? NEWT explained the arrangement in his own words. Just listen to what NEWT told his wealthy contributors about his so-called contract in a letter he sent out asking for money for his own political action committee, GOPAC. "Will you help me draft the Republican legislative agenda for the 104th Congress?" GINGRICH asked, just before he asked for a financial contribution to GOPAC.

Isn't it obvious that NEWT is willing to sell his Republican legislative agenda to anyone who can afford to buy it?

Let me read to you what Ellen Miller of the Center for Responsive Politics said about NEWT's so-called contract for cash in a recent Roll Call article.

> If you really believed the fundraising appeal, it would be auctioning off the legislative agenda. It's a cheap political fundraising technique which exacerbates public cynicism about politics.

So NEWT won't tell you the straight facts. He won't tell you this contract for cash benefits only the wealthy and the Republican leadership.

And let me tell you what else NEWT won't tell you. This contract, by conservative estimates, will cost $1.6 trillion over the next 7 years.

NEWT won't tell you where the money is coming from. That is a little detail he left out of the contract for cash.

Well, common sense will tell you it won't come from NEWT and his wealthy contributors. Remember, they wrote the contract.

The $1.6 trillion will cost the hard-working middle-income families in this country who are struggling to get by. They are not the ones who will get the tax breaks under the contract designed by NEWT and his wealthy contributors.

As noted in a recent Wall Street Journal story, the facts are different for what the Republicans want you to believe. Let me read you an excerpt on the Gingrich contract from that Wall Street Journal article.

> The biggest tax break would be a $500 tax credit per child for all families making up to $200,000 a year. Since it's not refundable, it wouldn't help low-income taxpayers. Thus, a couple with four kids making $190,000 would subtract $2,000 from their taxes, but a couple with four kids making $19,000 would get nothing. The point of any children's allowance ought to be to help families cope with financial burdens.

As pointed out in this article, NEWT's plan tries "to camouflage goodies to upper-income taxpayers."

It will also come at the cost of senior citizens who daily face the difficulties of living on a fixed income.

The Republican contract calls for tax cuts and balancing the budget that would mean eliminating $700 billion more in cuts in 5 years, according to Republican leader DICK ARMEY.

What the Republicans won't tell you is these cuts will come from Social Security and Medicare.

This is a contract to help the wealthy and hurt middle-income American families and our senior citizens. Now NEWT and his wealthy contributors won't tell you that.

I ask the Republican candidates who are there now: Have you read the fine print in this contract? Don't sell out your district and your vote to the Republican party bosses for cash. Read the fine print of this contract for cash and you will see the truth for yourself.

THE CONTRACT BEGINS OPENING DAY

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentlewoman from Washington [Ms. DUNN] is recognized during morning business for 4 minutes.

Ms. DUNN. Mr. Speaker, the American people don't want politics as usual. The status quo is failing. They yearn for politicians who are willing to give their word, to be accountable and then leave Congress if they don't live up to it. In other words, the people want a binding contract.

Further they want politicians—regardless of party—to sign a contract with them to be responsible for the things taxpayers care about: from tax relief for families to reduced redtape to cutting back the bloated bureaucracy of the Congress itself.

Guess what, Mr. Speaker. That is what this contract is all about: accountability and responsibility. And to write this contract, we went to the grassroots of America: we went to candidates who are out doorbelling their neighborhoods. And we asked a simple question: What do Americans want from their Congress?

We then put it in the form of a contract, pledged to sign it, and even provide taxpayers with a simple scorecard so that they can grade their Member of

Congress on whether or not he or she is delivering on the contract.

That's all it is: a straightforward contract with the taxpayers of America based on the things they want, from a Congress they perceive as distant and disconnected. It's not a Washington, DC-controlled blueprint, rather it is a blueprint designed by the people we represent—designed to return the control of Washington, DC, to the people.

What I want to stress in my remarks is that the contract with America will take effect on day one of next year, January 3, 1995. On opening day, if the pro-contract forces are in a majority, we will rewrite the rules of the House. In effect, we'll give the House back to the taxpayers. And how will we do this?

Well, first, we will force the Members of the House to live under the laws that apply to the rest of the country. We do not have to wait for the Senate or the President to act; we can make it a part of our own House rules.

Second, we'll audit the entire Congress for waste, fraud, and abuse. The House has been under control of one party for 40 years, accountable to no one, especially the taxpayers. That kind of absolute power invites abuse. We'll find it and fix it.

Third, we'll cut deeply into the overgrown bureaucracy that has sprung up around the Congress itself. Committees have staffs that are too large, too partisan and often too highly paid. Mr. Speaker, about 100 staff people here in the House earn more than Gen. Colin Powell made when he was Chairman of the Joint Chiefs of Staff. No wonder the American people think Congress is out of control.

Fourth and finally, on opening day we'll abolish the practice of closed-door committee hearings. No longer will the American taxpayer be kicked out of a hearing because arrogant Members of Congress want privately to discuss ways to spend that taxpayer's money. We'll protect national security, of course, but other than that we'll say, "Leave the doors open, let the public and the free press have a seat in the meeting room, and let the sun shine in."

Mr. Speaker, this need not be partisan. Anybody who wants to be a Member of Congress can sign this contract.

The American people have spoken clearly on these matters: They want real welfare reform, a real crime bill, a real line-item veto, real family tax relief, and real term limits.

Let's take advantage of the "window of opportunity" this fall's elections offer us, to put in place a majority who will fight to give the peoples' House back to the people.

REHIRE THE FACTS-CHECKER

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized during morning business for 2 minutes.

Mrs. SCHROEDER. Mr. Speaker, I realize that Members of Congress are fun targets for the news media, but ABC News has put me in a very difficult position. I cannot decide whether I am a target or whether they are trying to help me. They must have fired their facts-checker, the facts-checker must have gone away through budget cuts or something, because they keep running a story about how I am the poster child and I have this humongous pension that is waiting for me out there the minute I quit.

I must admit, the first time I heard this I got very excited and thought, what am I doing hanging around here if there is a pot of gold down there waiting for me in Treasury. Unfortunately, when I got to check the facts, I found out that in order to get anywhere near what they were talking about, I had to live to be more than 150 years old, and we had to have double-digit inflation every year and keeping the pension up to that level.

Well, maybe those things are going to happen. One cannot say that they could not possibly happen, but I really rather doubt that I am going to live that long. I certainly hope we do not have double-digit inflation that long.

So now I am perplexed, as they keep running this story, as to whether they may be sending another message. Maybe they are trying to say to people, "If you don't vote for Schroeder, she is going to get this huge pension." And maybe they think then that that is really helping me. If that is what they think, I am wondering if I have to report this to the Federal Elections Commission as a campaign contribution.

□ 1050

I just do not know. I really wish, wherever their fact-checker is, they would get the fact-checker back, because I think this is only confusing the whole thing.

A CONTRACT WITH AMERICA THAT CUTS GOVERNMENT AND SAVES AMERICANS MONEY

The SPEAKER pro tempore (Mr. SANGMEISTER). Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from Ohio [Mr. KASICH] is recognized during morning business for 5 minutes.

Mr. KASICH. Mr. Speaker, this morning it is very interesting to the Members of this House to listen to the Democrats' vitriolic, at times, rhetoric here about the Republican contract with America. Frankly, Mr. Speaker, it is amazing to sit here and listen to people so concerned that they now resort to, in some cases, some vicious personal attacks against the Republican whip, NEWT GINGRICH.

However, the question is, Why is it that they would resort to these kinds of strong personal attacks, and the strong rhetoric against our plan? For one basic reason, Mr. Speaker. They are concerned that they are going to lose their empire; that for 40 years—I have only been alive 42 years, but for 42 years in this country they have owned it all. They have had the whole kingdom, and guess what? Their kingdom is being threatened. What happens when people are being threatened with a loss of what they have? They lash out and strike out. They will even resort to innuendo and hyperbole, and yes, even demagoguery, when it gets right down to it.

Mr. Speaker, what is the Democrat Party's contract with America? They have had a contract with America all of my lifetime. Their contract is real simple: Tax and spend, tax and spend. That is the Democrats' contract with America.

I remember when the President on the campaign trail said, "There is this old broken record the Republicans are going to put on, watch out for it." Do you remember when he said it? "The record is going to say, 'tax and spend, tax and spend, tax and spend.'" That is the way the President said it.

Guess what, he got off that bus that he came up here from Little Rock on and he sent us a budget bill, and guess what was in that budget bill? Tax and spend, tax and spend, tax and spend. That was what was in the bill. That is their contract with America.

The Republicans have decided that we are going to create a contract with America based on what we hear across this country. Let me say the one essential message we as Republicans hear from the American people: the Government is too big, the Government spends too much of your money, the Government wastes too much of your money, the Government of the United States here in Washington does not work in too many cases, and it taxes too much from you; that you go to work and you plug, and your wife has the main job and you have the second job, or vice versa, and you are trying to put a little extra money in the bank, you are trying to educate your kids, and you turn around and the Government is taxing you and wasting what you send to Washington.

And you are telling us you have had enough, and we hear you; we hear you, America. So we put a contract together that does one fundamental, basic thing: It cuts the influence of Washington, it reduces the level of spending in this town. And if anybody should have any doubts about it, I just ask you to go back and look at last year's budget proposal, where the Republicans gave family tax relief, $500 per child per family for families under $200,000, and

we attempted to reinvigorate the infrastructure of this economy by giving incentives for business to expand and create jobs.

We did not cut the Defense Department to the bone, like this administration has done, and then send our people into harm's way. We had $60 billion over 5 years more in defense spending, and guess what? With family tax relief and incentives to create jobs, and more money for defense, we still had lower deficits than the President had in his budget, using our specific proposals to change the way that Washington works, and to downsize the operation of the Federal Government, plain and simple.

Mr. Speaker, also contained in this contract with America is an effort to try to fix the legal system. Everybody in America is fed up with being sued by everybody for everything. I just have to refer to the case of the lady that sued and won for having been scalded by a cup of coffee she bought in McDonald's 5 minutes earlier. Americans want to preserve the right to redress grievances in the courts, but we all know the pendulum has swung too far.

We are going to bring a vote up on term limits within the first 100 days, for this House to be put on record as to whether they want to change constitutionally the way in which we serve in this body, and we are going to enact the Shays Act.

No law we pass on you should not be complied just by us. It is just plain, simple common sense. We are going to cut the 30,000 congressional staff.

The bottom line is, Mr. Speaker, I say to the American people, you choose. Do you want a contract with America that calls for more tax and spend like we have had over the last 40 years, or are we going to have a contract with America that cuts Washington and gives you your money back to spend on your family?

THE REPUBLICAN CONTRACT, BACK TO THE REAGAN-BUSH ERA, WITH BENEFITS, ONLY FOR THE WEALTHY

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from Illinois [Mr. DURBIN] is recognized during morning business for 4 minutes.

Mr. DURBIN. Mr. Speaker, my Republican friends are convinced America has short-term memory loss. Today 300 Republican Congressmen and candidates are being herded on the House steps to piously sign a pledge to return us to those thrilling days of yesteryear, the Reagan-Bush era.

Republicans are convinced that America has forgotten that Ronald Reagan and George Bush also promised us a balanced budget and never delivered one, not one, in 12 years. Under the Reagan-Bush regime, the supply-side folks added $2 trillion to the national debt. Today the Gingrich gang promises us more of the same; More national debt, tax cuts for the wealthy, and a full-scale assault on Social Security, Medicare, and critical Government programs.

Republicans just cannot keep their hands off of Social Security and Medicare. Every American who counts on Social Security should view the Gingrich Republican contract as nothing less than a threat to cut Social Security benefits from 20 to 30 percent. My seniors at home, struggling to pay their bills for the necessities of life, food, utilities, and prescription drugs, should see the Republican contract for what it is: Not a helping hand, but a threat to their future.

Mr. Speaker, those of us paying into Social Security should recognize if the Republicans have their way, the Federal Government will not be able to keep its promise to today's generation of workers to make sure that we have our retirement benefits. America does not need that, and America does not want it.

However, the Gingrich contract does create some winners. The same gang of fat cats and millionaires who profited from the Reagan-Bush trickle-down economics will be elbowing their way in front of working families again if the Republicans have their way.

The Republicans are very specific when it comes to tax breaks for the rich. In fact, they have not been this specific since they pleaded with us to read their lips. Even a Wall Street Journal columnist last week noted: "The Republican contract is loaded with goodies for high income taxpayers."

Consider this family tax break. Who would be against a family tax break? Consider the fine print in the contract. This $500 Republican tax break goes to families making over $150,000 a year income, but not to families making $20,000 a year. Does that make sense?

The Republican tax breaks on capital gains, 70 percent of the tax breaks go to people making over $100,000 a year. Are these the folks who need a helping hand? The folks I represent who need a helping hand go to work each day and make a heck of a lot less than that.

The Republicans may not be right, but they are consistent. Time and again, they dream up breaks for the wealthy at the expense of working families.

More than anything, the Republicans are convinced that the Americans have forgotten the economic mess which Ronald Reagan and George Bush left behind. In the 4 years of George Bush's Presidency, in those 4 years we had the slowest economic growth in America in 50 years. In the 4 years of George Bush's Presidency, we had the slowest job creation in America since World War II.

That is why the former President is now living in Texas, rather than at 1600 Pennsylvania Avenue. The Americans knew it and they wanted no part of it. The Republicans on the steps today want us to return to that era.

The one that really gets me the most, I think the biggest joke in this Republican contract, is the shameless endorsement of term limits. Watch the news tonight. The five Republican leaders who will stand out there and take the pledge for term limits have served a total of 68 years in Congress, five of them for 68 years, and they are for term limits? Do they think America has forgotten how to count? Honestly.

These leaders ought to take into consideration the fact that this country is moving forward. Our deficit is coming down for 3 straight years, the first time since Harry Truman. Jobs are being created. We will hear a lot about the Republican contract, but when you read the fine print, you will realize this contract is a loser for America.

□ 1100

CONTRACT WITH AMERICA: 10 INITIATIVES TO PUT AMERICA BACK ON THE RIGHT TRACK

The SPEAKER pro tempore (Mr. SANGMEISTER). Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from New Jersey [Mr. SAXTON] is recognized during morning business for 3 minutes.

Mr. SAXTON. My, oh my, we must have struck a good chord here. I have not heard such mean speeches coming from the other side in quite some time. All over a contract for America, a contract to make Government smaller and reduce taxes and a number of other things.

My, it must be difficult to think about losing power after 40 years. The fact is the House Democrat policies have failed. Let me just give one example of how things have gone astray. At this very moment—and this is part of our contract, what I am getting to—the Federal Reserve is meeting to consider yet another tightening of the monetary supply to result in higher interest rates. This has all come about because the Clinton administration through one individual known as Alan Blinder advocated loose monetary policy in the recent past in an effort to grow the economy. Wrong tool, bad idea. Using money supply to control the economy simply does not work. And these high interest rates are a result of that bad policy urged on the Fed by Alan Blinder and Bill Clinton. I have a better idea, but I cannot claim credit for it. John Kennedy knew. Congressman Bill Steiger, a Republican Congressman from Wisconsin, knew. And Ronald Reagan knew. They each

knew good job growth, good growth in wages and good economic performance is best brought about by good, smart tax policy. In 1978, the Steiger bill became law, cut the capital gains tax rate and new businesses began to form. In 1981 and 1982 and 1983, President Reagan and Congress cut the capital gains tax and businesses expanded, jobs were created and wages increased dramatically, all over this country. Let us look at what happened. In 1975 through 1977, that time period, less than $40 million in new capital was invested annually. Venture capital, it is called. In 1978, the Steiger bill passed, and in that year alone over $600 million was raised and invested. In 1981 with the passage of the Reagan bill, $1.3 billion was invested. By 1987, the annual rate of venture capital investment was $5 billion. New businesses, new enterprises all over our country. More jobs, higher wages. And then in 1986, Congress implemented and the capital gains tax was increased, new investment capital fell dramatically and the economy fell, unemployment rose, and Americans were out of work. Today is it fair for us to ask why? Today Republicans suggest a better way. Alan Blinder has helped us prove it. It is not Fed control of interest rates that work. John Kennedy, Bill Steiger, and Ronald Reagan have helped to prove it as well.

Today, I along with my Republican colleagues, will unveil 10 legislative initiatives that we pledge to bring to a vote if we are in the majority next year. Bills like these have been bottled up for years by our Democrat brethren.

To encourage economic growth we propose cutting the capital gains tax rate, adjusting depreciation for inflation, and enacting small business tax incentives like expensing, reinstating the home office deduction and increasing the estate tax limit. We also encourage savings by expanding the individual retirement account for all Americans.

I believe strongly, that if we enact these proposals, along with the others we unveil today, the U.S. economy will once again be put back on the right track.

CONTRACT WITH AMERICA IS A CONTRACT ON AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from West Virginia [Mr. WISE] is recognized during morning business for 4 minutes.

Mr. WISE. Mr. Speaker, they are here, out on the Capitol steps, first to sign the contract, then to pick up the cash at a gala fund raising dinner tonight here in Washington. Candidates, Republican candidates, coming to sign a contract with their leadership in Washington about what they will do if they are here next year. I guess we just see it differently. My contract is with my constituents at home, not with anybody's leadership here in Washington. I do not come to Washington to find out what to do. I ask West Virginians who tell me what they want done and send someone to Washington to do it.

What about this contract? Let us look at it. One will have trouble reading the fine print, there is not much there, but even read the big print. More tax cuts for the wealthy, more promised spending cuts without details of where they are. More defense spending. The same thing we heard in 1981—you cut taxes but increase spending and then wonder why you have got a $4.5 trillion deficit. If you liked Reagan supply side economics, you will love this riverboat gamble.

What are the results? Projected deficits as high as $1 trillion over 5 years. How do you make those up? There is only one way. Savage cuts in Social Security, Medicare, veterans programs, crime fighting, education.

Mr. Speaker, this is not a contract for America. This sort of hit job on America's middle class is a contract on America. It is a kneecap operation. But even if working families do not benefit with this contract, there is one group that does, the candidates out there on the steps, because tonight after signing the contract they go over to the hotel, have a gala fund raising dinner and pick up their campaign checks. That has been promised to them.

So, Mr. Speaker, come to Washington, sign the contract, pick up the check. It may be democracy to some, coming to Washington to sign a contract. Others of us, Mr. Speaker, prefer going home for a constituent contact.

While Congress is about ready to wrap up, I would like to report, Mr. Speaker, on another matter, on the regional airport that is being looked at in West Virginia. The reason we are looking at this is we are talking about jobs. The first feasibility study, the first two feasibility studies, actually, showed there could be the possibility of 1,000 additional jobs created as a result of building this airport. Those are not jobs connected to working on the airport, they are connected to private sector operations that would spring up around the airport. The challenge from the Charleston business community to me has always been, "WISE, we don't want to give up our 10-minute drive to Yeager Airport, but if you can show us that there are jobs that result, serious significant economic development, then it's something we will consider."

That is a fair challenge, Mr. Speaker. That is why I worked to get an Economic Development Administration grant for a feasibility study that is now underway that will measure the economic impact of any kind of regional airport. We look at it because the manufacturing industry is becoming increasingly customized, needing on-time delivery. Can a regional airport make a difference? Look at the Spartanburg airport, for instance, in which now we see a BMW plant that has been located adjacent to it. One of the reasons is because of that modern airport. The problem is that none of West Virginia's three airports in the area, Parkersburg, Huntington, or Charleston can expand. Yeager Airport has 2 acres available and that is under protected airspace.

So, Mr. Speaker, right now no decision has been made on a regional airport, no funding is being sought. We are still in the exploratory stage. But I think that the possibility of job creation is something that mandates that we take this chance. It is the last chance we are going to have to look at it. The possibility of job creation directs that we perform these studies. It will probably be 18 months before any results are known and before anybody is in a position to make any decisions, but it is certainly going to be an important decision for West Virginia.

A CONTRACT WITH THE AMERICAN PEOPLE

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from Connecticut [Mr. SHAYS] is recognized during morning business for 3 minutes.

Mr. SHAYS. Mr. Speaker, whenever we attempt to do something innovative and creative and dynamic, there is the danger that we can claim too much and there is also the danger that critics can claim too much as well. This contract is truly with the American people. It is an attempt to demonstrate that if we have a Republican majority, there will be things that happen in the first 100 days of our majorityship. The fact is there is a fundraiser tonight but there are no checks being picked up. There are fundraisers in the Republican Party and in the Democratic Party but what is most essential is that the American people after 40 years of the one-party rule have an opportunity to see another party rule. Thus, 12-year-olds that are killing each other, 18-year-olds who cannot read their diplomas in the legacy of the welfare state. It is the legacy I think of 40 years of rule by one party. This contract with the American people promises some very direct things with the American people, not to my leadership. It first promises that whether or not a law passes that we will in this House with a Republican majority abide by all the laws that we pass on others, the civil rights laws, the OSHA laws and so on. It also says that for the first time in 40 years, we will have an independent audit, a comprehensive audit of Congress that has not been done. Lord knows what we will find. It should happen whether or not Republicans are

elected, but it will not unless Republicans have control.

It also says we will cut the number of committees. We need to. There are too many committees. One administration person has to go before eight different committees to say the same story. It is duplicative, it is wasteful, it is inefficient. It should change. This is a promise we make with the American people we will change this. The number of committee staffs, Republicans have 15 percent of the committee staff, 15 percent. We can cut the number of committee staff and function well. We function well with 15 percent. We can reduce the number of committee staff.

□ 1110

I do not happen to support term limits, but this contract says there will be a vote. I really believe that if the American people heard a debate in this House about term limits they might feel differently. So I am going to promise with this contract to have a vote on term limits, but I am going to actively speak out against it, but be held accountable for my vote. I am going to say why I believe it is wrong, and why I do not believe it will be helpful to this country. But there will be a vote. That is the contract.

Banning proxy voting. Is it not amazing you can vote and not be there?

The bottom line is we need a change in how we adopt taxes so it takes more than a simple majority.

A balanced budget amendment, tax limitation amendment, legislating a line-item veto, reform, habeas corpus reform, a good-faith exclusionary rules, tax incentive adoption, a tax credit. If you make $15,000 you pay no taxes and do not get the credit that is right. But anyone who pays taxes gets the credit.

This contract makes sense for the American people. It is a contract with the American people.

FRAUDULENT CONTRACT WITH AMERICA

The SPEAKER pro tempore (Mr. SANGMEISTER). Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from Georgia [Mr. LEWIS] is recognized during morning business for 1 minute.

Mr. LEWIS of Georgia. Mr. Speaker, I rise today to declare that the American people will not be fooled by the so-called contract with America signed by many of our colleagues on the other side of the aisle. The American people are sophisticated, intelligent, and astute to know that this contract is a plate of warmed over, half-baked ideas from past Republican administrations. These ideas did not work in the past, nor will they work in the future.

This so-called contract with America is neither worthy of the paper it is printed on nor the ink used on the paper. Why won't the Republicans be honest with the American people? The people are tired of the smoke and mirrors and the voodoo economics.

We have a truth-in-lending law; I believe it is time for a truth-in-campaigning law.

If the Republicans are serious about supporting term limits, they should simply stop running for office. No one has put a gun to anyone's head forcing him or her to run for Congress.

I believe the American people have had enough of this political theater; this warmed over melodrama. The American people will reject this fraudulent contract.

CONGRESSIONAL REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from Colorado [Mr. HEFLEY] is recognized during morning business for 4 minutes.

Mr. HEFLEY. Mr. Speaker, today I would like to talk about one aspect of the contract, something we do not need a contract for, we should be doing, and most of us agreed we wanted to do, and that was congressional reform.

Mr. Speaker, with just a few weeks to go before elections, the House is close to losing a golden opportunity to enact true congressional reform. Instead of voting on the Joint Committee's broad package of reforms, the Democratic leadership decided to split the reform bill into several pieces.

The last time each Chamber debated internal reforms the effort turned out to be largely unsuccessful. That was 20 years ago. This time, things were supposed to be different. Unfortunately, as the taxpayers know all too well, it is very, very difficult to bring change to this place.

After the House post office scandal, I thought 1993 might be the year of reform. We had 110 new Members each of them elected to the House on a reform platform. Those new Members had campaigned on platforms saying they were going to reform everything from ethics and campaign finance to budgeting. The status quo was no longer going to be tolerated.

So what has happened? Politics has found its way into a process which was supposed to be void of partisan wrangling.

Mr. Speaker, what has changed is that the Democratic leaders fear a comprehensive reform bill has the potential of passing the House if they presented it. In fact, they give all sorts of reasons for splitting the bill up, including that it might be easier to pass segments than the whole thing, but they will not even let those, it looks like, come to the floor.

Those of us who oppose splitting the bill up are concerned that doing this only waters down the legislation.

While the Joint Committee's recommendations provide for a sound basis from which significant reforms must begin, it falls far short of establishing the strong measures needed to ensure real reforms in the House.

First and foremost, the committee system should be at the heart of any comprehensive reform package. Unfortunately, the Joint Committee failed to outline a strategy to adequately address committee and subcommittee assignments, and the realignment and consolidation of committees.

While the House and Senate committee reforms are similar, the House proposal lacks strong enforcement measures. For instance, the current Joint Committee report limits each Member to a total of six assignments—two standing committees and four subcommittees. However, this plan may increase the number of assignments for those Members sitting on exclusive committees.

Additionally, the Joint Committee's report directs the Rules Committee to consider a resolution to abolish committees, not to report such a resolution to the floor. In other words, just consider it, they do not really have to bring it to the floor.

An ideal way to consolidate committees may be to require a floor vote on a resolution to abolish certain committees.

The last major flaw with the Joint Committee's work fails to focus on substantial reforms of floor procedures. In the past few years the House leadership has taken a more aggressive approach in their use of restrictive rules.

Although the Joint Committee recommends the restoration of the motion to recommit by the minority, it only reaffirms the right of the minority to offer a final amendment to a bill prior to passage.

It is unfortunate for the American public that closed or modified rules have become the standard by which most legislation is considered. Because of this abuse by the majority, much tougher steps are needed to prevent further erosion of the rights of the minority.

Mr. Speaker, it is my hope that the recommendations of the Joint Committee will provide the catalyst needed to push through significant, long-term reforms.

Congress has an opportunity to alter the public's perception of this institution. On the other hand, failure to enact meaningful reforms will only provide cannon fodder for those who preach hatred for this institution.

Finally, Mr. Speaker, the distain and distrust the American people have for this institution is not good for our system of Government even though it is often deserved.

We have an opportunity to restore confidence. This kind of opportunity comes along only rarely. We dare not squander it.

REPUBLICAN CONTRACT HAS IT BACKWARD

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentlewoman from Connecticut [Ms. DELAURO] is recognized during morning business for 2 minutes.

Ms. DELAURO. Mr. Speaker, as we speak, NEWT GINGRICH and the Republican leaders in Congress are outside on the steps of the Capitol, releasing their so-called contract with America, a blood oath for GOP candidates to support an array of feel-good proposals. It may be clever election-year gimmickry, but the problem with the Republican contract is that it is a contract for failure.

It is the same old thing from Republicans: More tax breaks for the wealthy and budget smoke and mirrors. The contract promises a balanced budget and $200 billion in tax cuts. But they do not tell you how they will pay for it. In fact, even the Republican's best attempt at creative budgeting comes up $700 billion short.

The reviews of the Republican contract are in: "Pandering" says U.S. News & World Report; "Voodoo Economics" says the Washington Post; a "GOP Shakedown" according to columnists Jack Anderson and Michael Binstein; a fraud says the Wall Street Journal; "cynical empty promises" says Morton Kondracke.

The truth of the matter is that the candidates on the steps today are not signing a contract with America, they are signing a contract with the Republican leadership. It is a contract to cut Social Security, and raise taxes, because that is the only way to pay for this budget buster.

But, the main event is not happening until tonight. That is when the same candidates who are pledging their support for tax breaks for the wealthy, will attend a GOP-sponsored fundraiser where the beneficiaries of those cuts will contribute to their campaigns.

The Republicans will claim that this contract represents the interests of all Americans. Well, why did they not consult the American people when drafting it? Instead, the Republican Whip sent out a fundraising letter from his Political Action Committee asking for donations. In return, those people were allowed a hand in drafting the contract. The Republican contract does not represent the public interest, it represents the special interests.

It seems that Republicans have forgotten the basic principle of representative democracy. They have got it backward. They should not be coming to Washington to bring an agenda back to their districts, they should be bringing the interests of their districts to Washington.

□ 1120

DEMOCRATS RENEW PLEDGE TO FAMILIES AND WORKERS

The SPEAKER pro tempore (Mr. SANGMEISTER). Under the speaker's announced policy of February 11, 1994, and June 10, 1994, the gentlewoman from Washington [Mrs. UNSOELD] is recognized during morning business for 1 minute.

Mrs. UNSOELD. Mr. Speaker, in a recent letter promoting the House Republican contract with America, Republican Whip NEWT GINGRICH asked potential contributors, "Will you help me draft the Republican legislative agenda for the 104th Congress?"

Today those Republican would-be Members of the 104th Congress have gathered in the Nation's Capitol to pledge allegiance to this agenda written by NEWT GINGRICH and D.C. lobbyists willing to pay the price.

The Republicans say they advocate change. Their notion of change is to return to the spend and borrow policies of the previous Republican administrations that took this great Nation from being the largest creditor to the largest debtor nation in 12 years. Their notion of change is to yell about new taxes when they are really seeking to provide new benefits to the most wealthy 1.2 percent of all Americans. It is the Democrats who are bringing down the deficit.

Mr. Speaker, as the Republicans pledge allegiance to the agenda of the wealthy contributors to NEWT GINGRICH, let the Democrats renew their pledge to the families and workers of middle-class America.

A REVOLUTION IS SWEEPING THE COUNTRY

The SPEAKER pro tempore. The Chair recognizes the gentleman from Pennsylvania [Mr. WELDON] for 4 minutes.

Mr. WELDON. Mr. Speaker, I could not help, as I sat in my office this morning listening to some of the rhetoric on the House floor today, to come over and share some thoughts with our constituents across this country and my own constituents in Pennsylvania.

Why, they would ask, would we hear members of the majority party attacking the action going on right as we speak on the steps of the Capitol Building? Why would they be so upset? Why would they rail and squirm about a plan to provide a contract with the American people?

Mr. Speaker, the answer is very simple. There is a revolution sweeping this country. You see, for 40 years the majority party had the best of all worlds. When they had a Republican President, they could always blame the President for America's problems. Too much spending? It is all the President's fault. It is not the Congress where all the spending is occurring, it is the President.

We have not had a situation in the last 40 years where the Republican Party has controlled the House, the Senate, and the White House.

Mr. Speaker, the American people have suddenly awakened, because for the last 2 years they have seen a Democrat House, a Democrat Senate, and a Democrat President. The response is a revolution sweeping the country.

Mr. Speaker, who would ever have thought 4 years ago that the next mayor of New York City would be a Republican or the next mayor of Los Angeles would be a Republican or Jersey City, NJ, would be a Republican? Who would have thought in the special senatorial elections in Georgia, after President Clinton took office, that a Republican would win, or a Republican woman in Texas would claim the second senatorial seat when the Senator at the time, Senator Bentsen, came to Washington to work with the Clinton administration? And who would have thought during Clinton's first 2 years, despite his personal campaigning and that of his wife in New Jersey, Christine Whitman would sweep that State with her popularity ratings higher than any other Governor in that State at this point in time? Who would ever have thought that we would see in Virginia Governor George Allen take over that State from a Democrat incumbent Governor? How about down in Arkansas, the President's own home State, where for the first time ever a Republican won statewide office as a Lieutenant Governor in that State? How about the special congressional elections in the Midwest, in Oklahoma, when Glenn English stepped down, a Republican won that seat? Mr. Speaker, how about when the most respected Member of this body, the chairman of the Committee on Appropriations, left us, and we all loved him dearly, and for the first time in the history of that district in Kentucky a Republican won, and the race was not close. But how about last week, Mr. Speaker, as we saw elections where a very active member of the majority party lost his own primary and will have a difficult time, as the majority party, keeping that seat in the November election, and the Speaker of the House only got 35 percent of the vote in a four-way primary?

So, my friends and colleagues, in this body and across the country when you wonder why you hear all the spinmeisters and the rhetoric on the other side, it is very simple. The revolution is sweeping. Even the D triple C, the organization that runs their campaigns, is predicting a net loss of 25 seats. Many are predicting as many as 40 to 45 seats.

Imagine, if you controlled the powers in this beltway for 45 years, what you would be doing if the walls were crumbling down around you as Members

quietly were talking on the railcar, the tram, or in the hallways about what is happening in America. The revolution is here, and the revolution is building, and no amount of special-interest money can stop it.

This November is going to see America change in a way that none of us has seen in our lifetime. I am only 47 years old. We are going to sweep this country, because the American people have had enough. The big lie has worn out.

Mr. Speaker, the majority party controls all the components of the Federal Government, and the American people have said, "We have had enough."

From the statehouses to the city halls to the county commissioner chambers to the Senate and to the House, the American people are saying it is time to give the Republican Party a chance to govern America.

DEMOCRATS ARE THE RESPONSIBLE MAJORITY

The SPEAKER pro tempore. The Chair recognizes the gentleman from New Jersey [Mr. TORRICELLI] for 4 minutes.

Mr. TORRICELLI. Mr. Speaker, we are reminded again that there is a reason behind the longest political losing streak in American history. There is a reason why the American people have consistently refused to give this House to the Republican minority.

It is because in essence they are at variance with the beliefs of the people themselves. It is not by chance that elections are lost. The American people are faced with a tidal wave of crime, but the Republicans vote against reasonable gun control.

The American people are basically tolerant with the views of each other, and yet they force their beliefs on abortion upon the American people.

The American people have finally begun to deal with the problems of debts in our country. The Republicans promise them more tax breaks for the wealthiest in America and increases in defense spending.

And yet there are some in our country who have forgotten. They believe there is no fundamental difference between these political parties. In Social Security and Medicare, in education assistance and civil rights, the differences between the parties have blurred, and so there are some who would believe that the cure for this problem may be let the American people see what it would be like if JESSE HELMS were running the Foreign Relations Committee in the other body, if ORRIN HATCH ran the Judiciary Committee, if BOB DOLE was their majority leader, and NEWT GINGRICH was the Speaker. Let the American people see what it would be like, and then maybe reminded again why consistently we have voted for Democrats. Indeed, that might cure the problem.

The pain would be enormous. It is a lesson we cannot afford for seniors or minorities or students or middle-income people to learn.

The SPEAKER pro tempore. The gentleman will suspend.

As the gentleman knows the rules, he should not be referring to individual Senators by name. Please observe the rule.

Mr. TORRICELLI. Mr. Speaker, in fact, I believe that rule has been changed in the House.

The SPEAKER pro tempore. Members cannot characterize individual Senators under the rules. The gentleman may proceed.

Mr. TORRICELLI. Mr. Speaker, a decade ago they had their chance. They can deny it all they want, but the fact is from the White House to the other body there was a majority, and that majority increased the debt of this country fourfold. It was a time in America's schools where they took catsup and called it vegetables, when an American President vetoed civil rights legislation. It was a time when their social agenda was being forced upon American women. They had that chance, and the American people voted to change it.

That is what the 1992 election was all about, ending gridlock, and as a result, from crime legislation to greater access to higher education to ending their social agenda and assuring people access to family planning, we began to change this country again, and it is working.

We are the change. The Federal debt has been reduced by 40 percent, 3 consecutive years of debt reduction for the first time in 40 years. It is working—4 million new jobs in 18 months.

□ 1130

A decade ago they called their agenda supply-side. It brought about the greatest fiscal mismanagement in American history.

In order to protect the guilty, they have now changed the name; it is called contract with America. But it is the same old formula: increase defense spending, tax breaks for the wealthy, increase the national debt. We recognize it for what it is.

My colleagues and Mr. Speaker, there is a difference between being a responsible minority and a responsible majority. We have begun to change this country. Do not lose it to the same old promises they gave us a decade ago.

GOP CONTRACT IS A FRAUD

The SPEAKER pro tempore (Mr. SANGMEISTER). Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentlewoman from Oregon [Ms. FURSE] is recognized during morning business for 2 minutes.

Ms. FURSE. Mr. Speaker, today they have come to Washington, DC, to sign a blindfold contract with the Republican leadership. And my opponent has come to sign what he calls a contract with America, when in fact the only contract he is signing is this: He collects a check from the special interests tonight while he promises to waste Oregonians' hard-earned tax dollars.

We cannot add more debt to be paid for by our children and our grandchildren.

This year we have reduced the deficit. It is down 40 percent, and we are on the road to more reduction. But this Republican contract increases Pentagon spending and decreases senior benefits, and it increases the debt. In Oregon we know there is lots more Pentagon waste than there are senior protections.

My opponent has come to Washington to march lockstep with the Republican leadership, but the voters in my home State of Oregon do not want someone to come to Washington to get his marching orders. They want an independent voice, they want to work toward solutions that make our communities stronger.

I am proud to say that I have a contract with Oregon, and this contract is to make our streets safer, to reduce waste, especially Pentagon waste, and to reduce the deficit and to insure a woman's right to choose.

Also, we have a contract, and I have been part of that contract, to make Congress liable for all the laws it passes. That is a contract that works, and I am proud it is one I have kept.

Mr. Speaker, Oregonians do not need a phony contract with big promises; they want solutions. They want Representatives they can trust, not people who try to sell them faulty promises. They want Representatives who will represent them, not special, wealthy interests. They do not want people who try to turn back the clock to voodoo economics.

It does not take a math wizard to figure out this contract is long on rhetoric and short on common sense.

Citizens for Tax Justice has called this "The Sequel From the GOP Witch Doctors Who Busted the Budget: 'More Tax Cut Sorcery'."

ONE HONOR STANDARD, ONE HONOR CODE

The SPEAKER pro tempore. Under the Speaker's announced policy of February 11, 1994, and June 10, 1994, the gentleman from Guam [Mr. UNDERWOOD] is recognized during morning business for 5 minutes.

Mr. UNDERWOOD. Mr. Speaker, I am concerned, as are many Americans, about the recent negative publicity surrounding the cheating scandal at the U.S. Naval Academy at Annapolis involving the electrical engineering 311 examination, and the handling of the investigation.

I am also concerned about recent media reports of an honor incident that occurred last spring at a restaurant in Annapolis, dubbed the "dine and dash incident," where three midshipmen deliberately attempted to leave the restaurant without paying for their meals.

On the heels of these media reports is the disappointing news that yet another group of midshipmen were implicated in an incident involving vandalism of automobiles at a festival in Maryland 2 weeks ago.

While I believe that the vast majority of Navy midshipmen, Air Force cadets, and Army cadets are honorable men and women, who have the highest sense of personal integrity and honor demanded of them by our Nation, I believe that a review of the honor system by an outside commission is warranted.

The news reports serve to highlight an issue that I have addressed through legislation that I have introduced, H.R. 5047, the Military Service Academy Honor Code Act.

While we have an expectation of a high sense of honor and ethics of our military officer candidates, the honor codes in use at each service academy differ slightly in wording. If the honor codes are different, are the standards different?

Most Americans would agree that the honor and ethics standards for our officer candidates should be uniform, even if the codes themselves are not identical. But without identical codes, does enforcement differ?

The recent honor violations at the Naval Academy point out how the wording of the honor codes might contribute to different standards of enforcement. While the honor code in use at the Air Force Academy and at West Point have explicit clauses prohibiting the cadets' toleration of honor violations, the toleration clause in the Naval Academy's honor concept is an implied clause.

A recent "60 Minutes" report on the cheating scandal at Annapolis included accounts of midshipmen refusing to identify other midshipmen who may have used the compromised electrical engineering test as a study guide. One has to wonder if this is a situation where midshipmen are engaging in toleration violations by the standards of the Air Force and West Point honor codes.

A more troubling example is the situation in the "dine and dash" incident reported in the Washington Post. Three midshipmen discussed a plan to leave without paying for their meals. One of the three left the restaurant early to wait in the car—the other two then took off but were caught by an off-duty policeman. Only two of the midshipmen were expelled. The third person, who waited in the car, was exonerated because he assumed the other two were only kidding. While his actions leave much to be desired, again one has to wonder if all three midshipmen would have been expelled under the explicit toleration clauses of the Air Force or West Point honor codes.

My legislation would require the Secretary of Defense to appoint a commission comprised of active duty officers, graduates of the military service academies no longer in the active or reserve duty in the Armed Forces, and educators from institutions of higher education to recommend whether there should be a standardized honor code for all three military service academies. It may be that such a standardized code would be useful, or it may be that the individual approaches used by each service academy should be continued.

Additionally, my bill would have this commission recommend whether such a standardized honor code should also be applied to officer candidates enrolled in the Reserve Officer Training Corps [ROTC] programs and on the Officer Candidate School [OCS] programs. If honor is expected of our cadets and midshipmen, why not expect the same of all officer candidates? I recognize that the enforcement and administration mechanisms for the ROTC and OCS programs would differ significantly from the mechanisms in use at the military service academies, but the bottom line would be the teaching of a common standard of honor.

If in fact the commission recommends against a standardized honor code, the military service academies would be able to continue their individual approaches to an honor curriculum confident in the vindication from an impartial outside commission not beholden to a particular academy or service.

Or, on the other hand, if the commission recommends that there is merit in a standardized honor code, it would still be left to the discretion of the Secretary of Defense to implement this finding in a way that would ensure a positive change at the service academies.

The American people must be satisfied that the standards for our future officers are the same, that no service academy has set the bar too high or too low.

I have also considered that much can be gained by a standard honor code—a joint honor and ethics curriculum is a natural by product.

While there is a good case that can be made for the individual approaches to the honor standard that the service academies have adopted, it is worth noting that the Uniform Code of Military Justice, which is the conduct standard for all officers after they are commissioned, is the same for all branches of the military. It is also significant that the Code of Conduct, which sets the standard for American prisoners of war, is also a standardized code.

Our Nation has been well served by the graduates of the military service academies, and these institutions have performed their missions admirably over the years in producing the highest caliber of officers for our Armed Forces. I believe that the honor standard can be strengthened by a standardized code for all service academies, that is also applied to all officer commissioning programs. I therefore urge my colleagues to cosponsor H.R. 5047, the Military Service Academy Honor Code Act.

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

Mr. UNDERWOOD. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, might I inquire how much time does the gentleman have remaining?

The SPEAKER pro tempore. The gentleman has 30 seconds remaining.

Mr. VENTO. Mr. Speaker, I would ask to use that 30 seconds and to proceed for 1 minute, to revise and extend my remarks and therefore have 1 minute and 30 seconds.

The SPEAKER pro tempore. The gentleman has yielded.

THERE THE REPUBLICANS GO AGAIN

Mr. VENTO. Mr. Speaker, there they go again. Just as the Federal Government starts on the tough path of a deficit reduction diet that is working, the GOP promises a banana split sundae with tax breaks and spending increases. It does not add up. This is simply a recipe for a fat deficit—Republican political business as usual.

Today our opponents stood in line to sign a GOP contract, a cooked up old GOP recipe from the bowels of Washington, DC. This contract was not from Minnesota or any other State—it was from the political Newt Gingrich kitchen. This is representative government backward from the Washington DC, politicians down. Trickle down—not from the people back home. The Republicans come to Washington, DC, to march in lock step to the orders from GINGRICH, his political operatives, and the rest of the Republican leadership. Marching orders that are by the rich and for the rich.

Worse still the Republicans today are trying to make a virtue of obstructionism. It would be a bad joke if the bellyache were not so painful. This is an offense to the American people and to the role of the Federal Government. The Republican leadership contract will spend hundreds of billions of dollars to pay for their additional spending and tax cuts for well-off Americans. This would lead to dramatic cuts to Medicare and Social Security. A few dollars of tax breaks and instant gratification for the well off surely will not make up for undercutting Medicare and Social Security.

Twelve years of GOP mismanagement was enough. Please no more trickle down. No returning to the

thrilling days of yesterday in which supply side economics added three trillion plus to the Federal deficit. Now its time to face the battle, not retreat from the tough choices with GOP political rhetoric. The Republicans remember nothing and they have learned nothing. They continue to ply this recipe which give new life to the snake oil salesman of yesterday.

To quote the Wall Street Journal:

* * * despite high-blown rhetoric, the Republicans are offering more of the same—tax cuts for the affluent, budget promises that don't add up, and political reforms they don't mean * * *

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. VENTO. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. All time has been allocated for morning hour business.

There being no further time for morning business, pursuant to clause 12, rule I, the Chair declares the House in recess until 12 noon.

Accordingly (at 11 o'clock and 40 minutes a.m.) the House stood in recess until 12 noon.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12 noon.

PRAYER

Minister Morton C. "Morty" Lloyd, Chattanooga Church, Chattanooga, TN, offered the following prayer:

Almighty Father, we come to You praising You for Your righteousness, peace, and wisdom. May Your presence be felt in this Chamber. May Your righteousness be reflected by all of the men and women that work within this House to make our Nation what You would have it to be.

Be Lord in the heart and minds of each Member. In the coming weeks, as this Congress comes to close, may each Member's burdens become Your burdens; may their struggles become Your struggles; may their accomplishments become Your accomplishments. We pray, O God, that Your wisdom may assist each within this House. May they look to You for guidance and sustenance, knowing that Your omniscience is always there.

Blessed Lord, fill this Chamber with Your light and love and peace. In Your name, for the welfare of the Nation and Your glory. Amen.

THE JOURNAL

The SPEAKER. 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. Will the gentlewoman from Tennessee [Mrs. LLOYD] come forward and lead the House in the Pledge of Allegiance.

Mrs. LLOYD 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.

WELCOME TO MINISTER LLOYD

(Mrs. LLOYD asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous material.)

Mrs. LLOYD. Mr. Speaker, it is a personal privilege for me to welcome our guest chaplain, who is also my son, Morton C. Lloyd, minister of the Chattanooga Church in Chattanooga, TN. Morty received his bachelor's in theology in 1986 from David Lipscomb College in Nashville, TN. He has one son, Morton C. Trey Lloyd III.

I do thank Chaplain Ford for this very kind invitation. Mr. Speaker, my son was 10 years old when we came to Washington together. Now as I am winding up my service in this body after 20 years, it is very special for him to lead this prayer today. I think he is living proof, Mr. Speaker, that congressional kids, in spite of all the personal sacrifices that they have to make, are a pretty good group of young leaders.

CONTRACT FOR REALITY

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, "We can't balance the budget because it would increase the deficit." That is the Democrats' argument against the balanced budget amendment and the contract for America. Balancing the budget, they tell us, would just cost too much.

No wonder their party is in so much trouble.

I do not agree with every bill included in the contract for America, but I do support bringing these bills to the floor for an honest, open debate.

That is the promise Republicans made to America. That is what the Democrats have denied Americans for 40 years.

PERMISSION TO FILE REPORT ON H.R. 4299, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1995

Mr. GLICKMAN. Mr. Speaker, I ask unanimous consent that the managers have until midnight tonight, Tuesday, September 27, 1994, to file a report to accompany the bill (H.R. 4299), to authorize appropriations for fiscal year 1995 for intelligence and intelligence-related activities of the U.S. Government, the Community Management Account, and the General Intelligence Agency Retirement and Disability System, and for other purposes.

The minority has been informed of this request and I understand that there is no objection to it.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

HEY GOP, WHAT YOU GONNA KILL TODAY?

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

Mr. RICHARDSON. Mr. Speaker, in the closing weeks of the Congress, the recurring question is what legislation that matters to working Americans will BOB DOLE and NEWT GINGRICH kill next?

They've already scared the American people and killed health care reform, including a plan to cover our kids. They've killed telecommunications reform which would have helped every American with a TV or a phone. And now, they are working on killing campaign finance reform, the GATT trade bill, and Superfund.

Today, Republicans have come to Washington to blindly sign a blood oath—a ten commandments of demagoguery—that sells out the middle class and the elderly and then tonight, they'll go to a fundraiser where they'll get their payoff.

The contract promises more tax cuts for the wealthy and a balanced budget. The numbers don't add up. The only way they can cut taxes for their wealthy supporters is to cut Social Security and Medicare. That's right, to benefit the rich, Republicans are promising to sacrifice seniors, veterans, farmers, and working Americans.

Mr. Speaker, the American people want action, not obstruction.

MORE ON THE CONTRACT WITH AMERICA

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

Mr. SKAGGS. Mr. Speaker, it is hard to know where to begin. The press is having a field day, as they should, with the contract for America.

We have "Voodoo Economics: The Sequel From the GOP Witch Doctors Who Busted the Budget, More Tax Cut Sorcery," "GOP Plan," this is the Wall Street Journal, "a Plan to be long tax

cuts, short on how to pay for them." The Chicago Sun Times, "GOP Plan Mortgages the Future." From the Wall Street Journal, "Republicans Shoot an Air Ball."

"GOP Shakedown" from the Washington Post. And also from the Post, "GOP can do better than this exercise in election year cynicism."

But perhaps the piece that hits it right on the head is from the U.S. News & World Report, "The Price of Pandering," which characterizes this vain effort by the Republicans the following way:

Gingrich's list is just a collection of GOP golden oldies that pander to the public's desire to get something for nothing.

Surely, Mr. Speaker, we can do better by way of a serious debate about the future of this country than that.

ON THE CONTRACT WITH AMERICA

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

Mr. DEFAZIO. Mr. Speaker, undisclosed donors to Mr. GINGRICH's GOPAC have been invited to help write the GOP contract with America.

As one critic said, "If you really believed the fund raising appeal, it would be auctioning off the legislative agenda," said Ellen Miller of the Center for Responsive Politics. But she went on to say there is another explanation. "It's a cheap political fundraising technique which exacerbates public cynicism about politics."

Now it is either one or the other, Mr. Speaker. If it is the first, if it is the selling influence, if it is writing legislation for pay, then the ethics committee should investigate. If it is the latter, if it is a cheap political fundraising trick, in that case, it is time for truth in campaign legislation here in Washington, DC.

We have it in my State of Oregon, and we have convicted a State legislator of a felony for less egregious claims than those made by the minority whip in this letter.

It is one or the other. An ethics complaint or it is a lie.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MONTGOMERY). The Chair would rule that the gentleman should not make those references to a Member of the House. It was improper to use the words "an ethics complaint or a lie."

□ 1210

IN SUPPORT OF THE COMMON SENSE LEGAL REFORMS ACT

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

Mr. RAMSTAD. Mr. Speaker, I rise to talk about the Common Sense Legal Reforms Act—1 of 10 bills in our contract with America that we pledge to bring to the floor within the first 100 days of the next Congress.

We promise a vote on the loser pays rule to discourage frivolous lawsuits.

We promise a vote on honesty in evidence to rid our courts of junk science and so-called experts whose pay is based on the outcome of the case.

We promise a vote on products liability reform, with reasonable reforms on punitive damages, joint liability, and product seller liability.

We promise a vote on attorney accountability.

We promise a vote on notifying defendants before suits are filed so parties can settle disputes short of litigation.

We promise a vote to limit costly litigation over basic issues not addressed by Congress when enacting new laws.

And we promise a vote on curbing lawyer-driven securities lawsuits, which are causing thousands of lost jobs.

Mr. Speaker, these commonsense proposals deserve a vote in the people's House. If the American people elect a new majority party in the House, they will get that vote within 100 days.

READ THE FINE PRINT ON REPUBLICAN CONTRACT

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

Mr. KREIDLER. Mr. Speaker, Republicans are putting on a show today, to try to revive their tired budget performance from the 1980's.

The script is familiar: let us cut taxes, increase spending, and then balance the budget.

It is deja vu all over again.

This is one contract where the American people need to read the fine print. But they cannot, because it is not there.

This contract does not tell you how they are going to cut spending.

This contract does not tell you how they are going to balance the budget.

And this contract does not tell you how they are going to finance their trillion-dollar tax giveaway.

This is a contract to bring back the failed Republican policies of the past—smoke and mirrors, rosy scenarios, voodoo economics.

We have been down that road before.

Those failed policies tripled the national debt on the backs of the American middle class.

There is an old saying—

Fool me once, shame on you;
Fool me twice, shame on me.

The American people will not let the Republicans fool them this time.

ENTERTAINING BORIS YELTSIN INSTEAD OF INVESTING IN AMERICA

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

Mr. TRAFICANT. Mr. Speaker, Boris Yeltsin is at the White House and Boris Yeltsin wants more money for Russia. Boris Yeltstin wants more American investment in Russia. Boris wants, Boris wants, Boris wants. It is like a broken record around here, Boris wants.

I do not know about you, but I am sick about it. All these foreign leaders must think that America is one big piggy bank and all you have to do is dial 911 and we send cash.

I think it is time to tell Boris Yeltsin to go back to Russia, plant some damned corn, save the money that we have been giving them and invest it here in America; $12 billion, you know what Boris did with most of it? He spent $100 million and bought a luxury yacht, Congress. Beam me up.

We have got cities dying, mayors crying for American investment, for Congress to put money in their own cities, and what are we doing? We are entertaining Boris again.

HEALTH CARE REFORM

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

Mr. GENE GREEN of Texas. Mr. Speaker, yesterday on the Senate side Majority Leader MITCHELL held a press conference telling America what most 178,000 families and 148,000 working families in my district did not want to hear: the death of health care reform. This passing should not go quietly into the night. For the senior citizens in my district who must decide between pay for prescription drugs, turning on their electricity, or buying groceries, or for the 55,000 children in my district who are not covered, Congress let them down.

The lack of health care reform will not help the millions of Americans who are without health care. More importantly it will not help Americans who are barred from obtaining health care coverage for much reasons as preexisting conditions, cost, or family history.

Congress should take the lead in health care reform to provide all Americans with health care coverage. In the 104th Congress, we must all work together to make the best health care system in the world open to all Americans and not just the wealthy or well insured. Partisanship should not dictate how health care reform should be

framed. Congress should learn from the past 2 years that without working together, it is not Congress who is the worse off but the American people. We are elected to represent not only our districts but all Americans, and we have left millions without hope for the future.

DEFICIT REDUCTION MUST BE BIPARTISAN

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, in 1990, Congress considered President Bush's budget agreement to reduce the deficit.

Only 47 Republicans in this Chamber voted in favor of their own President's bill.

Last year, Congress voted on President Clinton's historic deficit reduction package. That bill was originally estimated to reduce the deficit by $496 billion, but that figure was recently changed to $650 billion.

Not a single Republican in the House of Representatives voted for that package.

But now we are being told that we need a Republican majority to reduce the deficit in the future. I will answer that by saying "Look who reduced it in the past."

Deficit reduction must be a priority for everyone. New colleagues of both parties will join us next year, and I welcome those who come to Congress ready to work with those of us who have already accomplished so much.

GOP AGREEMENT JUST A CON, NOT A CONTRACT WITH AMERICA

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

Mr. WISE. Mr. Speaker, both political parties are capable of doing silly things at different times. I am trying to figure out exactly what it is that has offended me about the so-called contract with America. I have come up with a couple of reasons.

First of all, it offends me that grown men and women think they have to come to Washington to sign a contract to tell their constituents what it is their going to do. We are supposed to listen to our constituents and get our contracts there at home, not here.

Second, those who come saying they want to change the way things are done around here are not telling their constituents that by virtue of their coming to sign the contract, they get to go tonight to a Washington fundraiser to sit with the very special interests they are attacking and pick up a check to take home. That is not changing things, that is just picking up change.

The third thing is they are ignoring history, the history of the situation. This is what is in the contract: the supply-side economics that resulted in increased defense spending; tax cuts, basically for the wealthy; that is in the contract. What you do not see in the fine print is the deficit getting bigger and bigger and bigger.

The reality of the situation is this is not a contract for America, it is just simply a con. I resent it today.

THE GOP CONTRACT: READ THE FINE PRINT BEFORE SIGNING

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

Mr. SCHUMER. Mr. Speaker, the long-awaited Republican contract with America was unveiled today. The Republicans are not back in power, but they are back up to their old tricks.

Imagine, the Republican leadership forcing their candidates to back a plan that cuts Social Security for seniors and cuts taxes for the wealthy. Imagine, the Republican leadership all forcing all their candidates to back a plan that cuts taxes for tycoons who earn major league baseball incomes.

Imagine, the Republican leadership forcing all their candidates to back the same warmed-over voodoo economics that put this country $3 trillion in the hole. Imagine, forcing all of their candidates to balance the budget through $60 billion increase in defense. This is from the same Republican Party that called the crime bill pork.

The Republican leadership is creating Stepford candidates, puppets who will blindly follow a narrow and bizarre agenda that is not of their own making. One final word of advice to Republican candidates, not to let a couple of ambitious politicians from Georgia and Texas tell them how to represent their districts. They should exercise their own judgment, and above all, read the fine print before they sign on the dotted line.

URGING THE FEDERAL RESERVE TO HOLD THE LINE ON INTEREST RATES

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

Mr. HINCHEY. Mr. Speaker, I rise today to speak out against the Federal Reserve's interest rate policies that undermine economic recovery and keep millions of people out of work. It is unconscionable that the Fed has raised interest rates by over 50 percent this year despite the fact that there are few signs of inflation and millions upon millions of Americans remain out of work. It is now rumored that the Fed is considering raising interest rates by another half percentage point at today's open market committee meeting. Such action may jolt the economy right back into a recession. The fact is that the economy is not overheating and too many Americans remain out of work. Every time the Fed hikes interest rates, it essentially taxes the American people by increasing mortgage payments, credit card payments, and the cost of credit. I urge the Fed to end this ongoing crusade that foils economic progress and threatens the livelihood of the people. Hold the line on interest rates.

□ 1220

CONTRACT WITH AMERICA PROMISES VOTE ON BALANCED BUDGET

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, Ronald Reagan used to say, "there you go again." The White House recently criticized cutting taxes and cutting spending. Why? Because, as most things this administration opposes, they are good ideas that are right for America.

The Republican contract with America, ladies and gentlemen, promises a vote on a balanced budget amendment. The White House claims that such a commitment would cost, listen to this, $743 billion? That is funny. Where I come, the people whom I represent, think that cutting the budget and balancing the budget would save $743 billion. What is wrong around here? Come on. There are 41 days to go before the election. We are going to put a Republican in the Speaker's chair for America.

THIS CAR IS A LEMON

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, today, the Republican leader in the Congress is holding a used car sale on the steps of the Capitol. On display, the 1981 trickle-down model. Sure, they have buffed the bumpers, added a new coat of paint, and cleaned out the ashtrays, but make no mistake—this is the same old vehicle. It is the same supply-side model that tripled our budget deficit and nearly drove the country to bankruptcy.

Today, NEWT GINGRICH and company will be giving their sales pitch to Republican candidates from across the country—asking them to sign on the dotted line before they have a chance to read the fine print or even take a test drive. But, next it will be the American people who will be subject to the tired, old GOP sales pitch. And, to

the American people, I say: buyer beware.

This car has got a lot of miles on it, it has been in a couple of serious wrecks and the sticker price is too high. Even after a hefty downpayment, the country will be asked to finance $700 billion to pay for it. America, it is time to read the fine print of the Republican contract. Once you do, you will see that this car is a lemon.

CONTRACT WITH AMERICA RESTORES FAMILY VALUES TO FEDERAL TAX CODE

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

Mr. HYDE. Mr. Speaker, it is so refreshing to hear Democrats concerned about how you pay for things. Indeed, a new era has been reached.

Today's events on the Capitol steps are a brandnew start for the American dream. I had the honor of working with our distinguished colleague, the gentlewoman from Nevada [Mrs. VUCANOVICH], to put together a major part of the Republican contract with the American people. In that part, the American Dream Restoration Act, we start the process of restoring family values to the Federal Tax Code.

First we provide a $500 per child tax credit to partially compensate for the decline in the value of the personal exemption and this will benefit about 50 million families, 90 percent of whom earn less than $75,000 a year.

Second, we begin the reform of the marriage penalty with up to $2 billion a year in relief for two-earner families who now pay more in taxes than they would if husband and wife were single.

Finally, we launch a new kind of IRA, the American dream savings account, open to all, and available not only for retirement income but for education, first-time home purchase, and medical costs.

That is an agenda for economic growth, broader prosperity, and most important, a family-friendly tax system.

BALANCED BUDGET AMENDMENT

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

Mr. SMITH of Texas. Mr. Speaker, we are telling the American people. This is not just another politician's promise, but a written guarantee as to what we will do if we run things after November.

At the top of our contract is a balanced budget amendment. It not only requires the President's submission and the Congress' passage of a balanced budget. It also requires spending cuts be the first place we look for savings—instead of the last place, as has been the case for too long.

We will put our sights on spending by requiring a three-fifths vote to raise taxes and a line-item veto to stop the unnecessary spending.

The contract and the balanced budget amendment could not be a bigger break with the past.

Instead of another made-to-be-broken promise, America gets a contract-to-be-kept, that we will bring these proposals to the floor, not keep them from the American people.

Instead of more spending and more excuses, the American people will get less spending and more results.

CONTRACT WITH AMERICA MEANS REAL REFORM

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

Mr. HOEKSTRA. Mr. Speaker, the Republican conference has just completed a historic opportunity for the American people. Today we stood in front of the American people and outlined an agenda for what a Republican majority would accomplish, what we would accomplish in the first day of a Republican majority, real reform in the House of Congress. Cutting committee staffs, cutting committee funding, opening up the committee process. Then we went on and outlined what we would do in the first 100 days: real genuine reform, bringing real bills to the floor that will allow us to have straight up-and-down votes on real bills that will make a difference in the lives of every American, keep more money in their pockets, bring less money to Washington. We will make sure that we now have a process that says, this country will be run not by career politicians but by the American people by allowing the first vote on term limits.

OUR CONTRACT WITH SENIOR CITIZENS

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

Mr. HASTERT. Mr. Speaker, a great legislative initiative may be dead for this session of Congress, despite the promise of the President and the desires of hundreds of Members of Congress.

No, I am not talking about health care. I am talking about lifting the unfair Social Security earnings test. In his campaign document "Putting People First," Bill Clinton promised to support lifting of this job-killing tax. Unfortunately, like many of the President's promises, this assurance has been forgotten, and despite the cosponsorship of 225 Members of Congress, the Democrat leadership refuses to bring it to the floor.

When Republicans take control of the House, we promise to make lifting the earnings test one of our top ten priority items. We promise to lift the burden on senior citizens who must work to make ends meet, but who now get penalized at a millionaire's tax rate of 56 percent for that work.

Mr. Speaker, changing the Social Security earnings test is part of the House Republican contract with America. When it comes to providing senior citizens with fiscal security, Republicans will come through for them in the 104th Congress.

CONTRACT WITH AMERICA: A REVOLUTION HAS BEGUN

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

Mr. WELDON. Mr. Speaker, earlier today in Morning Business we heard many of our colleagues on the other side criticize the announcement that the Republicans made on the steps of the Capitol in regard to our contract with America. For those sitting at home or in their offices, they might wonder why they would do this. If we look at what has happened to this country in the 2 years of the Clinton administration where the Democratic Party has controlled the House, the Senate and the White House, it is obvious that the American people are outraged. A revolution has begun. It started with the mayoral race in New York City and it went to Los Angeles for the mayoral race out there and then Jersey City where Republicans were swept to victory. Then it went to the special senatorial election in Georgia and the special Senate election in Texas where KAY BAILEY HUTCHISON gained the second seat for the first time in modern history. Then it went to the President's home State of Arkansas where a Republican won statewide for the first time in 150 years. Then it swept across our congressional special elections from the Glenn English open seat to the seat of the revered leader of this institution, Bill Natcher, when he died, where we won that special election with a Republican for the first time in the history of that district.

Mr. Speaker, the revolution will not stop. We will be swept to power in November, and in January the Republicans will deliver to the American people.

CONTRACT WITH AMERICA STRENGTHENS DEFENSE

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

Mr. LIVINGSTON. Mr. Speaker, in this contract with America, Republicans pledge to honor the very first responsibility of Government outlined in the Constitution, that of providing for the common defense. It is a duty not well upheld by this current administration.

Specifically, we make a renewed commitment to an effective national missile defense. We have no more solemn obligation than to protect American citizens and troops from incoming weapons of mass destruction.

But, we also will strongly support our troops and sailors, who now are being deployed to too many places around the world with too little support and relief. We are currently spreading them too thin, and putting them at risk in areas of little or no national concern, leaving the United States vulnerable to crises which truly may threaten our people.

Republicans pledge not to waste our precious resources on unnecessary conflicts, and to assure that U.S. troops answer only to U.S. commanders, rather than to U.N. or multinational command and that is a contract well worth honoring.

□ 1230

THE STEALTH GATT ENABLING LEGISLATION

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, the stealth bill—better known as the GATT enabling legislation—is circling the Hill this week. As the flaps go down, few elected Representatives know what is contained either in the expected hundreds of pages in the enabling legislation or in the 22,000 pages of the actual GATT agreement. If there have been complaints in the past of much mischief buried in omnibus legislation, the GATT legislation well might be labeled ominous and treated in the same way.

Mr. Speaker, a vote on this legislation carries a grave responsibility. Never has a governmental body been presented with a more revolutionary proposal—some describe it as revolutionary as the last Weimar parliament that voted power to Hitler. If it is accomplished, the creation in the GATT of a powerful, unanswerable international bureaucracy capable of attacking the laws of sovereign nations may well be adjudged by history as an act as destructive of this Nation's well being as the "last" vote of the Weimar Republic was to Germany.

Before being stampeded for your vote, question whether you want your name on this peculiar contract with history.

CONTRACT WITH AMERICA IS AN HONEST AGENDA

(Mr. LINDER asked and was given permission to address the House for 1 minute.)

Mr. LINDER. Mr. Speaker, for too long, the Forrest Gump axiom for life, "you never know what you're gonna get," has applied to candidates turned Congressmen. Arrival in Washington seems to erase any memory of campaign promises. That changes today.

The contract with America is an honest agenda and it asks voters to hold us accountable.

It is a sad reflection on the Congress that the American people have decided that we need term limits. And instead of suing the people of our States over their opinion, as some are doing, Republicans are listening to them. The contract with America guarantees that in the first 100 days of a Republican Congress we will vote on both 6- and 12-year term limits.

The Democrat party is constantly negative, constantly looking for someone to blame for the problems they created and the failure of their policies. They blame the rich or the Republicans or the special interest. They refuse to take the responsibility.

The Republicans have put forward a positive agenda. Americans know where we stand and what we will do. Let us watch the other side complain.

WHAT IS WRONG WITH REPUBLICAN CONTRACT WITH AMERICAN PEOPLE

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

Mr. BURTON of Indiana. Mr. Speaker, I am going to speak from the Democrat side of the aisle because I want to speak to Democrats, and I want them to hear me loud and clear.

What is wrong with our contract with America? What is wrong with bringing a balanced budget amendment to the floor of the U.S. House of Representatives? The American people want that, but the Democrats do not.

What is wrong with bringing a line-item veto to the floor of the House for a vote in the first 100 days of the next Congress? Republicans want it, the people of America want it, but Democrats do not.

What is wrong with bringing tax fairness legislation for senior citizens and middle-income families in this country to the floor of the House for a vote in the first 100 days? America wants it, the Republican Party wants it, but the Democrats do not.

The problem is, Mr. Speaker, the Democrats in this Congress who have had control for over 40 years are out of touch with America and they are scared to death that we are going to take over this House come January. We believe that too, because we believe for the first time the American people are aware of what has been going wrong in this country where the Democrats in this Congress have been taking this country down the wrong road.

So I say to my Democrat colleagues, before it is too late, join us, wake up, support what the American people want in the Congress of the United States.

MEDICAL REDTAPE

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

Mr. ALLARD. Mr. Speaker, Federal redtape continues to strangle our economy. The level of Federal regulation is staggering, it increases private sector costs and paperwork.

A good example of this is the new Clinical Laboratory Improvement Act, or CLIA. Let me share some thoughts from my constituents.

One doctor from Fort Collins, CO, writes "the act has resulted in no improvement in the accuracy of our lab work."

A nurse, also from Fort Collins, writes "CLIA regulations have been costly to comply with and in no way have improved the quality of care for our patients."

To top it off, an outstanding doctor in Greeley, CO, Dr. Roy Shore, was just fined $1,120 for allegedly filling out a CLIA compliance form incorrectly. This despite the fact that he followed the guidelines for Medicare in filling out the form. This is ridiculous.

These three letters, received in the span of a month, confirm my view that all Federal regulations should sunset after 5 years. The good ones can then be reauthorized and the bad ones eliminated.

REPUBLICAN CONTRACT WITH AMERICA GIVES AMERICAN FAMILIES HOPE FOR BRIGHTER FUTURE

(Mrs. VUCANOVICH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. VUCANOVICH. Mr. Speaker, America's families are under fire. Unfortunately, much of it is friendly fire from our own Government. Middle America needs tax relief, not more empty promises. It is time our Government's policies promoted the traditional family and lent a helping hand. That is why I am proud to have been a team leader, along with the gentleman from Illinois [Mr. HYDE], of the group pledged to strengthen and protect the American family. The GOP contract with America includes the Family Reinforcement Act, which fortifies and promotes the family as the core of

American society. It is time for Congress to stand up and fight for the needs of every American. Our families need tax incentives for adoption, strong enforcement of child support and visitation orders, stronger child pornography penalties and sexual assault sentences, and assistance in caring for dependent elderly parents or grandparents. The contract with America does something our Government has failed to do for the past 2 years—it finally gives every American family hope for a brighter future.

REPUBLICAN CONTRACT WITH AMERICA IS BOLD EFFORT TO CHANGE POLITICS AS USUAL

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

Mr. GOSS. Mr. Speaker, the House Republican contract with America actually is a very bold effort to change politics as usual. The people in this country in the last election said they wanted change, and we have come forward with some specifics of change that we have pledged to make those things happen if we become the majority party here, remembering the fact that the other party, our good friends from across the aisle, have had the privilege of running this House for 40 years, and in those 40 years it seems that the confidence level of the American people in this House has dwindled, and dwindled, and dwindled, and dwindled. It is now at a discouraging low rate, something like 19 to 25 percent of the people in this country approve of the way we are doing business here.

Yes, that means a time for a change. If we are going to make change, we ought to say what it is we are going to do, and what we stand for, and we ought to pledge to do it, and that is exactly what Republicans have done in this House today on the steps of this historic building. I hope America was listening.

THE ECONOMY UNDER PRESIDENT CLINTON

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, today the Republican Party signed a contract for warmed-over stew and more trickle-down. It did not work before; it will not work now.

I can understand why the Republican Party wants to come up with gimmickry and notion-mongering on the steps of the Capitol and avoid the hard work inside the Capitol working with our President for the fine economic record that he has produced in the nearly 2 years he has been in office.

I can understand why the Republicans would want to divert the public's attention from the fact that the President has produced more new jobs overall in 19 months than the previous 4 years combined.

I can understand why the Republicans would want to divert the public's attention from the fact that over three times more private sector jobs were created in the 19 months than were created in all 4 years of the previous administration.

□ 1240

Mr. Speaker, well, I can understand why they would want to divert the public's attention from more than 2 million jobs in the first 8 months of 1994. This is what the American people want and need. They want jobs. They do want gimmicks. They do not want notion-mongering. They do not want trickle down. They do not want warmed-over stew.

IS OUR ECONOMY GOOD?

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

Mr. LIGHTFOOT. Mr. Speaker, I yield to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, I thank the gentleman very much.

Ladies and gentleman, I could not help listening to the previous speaker, of whom I am very fond. She is a wonderful woman.

But look at these headlines: "IBM Deepens Job Cuts. Kingston-Poughkeepsie to Lose; 2,000 Layoffs Certain." "Four Thousand Workers To Be Eliminated in Poughkeepsie." "GE To Cut 1,200 Jobs." All in my district. Look at this, "400 Jobs Going to Mexico. Mallinckrodt To Leave Argyle, NY," in my district.

Here is another one, "Scott Paper Co. Planning 300 Layoffs."

And somebody is going to tell me the economy is good in this country?

We need a new President. It is too bad we have to wait 2 years and 41 days to get one.

These headlines, all from newspapers in my district, are a chronicle of disaster. IBM is laying off 2,000 more workers, above and beyond the 4,000 who have had their jobs eliminated altogether.

General Electric has just announced yet another round of job cuts—the third one this year. Mallinckrodt, which makes rubber tubing, is moving 450 jobs to Mexico—with only 31 Americans to be offered transfers. Scott Paper, 300 jobs lost. Mr. Speaker, when will it end?

Ms. PELOSI. Mr. Speaker, will the gentleman yield?

Mr. LIGHTFOOT. I yield to the gentlewoman from California.

Ms. PELOSI. Mr. Speaker, corporate downsizing is a fact of life, and within that reality, still the Clinton administration has been able to produce millions of jobs.

Mr. SOLOMON. If the gentlewoman will yield further, 400 jobs moving to Mexico is not downsizing. It is a disaster.

CONFERENCE REPORT ON H.R. 4539, TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1995

Mr. HOYER. Mr. Speaker, pursuant to the order of the House of September 22, 1994, I call up the conference report on the bill (H.R. 4539) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1995, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. MONTGOMERY). Pursuant to the rule and the order of the House, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of September 22, 1994, at page 25287.)

The SPEAKER pro tempore. The gentleman from Maryland [Mr. HOYER] will be recognized for 30 minutes, and the gentleman from Iowa [Mr. LIGHTFOOT] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Maryland [Mr. HOYER].

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

Mr. Speaker, I hereby present a revised conference report on the Treasury-Postal-General Government appropriations bill. This revised report reflects reductions in expenditures for Federal buildings and changes in IRS user fees recommended by the recent motion to recommit.

That motion proposed that the managers on the part of the House:

> Insist on the House position to amendment numbered 52 providing $218 million less than the Senate for new federal construction, and
>
> Disagree to the Senate amendment numbered 29 authorizing the collection of $149.7 million in additional fees by the Internal Revenue Service.

In response to the first clause, the conferees agreed to:

Reduce new construction projects $134.5 million, from a level of $736.2 million to $601.7 million. This is $99.4 million over the House and $125.5 million below the Senate. We achieved this savings by reducing some projects and eliminating others.

Reduce repairs and alteration projects by $16.6 million. We did this by reducing most of the projects by 10 percent.

Increase rescissions by $6 million, from $78 to $84 million.

This leads to a total reduction of $157.1 million from the first conference report.

In response to the second part of the motion, the conferees placed a cap on user fees at $119 million. This reduction in fees means that the House is accepting less than half of the total $257 million in fees proposed by the Senate.

This bill provides that these fees shall not exceed the actual cost of the transaction, and therefore will not raise general revenue and should not be considered taxes. They are not taxes. The conferees also continued language that requires GAO to review the fees to ensure that they do not exceed actual costs.

The conferees used some of the savings generated from the cuts in Federal buildings to increase the appropriation for IRS tax law enforcement by $27.3 million to offset some of the loss in fee income. It is crucial that we provide sufficient resources to the IRS because any reduction will reduce tax collections by far more than it saves in expenditures. The conferees also included language allowing IRS the flexibility to transfer funds between appropriations accounts. This will make it easier for IRS to operate efficiently under tight appropriations.

The conferees also amended a general provision related to the statute of limitations on certain Fair Labor Standards Act claims.

I worked closely with the author of the motion to recommit, Mr. ISTOOK, as well as with Mr. LIGHTFOOT and Mr. WOLF, in crafting these changes to the conference. This agreement is fair, reasonable, and reflects the will and intentions of the House in the context of difficult negotiations with the Senate.

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H.R. 4539 - Treasury Department, U.S. Postal Service, Executive Office of the President, and Independent Agencies, 1995

	FY 1994 Enacted	FY 1995 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE I - DEPARTMENT OF THE TREASURY						
Departmental Offices	105,150,000	107,629,000	105,150,000	104,400,000	104,479,000	-671,000
Office of Inspector General	28,897,000	30,497,000	28,897,000	30,497,000	29,700,000	+803,000
Financial Crimes Enforcement Network	18,280,000	19,524,000	18,280,000	20,690,000	19,823,000	+1,543,000
Treasury Forfeiture Fund (limitation on availability of deposits)	32,500,000	15,000,000	15,000,000	15,000,000	15,000,000	-17,500,000
Federal Law Enforcement Training Center:						
Salaries and Expenses	47,445,000	46,713,000	46,713,000	47,114,000	46,713,000	-732,000
Acquisition, Construction, Improvements, & Related Expenses	12,712,000	6,815,000	9,815,000	16,815,000	16,815,000	+4,103,000
Total, Federal Law Enforcement Training Center	60,157,000	53,528,000	56,528,000	63,929,000	63,528,000	+3,371,000
Financial Management Service	209,877,000	185,389,000	185,389,000	183,897,000	183,889,000	-25,988,000
Bureau of Alcohol, Tobacco and Firearms	366,446,000	378,915,000	376,181,000	385,315,000	385,315,000	+18,869,000
United States Customs Service:						
Salaries and Expenses	1,350,668,000	1,392,490,000	1,391,700,000	1,378,914,000	1,394,793,000	+44,125,000
Operation and Maintenance, Air and Marine Interdiction Programs	47,863,000	83,091,000	78,991,000	91,891,000	89,041,000	+41,178,000
Operations and Maintenance, Customs P-3 Drug Interdiction Program	28,000,000	.....	.....	.....	.....	-28,000,000
Air and Marine Interdiction Programs, Procurement	21,093,000	.....	.....	.....	.....	-21,093,000
Customs Facilities, Construction, Improvements and Related Expenses	5,000,000	.....	.....	1,000,000	1,000,000	-4,000,000
Customs Services at Small Airports (to be derived from fees collected)	1,406,000	1,406,000	1,406,000	1,406,000	1,406,000	.....
Total, United States Customs Service	1,454,030,000	1,476,987,000	1,472,097,000	1,473,211,000	1,486,240,000	+32,210,000
United States Mint	54,770,000	55,740,000	54,770,000	55,740,000	55,740,000	+970,000
Bureau of the Public Debt	187,209,000	183,458,000	183,458,000	183,458,000	183,458,000	-3,751,000
Payment of Government Losses in Shipment	500,000	500,000	500,000	500,000	500,000	.....
Internal Revenue Service:						
Administration and Management	167,622,000	233,318,000	225,832,000	163,431,000	225,832,000	+57,810,000
Processing Tax Returns and Assistance	1,696,853,000	1,616,295,000	1,616,295,000	1,586,028,000	1,511,266,000	-185,587,000
Tax Law Enforcement	4,007,962,000	3,986,280,000	4,412,580,000	4,358,180,000	4,358,459,000	+377,497,000
Information Systems	1,471,448,000	1,757,614,000	1,240,357,000	1,388,000,000	1,388,000,000	-83,448,000
Total, Internal Revenue Service	7,344,085,000	7,593,507,000	7,494,864,000	7,495,639,000	7,510,357,000	+166,272,000
United States Secret Service	461,931,000	470,117,000	476,931,000	474,968,000	476,931,000	+15,000,000
Procurement reform	.....	-33,437,000	-38,437,000	-33,437,000	-33,437,000	-33,437,000
Total, Title I, Department of the Treasury	10,323,832,000	10,537,354,000	10,434,608,000	10,453,627,000	10,481,523,000	+157,691,000
TITLE II - POSTAL SERVICE						
Payment to the Postal Service Fund	91,434,000	92,317,000	85,717,000	102,317,000	92,317,000	+883,000
Payment to the Postal Service Fund for Nonfunded Liabilities	38,803,000	37,776,000	37,776,000	37,776,000	37,776,000	-1,027,000
Total, Title II, Postal Service	130,237,000	130,093,000	123,493,000	140,093,000	130,093,000	-144,000
TITLE III - EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT						
Compensation of the President	250,000	250,000	250,000	250,000	250,000	.....
The White House Office	38,754,000	41,632,000	38,754,000	40,193,000	40,193,000	+1,439,000
Executive Residence at the White House	7,925,000	7,827,000	7,827,000	7,827,000	7,827,000	-98,000
Official Residence of the Vice President	324,000	327,000	324,000	324,000	324,000	.....
Special Assistance to the President	3,270,000	3,291,000	3,270,000	3,280,000	3,280,000	+10,000
Council of Economic Advisers	3,420,000	3,457,000	3,420,000	3,439,000	3,439,000	+19,000
Office of Policy Development	5,122,000	5,058,000	5,058,000	5,058,000	5,058,000	-64,000
National Security Council	6,648,000	6,832,000	6,648,000	6,222,000	6,648,000	.....
Office of Administration	24,850,000	27,584,000	24,850,000	26,217,000	26,217,000	+1,367,000
Procurement reform	.....	-117,000	-117,000	-117,000	-117,000	-117,000
Office of Management and Budget	56,539,000	58,272,000	58,272,000	55,081,000	57,754,000	+1,215,000
Office of National Drug Control Policy	11,687,000	9,942,000	9,942,000	9,942,000	9,942,000	-1,745,000
Unanticipated Needs	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	.....
Federal Drug Control Programs:						
High Intensity Drug Trafficking Areas Program	86,000,000	98,000,000	98,000,000	110,000,000	107,000,000	+21,000,000
Special Forfeiture Fund	52,500,000	52,500,000	14,800,000	52,500,000	41,900,000	-10,600,000
Transfer to other agencies:						
Internal Revenue Service	(6,000,000)	.....	.....	.....	.....	(-6,000,000)
El Paso Intelligence Center	(4,000,000)	.....	(1,800,000)	.....	(1,800,000)	(-2,200,000)
Bureau of Alcohol, Tobacco and Firearms	(5,000,000)	.....	.....	.....	.....	(-5,000,000)
SAMSHA	(15,000,000)	(45,000,000)	.....	(25,000,000)	(14,000,000)	(-1,000,000)
CTAC (Rand0)	(7,500,000)	(7,500,000)	(8,000,000)	(7,500,000)	(8,000,000)	(+500,000)

H.R. 4539 - Treasury Department, U.S. Postal Service, Executive Office of the President, and Independent Agencies, 1995 - Cont.

	FY 1994 Enacted	FY 1995 Estimate	House	Senate	Conference	Conference compared with enacted
Community Partnership Grants (CSAP)	(10,000,000)					(-10,000,000)
ONDCP Director discretion	(5,000,000)		(5,000,000)	(20,000,000)	(18,100,000)	(+13,100,000)
Total, Federal Drug Control Programs	138,500,000	150,500,000	112,800,000	162,500,000	148,900,000	+10,400,000
(Transfer to other agencies)	(52,500,000)	(52,500,000)	(14,800,000)	(52,500,000)	(41,900,000)	(-10,600,000)
Total, Title III, Executive Office of the President	298,289,000	313,865,000	270,298,000	323,216,000	310,715,000	+12,426,000
TITLE IV - INDEPENDENT AGENCIES						
Administrative Conference of the United States	1,800,000	2,586,000		1,800,000	1,800,000	
Advisory Commission on Intergovernmental Relations	1,000,000	1,390,000		1,000,000	1,000,000	
Citizens' Commission on Public Service and Compensation (rescission)	-250,000					+250,000
Committee for Purchase from People Who Are Blind or Severely Disabled	1,689,000	1,682,000	1,682,000	1,682,000	1,682,000	-7,000
Federal Election Commission	23,564,000	27,106,000	23,564,000	27,106,000	27,106,000	+3,542,000
Federal Labor Relations Authority	21,341,000	21,540,000	21,341,000	21,540,000	21,341,000	
General Services Administration:						
Federal Buildings Fund:						
Appropriation	288,486,000	-69,931,000	361,815,520	500,000,000	310,197,000	+21,711,000
Rescissions	(-186,344,000)		(-78,205,000)	(-68,856,000)	(-84,120,000)	(+101,224,000)
Limitations on availability of revenue:						
Construction and acquisition of facilities	(925,027,308)		(502,709,520)	(733,229,000)	(601,702,000)	(-323,325,308)
Repairs and alterations	(523,782,000)	(812,226,000)	(815,288,000)	(712,356,000)	(720,584,000)	(+196,782,000)
Installment acquisition payments	(118,108,000)	(127,531,000)	(127,531,000)	(127,531,000)	(127,531,000)	(+9,423,000)
Rental of space	(2,117,421,000)	(2,204,628,000)	(2,204,628,000)	(2,173,000,000)	(2,173,000,000)	(+55,579,000)
Real property operations	(1,226,085,000)	(1,323,669,000)	(1,323,669,000)	(1,309,525,000)	(1,309,525,000)	(+83,440,000)
Program direction	(156,613,000)					(-156,613,000)
Design and construction services	(184,081,000)					(-184,081,000)
Rental income to fund						
Total, Federal Buildings Fund	288,486,000	-69,931,000	361,815,520	500,000,000	310,197,000	+21,711,000
(Limitations)	(5,251,117,308)	(4,468,074,000)	(4,973,825,520)	(5,055,641,000)	(4,932,322,000)	(-318,795,308)
Real Property Activities:						
Construction and Acquisition		1,478,690,000				
(Construction)		(479,690,000)				
(Acquisition)		(999,000,000)				
Federal Supply Service	43,420,000					-43,420,000
Use of proceeds of sales and overpayments	12,364,000					-12,364,000
Information Resources Management Service	45,675,000					-45,675,000
Federal Property Resources Service	15,756,000					-15,756,000
Operating Expenses	31,435,000	133,420,000	123,020,000	130,036,000	130,036,000	+98,601,000
Office of Inspector General	34,925,000	33,090,000	33,090,000	33,090,000	33,090,000	-1,835,000
Allowances and Office Staff for Former Presidents	2,833,000	2,890,000	2,215,000	2,215,000	2,215,000	-618,000
Procurement reform		-8,959,000	-8,959,000	-8,959,000	-8,959,000	-8,959,000
Total, General Services Administration	474,914,000	1,569,000,000	510,981,520	658,362,000	466,579,000	-8,335,000
John F. Kennedy Assassination Record Review Board		2,418,000	2,418,000		2,150,000	+2,150,000
Merit Systems Protection Board:						
Salaries and Expenses	24,674,000	24,549,000	24,549,000	24,549,000	24,549,000	-125,000
(Limitation on administrative expenses)	(1,969,000)	(1,969,000)	(2,420,000)	(1,969,000)	(2,250,000)	(+281,000)
Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation		10,000,000		10,000,000	10,000,000	+10,000,000
National Archives and Records Administration	190,232,000	194,638,000	194,638,000	200,238,000	195,238,000	+5,006,000
Reduction of debt	-3,397,000	-3,692,000	-3,692,000	-3,692,000	-3,692,000	-295,000
Procurement reform		-325,000	-325,000	-325,000	-325,000	-325,000
National Historic Publications and Records Commission	6,250,000	4,000,000	7,000,000		9,000,000	+3,750,000
Office of Government Ethics	8,313,000	8,104,000	8,104,000	8,104,000	8,104,000	-209,000
Office of Personnel Management:						
Salaries and Expenses	118,533,000	112,139,000	115,139,000	111,778,000	115,139,000	-3,394,000
(Limitation on administrative expenses)	(88,519,000)	(93,934,000)	(93,934,000)	(92,504,000)	(93,934,000)	(+5,415,000)
Office of Inspector General	4,253,000	4,009,000	4,009,000	4,009,000	4,009,000	-244,000
(Limitation on administrative expenses)	(6,514,000)	(6,156,000)	(6,156,000)	(6,156,000)	(6,156,000)	(-358,000)
Government Payment for Annuitants, Employees Health Benefits	3,805,480,000	4,210,560,000	4,210,560,000	4,210,560,000	4,210,560,000	+405,080,000
Government Payment for Annuitants, Employee Life Insurance	1,607,000	19,159,000	19,159,000	19,159,000	19,159,000	+17,552,000
Payment to Civil Service Retirement and Disability Fund	7,065,819,000	7,339,638,000	7,339,638,000	7,339,638,000	7,339,638,000	+273,819,000
Employees Health Benefits Fund (limitation on administrative expenses)	(14,774,000)					(-14,774,000)
Employees Life Insurance Fund (limitation on administrative expenses)	(826,000)	(753,000)	(753,000)	(753,000)	(753,000)	(-73,000)
Retired Employees Health Benefits Fund (limitation on administrative expenses)	(165,000)	(81,000)	(81,000)	(81,000)	(81,000)	(-84,000)
Procurement reform		-1,256,000	-1,256,000	-1,256,000	-1,256,000	-1,256,000
Total, Office of Personnel Management	10,995,592,000	11,684,249,000	11,687,249,000	11,683,666,000	11,687,249,000	+691,657,000

H.R. 4539 - Treasury Department, U.S. Postal Service, Executive Office of the President, and Independent Agencies, 1995 - Cont.

	FY 1994 Enacted	FY 1995 Estimate	House	Senate	Conference	Conference compared with enacted
Office of Special Counsel	7,992,000	7,955,000	7,955,000	7,955,000	7,955,000	-37,000
United States Tax Court	33,650,000	35,313,000	33,650,000	34,427,000	34,039,000	+389,000
Total, Title IV, Independent Agencies	11,786,464,000	13,590,515,000	12,519,114,520	12,674,654,000	12,493,775,000	+707,311,000
Appropriations	(11,786,714,000)	(13,590,515,000)	(12,519,114,520)	(12,674,654,000)	(12,493,775,000)	(+707,061,000)
Rescission	(-250,000)					(+250,000)
(Limitation on administrative expenses)	(5,178,560,308)	(4,570,987,000)	(4,998,964,520)	(5,068,468,000)	(4,951,376,000)	(-227,184,308)
TITLE VII - VIOLENT CRIME CONTROL AND LAW ENFORCEMENT FUNDING						
Department of the Treasury						
Departmental Offices					2,400,000	+2,400,000
Financial Crimes Enforcement Network					2,700,000	+2,700,000
Bureau of Alcohol, Tobacco and Firearms					7,000,000	+7,000,000
Gang Resistance Education and Training: Grants					9,000,000	+9,000,000
United States Customs Service					4,000,000	+4,000,000
Internal Revenue Service: Tax Law Enforcement					7,000,000	+7,000,000
United States Secret Service					6,600,000	+6,600,000
Total, title VII, Violent Crime Control and Law Enforcement Funding					38,700,000	+38,700,000
Grand total (net)	22,538,822,000	24,571,817,000	23,347,513,520	23,591,590,000	23,454,806,000	+915,984,000
Appropriations	(22,539,072,000)	(24,571,817,000)	(23,347,513,520)	(23,591,590,000)	(23,454,806,000)	(+915,734,000)
Rescission	(-250,000)					(+250,000)
(Limitations)	(5,178,560,308)	(4,570,987,000)	(4,998,964,520)	(5,068,468,000)	(4,951,376,000)	(-227,184,308)
CONGRESSIONAL BUDGET RECAP						
Total in this bill	22,538,822,000	24,571,817,000	23,347,513,520	23,591,590,000	23,454,806,000	+915,984,000
Scorekeeping adjustments	-207,720,000	-331,245,000	-84,084,000	-128,464,000	-86,395,000	+121,325,000
Total mandatory and discretionary	22,331,102,000	24,240,572,000	23,263,429,520	23,463,126,000	23,368,411,000	+1,037,308,000
Mandatory	11,018,705,000	11,727,379,000	11,727,379,000	11,727,379,000	11,727,379,000	+708,674,000
Crime Trust Fund Discretionary					38,700,000	+38,700,000
General Purposes Discretionary	11,312,397,000	12,513,193,000	11,536,050,520	11,735,747,000	11,602,332,000	+289,935,000

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

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

Mr. Speaker, the conference report we bring back to the House does comply somewhat with the recommittal motion, in that it reduces courthouse expenditures and user fees. It does not, regretfully, contain all the cuts called for in the House's motion to instruct.

I realize we have had a difficult time reaching this point. It has not been an easy bill this year, and I know the chairman shares my view that it is time to get on with the business of the people and complete action on this bill.

Personally, I believe the way the GSA cuts were made in the conference report were not as carefully considered as they should have been, and I think that is unfortunate.

I also regret we did not completely eliminate the entire $149 million in user fees from the bill, as called for in the recommittal motion, but rather capped them at $119 million. Still, it is an improvement.

Cuts have been made in both GSA courthouse construction and IRS user fees, and from the perspective of the minority, this should be a selling point for the conference report. It has been improved; it reduced fees collected and expenditures for Federal buildings.

Let me also remind Members that this bill contains a provision freezing Members' pay.

In view of these issues, I reluctantly recommend that my colleagues support the final conference report.

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

Mr. HOYER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Georgia [Mr. DEAL].

Mr. DEAL. Mr. Speaker, I would like to engage in a brief colloquy with subcommittee Chairman HOYER. President Clinton in his fiscal year 1995 budget request to the Congress requested for the Customs Service $18 million and the hiring of 186 additional personnel to enhance enforcement of trade laws and regulations relating to textile enforcement. This request followed a commitment President Clinton made in a November 16, 1993, letter to me and nine other House Members. Is that your understanding?

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

Mr. DEAL. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, that is correct. That is a letter that I also received and felt strongly about myself.

Mr. DEAL. Is it the understanding of the gentleman that this bill provides $18 million which will be used to hire 186 new employees and that 186 additional FTE will be provided to Customs to maintain these positions in the future to work on textile trade enforcement?

Mr. HOYER. If the gentleman will yield further, I would say to my friend the answer to that is yes. It is our specific and strong intent that the Office of Management and Budget will allocate to Customs Service 186 new FTE's dedicated to textile enforcement. The subcommittee is very concerned about illegal textile transshipment and has allocated additional Customs resources to address it.

Mr. DEAL. If OMB or Customs were simply to reallocate the existing personnel currently working either directly or indirectly on textiles or border enforcement, would this meet the obligations of the bill?

Mr. HOYER. No. It would not.

Mr. DEAL. I thank the gentleman.

Mr. LIGHTFOOT. Mr. Speaker, I yield 7 minutes to the gentleman from Virginia [Mr. WOLF], a member of the committee.

Mr. WOLF. Mr. Speaker, I am pleased that this bill has included an average 2.6 percent COLA for Federal employees. Federal employees have been taking it on the chin from the Clinton administration for the past 2 years with a freeze in pay, attempts to make them pay mandatory union dues, threats to their health care system and attacks on their retirement TSP system. At the RTC and Treasury Department attempts at politicizing the Federal work force are still being investigated. Bizarre diversity programs are exposing Federal employees to harassment and trauma. Quite simply, to be a Federal employee today is to be under siege.

As Mike Causey's Federal employee column in the Washington Post recently pointed out, this administration has been more hostile to Federal employees than Reagan and Bush ever were. Baffling is the silence from those who claim to represent Federal employees. As this Congress closes, Federal employees and retirees will also be able to breathe a sigh of relief that the Clinton administration plan to abolish the FEHBP has failed.

But as we come to the floor to discuss this funding for the White House and Treasury Department, I have to say, this has been a distressing year to be on this subcommittee. For most of this year my efforts to get basic information from the White House and the Treasury have been thwarted, stonewalled, and even when information has been forthcoming it has been incomplete and even misleading. We were mislead on the White House security pass situation, we have received contradictory stories on the White House travel office while career employees twist in the wind paying huge legal fees, we have a Treasury inspector general investigation which was tampered with by the White House Counsel's Office, and on and on.

Over a year ago, I began to look into the issue of White House passes because so many White House employees failed to have permanent passes after 6 months into this administration. I was told there was no problem by the then Chief of Staff Mack McLarty. Over a year into the administration we finally found out that over one-third of the White House staff still didn't have passes, including Mr. McLarty himself. This bill contains an amendment on this matter although at the White House's insistence the amendment still allows them plenty of room to delay and exempt if need be.

In the area of financial disclosure the White House has again bobbed and weaved. After attention was brought to the fact that the White House had given unprecedented access to outside consultants deeply involved in policy matters, the Washington Post, the Wall Street Journal and others called for financial disclosure by White House consultants. The White House issued a directive for consultants such as James Carville, Paul Begala, and others to provide financial information. Contrary to what might have been the impression from the directive, the consultants were not required to fill out actual Government forms requiring their financial information. Instead they only had to provide information like that provided by temporary Government employees. What is the difference? There are no legal consequences for inaccurate or even intentionally false filings for these consultants.

Now that the consultants have filed their forms it comes to our attention that there may have been missing information. James Carville has now been reported to have a contract for working on the Brazilian Presidential election. This client was not listed on his form. For the record I would like to submit an article from a Brazilian magazine on the subject. I have written to the White House and still have received no response. Is Mr. Carville working on the Brazilian campaign or not? What are the financial arrangements and when were they made? When will we get answers?

In the meantime, the White House has an additional "outside insider" on the scene—former Majority Whip Tony Coelho. Mr. Coelho says he will not be filing any financial disclosure information despite his extensive and lucrative outside financial, legal, and business ties to unions, corporations, pension funds, and the like.

Given that as a candidate Bill Clinton committed to running "the most ethical administration ever," this is a stunning lack of attention to potential ethical problems presented by those with regular White House access and no accountability. As Fred Wertheimer of Common Cause has pointed out, Mr. Coelho is in a "quasi-public, quasi-private" position that could allow his banking company to take advantage of inside information about Government

policy. With all of the investigations going on with this administration, should the American taxpayers have to continue to foot the bill for future investigations that could be prevented by a heightened level of consciousness about these issues?

Getting credible answers and responsible behavior from this administration is something just short of impossible; whether it is about White House passes, financial disclosure forms, or what are supposed to be independent investigations at the Treasury Department. We have not had such stonewalling and politicizing of the Federal work force since the Nixon administration. I did not like it then; I do not like it now, and I will continue to fight on these issues.

□ 1250

Mr. Speaker, should there be a change in the White House in 1996 and if we elect a Republican President, I will be—and I want to be quoted on this and I want people to go back and look at this—I will be as aggressive in speaking out for any unethical characteristics there. If they hire somebody like Tony Coelho, I will speak out. If they have a James Carville running in and out, I want people to know that this is not a partisan issue. Frankly, this is not an issue that divides this side of the aisle from that side of the aisle, it may be from the White House. But if this happens in a Republican administration, I want people to know I will speak out just as forcefully to speak on this issue, should there be a change in administration.

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THE SECRET CONSULTANT

The Toucans have been trying to hide the fact that Clinton's campaign magician has a finger in the FHC campaign

The Toucans spent the better part of last week in pointless exertion. Denying that James Carville, the marathon brain who got Bill Clinton into the White House and is today an adviser to the President of the United States, was involved in Fernando Henrique's campaign. The article, published last Tuesday, stated that Carville was under contract to the Toucans four months ago for the sum of "about one million dollars." Subsequently it was explained that the contract was not with the PSDB, but with a "Brazilian entrepreneur" that he would bankroll Carville's services and pass his advice on to the heads of the Toucans. PSDB efforts fell through completely. On Thursday, James Carville himself spoke to the Associated Press Agency in Washington and in attempting to minimize the article, wound up confirming it. "My role wasn't all that fundamental. I only analyzed some studies," he said.

As soon as they knew about the article, the Toucans held a meeting in Brasillia and built up a wall of ambiguities. Eduardo Jorge Caldas, the economist and shield-bearer for Fernando Henrique, admitted having met with Carville, but claimed not to be able to say whether it was one time or twenty." As it is indeed possible to meet hardly once with a pickpocket on the Praça da Sé, but no one meets a person twenty times without having a rather serious topic to deal with, there was already some doubt. Another ambiguity comes from the candidate himself. "There was no contract with the PSDB," said Fernando Henrique, while the article did not state this just that a businessman was paying Carville. As they forgot to alert Pimenta da Veiga, the president of the party about the part he was to play in this theater, the Toucans were pounding their heads. On Thursday Pimenta said that he had a meeting with advisors from the U.S. "Fortuitously, I could not go," he observed, as if it were a revelation. It wasn't. "Only if Carville had been their advisor," corrected Fernando Henrique. Perceiving that he was causing an uproar, Pimenta explained himself: "There is no contract, much less a million dollars," he said. On Saturday, the GQ surrendered. In agreement with one of Fernando Henrique's advisors, the campaign made use of Carville's services, and his two trips to Brazil and the respective honorania were paid by a businessman. Or rather: it is true that there was no contract with the PSDB. But it is also true that there was payment for services rendered.

REQUEST FOR SECRECY

The mere fact that the advisor is a foreigner is not illegal, nor is it immoral, nor shameful. What is illegal is paying him out of the party coffers, with money gamered from electoral contributions. The law does not prohibit a candidate from putting a foreigner under contract and criticizing him i.e., the candidate for this constitutes the most vulgar nationalism. But the problem with Carville is different and more serious. When Clinton arrived at the White House, Carville became an employee of the Democratic Party with a pass giving him access to the White House at any hour. With this, Carville is not just any foreigner, but an advisor who comes and goes in the White House, talks with the president of another country and, from time to time, goes to Brazil to advise a candidate to the Planalto. The Toucans' fear was that having brought in foreign help, they would be hearing their candidate referred to as "Bill Cardoso" by his opponents desperate for any little point which would be in the Ibope[?]. Another thing is that Carville himself could stay in bad odor. In the U.S., pressured by the Republican opposition, the advisor was forced to state the names of those for whom he was working. Late last June, he presented a list of his clientele and he failed to name either the party or the Brazilian businessman. Should definite evidence appear about which he lied, he will be ruined professionally. With the news being made public, the White House reacted. Government advisers are demanding explanations from Carville about the article.

With a reputation of being possessed by the devil, Carville is a 50-year-old Southerner who rendered an immense service to Clinton. With a reputation as an eccentric and maybe just a bit wacko, always in jeans, he is verbally very quick on the draw. When they asked him what they should talk about during the campaign, he always had the same reply: "The economy, stupid." Since Clinton's victory, he has married Mary Matalin, who was working for the rival candidate, George Bush, who was defeated. Last February, the Toucans were already in search of his telephone number, but the first contact did not occur until April. On the 25th, Carville arrived in São Paulo on American Airlines flight 999 and checked into the Hotel Ca'd'Oro. He spoke with some very prominent Toucans, Sergio Mona, friend and associate of the candidate, the former governor of Ceará. Tasso Jereissati, and Eduardo Jorge. During the conversation, he [Carville] noted that the Brazilians were not very good at research and did not know how to evaluate the results.

The exchange failed to engage Tasso Jereissati, but Sergio Motta and Eduardo Jorge were swept away. They made a second meeting which occurred early in June. Carville arrived on the 4th and returned to the U.S. on the following day on American Airlines flight 924. On this round they discussed a concrete program of consultation. This done, Carville did "some analyses" of research done by Antonio Lavareda, the sociologist who was in charge of PSDB research. Carville has never said who paid him, whether the party or the mysterious businessman, he has never spoken in terms of cost nor given any details about his advice. But it is well known that between March and April, the Toucan summit was interested in foreign consultants. There was an informal competition and all the applicants were asked to keep the business secret.

ELECTORAL MARKET

At this time, another American company, Squire, Knapp & Ochs, also came to Brazil. One of the associates, Thomas Ochs, met with Fernando Henrique, Eduardo Jorge and Jereissati. He made a proposal which varied from 75,000 to 100,000 dollars a month, which was rejected. The package included political strategy planning, technical training for the candidate and his team, a fund-raising plan, and polling and logistic techniques. The PSDB didn't close the deal and Ochs knocked at the doors of the P, without, however, going further than a presentation talk.

James Carville had had some time back plans to get into the Latin American electoral market. In May of last year, he was in Brazil and talked with a public relations man, Duda Mendonça, who was beginning at that time to think of Paulo Maluf's presidential campaign. Duda Mendonça says: "Carville spoke of the free electoral schedules and his economic plans." After this contact, Carville returned to Brazil last February. He stayed for four days, from the 23rd, to the 26th. "In February he went to talk to one of Maluf's consultants", says a Toucan.

With Carville's hand in Fernando Henrique's campaign, a trivial thing happened: whose TV program was it, although it was inspired by the commercials Clinton showed during his campaign. The images and angles are similar, but it is doubtful that they were Carville's work. "It never appeared around here. If it's really part of the campaign, it's a well-kept secret," says Geraldo Walter, FHC PR-man. Walter does not deny that it could be influential, but rules out its being the product of an American consulting company. "We have worked on more than ten programs for victorious candidates. We view and review Clinton's, Feline González's, Margaret Thatcher's, Menem's and others," he says, "It is possible that some influence from the others stuck to it. The pattern in the Femando Henrique one is identical to the one in Feline González.

"The article about the American's contract appeared in the Washington Times, the newspaper of the American extreme right-wing, owned by the famous Reverend Moon, but the one who uncovered the case was journalist Ken Silverstein, who has been publishing his own newsletters as of December of last year entitled Counter Punch, commenting on Washington political machinations.

Silverstein has said that, in addition to Carville, the Toucans are working with two other political consultants. One of these, Grunwald, Eskew, and Donilon, belongs to Mandy Grunwald, who worked in the Clinton campaign and is a frequent visitor in the White House. Grunwald swears that she is not working with a Brazilian client, but admits that she cannot answer for her associates.

Silverstein brought to light a memo to the PT which might be able to bring out during the campaign the links between Fernando Henrique's campaign and the White House. "I'll be happy if this memo prejudices his campaign," says Silverstein. The journalist makes no attempt to hide his sympathy for Lula. Between February of 1989 and May of 1993 he was a correspondent for the AP press agency in Brazil. He covered Lula's campaign and remains charmed by the candidate. So much so that he had written a book about Lula in association with Emir Sader. It appeared in 1991 with an English publisher under the title, Not Afraid to be Happy. "My sympathy for Lula has not affected my work. First and foremost I am a journalist," says Silverstein. Before he left Brazil, the journalist began to create his own publication. He obtained the backing of the Institute for Policy Studies, a leftist retreat in the American capital and launched Counter Punch. He has a thousand subscribers, never published demonstrably false news and, recently was included by the Utne Reader, one of the most intellectual journals in the country, in a list of one of the ten best titles in the alternative American press.

Mr. HOYER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in support of this conference report. I believe it is the best that could be achieved under the circumstances. Nevertheless, I have serious doubts about whether IRS is being provided with funding adequate to effectively and efficiently collect the Nation's taxes.

Permitting IRS to keep only $119 million in user fees will have an adverse effect on IRS' ability to process tax returns and provide quality services to taxpayers. Next year, taxpayers can expect more busy signals at IRS and delays in their refunds.

Furthermore, as chairman of the subcommittee that oversees IRS' operations, I know that IRS' computer systems are outdated and inefficient. Unfortunately, under this budget, IRS will not have the necessary money next year to bring its computer systems into the 21st century. Make no mistake about it, this budget—even with the restoration of $119 million—is woefully inadequate and may ultimately be a disservice to the taxpaying public.

I believe IRS may have reached the point where it can no longer afford to provide the multitude of special services it makes available to taxpayers each year for free. This is particularly true when IRS isn't being fully funded. While I don't look favorably upon the charging user fees for services which I think taxpayers are entitled to, if we're not prepared to fully fund IRS's operations—and this conference report makes clear that we're not—then, I think IRS must be permitted to make up the shortfall—even if it means charging some user fees and as unpleasant as that may be.

Let me take a few moments to talk about the new IRS-related user fees, particularly the DDI fee. The bulk of the $119 million that IRS will be allowed to keep for its own purposes will come from an $8 direct deposit indicator [DDI] fee. As part of filing electronically, IRS promises that it will notify the person who actually submits the electronic return—either a bank or an electronic return originator [ERO]—within 48 hours whether the return has been accepted and a potential refund will be deposited in a designated bank account. The DDI indicator means that the filed return did not have any errors that the IRS electronic filing software discovered and the taxpayer neither owes IRS back taxes nor any other Federal debt that could be offset with the tax refund. In most cases, the DDI has replaced the normal credit report that banks would otherwise have to purchase to evaluate refund anticipation loan [RAL] applications. RAL's have become popular with taxpayers seeking to expedite the receipt of their tax refunds. And with the DDI, these high-yield, low-risk loans have generated tens of millions of dollars in profits for commercial banks. Don't be fooled, most of the objections to IRS user fees came from large commercial banks who want the cheap insurance provided by IRS through the use of the DDI—the banks just do not want to pay for it. They don't want the risk and don't want to pay for the free lunch.

While I am less than sympathetic with IRS' intention to charge taxpayers for entering into installment agreements to pay taxes owed over time, I would note that this practice is similar to service fees currently charged by banks and other lending institutions. However, I think IRS ought to reconsider whether this fee is now necessary in light of the $119 million cap.

Mr. Speaker, despite the serious budget constraints we are faced with, it is foolish for us to short change IRS, particularly at a time when IRS is modernizing its operations to meet the difficult compliance and tax administration challenges that lie ahead. As Forrest Gump says, "stupid is as stupid does." I, for one, am worried about the impact of this budget on the success of next year's tax filing season. Nevertheless, this conference report should be approved.

Mr. LIGHTFOOT. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN. I thank the gentleman for yielding this time to me.

Mr. Speaker and distinguished colleagues, particularly the chairman of the subcommittee, the gentleman from Maryland [Mr. HOYER]: Last Thursday, the 22d, was a shock to many people on this Hill, on both sides of the aisle and both sides of the Chamber.

I did not know that minority Members with important Federal building projects in their districts had to accede to whatever tens of millions of dollars of unauthorized projects the other body might add and that if we did not, projects in our districts, no matter how necessary, would be put in jeopardy. For the record, the projects the other body added were projects that were not requested by the administration, had not been through an administrative approval process, and had not been approved by both the House and Senate. Just because they were added by our distinguished colleagues over the other side of the Hill does not mean that we should have rolled over and accepted them when we knew they had not been subjected to proper congressional scrutiny.

But I understand that staff members or both sides of the aisle are having second thoughts and that two projects in the bill that really are going to experience tremendous disruptions because of prior allocations and start dates and construction, will be considered for reprogramming so that there are not major dislocations that take place starting next year. One such project is in my district, the Santa Ana courthouse.

The Santa Ana courthouse, with or without the name Ronald Reagan on it, is one of the worthiest projects and one of the most mature projects among all the Federal building projects in this bill. Some $103 million has already been appropriated and GSA is ready to break ground in a couple of months. I want Mr. HOYER, my good friend, to realize that I represent a Democrat district, as I did when I represented Santa Monica, CA, for 6 years in the 1970's and early 1980's. I am now in my 10th year of representing a Democrat district. I am surrounded by 4 or 5 conservative Republican districts. They are wealthier districts than mine. My district is a needy district. We lead the area in crime, in gangs, we are at the center, the confluence of some of the busiest freeways in the Nation. We have major problems with illegal immigration.

In conclusion, it is a very, very needy district. But even so, Orange County still sends billions more to the Federal Government than it gets back. In fact, I estimate that Orange County is a net loser by $4 billion.

□ 1300

I believe that a county that is a net loser, like Orange County, CA, that puts in overwhelmingly far more tax dollars than it ever gets back, has a right in its neediest areas to expect some fairness. And I would hope that

the subcommittee would look at this as a fairness issue. You cannot expect Members to come to the floor and vote for a spending bill that was so loaded with unauthorized projects. Those of us who played by the rules and subjected our requests to the process should not be punished for voting for spending restraint.

So, Mr. Speaker, I say, please make your byword "fairness" here. Don't turn me into any more of a political animal than is natural for an Irish-American.

Mr. HOYER. Mr. Speaker, I thank the gentleman for his comments. I understand his concern. We are going to try to be fair and make sure that every project that can be done and that is needed, is in fact accomplished. We have provided $103 million for that project to date, as the gentleman knows.

Mr. LAZIO. Mr. Speaker, I rise today in strong support of H.R. 4539, the fiscal year 1995 Treasury, Postal, and Independent Agencies appropriations conference report. This bill contains a project that is very important to the people of Long Island, NY—the new Federal Courthouse in Central Islip, NY.

This project, which was reviewed by the General Services Administration [GSA] as part of its time out and review and found to be worthy of continued funding, is vital to easing the space emergency faced by the eastern district of New York that was declared in 1989 by the Judicial Conference of the United States. Since that declaration, the emergency has only worsened as the backlog faced by Federal judges on Long Island continues to grow.

The prompt completion of the courthouse will help ease this burden by providing badly needed courtrooms. It will also accommodate office space for the Departments of Defense, Labor, Treasury, and Justice, the Office of Personnel Management, the Occupational Safety and Health Administration, and other Federal agencies.

But more importantly, this courthouse will improve the Long Island economy and bring jobs to the area, which has been hit extremely hard by the recession. The construction phase alone for this project is expected to provide 2,000 jobs. Beyond that, once it is completed, this complex will house approximately 1,300 permanent employees. This influx of people will result in an increase in expenditures for goods and services that will support local business activity.

Mr. Speaker, this project is vital to the court system and people of Long Island, and I am pleased that Congress has included the first phase of funding for it in H.R. 4539. I urge all of my colleagues to support passage of this important appropriations bill.

Mr. COPPERSMITH. Mr. Speaker, in June, the House adopted an amendment I offered to the Treasury-Postal appropriations bill to reduce the fiscal year 1995 payment to the Postal Service fund for the U.S. Postal Service by $6.6 million, the amount the Postal Service planned to spend on their "new bird" logo. This conference report restores that funding to an amount above the amount in the House bill but less than the amount originally approved by the other body. I rise in disappointed support, but support nonetheless, of the conference report despite its rejection of the House position opposing the bone-headed decision by the Postal Service to spend $6.6 million on a new logo—the wrong decision, at the wrong time, by the wrong agency.

In offering that amendment, I did not intend, and I know this House did not intend, to cut the subsidy for mailings for the blind or for overseas voting. Nor did we intend to increase rates for nonprofit mailings, bulk mailings, or any other postal rate increases. Likewise, we did not intend to undermine wages or benefits to dedicated postal employees, who did not make the decision to get the new logo.

The House sent a clear message that we intend to scrutinize such frivolous spending even by quasi-public corporations. Sometimes like even good people, quasi-public corporations make bad choices. The Postal Service made a bad choice by deciding to spend $6.6 million on an unneeded cosmetic change, at a time when the public's cynicism about superficial changes is already high and appears to be increasing. The Postal Service, as it has the power to do, made a serious mistake, and the House has gone on record against that decision.

Since the House vote, we have learned of serious problems in mail delivery in several major cities. These service problems seem far more basic to public perception of the Postal Service than any logo, new or old. Now we in this House also must have a sense of priorities, and these pressing delivery problems are more important than teaching the Postal Service a lesson about priorities. These more recent problems certainly do not make the decision to pay for a new logo correct, but our legislative role requires us to set priorities, and the House should not insist on its position at this time.

I also support the conference report because it will freeze congressional salaries for the coming year, eliminating the automatic cost-of-living increase. I firmly agree that Congress should not have a pay raise, not with the declining-but-still-enormous budget deficit, and with our inability to restore public trust in this institution. When we ask fewer Federal employees to do more with less, we need to set an example ourselves, both with our votes and with our personal behavior. For these reasons, I support the conference report.

Mr. FAWELL. Mr. Speaker, I rise today in opposition to the conference report for Treasury/Postal appropriations, H.R. 4539. I rise in outrage over business as usual. When the House voted to reduce the overall level of funding for new construction projects contained in the Treasury-Postal appropriations bill, we did so in defense of fiscal responsibility for the taxpayers of our country. This vote would have saved the taxpayers $218 million and ensured that with the limited resources available, only the projects of the utmost quality would be funded.

Mr. Speaker, this is not what happened in conference. Unbelievably in this day and age—in this climate of citizen abhorrence of business as usual—what happened in the second version of the conference report was wrong. In effect, those Members who voted for fiscal responsibility were punished. The conferees ignored the will of the House and Senate committees of oversight because they cut the projects that were authorized, leaving in the unauthorized projects. They, in effect, punished those Members who had voted to cut the budget. Some of those Members have authorized projects in the bill. All of those projects had been authorized, requested by the President, and approved by both the House and the Senate in the versions of the Treasury-Postal appropriations bill for fiscal year 1995. Yet—it was those 10 projects that were cut from the bill.

You might ask—perhaps all of the courthouse projects were good projects—all of equal merit and decisions made were arbitrary. I submit to you the fact that of the 36 projects which were proposed to be funded—there were no less than 11 projects which have not been authorized by House or Senate committees of jurisdiction. Yet, it was not those 11 projects that were eliminated. All 11 of these unauthorized and unrequested projects were fully funded. It was the 10 projects in the districts of Members who had voted for the overall cut in funding that were terminated.

Mr. Speaker, this is wrong. No one would ever think of punishing a Member for voting to spend money on a program. So why are we punishing for cutting? Cutting is what taxpayers want. Those who believe in fiscal responsibility should not be punished. They should be commended. This is the kind of business as usual that makes most Americans cynical of Congress. It is this kind of retribution that makes most Americans call for change in Congress. Someday, Congress will get the message. This day could come soon. I oppose this bill. I urge Members to stand up for fiscal responsibility and to vote against pork projects, and against "business as usual."

Mr. FAZIO. Mr. Speaker, I rise in strong support of the conference report for H.R. 4539, the fiscal year 1995 Treasury, Postal Service, and general government appropriations bill. I commend Chairman HOYER for his tireless work on this year's bill. He and his staff have gone above and beyond the call of duty to craft a fair and fiscally responsible bill, and I join my colleagues in thanking them for their efforts.

Chairman HOYER has crafted a bill which will help our Government continue to provide the services we need most during these tough budget times. H.R. 4539 provides financial support for many of the real "nuts and bolts" programs that keep our Government running effectively, Treasury Department agencies like the Customs Service and the Internal Revenue Service, and the Bureau of Alcohol, Tobacco and Firearms [ATF]. This bill provides the resources these agencies need, but came in $140 million in budget authority below the allocation for the subcommittee. Once again, this bill proves to the American people that their Government can and will do more with less.

I would like to make special note of provisions in this bill which will support an innovative California law enforcement program which will help catch more criminals. This program, the northern California Gun-Link project, will

combine the resources of the Federal, State, and local crime laboratories for ballistics identification and tracing. Gun-Link will analyze fired bullets and then compare these analyses among the different laboratories participating in the system, linking seemingly unrelated or unresolved shooting incidents throughout all of northern California. It will establish an information network between my district's law enforcement teams that will greatly enhance their ability to solve crimes.

Mr. Speaker, H.R. 4539 cuts the fat where we need to in our Government, while maintaining the important programs which serve our constituents well. This conference report is both frugal and responsible, and I encourage my colleagues to join me in supporting this measure.

Mr. FRANKS of Connecticut. Mr. Speaker, last week I voted to send the Treasury-Postal appropriations bill back to the conference committee that produced this final version for approval. This bill annually has problems, because it is a repository for wasteful spending projects. This year was no different. After the House approved its version of this bill, the Senate decided to add $218 million worth of spending on new construction projects. We refused to approve the final version of this bill last week because of this wasteful spending added by the Senate.

Today this bill is back before us—without the extra projects that the Senate added on. The $218 million in new Federal construction has been removed. I will vote for the bill, although I think that more improvements could have been made. Next year, we should consider reducing construction expenses from the amount approved this year. Even though the House approved the elimination of the Intergovernmental Relations Commission and the Administrative Conference of the United States, these groups are still funded in the final version of this bill. Finally, the bill includes $6.6 million for changing the Postal Service logo, despite my opposition and the opposition of the House. This bill is proof that Congress still includes unnecessary spending among programs and projects worthy of our support.

This bill also contains a provision freezing the pay of the Members of the House of Representatives for this year. This is an issue of importance at a time when Congress is still passing budgets with substantial deficits.

Mr. HOYER. Mr. Speaker, I have no further requests for time, and, if the gentleman from Iowa [Mr. LIGHTFOOT] yields back the balance of his time, I yield back the balance of my time.

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

Mr. HOYER. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HOYER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 360, nays 53, not voting 21, as follows:

[Roll No. 441]

YEAS—360

Abercrombie
Ackerman
Allard
Andrews (ME)
Applegate
Bacchus (FL)
Bachus (AL)
Baesler
Baker (CA)
Barca
Barcia
Barlow
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bateman
Becerra
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Blackwell
Bliley
Blute
Boehlert
Bonilla
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Buyer
Callahan
Calvert
Canady
Cantwell
Cardin
Carr
Chapman
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coppersmith
Costello
Coyne
Cramer
Crapo
Cunningham
Danner
Darden
de la Garza
Deal
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Dornan
Dunn
Durbin
Edwards (CA)
Edwards (TX)
Emerson
Eshoo
Evans
Everett
Ewing
Farr
Fazio
Fields (LA)
Fields (TX)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Fowler
Frank (MA)
Franks (CT)
Franks (NJ)
Frost
Furse
Gallegly
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodlatte
Goodling
Gordon
Grams
Grandy
Green
Greenwood
Gunderson
Gutierrez
Hall (OH)
Hall (TX)
Hamburg
Hamilton
Hansen
Harman
Hastert
Hastings
Hayes
Hefner
Herger
Hilliard
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoke
Holden
Horn
Houghton
Hoyer
Huffington
Hughes
Hutchinson
Hutto
Hyde
Inglis
Inslee
Istook
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klein
Klink
Knollenberg
Kolbe
Kopetski
Kreidler
Kyl
LaFalce
Lambert
Lancaster
LaRocco
Laughlin
Lazio
Leach
Lehman
Levin
Levy
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Lloyd
Long
Lowey
Lucas
Machtley
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCrery
McCurdy
McDade
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McMillan
McNulty
Meehan
Meek
Menendez
Mica
Michel
Miller (CA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murphy
Murtha
Nadler
Neal (MA)
Neal (NC)
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pastor
Payne (VA)
Pelosi
Peterson (FL)
Pickett
Pickle
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quillen
Quinn
Rahall
Rangel
Ravenel
Reed
Regula
Reynolds
Richardson
Ridge
Roberts
Roemer
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Saxton
Schenk
Schiff
Schroeder
Schumer
Serrano
Sharp
Shaw
Shepherd
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Strickland
Studds
Stupak
Swift
Synar
Talent
Tanner
Tejeda
Thomas (CA)
Thomas (WY)
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Valentine
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Waters
Watt
Waxman
Whitten
Williams
Wilson
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (AK)
Young (FL)
Zeliff

NAYS—53

Andrews (NJ)
Archer
Armey
Baker (LA)
Ballenger
Boehner
Burton
Camp
Castle
Cox
Crane
DeLay
Dreier
Duncan
Ehlers
Engel
Fawell
Goss
Hancock
Hefley
Hoekstra
Hunter
Jacobs
Johnson, Sam
Lewis (FL)
Livingston
Manzullo
McCollum
Meyers
Miller (FL)
Minge
Myers
Oxley
Packard
Pallone
Parker
Paxon
Penny
Peterson (MN)
Petri
Ramstad
Rohrabacher
Schaefer
Sensenbrenner
Shays
Smith (MI)
Smith (NJ)
Stump
Swett
Taylor (MS)
Taylor (NC)
Upton
Zimmer

NOT VOTING—21

Andrews (TX)
Bellenson
Byrne
Derrick
English
Ford (TN)
Gallo
Gekas
Inhofe
Klug
Lantos
Mfume
Payne (NJ)
Scott
Slattery
Smith (IA)
Sundquist
Tauzin
Washington
Weldon
Wheat

□ 1325

Messrs. BURTON of Indiana, ROHRABACHER, and PALLONE changed their vote from "yea" to "nay."

Messrs. KNOLLENBERG, QUINN, SHUSTER, BACHUS of Alabama, SPENCE, and GRAMS changed their vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. ENGLISH of Arizona. Mr. Speaker, I was unavoidably absent during rollcall vote

No. 441 regarding H.R. 4539, the conference report on the Treasury, Postal Service, general Government appropriations for fiscal year 1995. Had I been present I would have voted "aye."

PERSONAL EXPLANATION

Mr. MFUME. Mr. Speaker, I was unavoidably detained in my district, and therefore missed rollcall vote No. 441, on agreeing to the conference report to H.R. 4539, making appropriations for the Department of Treasury, the Post Office, and related agencies for fiscal year 1995.

Had I been present I would have voted "aye."

PERSONAL EXPLANATION

Mr. GEKAS. Mr. Speaker, I was unavoidably detained during rollcall No. 441, and thus my vote on the conference report on H.R. 4539, the Treasury, Postal, and independent agencies appropriations for fiscal year 1995 was not recorded. Had I been present, I would have voted "aye" on final passage of H.R. 4539.

GENERAL LEAVE

Mr. HOYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the conference report just agreed to.

The SPEAKER pro tempore (Mr. FIELDS of Louisiana). Is there objection to the request of the gentleman from Maryland?

There was no objection.

CONFERENCE REPORT ON H.R. 4602, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1995

Mr. GORDON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 547 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 547

Resolved, That all points of order against the conference report to accompany the bill (H.R. 4602) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1995, and for other purposes, and against its consideration are waived.

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. GORDON], is recognized for 1 hour.

Mr. GORDON. Mr. Speaker, during consideration of this resolution, all time yielded is for the purpose of debate only. I yield the customary 30 minutes, for the purpose of debate only, to the gentleman from Tennessee [Mr. QUILLEN]. Pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 547 provides for the consideration of the conference report on H.R. 4602, the Department of the Interior and related agencies appropriations bill for fiscal year 1995.

The rule waives all points of order against the conference report and against its consideration.

Mr. Speaker, I would like to commend Chairman SID YATES, ranking Republican RALPH REGULA, and the conferees for reaching a consensus on a difficult and complex piece of legislation.

The conferees rolled up their sleeves, discussed the merits of the various funding needs, and made the tough choices necessary to craft a conference report which is well below last year's funding levels and below the 602(b) allocation.

Under Chairman YATES' leadership the conferees produced a bill which is $186 million below 1994 funding levels and $222 million below the budget request.

Chairman YATES and I share a commitment to preserving this country's natural, historical, and cultural assets for the benefit of future generations.

Tourists are visiting our national parks with increasing frequency. Visitations were in excess of 265 million in 1993 and are expected to top 281 million in 1995. Yesterday, in the Rules Committee, Mr. REGULA testified that there is an impressive 10-percent increase in visitations over last year.

I would like to once again congratulate Chairman YATES, ranking Republican RALPH REGULA, and the subcommittee's staff for putting in the long hours, listening to all of the demands, and crafting a good bill which is under last year's funding levels.

□ 1330

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

Mr. Speaker, before I comment on this rule, I want to first commend Chairman YATES and ranking Republican REGULA and the other conferees for their dedication and hard work in bringing forth this bipartisan, fiscally responsible measure making appropriations for the Department of the Interior and other related agencies.

Although the conference report appropriates $264 million more than last fiscal year, there is an emergency supplemental appropriation of $450 million for the emergency Forest Service firefighting fund. Excluding that amount, the remaining appropriation is about $186 million below the fiscal year 1994 amount, and the total appropriation is within the committee's 602(b) allocation.

As Mr. GORDON described, this rule waives all points of order against the conference report and against its consideration, and I rise in opposition to this blanket waiver. It is unnecessary and it does a disservice to the Members of this House. A motion was made in the Rules Committee to replace the blanket waiver with the specific waivers needed. This motion was defeated on a party line vote, and I ask unanimous consent to insert the results of rollcall votes into the RECORD following my statement. As I said yesterday, during consideration of a similar rule on the NOAA authorization bill, I strongly feel that the Rules Committee has an obligation to report out rules which specifically outline which waivers, if any, are being granted whenever this is feasible.

Members have a right to know exactly what rule violations are in each and every measure considered on the House floor. However, since this rule does not provide that information, let me inform the House that it is not necessary to waive all of the rules of the House. This conference report does not require a Budget Act waiver, and it does not require a waiver of the 3-day layover rule.

It does require waivers to protect provisions that violate scope and that constitute legislation in an appropriations bill. Therefore, it is necessary to waive clause 2 of rule XX and clause 3 of rule XXVIII.

I hope this explanation is helpful, and I hope my colleagues will join me in opposing this rule and insist that the Rules Committee stop this lazy practice of granting unnecessary blanket waivers.

Mr. Speaker, I include for the RECORD a statement on rollcall votes in the Committee on Rules:

ROLLCALL VOTES IN THE RULES COMMITTEE ON H.R. 4602, DEPARTMENT OF THE INTERIOR CONFERENCE REPORT, MONDAY, SEPTEMBER 26, 1994

1. Solomon Motion on Blanket Waivers—A motion to strike the waiver of all points of order against the conference report and its consideration and to substitute the specific waivers necessary. Rejected: 3–4. Yeas: Solomon, Quillen, Goss. Nays: Moakley, Beilenson, Gordon, Slaughter. Not Voting: Derrick, Frost, Bonior, Hall, Wheat, Dreier.

2. Beilenson Motion to Report Rule—A rule waiving all points of order against the conference report and against its consideration. Adopted: 4–3. Yeas: Moakley, Beilenson, Gordon, Slaughter. Nays: Solomon, Quillen, Goss. Not Voting: Derrick, Frost, Bonior, Hall, Wheat, Dreier.

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

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

Mr. Speaker, as I mentioned earlier, this is a good rule for a good conference bill which reduces the funding well below last year's level.

Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and move the previous question on the conference report.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. YATES. Mr. Speaker, pursuant to House Resolution 547, I call up the conference report on the bill (H.R. 4602) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1995, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. FIELDS of Louisiana). Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of September 22, 1994, at page 25271.)

The SPEAKER pro tempore. The gentleman from Illinois [Mr. YATES] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. REGULA] will be recognized for 30 minutes.

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

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

Mr. Speaker, today we bring before the House the conference report for fiscal year 1995, the appropriations for the Department of the Interior and related agencies. Mr. Speaker, this is a good conference report. It is a bipartisan conference report. Our ranking member, the gentleman from Ohio [Mr. REGULA], played a most important role in bringing order out of the controversies. I want publicly to pay tribute to him for his very constructive work.

Mr. Speaker, this conference agreement meets every requirement for approval by the House. It is within our 602(b) allocation for both discretionary budget authority and for discretionary outlays. In budget authority, we are $3.7 million below the allocation. The conference report is $210 million below the 1994 enacted level. It is $197 million below the President's request. When both mandatory and discretionary totals are considered, the conference agreement is even $2 million below the level the House approved in June.

Mr. Speaker, some Members may ask, why is the report approximately $450 million above the level passed by the House. The sole reason for that, Mr. Speaker, is because of the request by President Clinton for an additional $450 million in emergency firefighting money for the Forest Service, to pay for the horrendous fires of this summer in the Western States. On September 19 the President requested this additional money because the Forest Service is experiencing a very severe fire season. As of early September, there had been over 58,000 wildland fires that burned more than 3,300,000 acres. This is about 50 percent more acreage burned than the historical 5-year average. These emergency appropriations are necessary to fund the direct expenses required to suppress wildfires on, or threatening, National Forest System lands and other lands under fire protection agreements, as well as to fund the emergency rehabilitation of burned-over National Forest System lands.

Included in the 119 Senate amendments to this bill were more than 1,000 individual items of difference. The conference report we bring before the House contains the results of many hard choices and compromises made on the part of both the House and Senate conferees. I believe the conference report is a good result of that effort.

One of the best results of the conference agreement is the patent moratorium on Federal lands, a provision on which the House instructed the conferees to insist. Fully two-thirds of the patent applications, which would not have been able to be processed under House-passed provisions, will be covered by this agreement. This is indeed a breakthrough in the mining reform area and one of which the conferees are proud. The moratorium on patenting can be removed by the passage of comprehensive mining reform, which we still hope will take place in this Congress.

This is a bill that is very much about people. Providing health care and educating our Indian people; protecting our great natural places for the enjoyment of the people; preserving our marvelous cultural resources which tell us much about our people; and providing a cleaner environment.

INDIAN HEALTH SERVICE

From the day the budget arrived in February, one of the most difficult issues we had to deal with was to provide the Indian Health Service money sufficient to meet the health care needs of a growing Indian population. The original budget request was a quarter of a billion dollars below the 1994 level, despite the fact that the health of the Indian people is far worse than other groups in the country. The conference agreement addresses that budget deficiency. For example, we are completing the Anchorage Native Medical Center in Alaska which is the main health treatment facility for all Alaska Natives. The hospital we are replacing is nearly 40 years old, is located on an earthquake fault and was built originally as a tuberculosis sanitarium. We also have provided the money needed to operate new hospitals and clinics which are open this year and next. Under the budget request, no funds were included for staffing these clinics and we were faced with leaving new hospitals empty because there wasn't any money to operate them. We have fixed that in this conference agreement.

NORTHWEST FOREST PLAN

An important initiative included in the conference agreement is money for the President's Northwest Forest Plan. The plan was released by the President over a year ago, and is a comprehensive blueprint for forest management, economic development, and agency coordination in the Pacific Northwest and northern California. The plan offers a new approach to managing old growth forests and their biological diversity, based on sound science and a commitment to existing law. Earlier this year, the plan was reviewed by the court which has jurisdiction over the lawsuits that have effectively stopped timber sales in the region for the past several years, and the court lifted current injunctions on timber sales. The funding included in the conference agreement will allow timber sales under the plan to go forward, as well as provided for Jobs in the Woods ecosystem restoration projects, watershed assessments, consultation, and research.

SOUTH FLORIDA/EVERGLADES

Similarly, this conference agreement strongly supports efforts to stop the deterioration of the natural resource-rich area in south Florida and the Everglades ecosystem. Within the National Park Service, for example, there is $9,500,000 included to acquire lands critical to restoration of the health of the ecosystem; there is also $4.5 million to change the system of water flows to a more natural regime. In addition, the agreement includes an increase in operating funds for the National Park Service, the U.S. Fish and Wildlife Service, the National Biological Survey and the U.S. Geological Survey to provide for enhanced research into the problems and possible solutions to improve the Everglades area.

LAND AND WATER CONSERVATION FUND

Many of you have expressed interest in the Land and Water Conservation Fund and the conference agreement includes $235,567,000 for the Land and Water Conservation Fund. Included in this total is $28 million for State grants and $207 million related to Federal acquisitions.

ENERGY CONSERVATION

In energy conservation the agreement provides approximately $793 million to pursue aggressively plans to reduce the use of energy in buildings, industry, and transportation. This amount is $103 million above fiscal year 1994 levels, and includes a total of $41 million to support the President's climate action plan and an increase of $20 million for low-income weatherization assistance. The weatherization increase will allow the formula for distribution of weatherization funds to be adjusted to provide a more equitable distribution of funds to warm-weather States without harming other States.

REDUCTIONS

There are some significant reductions in this bill below what was appropriated in fiscal year 1994. One major category of reduction is in the various construction accounts. For the Fish and Wildlife Service, construction is down to $54 million from $74 million in 1994. Line-item construction for the National Park Service is now $127 million; a year ago the total was $162 million. Bureau of Indian Affairs construction, which was $167 million in 1994, is

in this conference agreement at $130 million. Similarly, Forest Service construction is down to $203 million, a $50 million reduction from fiscal year 1994; and construction related to the Indian Health Service is down by $43 million from a year ago, having been reduced from $297 million to $254 million.

Several agencies, including the U.S. Geological Survey, the Bureau of Mines, Minerals Management Service, and the Office of Surface Mining Reclamation and Enforcement are below the operating levels of a year ago.

Within the Department of Energy programs in this bill, there is $27 million less for operating the Naval Petroleum Reserves, coal research is down by $12 million and expenditures for the Strategic Petroleum Reserve are down by $54 million.

CLARIFICATIONS

I want to clarify that the $2,237,000 of prior year funds used in the Energy Conservation account in the Department of Energy should be comprised of amounts available from the recovery of prior year deobligations.

I want to express my sincere appreciation to all the subcommittee members, and especially RALPH REGULA, the ranking minority member, for all their efforts on this conference report. I believe we have done a good job under difficult circumstances to bring you a conference agreement you can support and I ask for your support.

Finally, Mr. Speaker, I want to express my great appreciation to the very constructive work done by the members of our subcommittee; by the gentleman from Washington [Mr. DICKS], the gentleman from Pennsylvania [Mr. MURTHA], the gentleman from Texas [Mr. COLEMAN], the gentleman from Alabama [Mr. BEVILL], the gentleman from Colorado [Mr. SKAGGS], and the gentleman from Wisconsin [Mr. OBEY], and by the Republican members as well; the gentleman from Pennsylvania [Mr. MCDADE]; the gentleman from Arizona [Mr. KOLBE], and the gentleman from California [Mr. PACKARD].

Mr. Speaker, I want also to commend, as vehemently as I can, the members of our staff, which I consider to be one of the outstanding staffs in the Congress: our clerk, Neal Sigmon; Bob Kripowicz; Kathy Johnson; Loretta Beaumont; Angie Perry; and Lorethia Roberts, who have all done very well as have members of my own staff, the very distinguished chief of staff Mary Bain, Jason Alderman, and Steve Marcheso; and Barbara Wainman from Mr. REGULA's staff. All contributed very much to the success of this report. It is a fine report, and I have no hesitancy at all to recommend it very strongly for approval by the House.

At this point, I ask that a table detailing the various accounts in the bill, as agreed to by the conferees, be inserted in the RECORD.

FY 1995 INTERIOR APPROPRIATIONS BILL (H.R. 4602)

	FY 1994 Enacted	FY 1995 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE I - DEPARTMENT OF THE INTERIOR						
Bureau of Land Management						
Management of lands and resources	599,860,000	605,099,000	598,349,000	598,460,000	598,449,000	-1,411,000
Fire protection	117,143,000	114,968,000	114,968,000	114,968,000	114,968,000	-2,175,000
Emergency Department of the Interior firefighting fund	116,674,000	121,176,000	121,176,000	121,176,000	121,176,000	+4,502,000
Central hazmat account	.....	14,050,000	13,435,000	13,435,000	13,435,000	+13,435,000
Construction and access	10,467,000	3,836,000	3,836,000	12,188,000	12,091,000	+1,624,000
Payments in lieu of taxes	104,108,000	104,108,000	104,108,000	104,108,000	104,108,000	.....
Land acquisition	12,122,000	21,173,000	17,050,000	12,055,000	14,785,000	+2,663,000
Oregon and California grant lands	82,052,000	105,860,000	100,860,000	97,363,000	97,550,000	+15,498,000
Forest ecosystems health and recovery	1,500,000	.....	.....	.....	.....	-1,500,000
Range improvements (indefinite)	10,025,000	10,350,000	10,350,000	10,350,000	10,350,000	+325,000
Service charges, deposits, and forfeitures (indefinite)	7,932,000	8,900,000	8,900,000	8,900,000	8,800,000	+868,000
Miscellaneous trust funds (indefinite)	7,505,000	7,605,000	7,605,000	7,605,000	7,605,000	+100,000
Total, Bureau of Land Management	1,069,388,000	1,117,225,000	1,098,647,000	1,100,646,000	1,103,417,000	+34,029,000
United States Fish and Wildlife Service						
Resource management	481,623,000	539,083,000	514,850,000	502,938,000	513,815,000	+32,192,000
Construction	73,565,000	35,095,000	25,264,000	49,848,000	53,914,000	-19,651,000
Natural resource damage assessment and restoration fund	6,700,000	7,752,000	6,700,000	6,700,000	6,700,000	.....
Land acquisition	82,655,000	88,162,000	62,300,000	63,700,000	67,410,000	-15,245,000
Cooperative endangered species conservation fund	9,000,000	10,571,000	9,000,000	9,000,000	9,000,000	.....
National wildlife refuge fund	12,000,000	13,746,000	12,000,000	12,000,000	12,000,000	.....
Rewards and operations	1,169,000	1,169,000	1,169,000	1,169,000	1,169,000	.....
North American wetlands conservation fund	12,000,000	13,952,000	.....	12,000,000	9,000,000	-3,000,000
Wildlife conservation and appreciation fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	.....
Total, United States Fish and Wildlife Service	679,712,000	708,532,000	632,083,000	658,353,000	674,008,000	-5,704,000
National Biological Survey						
Research, inventories, and surveys	167,209,000	178,450,000	167,209,000	166,356,000	167,209,000	.....
National Park Service						
Operation of the national park system	1,061,823,000	1,124,715,000	1,083,973,000	1,081,276,000	1,079,963,000	+18,140,000
National recreation and preservation	42,585,000	40,479,000	38,948,000	44,128,000	43,023,000	+438,000
Historic preservation fund	40,000,000	42,000,000	41,000,000	42,000,000	41,500,000	+1,500,000
Construction	201,724,000	148,568,000	171,417,000	170,503,000	184,941,000	-16,783,000
Urban park and recreation fund	5,000,000	5,000,000	10,000,000	5,000,000	7,500,000	+2,500,000
Land and water conservation fund (rescission of contract authority)	-30,000,000	-30,000,000	-30,000,000	-30,000,000	-30,000,000	.....
Land acquisition and state assistance	95,250,000	82,698,000	88,598,000	80,759,000	87,936,000	-7,314,000
Illinois and Michigan Canal National Heritage Corridor Commission	250,000	.....	.....	.....	.....	-250,000
Total, National Park Service (net)	1,416,832,000	1,413,456,000	1,401,932,000	1,373,666,000	1,414,863,000	-1,769,000
United States Geological Survey						
Surveys, investigations, and research	584,685,000	580,690,000	578,775,000	585,316,000	572,556,000	-12,129,000
Minerals Management Service						
Royalty and offshore minerals management	193,197,000	193,908,000	190,208,000	189,034,000	189,056,000	-4,141,000
Oil spill research	5,331,000	6,452,000	6,452,000	6,452,000	6,452,000	+1,121,000
Total, Minerals Management Service	198,528,000	200,358,000	196,658,000	195,486,000	195,508,000	-3,020,000
Bureau of Mines						
Mines and minerals	169,436,000	148,919,000	152,269,000	152,389,000	152,719,000	-16,717,000
Office of Surface Mining Reclamation and Enforcement						
Regulation and technology	110,552,000	110,006,000	110,206,000	109,773,000	110,006,000	-546,000
Receipts from performance bond forfeitures (indefinite)	1,190,000	1,190,000	1,190,000	1,190,000	1,190,000	.....
Subtotal	111,742,000	111,196,000	111,396,000	110,963,000	111,196,000	-546,000
Abandoned mine reclamation fund (definite, trust fund)	190,107,000	166,704,000	172,404,000	193,831,000	182,772,000	-7,335,000
Total, Office of Surface Mining Reclamation and Enforcement	301,849,000	277,900,000	283,800,000	304,794,000	293,968,000	-7,881,000
Bureau of Indian Affairs						
Operation of Indian programs	1,490,805,000	1,498,430,000	1,527,786,000	1,525,399,000	1,526,778,000	+35,973,000
Construction	166,979,000	82,973,000	131,030,000	123,230,000	130,270,000	-36,709,000
Indian land and water claim settlements and miscellaneous payments to Indians	103,259,000	174,045,000	82,896,000	77,096,000	77,096,000	-26,163,000
Navajo rehabilitation trust fund	2,466,000	.....	.....	2,466,000	2,000,000	-466,000

FY 1995 INTERIOR APPROPRIATIONS BILL (H.R. 4602), continued

	FY 1994 Enacted	FY 1995 Estimate	House	Senate	Conference	Conference compared with enacted
Technical assistance of Indian enterprises	1,970,000	1,970,000	1,970,000	1,970,000	1,970,000	.....
Indian direct loan program account	2,464,000	.....	2,464,000	2,464,000	2,464,000	.....
(Limitation on direct loans)	(10,890,000)	.....	(10,890,000)	(10,890,000)	(10,890,000)	.....
Indian guaranteed loan program account	9,690,000	9,690,000	9,690,000	9,690,000	9,690,000	.....
(Limitation on guaranteed loans)	(69,000,000)	(46,900,000)	(46,900,000)	(46,900,000)	(46,900,000)	(-22,100,000)
Total, Bureau of Indian Affairs	1,777,853,000	1,767,106,000	1,755,856,000	1,742,335,000	1,750,286,000	-27,365,000
Territorial and International Affairs						
Administration of territories	54,187,000	50,919,000	55,419,000	49,619,000	52,519,000	-1,668,000
Northern Mariana Islands Covenant	27,720,000	27,720,000	27,720,000	27,720,000	27,720,000	.....
Subtotal	81,907,000	78,639,000	83,139,000	77,339,000	80,239,000	-1,668,000
Trust Territory of the Pacific Islands	23,836,000	900,000	2,900,000	19,836,000	19,836,000	-4,000,000
Compact of Free Association	12,102,000	13,256,000	17,756,000	10,602,000	14,602,000	+2,500,000
Mandatory payments	10,000,000	14,900,000	14,900,000	10,000,000	10,000,000	.....
Subtotal	22,102,000	28,156,000	32,656,000	20,602,000	24,602,000	+2,500,000
Total, Territorial and International Affairs	127,847,000	107,697,000	118,697,000	117,779,000	124,679,000	-3,168,000
Departmental Offices						
Office of the Secretary	64,111,000	62,599,000	62,599,000	62,599,000	62,599,000	-1,512,000
Ecosystem restoration funds	7,000,000	.....	.....	.....	.....	-7,000,000
Office of the Solicitor	33,359,000	36,374,000	36,374,000	32,548,000	34,674,000	+1,315,000
Office of Inspector General	24,263,000	23,965,000	23,965,000	23,965,000	23,965,000	-298,000
Construction Management	2,394,000	2,133,000	2,000,000	2,000,000	2,000,000	-394,000
National Indian Gaming Commission	1,000,000	1,481,000	1,000,000	1,000,000	1,000,000	.....
Total, Departmental Offices	132,147,000	125,572,000	124,938,000	122,132,000	124,258,000	-7,889,000
Total, title I, Department of the Interior (net)	6,625,066,000	6,623,898,000	6,508,884,000	6,499,254,000	6,573,473,000	-51,613,000
Appropriations	(6,655,066,000)	(6,653,898,000)	(6,538,884,000)	(6,529,254,000)	(6,603,473,000)	(-51,613,000)
Rescission	(-30,000,000)	(-30,000,000)	(-30,000,000)	(-30,000,000)	(-30,000,000)	.....
(Limitation on direct loans)	(10,890,000)	.....	(10,890,000)	(10,890,000)	(10,890,000)	.....
(Limitation on guaranteed loans)	(69,000,000)	(46,900,000)	(46,900,000)	(46,900,000)	(46,900,000)	(-22,100,000)
TITLE II - RELATED AGENCIES						
DEPARTMENT OF AGRICULTURE						
Forest Service						
Forest research	193,063,000	203,280,000	201,780,000	198,078,000	200,130,000	+7,047,000
State and private forestry	165,315,000	158,185,000	158,664,000	161,511,000	161,264,000	-4,051,000
Emergency pest suppression fund	(15,000,000)	.....	(17,000,000)	(17,000,000)	(17,000,000)	(+2,000,000)
International forestry	6,996,000	9,972,000	7,000,000	7,000,000	7,000,000	+4,000
National forest system	1,308,823,000	1,355,312,000	1,336,162,000	1,322,857,000	1,333,112,000	+24,289,000
Forest Service fire protection	185,168,000	158,590,000	160,590,000	156,808,000	159,590,000	-25,578,000
Emergency Forest Service firefighting fund	190,222,000	226,200,000	226,200,000	226,200,000	226,200,000	+35,978,000
Emergency appropriations	.....	.....	.....	.....	450,000,000	+450,000,000
Construction	252,802,000	221,791,000	191,740,000	219,234,000	203,186,000	-49,616,000
Timber receipts transfer to general fund (indefinite)	(-46,289,000)	(-51,828,000)	(-51,828,000)	(-51,828,000)	(-51,828,000)	(-3,539,000)
Timber purchaser credits	(60,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(-10,000,000)
Land acquisition	64,250,000	64,241,000	61,131,000	60,541,000	65,436,000	+1,186,000
Acquisition of lands for national forests, special acts	1,212,000	1,252,000	1,252,000	1,252,000	1,252,000	+40,000
Acquisition of lands to complete land exchanges (indefinite)	203,000	210,000	210,000	210,000	210,000	+7,000
Range betterment fund (indefinite)	4,600,000	4,584,000	4,584,000	4,584,000	4,584,000	-16,000
Gifts, donations and bequests for forest and rangeland research	96,000	89,000	89,000	89,000	89,000	-7,000
Total, Forest Service	2,372,770,000	2,401,706,000	2,349,402,000	2,356,462,000	2,812,053,000	+439,283,000
DEPARTMENT OF ENERGY						
Clean coal technology	-175,000,000	-337,879,000	-337,879,000	-337,879,000	-337,879,000	-162,879,000
Fossil energy research and development	430,674,000	451,130,000	428,544,000	419,451,000	425,614,000	-5,060,000
(By transfer)	.....	(17,000,000)	(17,000,000)	(17,000,000)	(17,000,000)	(+17,000,000)
Alternative fuels production (indefinite)	-4,796,000	-4,250,000	-4,250,000	-4,250,000	-4,250,000	+548,000
Naval petroleum and oil shale reserves	214,772,000	199,456,000	193,956,000	187,406,000	187,406,000	-27,366,000
Energy conservation	690,375,000	976,856,000	824,585,000	743,741,000	793,194,000	+102,819,000
Ecoriomic regulation	12,994,000	12,437,000	12,437,000	12,437,000	12,437,000	-557,000
Emergency preparedness	8,901,000	8,249,000	8,249,000	8,249,000	8,249,000	-652,000
Strategic Petroleum Reserve	206,810,000	153,247,000	153,247,000	153,247,000	153,247,000	-53,563,000
(By transfer)	.....	(90,764,000)	(90,764,000)	(90,764,000)	(90,764,000)	(+90,764,000)
Energy Information Administration	86,553,000	84,726,000	84,726,000	84,507,000	84,726,000	-1,826,000
Total, Department of Energy	1,471,291,000	1,543,974,000	1,363,617,000	1,266,909,000	1,322,746,000	-148,535,000

FY 1995 INTERIOR APPROPRIATIONS BILL (H.R. 4602), continued

	FY 1994 Enacted	FY 1995 Estimate	House	Senate	Conference	Conference compared with enacted
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Indian Health Service						
Indian health services	1,845,877,000	1,851,889,000	1,706,102,000	1,715,052,000	1,713,062,000	+67,175,000
Indian health facilities	296,982,000	167,079,000	253,892,000	253,767,000	253,767,000	-43,215,000
Total, Indian Health Service	1,942,859,000	1,818,968,000	1,959,994,000	1,968,819,000	1,966,819,000	+23,960,000
DEPARTMENT OF EDUCATION						
Office of Elementary and Secondary Education						
Indian education	83,500,000	86,000,000	83,500,000	83,500,000	83,500,000	
OTHER RELATED AGENCIES						
Office of Navajo and Hopi Indian Relocation						
Salaries and expenses	26,936,000	26,897,000	26,936,000	24,936,000	24,936,000	-2,000,000
Institute of American Indian and Alaska Native Culture and Arts Development						
Payment to the Institute	12,563,000	9,812,000	12,713,000	9,812,000	11,213,000	-1,350,000
Smithsonian Institution						
Salaries and expenses	302,349,000	318,579,000	314,454,000	312,755,000	314,454,000	+12,105,000
Construction and improvements, National Zoological Park	5,400,000	5,000,000	5,000,000	3,050,000	4,050,000	-1,350,000
Repair and restoration of buildings	24,000,000	25,300,000	24,000,000	24,000,000	24,000,000	
Construction	10,400,000	50,000,000	30,000,000	29,300,000	29,300,000	+18,900,000
Total, Smithsonian Institution	342,149,000	398,879,000	373,454,000	369,105,000	371,804,000	+29,655,000
National Gallery of Art						
Salaries and expenses	51,908,000	53,418,000	53,003,000	53,003,000	53,003,000	+1,095,000
Repair, restoration and renovation of buildings	2,831,000	4,431,000	4,431,000	4,431,000	4,431,000	+1,600,000
Total, National Gallery of Art	54,739,000	57,849,000	57,434,000	57,434,000	57,434,000	+2,695,000
John F. Kennedy Center for the Performing Arts						
Operations	7,932,000	10,343,000	10,343,000	10,343,000	10,343,000	+2,411,000
Repair and rehabilitation	12,697,000	9,000,000	9,000,000	9,000,000	9,000,000	-3,697,000
Total, John F. Kennedy Center for the Performing Arts	20,629,000	19,343,000	19,343,000	19,343,000	19,343,000	-1,286,000
Woodrow Wilson International Center for Scholars						
Salaries and expenses	6,352,000	9,878,000	9,878,000	9,878,000	9,878,000	+3,526,000
National Foundation on the Arts and the Humanities						
National Endowment for the Arts						
Grants and administration	140,836,000	140,950,000	141,950,000	133,903,000	141,950,000	+1,114,000
Matching grants	29,392,000	29,150,000	29,150,000	27,693,000	29,150,000	-242,000
General reduction (2%)			-3,422,000		-3,422,000	-3,422,000
Total, National Endowment for the Arts	170,228,000	170,100,000	167,678,000	161,596,000	167,678,000	-2,550,000
National Endowment for the Humanities						
Grants and administration	151,300,000	151,420,000	151,420,000	151,420,000	151,420,000	+120,000
Matching grants	26,191,000	25,963,000	25,963,000	25,963,000	25,963,000	-228,000
Total, National Endowment for the Humanities	177,491,000	177,383,000	177,383,000	177,383,000	177,383,000	-108,000
Institute of Museum Services						
Grants and administration	26,777,000	26,770,000	26,770,000	26,770,000	26,770,000	-7,000
Total, National Foundation on the Arts and the Humanities	376,496,000	376,253,000	373,831,000	367,749,000	373,831,000	-2,665,000
Commission of Fine Arts						
Salaries and expenses	805,000	834,000	834,000	834,000	834,000	+29,000
National Capital Arts and Cultural Affairs						
Grants	7,500,000	6,648,000	7,500,000	6,648,000	7,500,000	
Advisory Council on Historic Preservation						
Salaries and expenses	2,959,000	2,947,000	2,967,000	2,947,000	2,947,000	-12,000
National Capital Planning Commission						
Salaries and expenses	5,868,000	5,655,000	5,655,000	5,655,000	5,655,000	-213,000
Franklin Delano Roosevelt Memorial Commission						
Salaries and expenses	49,000	48,000	48,000	48,000	48,000	-1,000

FY 1995 INTERIOR APPROPRIATIONS BILL (H.R. 4602), continued

	FY 1994 Enacted	FY 1995 Estimate	House	Senate	Conference	Conference compared with enacted
Pennsylvania Avenue Development Corporation						
Salaries and expenses	2,738,000	2,865,000		2,738,000	2,738,000	
Public development	4,289,000	4,184,000	4,084,000	4,084,000	4,084,000	-205,000
Land acquisition and development fund	7,193,000					-7,193,000
Total, Pennsylvania Avenue Development Corporation	14,220,000	7,049,000	4,084,000	6,822,000	6,822,000	-7,398,000
United States Holocaust Memorial Council						
Holocaust Memorial Council	21,679,000	25,660,000	26,660,000	21,679,000	26,660,000	+4,981,000
Total, title II, Related Agencies	6,763,354,000	6,800,400,000	6,677,850,000	6,560,560,000	7,104,023,000	+340,669,000
(Timber receipts transfer to general fund, indefinite)	(-48,289,000)	(-51,828,000)	(-51,828,000)	(-51,828,000)	(-51,828,000)	(-3,539,000)
(Timber purchaser credits)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(-10,000,000)
TITLE III - GENERAL REDUCTION						
General reduction of appropriations (0.191%)					-24,956,000	-24,956,000
Grand total:						
New budget (obligational) authority (net)	13,388,440,000	13,424,299,000	13,186,734,000	13,079,834,000	13,652,540,000	+264,100,000
Appropriations	(13,418,440,000)	(13,454,299,000)	(13,216,734,000)	(13,109,834,000)	(13,682,540,000)	(+264,100,000)
Rescission	(-30,000,000)	(-30,000,000)	(-30,000,000)	(-30,000,000)	(-30,000,000)	
(Timber receipts transfer to general fund, indefinite)	(-48,289,000)	(-51,828,000)	(-51,828,000)	(-51,828,000)	(-51,828,000)	(-3,539,000)
(Timber purchaser credits)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(50,000,000)	(-10,000,000)
TITLE I -DEPARTMENT OF THE INTERIOR						
Bureau of Land Management	1,069,388,000	1,117,225,000	1,096,647,000	1,100,646,000	1,103,417,000	+34,029,000
United States Fish and Wildlife Service	679,712,000	708,532,000	632,063,000	656,353,000	674,008,000	-5,704,000
National Biological Survey	187,209,000	178,450,000	167,209,000	166,356,000	167,209,000	
National Park Service	1,416,632,000	1,413,458,000	1,401,932,000	1,373,866,000	1,414,863,000	-1,769,000
United States Geological Survey	584,685,000	580,880,000	578,775,000	565,316,000	572,556,000	-12,129,000
Minerals Management Service	198,528,000	200,358,000	196,658,000	195,468,000	195,508,000	-3,020,000
Bureau of Mines	169,436,000	148,919,000	152,269,000	152,369,000	152,719,000	-16,717,000
Office of Surface Mining Reclamation and Enforcement	301,649,000	277,900,000	263,800,000	304,794,000	293,968,000	-7,681,000
Bureau of Indian Affairs	1,777,653,000	1,767,108,000	1,755,856,000	1,742,335,000	1,750,286,000	-27,365,000
Territorial and International Affairs	127,847,000	107,697,000	118,697,000	117,779,000	124,679,000	-3,168,000
Departmental Offices	132,147,000	125,572,000	124,958,000	122,132,000	124,258,000	-7,889,000
Total Title I - Department of the Interior	6,625,086,000	6,623,899,000	6,508,884,000	6,499,254,000	6,573,473,000	-51,613,000
TITLE II - RELATED AGENCIES						
Forest Service	2,372,770,000	2,401,708,000	2,349,402,000	2,358,462,000	2,812,053,000	+439,283,000
Department of Energy	1,471,281,000	1,543,974,000	1,383,617,000	1,286,909,000	1,322,746,000	-148,535,000
Indian Health	1,942,859,000	1,818,988,000	1,959,994,000	1,966,819,000	1,966,819,000	+23,960,000
Indian Education	83,500,000	86,000,000	83,500,000	83,500,000	83,500,000	
Office of Navajo and Hopi Indian Relocation	26,936,000	26,897,000	26,936,000	24,936,000	24,936,000	-2,000,000
Institute of American Indian and Alaska Native Culture and Arts Development	12,563,000	9,812,000	12,713,000	9,812,000	11,213,000	-1,350,000
Smithsonian	342,149,000	398,879,000	373,454,000	369,105,000	371,804,000	+29,655,000
National Gallery of Art	54,739,000	57,849,000	57,434,000	57,434,000	57,434,000	+2,695,000
John F. Kennedy Center for the Performing Arts	20,629,000	19,343,000	19,343,000	19,343,000	19,343,000	-1,286,000
Woodrow Wilson International Center for Scholars	6,352,000	9,878,000	9,878,000	9,878,000	9,878,000	+3,526,000
National Endowment for the Arts	170,228,000	170,100,000	167,678,000	161,598,000	167,678,000	-2,550,000
National Endowment for the Humanities	177,491,000	177,383,000	177,383,000	177,383,000	177,383,000	-108,000
Institute of Museum Services	28,777,000	28,770,000	28,770,000	28,770,000	28,770,000	-7,000
Commission of Fine Arts	805,000	834,000	834,000	834,000	834,000	+29,000
National Capital Arts and Cultural Affairs	7,500,000	6,648,000	7,500,000	6,648,000	7,500,000	
Advisory Council on Historic Preservation	2,959,000	2,947,000	2,967,000	2,947,000	2,947,000	-12,000
National Capital Planning Commission	5,868,000	5,655,000	5,655,000	5,655,000	5,655,000	-213,000
Franklin Delano Roosevelt Memorial Commission	49,000	48,000	48,000	46,000	48,000	-1,000
Pennsylvania Avenue Development Corporation	14,220,000	7,049,000	4,084,000	6,822,000	6,822,000	-7,398,000
Holocaust Memorial Council	21,679,000	25,660,000	26,660,000	21,679,000	26,660,000	+4,981,000
Total, Title II - Related Agencies	6,763,354,000	6,800,400,000	6,677,850,000	6,560,560,000	7,104,023,000	+340,669,000
TITLE III - GENERAL REDUCTION						
General reduction of appropriations (0.191%)					-24,956,000	-24,956,000
Grand total	13,388,440,000	13,424,299,000	13,186,734,000	13,079,834,000	13,652,540,000	+264,100,000

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

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

Mr. Speaker, the chairman has very adequately outlined the details of this conference report. I will only take a few minutes to discuss a couple of items. Chairman YATES provided superb leadership in the conference. I think we have worked out a bill that is good for the people of the United States. It preserves our wonderful heritage of forests and parks and does it for $200 million less than last year. I think it is a remarkable accomplishment and a tribute to the leadership of the chairman that we could meet the needs and do it for less money than last year, even though visitations to the parks and forests are up 10 percent over last year.

I want to also point out that we maintained the House position on the National Endowment for the Arts. We support in the conference the amendment that Mr. STEARNS of Florida had offered in the House that reduced the NEA funding by $3.4 million. The reduced number that is achieved by the amendment of the gentleman from Florida [Mr. STEARNS] remains in the bill.

The patent moratorium which is included in the conference agreement is a small step toward what we hope will be a permanent revision of the 1872 mining law. It grandfathers many of the patents that are in the pipeline so that we are not taking away anything from those who are well along in the process of getting a patent. The moratorium is only for 1 year and it provides that if there is a revision or reform of the Mining Act during this Congress that this moratorium will drop out or be null and void. I think it is a small step, but it does provide protection against continuing a fire sales of the assets of this Nation for $2.50 an acre.

I strongly recommend the conference agreement. I think it is a very responsible approach to the challenges that we have to meet the needs of our public areas. We have tried to manage the resources very well and certainly ensure that we leave a legacy of the one-third of America, the public lands, in a way that we can be proud of for future generations.

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

Mr. YATES. Mr. Speaker, I yield 6 minutes to the distinguished gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Speaker, I want to commend the gentleman from Illinois [Mr. YATES], the chairman of the committee, and the gentleman from Ohio [Mr. REGULA], our ranking Republican, for the outstanding job they did in crafting this bill. I too want to salute the staff. The staff on this committee does an excellent job, is very responsive to not only the Members but the Members of the House and staff and people from our States who come back on the very important issues that face our region.

I want to report to the House that we were able again this year to enact most of President Clinton's plan for the help and assistance of the Pacific Northwest because of the tremendous problems we face there with the listing of the northern spotted owl, the marbled murrelet, and various salmon species. This committee has been very responsive to our efforts for watershed analysis funding for the Forest Service, the BLM and the BIA and the Fish and Wildlife Service and also for funds toward watershed restoration. I believe that this money is well spent. I think we can do a great job in the Pacific Northwest, in Washington, Oregon, and in northern California of dealing with the problems in our watersheds that are adversely affecting the salmon and steelhead runs in our region. I also believe by doing this analysis and projects that we can take a lot of unemployed loggers and others who have lost their jobs in the region, retrain them at our community colleges so that they can go out and do these watershed restoration projects, can help do the analysis, and can have basically year-round employment.

I know that the people in the Pacific Northwest, the people in the rural parts of our States, are hurting because of the tremendous reductions in harvesting off of our Forest Service and BLM lands. We are working mightily with this administration, by the way, to test out various adaptive management techniques that I believe can actually prove over time that with proper management we can create harvest activities in these forests that will be pro-environment, that will help the wildlife. And by using techniques like pruning and thinning that we can in essence create better habitat for species, promote the biodiversities, and help the ecosystems and still have some harvesting off these Federal lands.

Today we have dramatically reduced the harvesting levels and that has caused severe dislocation. In fact, many of our people that have come to talk to me about this are from the home-building community who are worried about the increase in the price of lumber that has been caused because there is dramatic reduction in harvest levels off our Federal timberlands. They are worried about jobs in that area. I hope we can continue to pursue the effort to look at experimentation to see if we cannot better manage these forests.

On the east side of our State, the Speaker has been very much concerned about salvaging and the use of salvage funding where we have had these massive forest fires. Again, I want to point out to this body that the reason we had the forest fires is because we did not do adaptive management on those Federal forestlands. Those people who said, "Just leave them in preserves, don't touch them" were wrong. We grew up a massive understorage. We had diseased timber. And when we had the wildfires, thousands and thousands and thousands of acres were destroyed. It was not necessary. It could have been avoided if we had properly managed those forests.

For those of us on the west side, we are concerned that the same kind of preservationist mentality exists there, and that if we just leave all these forests in preserves, that the same kinds of problems will occur and eventually we will have massive forest fires on the west side of the Cascade Mountains.

Again, let us learn from these tragic mistakes and let us use the salvaging and adaptive management that can be used to make these forests more healthy. That is what I think this bill will allow us to do. We want to keep as much of the old growth as we can, but that old growth has got to be managed as well.

Again, I want to reiterate what we are talking about here is trying to have good management of these forests, trying to use when there is blowdown timber, when there are forest fires, let us go in and take out those, especially in the eroded areas, go in, take out that excess, take it and run it in the mills. It is very hard to explain to the American people why after a massive forest fire we cannot go in, take some of that salvage and use it in the mills when there is a shortage in this country.

Again, I urge the Forest Service to look at the language that was put into this bill and to listen to the elected representatives from the Pacific Northwest who are saying there is a better way to manage these forests that is environmentally sensitive, that promotes biodiversity, will help the wildlife, will protect the ecosystems, will help us with watershed restoration, but at the same time will give us some ability to still get some harvesting off those lands in a responsible way.

Again, I want to thank the committee for indulging me, helping us. The committee has been very, very responsive. It is a very tough problem to see these communities so badly hurt and the people so badly hurt. We are going to continue to fight for them.

Mr. REGULA. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. PACKARD], an excellent member of our subcommittee.

Mr. PACKARD. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in support of this conference report and I want to especially thank the gentleman from Illinois [Mr. YATES], the chairman of the committee, and the gentleman from

Ohio [Mr. REGULA], the Republican leader, for their very good effort and judgment in seeing that a good conference report emerged from the House and Senate.

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I also want to thank Chairman BYRD and Senator NICKLES for their help in preserving and protecting some of the issues in this conference report that are very important to me and I think to the country. Particularly I want to thank the effort of our leaders in preserving and protecting the funding for the habitat planning process in three of the counties in California which are very important as we try to find appropriate ways to preserve and protect lands for habitat purposes that are compatible with the needs of humans and the needs of our economy.

I also want to thank the staff. Often we overlook the work of the staff. Neal Sigmon, Barbara Wainman, Debbie Weatherly, and other members of the staff have really worked hard on this bill. We know how hard the staff works, and we want to thank them for the work.

Again I offer my support for this conference report and thank those who have made it possible.

Mr. YATES. Mr. Speaker, I yield myself such time as I may consume and yield to the gentleman from Georgia [Mr. DEAL] for a colloquy.

Mr. DEAL. I thank the gentleman for yielding.

Mr. Speaker, the conference report includes report language which refers to the construction of the road relocation at the Chickamauga-Chattanooga National Military Park. As I understand it, the committee does not intend that construction on this ongoing project should come to a halt. Is this correct?

Mr. YATES. Let me say the gentleman's impression is correct. It is not intended for ongoing construction to come to a halt.

Mr. DEAL. I thank the gentleman for that clarification and for yielding.

Mr. YATES. Mr. Speaker, for purposes of another colloquy, I yield myself such time as I may consume and yield to the gentleman from California [Mr. MILLER] for a colloquy.

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for yielding. I would like to engage in a colloquy on the conference report language concerning the Tongass National Forest in Alaska. This language directs the Forest Service to "explore the possibility of a 10-year contract" for the Alaska Pulp Corporation to obtain public timber from the Tongass. While the Forest Service is directed to give consideration to such a contract, either within the Tongass land planning process or elsewhere, it is my understanding that there is no mandate that a contract be issued to Alaska Pulp Corporation.

Mr. YATES. The gentleman is correct. The Forest Service is directed only to explore this option and may do so outside of the land plan revision.

Mr. MILLER of California. Mr. Speaker, on April 14, 1994, the Forest Service found APC to be in breach of its 50-year contract for Tongass timber on account of closure of the pulp mill in Sitka. APC is engaged in litigation against the United States. In evaluating whether to extend a new, 10-year contract to APC, do you agree that the Forest Service should take into account APC's history which includes antitrust violations, noncompliance with environmental laws, union busting, and breach of contract?

Mr. YATES. Yes, I do. APC's history should be thoroughly examined before any decision to extend or deny additional government benefits.

Mr. MILLER of California. I thank the gentleman. The Tongass Timber Program has been the biggest money loser in the National Forest System in each of the last 2 fiscal years. In the review of whether to grant a new, 10-year contract to APC, do you agree that the disadvantages of such a contract should be carefully considered, including the costs in additional taxpayer subsidies?

Mr. YATES. Yes, may I say to the gentleman from California, I agree that the Forest Service should fully evaluate whether additional taxpayer subsidies for APC are in the public interest.

Mr. MILLER of California. The financial documents made public in a law suit against APC by local property owners in Sitka reveal that APC and its subsidiaries had invested $240.6 million in the stock market and tens of millions more in Australian hotel and other non-timber-related businesses. Shortly before the pulp mill closed in 1993, the president of APC received a $20.7 million bonus. During this period APC had received Tongass timber at prices averaging only $1.48 per thousand board feet, based on representations to the Forest Service that APC operations were not profitable without rock bottom timber prices and Government subsidies. In evaluating whether to grant a new, 10-year timber contract to APC, do you agree that the Forest Service, along with the Justice Department, should thoroughly examine APC's financial documents to determine whether they accurately represented their financial condition to the United States and paid a fair price for timber?

Mr. YATES. I will say to the gentleman from California I agree that these serious questions of whether APC obtained public timber from the Forest Service at low prices by misrepresenting its financial status should be fully investigated prior to any determination on granting APC a new timber contract.

Mr. MILLER of California. Finally, Mr. Speaker, in carrying out the conference committee's direction to provide a report on meeting market demand for timber, is it your intent that the Forest Service fully comply with section 101 of the Tongass Timber Reform Act and consider conflicts with existing legal requirements and the negative impacts meeting the demand for timber may have on other renewable resources values?

Mr. YATES. Yes, I say to the gentleman from California, I am well aware that the Tongass Timber Reform Act does not contain a mandate to supply timber if meeting demand is not sustainable or is inconsistent with other laws. Those who would construe the conference report as an attempt to change existing laws should instead take their concerns to you and the appropriate authorizing committees.

Mr. MILLER of California. I thank the chairman for his efforts to improve management of the Tongass and for his cooperation.

Mr. YATES. Mr. Speaker, I continue to yield to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I thank the gentleman for yielding to me so that I might commend the chairman and the ranking member, the gentleman from Ohio [Mr. REGULA], and the members of the committee for the work that they have done on this appropriation bill. This committee every year has demands placed upon it far in excess of the resources that they have to meet the requests of all of the various agencies and bureaus that administer the public lands of this Nation and the desires of the Members of Congress representing these lands and what needs to be done through the care and the protection, the restoration of our lands and our resources. And I want to commend the committee and its staff for its consideration that it has shown to the Committee on Natural Resources and to the Members of Congress in trying to balance those needs to put the moneys where they are needed most so that we can protect the resources of this Nation.

I also want to thank the committee for the leadership that it took in including a patent moratorium on hard rock mining on public lands that the gentleman from Ohio [Mr. REGULA] put forth in the committee and on the floor of the House, and again I want to thank the gentleman very much for all his time and effort, and on behalf of him and the members of the committee and the staff.

Mr. Chairman, I rise in support of the conference report but want to express my concerns about the statement of managers language as it pertains to the timber program on the Tongass National Forest in Alaska. The Tongass has long been of interest to the Committee on Natural Resources and I include a September 21 letter I sent to Chairman YATES on this subject in the RECORD.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON NATURAL RESOURCES,
Washington, DC, September 21, 1994.

Hon. SIDNEY R. YATES,
Chairman, Subcommittee on Interior, Committee on Appropriations, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to express my objections to language contained in the Senate Committee report on H.R. 4602 (S. Rept. 103-294) in regard to the Tongass National Forest in Alaska and also to express opposition to the Sense of the Senate resolution on withdrawal of Tongass lands from timber management.

As an authorizing Committee chairman and one of the primary authors of the Tongass Timber Reform Act of 1990 (Public Law 101-626), I am especially disturbed by mischaracterizations of the reform act contained in the Senate Committee report. For example, the Senate report (page 76) states that "[t]he Tongass Timber Reform Act of 1990 specified that market demand would be the new timber sale measure." This statement fails to put the goal that the Forest Service "seek to meet" market demand in proper context, as set forth in section 101 of the reform act:

"*Subject to appropriations, other applicable law, and the requirements of the National Forest Management Act of 1976* (Public Law 94-588), except as provided in subsection (d) of this section, *the Secretary shall, to the extent consistent with providing for the multiple use and sustained yield of all renewable forest resources, seek to* provide a supply of timber from the Tongass National Forest which (1) meets the annual market demand for timber from such forest and (2) meets the market demand from such forest for each planning cycle." [emphasis added]

Section 101 of the reform act does not establish an absolute mandate to provide market demand for Tongass timber, no matter what the fiscal or environmental consequences. The Forest Service shall attempt to meet market demand for timber, but only to the extent consistent with applicable laws and management principles governing non-timber uses and sustained yield of all renewable forest resources. Timber is not given priority over other uses of the forest. In no event can timber be provided in excess of market demand, as was the case prior to 1990 under section 705(a) of the Alaska National Interest Lands Conservation Act. However, by specifying that the Tongass timber supply is "subject to appropriations," section 101 does not restrict the Congress from providing less funds than would be necessary if meeting market demand for timber were the only policy goal.

Clearly, cutting the subsidies to the Tongass timber program would be in the taxpayers' best interests. In the past two fiscal years, the Tongass has earned the dubious distinction of being far and away the biggest money loser in the national forest system. According to the 1993 TSPIRS report, providing less than 330 million board feet of timber from the Tongass cost the taxpayers $17,878,000 in losses. When office expenses, purchaser road credits and payments to the State are included, the total cost to the taxpayers escalates to $35,265,389 in FY 93.

I am also seriously concerned about language in the Senate report which directs the Forest Service to give preferential treatment to the Alaska Pulp Corporation (APC) by consideration of a new ten year timber contract (page 77) and by subsidizing a study of a medium density fiberboard plant to replace the Sitka pulp mill which APC closed in 1993 (page 72). Based on the long record of abuse by APC—including possible fraud on the U.S. to obtain timber at low prices—providing additional government benefits and subsidies to this company is simply not justified.

APC has a history of anti-trust violations, circumventing environmental laws and union busting (See: H.Rept. 101-84, Part I (1989) and Interior Committee Print No. 7 (1988)). In 1993, APC sought to block implementation of the Tongass Timber Reform Act, including the contract modifications, by filing suit. (See: *Alaska Pulp Corporation* v. *United States et al.* No. J93-101 (D. Alaska). APC's fifty-year timber contract was terminated by the Forest Service on April 14, 1994, as a result of APC's breach by shutting down the Sitka pulp mill and eliminating 400 jobs in October 1993. APC has announced its intent to sue the Forest Service for damages in the U.S. Claims Court. More recently, on September 6, 1994, APC shut down its 225 employee sawmill in Wrangell for the winter, alleging that no timber was available even though they had refused to bid on 27.7 million board feet competitive sale which the Forest Service had offered and sold as part of a 95 million board feet independent sale program.

For the vast majority of public timber provided to APC since 1982, they have paid "base rates" of only $1.48 per thousand board feet. APC received timber at such bargain basement prices based on their repeated representations to the Forest Service that their financial situation was precarious and that their timber and pulp operations were not profitable without government subsidies.

However, APC financial documents recently made public in a Sitka property owners suit against APC in Alaska Superior court (*Edwards* v. *Alaska Pulp Corporation, Alaska Pulp Co., LTD,* No. 1SI-92-257 CI.) reveal that APC and its maze of subsidiaries were, at the same time they were receiving timber at 1950's prices of $1.48 per thousand board feet, investing tens of millions of dollars in Australian hotels and other non-timber related businesses. By 1990, APC had $240.6 million invested in stocks sold on the New York Exchange. In 1993, before the Sitka pulp mill closure, the APC president received a $20.7 million bonus when the investment subsidiary was liquidated.

Until it is determined through the courts or by independent investigation that APC did not systematically commit fraud on the U.S. to obtain timber at lower than justified prices, the conveyance of additional government benefits such as the 10 year timber contract and the fiberboard plant study provided for in the Senate Committee report would be contrary to the public interest.

Finally, I object to both the Senate report (page 76) and the Sense of the Senate resolution's assertions that lands in the Tongass are being illegally withdrawn from timber harvest by the Forest Service. By contrast, the Forest Service is acting with authority under the National Forest Management Act to temporarily defer timber harvest in areas which have been identified as key fish and wildlife habitat. This is a prudent effort to continue to supply timber, while also taking preventative action based on state-of-the-art biology to avoid an Endangered Species Act train wreck which could shut down the entire Tongass timber program in the future. Moreover, the Forest Service's actions appear to be consistent with the direction from the House Appropriations Committee FY 94 report to implement the interagency scientific committee's report on Tongass wildlife (See: H.Rept 103-158, pages 74 and 75).

I urge the House conferees to reject both the Senate report language discouraging additional land set-asides and the Sense of the Senate resolution which could be construed to unduly restrict Forest Service management options and the authority to use science in current timber sale planning. Instead, I suggest that language be included in the conference report to direct the Forest Service to expeditiously complete the process of revising the Tongass Land Management Plan, incorporating the best scientific information available in determining both sustainable harvest levels and areas which should be permanently set aside from the existing timber base for fish and wildlife and other uses.

Thank you for your consideration of my views on these important national issues.

Sincerely,

GEORGE MILLER,
Chairman.

PATENT MORATORIUM

I am also very pleased that the conferees have included a patent moratorium on hard rock mining on public lands. The House has passed this moratorium for several years because of the severe abuses and public subsidies under the 1872 Mining Act.

We are currently in a conference committee with the Senate to bring the mining law into the modern era, or at least into the 20th century. We are making some progress, but there is no assurance that we will be able to overcome the vigorous opposition of the mining industry and its supporters in Congress who would prefer to see no mining reforms so that the archaic 1872 law can continue to hand over billions of dollars in public resources to private interests.

One of the key issues in the mining reform debate is that of patents. Under the 1872 law, which governs mining for precious metals, like gold, silver, and platinum on Federal lands, miners who discover one of these metals are entitled to patents—or fee-simple title to the land from American citizens and the mineral wealth it contains. Since 1872, the United States has let over 231 billion dollars' worth of mineral assets slip through our fingers in this manner, charging minimal costs for the land transfer and no royalty.

Earlier this year, Interior Secretary Bruce Babbitt was legally required to transfer absolute ownership of nearly 2,000 acres of public lands in Nevada—land containing $10 billion in gold—to a Canadian-owned mining company for the miserable sum of just $9,765. If we do not stop patenting, through mining reform or through a patenting moratorium pending achievement of mining reform—we will see more and more such cases in the years to come.

We are deeply engaged in trying to resolve the issues in the mining law. And I am hopeful that we will. But if we cannot overcome the well-financed lobbying of the mining industry, it is imperative that we halt further patenting so that we do not continue to turn billions of dollars of gold, silver, and other metals over to private interests.

This patent moratorium serves notice on that industry that they will not prosper by killing reform: They will not secure an additional 250,000 acres of public land by virtue of the obstructions they themselves have thrown in the way of real reform.

I make no bones about it: The patent moratorium is not comprehensive mining reform, but it is a very important interim step. For if we are unable to achieve comprehensive reform, this patenting moratorium may well be all that stands between an outrageous and unacceptable status quo and the continuation of patenting for years to come. Unless Congress acts now by enacting H.R. 322 or by enacting this patent moratorium, title to an additional $24 billion worth of mineral reserves—which rightfully belong to the American taxpayer—will be signed over to international mining conglomerates for the paltry sum of less than $1 million.

Congratulations are due to Chairman SIDNEY YATES and the House conferees who stuck with the patent moratorium and finally have won the day. This is not mining reform, but it is an important insurance policy that we must enact.

Mr. YATES. Mr. Speaker, I yield myself such time as I may consume in order to enter into a colloquy with the gentleman from Maryland [Mr. HOYER] and I yield to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would like to commend the distinguished chairman of the Interior Appropriations Subcommittee for the excellent work that he and other members of the subcommittee have done in crafting the bill that is here before us today, the Department of Interior and related agencies appropriations bill for fiscal year 1995.

Mr. Chairman, the committee has included report language regarding the acquisition of land at Piscataway Park, for which I am very grateful. However, with the consent of the chairman, I would like to clarify the intent of this language.

Mr. YATES. The gentleman from Maryland's request is agreed to. Please continue.

Mr. HOYER. Mr. Chairman, it is my understanding that the committee's intention is that the National Park Service should submit a reprogramming request to the committee for the acquisition of lands at Piscataway Park from any unobligated balances within its land purchase accounts. This reprogramming request should be in accordance with the general reprogramming instructions in this bill. However, the Park Service shall avail itself of the full flexibility of these instructions and shall not be limited by any additional restrictions.

Mr. YATES. Let me say I agree with the gentleman from Maryland on his interpretation of congressional intent with respect to report language regarding a reprogramming at Piscataway Park.

I regret that our committee was unable to include funding for many important land acquisition requests this year. Because the Piscataway Park authorizing bill was not enacted at the time the House passed this bill, we were unable to accommodate the Maryland delegation with respect to funding for this particular acquisition.

I look forward to reviewing a reprogramming request for the Park Service that allows for the acquisition of lands of Piscataway Park.

Mr. HOYER. I thank the chairman and the gentleman from Ohio [Mr. REGULA] and members of the committee for all of their support for projects in my State and most importantly for protection of the critically threatened lands at Piscataway Park. I appreciate this opportunity to address my concerns and I too look forward to the Park Service reprogramming request approval in order to complete this valuable acquisition this year.

Mr. BROWN. Mr. Chairman, I rise in support of this Department of the Interior and related agencies appropriations conference report and I commend the gentleman from Illinois and the conferees for their efforts.

I am pleased with the substance of the conference report as it pertains to programs in the jurisdiction of the Committee on Science, Space, and Technology. It funds programs in energy conservation research and development and fossil fuel R&D in a manner that is broadly consistent with both the administration's priorities and the Energy Policy Act of 1992.

As one of the authorizing committee chairmen who worked to pass the Energy Policy Act, I am especially pleased that these priorities have been followed. In energy conservation, for example, this conference report affirms our commitment of developing the advanced technologies necessary for improving our national productivity in an energy efficient and environmentally sustainable manner. In a difficult budget environment, the conference report provides an increase of almost $103 million over the fiscal year 1994 level for energy conservation, including an additional $80 million for research and development programs. Besides R&D in the Department of Energy, this conference report supports multiyears consortia, partnerships, and collaborations with industry that should enhance the prospects for commercialization of important energy conservation technologies.

As one more example, Mr. Chairman, I am gratified that the conference report supports a large increase in the advanced turbine system program. This program will develop more efficient gas turbine systems for both utility and industrial electric power generation applications. A more efficient and environmentally friendly generation of gas turbines can help meet our future power generation needs while reducing emissions.

Mr. Chairman, I urge all Members to vote for this conference report.

Mr. CLINGER. Mr. Speaker, as I did when the House first considered the fiscal year 1995 Interior appropriations bill in June, I rise to express my deep concerns about the U.S. Forest Service's timber sale management budget.

The Allegheny National Forest [ANF]—which is located entirely within my Pennsylvania district—is one of the most fiscally and environmentally well-managed national forests in the country. Renowned for an abundance of a highly coveted species of black cherry sought by veneer manufacturers throughout the country and overseas, the Allegheny is an above-cost forest which returns $9 million in net receipts to the U.S. Treasury. Of the approximately 120 national forests to allow timber sales in fiscal year 1992, only 8 returned more money to the U.S. Treasury than the ANF.

The economy of the forest region is highly dependent on natural resource development in the ANF. According to the Forest Service, nearly 1,000 jobs are directly linked to harvesting timber in the Allegheny. A recent University of Pittsburgh at Bradford study indicates 5,540 local jobs are directly related to wood products, and another 12,576 are significantly impacted by the forest products industry. Of the 42,409 jobs in the ANF region, 42 percent depend, to some degree, on harvesting timber in the ANF.

Last June, I learned from preliminary Forest Service budget documents that the Allegheny National Forest timber program would be slashed from a timber harvest of 70 million board feet in fiscal year 1994 to only 35 million board feet in fiscal year 1995. Although the President's timber sale management request was only 6.6 percent below the previous fiscal year, the Forest Service planned to cut the Allegheny timber harvest by 50 percent.

After further investigation, I learned that other national forests in the East and South faced similar cuts, however, not nearly as deep as the ANF reductions. Rumors coming out of the Forest Service indicated that this money was to be used to cover budget shortfalls in the President's Pacific Northwest Forest plan.

Since learning about these cuts, several colleagues and I have been raising the issue and calling for a more equitable distribution of budget cuts among national forests. My attempts to offer amendments to the Interior appropriations bill in June were stymied, and meetings with the Forest Service officials, including Chief Jack Ward Thomas, apparently have not changed any minds at the Forest Service.

I was pleased when the other body adopted an amendment crafted by Senators WOFFORD and COCHRAN which would have provided additional money to national forests in the East and South to conduct so-called 1-year timber sales. With the assistance of Senator BYRD and Forest Service officials, the Wofford-Cochran amendment was redrafted numerous times until CBO finally scored the amendment budget neutral. As it was finally drafted, the Wofford/Cochran amendment made an additional $10.6 million available to national forest in regions 2, 3, 8, and 9, with the understanding that any money used for 1-year timber sales would have to be repaid with net timber sale receipts before the end of the fiscal year.

While I was greatly disappointed the conference committee did not accept the Wofford-Cochran amendment, I was encouraged by the conference report language adopted in its place. Although the language does not guarantee relief for the ANF, it does recognize problems with the Forest Service's proposed budget allocations for fiscal year 1995.

In particular, the conference report states that "some forest and regions are far below

their capacity to offer sales in fiscal year 1995 and that demand for timber sales in some of these forests is very strong," while "in other instances, projected sales may not be attainable in fiscal year 1995 due to the need for increased environmental review, watershed assessment, or other presale planning activities."

The report goes on to explain that the conferees "are concerned that allocations of scarce resources not be directed to areas with low probability of success at the expense of areas with significantly higher probability of success." I have long argued that the Allegheny is one of the most successful, fiscally sound, and environmentally well-managed national forests worthy of special consideration.

Mr. Speaker, my work on this is far from over. While the adoption of this conference report language is an important step forward, more needs to be done to prevent unfair cuts to the ANF budget. With the assistance of the formidable grassroots organization in the forest region and in conjunction with Senator WOFFORD, I look forward to meeting with Forest Service officials to find a more equitable solution to our budget problems.

In closing, I would like to express my deep appreciation to Senator WOFFORD and Congressman MURTHA for their efforts on behalf of the Allegheny forest region and the Commonwealth of Pennsylvania. I would also like to recognize the work of Senators BYRD and COCHRAN and their staff and thank Congressman MCDADE and his staff person Debbie Weatherly for their advice and guidance.

Mr. MCDADE. Mr. Speaker, I rise in support of the conference report of the Interior appropriations bill for fiscal year 1994. I want to commend my two House colleagues, Chairman SID YATES and ranking Republican RALPH REGULA, for their leadership and tireless efforts in the enormously difficult undertaking of reaching a conference agreement that is acceptable to most Members of the House.

The two most difficult issues—mining patent reform and arts funding—were resolved in the conference in ways that reflect the House position.

The agreement contains a 1-year moratorium on the sale of Federal lands to mining companies under the general mining law of 1872. The House placed the moratorium in the Interior appropriations bill every year since 1991 and voted 318 to 64 earlier this month to instruct conferees to insist on the House position.

I would be remiss if I did not pay special tribute to RALPH REGULA for his persistence in bringing this important public lands issue to the conference for the past 4 years. His doggedness has paid off with the adoption of the moratorium, which will bring pressure on Congress to enact a more comprehensive mining measure.

The conference also adopted the House position with a 2-percent cut in funding for the National Endowment for the Arts. This cut will send a strong message to the NEA that the Congress will not tolerate the use of tax dollars on projects that are obscene, sacrilegious, or pornographic.

The $13.2 billion appropriated in the agreement falls under both the fiscal year 1994 level and the administration's budget request. The agreement before us today is fiscally responsible, but does not neglect the important program needs of the Department of the Interior, the Forest Service, conservation and fossil fuel programs of the Department of Energy, Indian education and health, cultural and artistic programs.

I have been a member of the Interior Appropriations subcommittee for 30 years. The work of the conference is essential in that it affects our glorious public lands—the national parks, forests, rivers, and wildlife refuges. This bill protects and preserves our cultural heritage, provides low-income weatherization assistance, and promotes needed research on energy conservation and development. This fiscally sound bill is worthy of our support. I urge adoption of this conference report.

Mr. BEREUTER. Mr. Speaker, this Member rises in support of the conference report for H.R. 4602, which provides funding for the Department of the Interior and related agencies for fiscal year 1995.

This Member thanks the distinguished gentleman from Illinois [Mr. YATES], the chairman of the House Interior Appropriations Subcommittee, and the distinguished gentleman from Ohio [Mr. REGULA], the ranking member of the subcommittee, and all of the conferees for their help in bringing this conference report before the House.

This Member is pleased that the conference report includes funding for a number of projects of importance to Nebraska. Specifically, the report designates $500,000 from the Land and Water Conservation Fund applicable to the Fish and Wildlife Service for the Rainwater Basin Wetlands in Nebraska. This funding will permit the U.S. Fish and Wildlife Service to ensure the acquisition of wetlands from willing sellers. These wetlands would be permanently protected, restored, and managed as waterfowl production areas.

This wetlands area is geographically unique and represents a bottleneck in the north-south migration corridor for whooping cranes, 5 to 7 million waterfowl, and 90 percent of the mid-continent sandhill crane population. The Rainwater Basin lies at the central—and narrowest point—of this hourglass-shaped spring migration pathway. Substantial investments have been made to protect the northern nesting grounds and southern wintering areas. However, these efforts will be unproductive unless the spring staging area is also protected. Although the Rainwater Basin is the spring staging area for significant numbers of North American waterfowl, nearly 80 percent of the historic wetland acreage has been drained.

The Rainwater Basin project is designed to protect and restore wetlands for spring waterfowl migration and nonwildlife values. The effects of the reduced amount of wetlands in the area are becoming more obvious each year. The decreasing availability of habitat during peak migration periods is causing migratory waterfowl and related species to concentrate in the limited remaining areas. These concentrations lead to an increase in annual outbreaks of avian cholera which result in substantial losses of birds. However, by gradually rebuilding the rainwater basin, the wonderful tapestry of wetlands can be reassembled one thread at a time.

This Member is also pleased that the conference report includes $200,000 for the Back to the River project. This is a long-term project which will consist of a network of recreational trails, parks, historic sites, and wildlife habitat along the Missouri River. It is an important initiative which promotes responsible wildlife habitat management, encourages greater outdoor recreation, and serves an important educational function. The project offers the potential to greatly enhance the environment, cultural resources, and economic development.

This Member also thanks the conferees for maintaining a funding level of $200,000 for technology transfer and applications for the Center for Semiarid Agroforestry in Lincoln, NE. This funding is necessary to ensure that the valuable research being conducted at the center reaches those who will benefit most from the research. The center conducts research on developing tree varieties especially adapted to semiarid lands such as the Great Plains, that will enhance crop and livestock production, protect surface and groundwater quality, create wildlife habitat, and promote environmental goals.

This Member would also like to thank the distinguished chairman of the committee, Mr. YATES, and the distinguished ranking member, Mr. REGULA, once again for the $1.4 million appropriation for design of the Winnebago Hospital. Your patience and perseverance on this important project to provide improved health care for Native Americans in the First Congressional District of Nebraska are to be commended. Hopefully, the disagreements between the tribes can be settled shortly and the project may proceed on schedule. However, this Member remains concerned that the report language in conference report will not facilitate an agreement but will only increase the conflict between the two tribes.

Again, Mr. Speaker, this Member would like to thank the conferees for their cooperation in including these important projects in this conference report. This Member urges his colleagues to support the conference report.

Mr. GLICKMAN. Mr. Speaker, I rise today to express my concerns about language dealing with the Tongass National Forest in Southeast Alaska contained in the 1995 Interior Appropriations conference report.

The conference report contains language directing the Forest Service to "explore" the possibility of extending a 10-year timber contract to the Alaska Pulp Corporation [APC].

In my view, any language directing the Forest Service to give preferential treatment or consideration to APC is irresponsible and unwise. The Forest Service on April 14, 1994 canceled APC's 50-year timber contract because of material breach of contract by the company. APC closed its Sitka, AK pulp mill in October 1993.

In addition to breaching its contract with the Government, APC also has been found guilty of unfair labor practices and has a long history of circumventing environmental laws. APC also has sued the Federal Government claiming the Tongass Timber Reform Act contract modifications are unconstitutional. I have included with this statement a copy of a letter signed by myself and five other current Members of Congress that expressed our concerns about the two 50-year Tongass timber contracts in place prior to April 14, 1994.

The cancellation of APC's long-term contract gave the Forest Service a clear opportunity to implement sustainable forestry practices in the Tongass that take into consideration not only the timber industry, but fishing, tourism, and wildlife as well. An additional long-term contract would raise the same economic and environmental concerns all over again.

In 1989, I and 12 other Members of Congress submitted additional views to accompany H.R. 987, the Tongass Timber Reform Act. In those remarks, we expressed our concerns about long-term timber contracts in the Tongass.

The contracts give the contract holders extraordinary power to interfere in normal Forest Service management decisions about where, and how to cut federal timber; they allow the contract holders to choose the areas they want to cut and refuse areas the Forest Service offers them; they give the contract holders the right to profitable timber and the right to refuse timber considered uneconomic to cut; they have been used as the basis of anti-trust violations that drove virtually every small timber operator out of business from 1960–1976; they ensure that the government will never get a fair monetary return for public timber on the Tongass; and they allow the pulp mills to "high grade" the forests by concentrating logging in the rare, high-volume old growth most valuable for fish and wildlife habitat. (See: H. Rept. 101–84, Part 2, page 33, 1989)

Additionally, it is my hope that congressional authorizing committees would be notified if major changes in the management practices of the Tongass or any other national forests are contemplated, recommended, or mandated.

In the past 2 fiscal years, no other national forest has lost more money than the Tongass National Forest. According to the 1993 TSPIRS Report, the taxpayers spent $17,878,000 to provide 330 million board feet of timber. After office expenses, purchaser road credits and payments to the State are included, the cost to the taxpayer skyrockets to $35,265,389.

Recent history has shown that long-term Tongass timber contracts are bad economically and environmentally. Two of the central goals of the Tongass Timber Reform Act were to "promote fair competition within the timber industry in Southeast Alaska" and to "provide for a fair financial return to the United States." It is my firm belief that a new long-term timber contract would run counter to these goals.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, January 7, 1994.

MR. JAMES LYONS,
U.S. Department of Agriculture,
Washington, DC.

DEAR ASSISTANT SECRETARY LYONS: We are writing in regard to the situation on the Tongass National Forest in southeast Alaska. The vision of the Tongass Timber Reform Act of 1990 [TTRA] has not been realized. The major culprits are the two 50-year Tongass pulp contracts. Actions taken by the contract holders directly challenge the TTRA while forest management under the contracts threatens to steer the Tongass toward an ecological "train wreck." We urge you to seize the tremendous opportunity now before you to reform Tongass management by moving to cancel both of these destructive contracts.

The central purpose of the TTRA was to "assure that valuable public resources in the Tongass National Forest are protected and wisely managed," and to "enhance the balanced use of resources on the forest and promote fair competition within the southeast Alaska timber industry." Today, the volume requirements of the contracts continue to drive management decisions on the Tongass at the expense of all other forest uses including tourism, recreation and subsistence. The monopolistic nature of the contracts still make it almost impossible for independent operators to do business. Although the TTRA attempted to improve the economics of the Tongass timber operation by requiring the contract holders to pay stumpage rates that more accurately reflect fair market value, the Tongass continues to be a big money loser. In 1992, the Tongass lost substantially more money than any other national forest in the country.

By closing its Sitka pulp mill, the Alaska Pulp Corporation [APC] has violated the central provision of its contract which requires operation of a pulp facility to provide stable year-round employment. Furthermore, APC has sued the federal government claiming the TTRA contract modifications are unconstitutional.

In light of this situation, we ask you to declare APC in breach, terminate the contract, and relieve the government of this tremendous economic and environmental burden. We understand that a failure to act quickly on APC will weaken the case for breach and force the Forest Service to offer a number of additional huge timber sales to the company.

The Ketchikan Pulp Company [KPC] has also failed to meet its responsibility to provide stable year-round employment. KPC has been running its pulp mill on an intermittent basis, choosing to send wood through its more profitable sawmill while idling the pulp facility. At the same time, KPC has filed a series of administrative claims against the Forest Service seeking "to recover damages and defend KPC's timber contract."

KPC has hardly been a model corporate citizen. The Environmental Protection Agency last year filed a civil enforcement action against the company alleging hundreds of Clean Air Act and Clean Water Act violations. A pending EPA administrative enforcement action raises three counts under the Clean Water Act. Lastly, KPC is the subject of a year-long criminal investigation by the EPA and the Justice Department into alleged water pollution violations.

Massive pending timber sales to KPC in the South Tongass threaten to dramatically reduce wildlife populations, curtail subsistence opportunities for Native and rural communities, and endanger the southeast Alaska timber industry by liquidating the forest at an unsustainable rate. The first of these big sales on Central Prince of Wales Island [CPOW] is currently under review by the chief of the Forest Service and is the subject of a whistleblower complaint filed by the leader of the CPOW planning team. The complaint alleges gross mismanagement and violations of law in the planning and approval of the sale and predicts massive community disruption if the sale goes forward.

As you well know, these contracts were the subject of much controversy during the TTRA debates. A number of us felt that canceling the contracts was the only way to achieve the kind of reform all of us wanted. The final TTRA compromise in effect gave the contract holders a chance to prove us wrong. We think the clear evidence is that they have failed to do so.

We will wholeheartedly support you in any actions to cancel the contracts and move toward a sustainable future for the Tongass National Forest.

Thank you for your attention to this important matter.

Sincerely,

DAN GLICKMAN.
CHARLIE ROSE.
TIM PENNY.
GEORGE BROWN.
MIKE SYNAR.
SAM GEJDENSON.

Mr. COLEMAN. Mr. Speaker, I rise today in support of the conference report on H.R. 4602, the Department of the Interior appropriations bill for fiscal year 1995, and to express my appreciation for the leadership of Chairman SIDNEY YATES and the ranking member RALPH REGULA, in crafting this important piece of legislation. I would also like to thank my colleagues on the subcommittee for their support and the positive manner in which all approached the conference.

Once again, the chairman conducted the conference in a fair and statesmanlike manner. As we all know, the subcommittee was give a particularly tight 602b allocation. Many difficult choices had to be made, and the chairman should be commended for shaping a fair and balanced bill.

I would like to thank the committee for including several provisions important to my State, as well as several of importance to my district, including $3.3 million natural resource management funds related to the implementation of the North American Free-Trade Agreement. Under the Fish and Wildlife Service's account for land acquisition, the committee provided funding for the Trinity River National Wildlife Refuge, Lower Rio Grande Valley National Wildlife Refuge, Balcones Canyonland National Wildlife Refuge, as well as the Balcones Habitat Conservation Plan. Under the National Park Service, the committee has provided funding for the San Antonio Missions National Historic Preservation, the LBJ Ranch National Historical Site, the Big Thicket National Park, the Palo Alto National Monument, the Stubblefield Recreation Area and the Haley's Ferry Campground.

H.R. 4602 also includes much needed funding to complete a study on the Camino Real and Colonial Missions of the southwest in the National Park Service and funding for improvements to the Chamizal National Memorial. In addition, the conference committee included my report language expressing the concern of the managers that issues raised in the Smithsonian Institute's Report of the Task Force on Latino Issues regarding its recommendations and the planning, allocation, and administration of the Latino programming funds be properly addressed by the Institution.

□ 1400

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

Mr. YATES. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the conference report.

MOTION TO RECOMMIT OFFERED BY MR. MYERS OF INDIANA

Mr. MYERS of Indiana. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore (Mr. FIELDS of Louisiana). Is the gentleman opposed to the conference report in its present form?

Mr. MYERS of Indiana. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MYERS of Indiana moves to recommit the conference report on the bill, H.R. 4602, to the committee of conference.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The motion to recommit was rejected.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. YATES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material and tabular information, on the conference report to H.R. 4602, which was just considered and agreed to.

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

There was no objection.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12, rule I, the Chair declares the House in recess for 5 minutes.

Accordingly (at 2 o'clock and 4 minutes p.m.) the House stood in recess for 5 minutes.

□ 1412

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. FIELDS of Louisiana) at 2 o'clock and 12 minutes p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules.

CONSUMER REPORTING REFORM ACT OF 1994

Mr. KENNEDY. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 783) to amend the Fair Credit Reporting Act, and for other purposes, as amended.

The Clerk read as follows:

S. 783

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 for this Act is as follows:

Sec. 1. Table of contents.

TITLE I—AMENDMENTS TO FAIR CREDIT REPORTING ACT

Sec. 101. Short title.
Sec. 102. Definitions.
Sec. 103. Furnishing consumer reports; use for employment purposes.
Sec. 104. Amendments relating to use of consumer reports for prescreening; prohibition on unauthorized or uncertified use of information.
Sec. 105. Consumer consent required to furnish consumer report containing medical information.
Sec. 106. Amendments relating to obsolete information and information contained in consumer reports.
Sec. 107. Amendments relating to compliance procedures.
Sec. 108. Amendments relating to consumer disclosures.
Sec. 109. Amendments relating to procedures in case of the disputed accuracy of any information in a consumer's file.
Sec. 110. Amendment relating to charges for disclosure.
Sec. 111. Amendments relating to duties of users of consumer reports and duties of affiliates sharing certain information.
Sec. 112. Amendments relating to civil liability.
Sec. 113. Amendments relating to responsibilities of persons who furnish information to consumer reporting agencies.
Sec. 114. Investigative consumer reports.
Sec. 115. Increased criminal penalties for obtaining information under false pretenses.
Sec. 116. Administrative enforcement.
Sec. 117. State enforcement of Fair Credit Reporting Act.
Sec. 118. Federal Reserve Board authority.
Sec. 119. Preemption of State law.
Sec. 120. Action by FTC.
Sec. 121. Amendment to Fair Debt Collection Practices Act.
Sec. 122. Furnishing consumer reports for certain purposes relating to child support.
Sec. 123. Disclosure of information and consumer reports to FBI for counterintelligence purposes.
Sec. 124. Effective dates.
Sec. 125. Relationship to other law.
Sec. 126. Sense of Senate.
Sec. 127. Technical correction to Depository Institutions Management Interlocks Act.

TITLE II—CREDIT REPAIR ORGANIZATIONS

Sec. 201. Regulation of credit repair organizations.

TITLE I—AMENDMENTS TO FAIR CREDIT REPORTING ACT

SEC. 101. SHORT TITLE.

This title may be cited as the "Consumer Reporting Reform Act of 1994".

SEC. 102. DEFINITIONS.

(a) ADVERSE ACTION.—Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) is amended by adding at the end the following new subsection:

"(k)(1) The term 'adverse action' means the following:

"(A) A denial or revocation of credit, a denial of an application for an increase of an existing credit limit, an unfavorable change in the terms of an existing credit arrangement, or a refusal to grant credit in substantially the amount or on substantially the terms requested; except that the term 'adverse action' does not include—

"(i) a refusal to extend additional credit under an existing credit arrangement if the applicant is delinquent or otherwise in default as to that account, or

"(ii) a refusal or failure to authorize an account transaction at a point of sale which would exceed a previously established credit limit.

"(B) A denial or cancellation of, an increase in any charge for, or a reduction or other adverse or unfavorable change in the terms of coverage or amount of, any insurance, existing or applied for, in connection with the underwriting of insurance.

"(C) A denial of employment or any other decision for employment purposes which adversely affects any current or prospective employee.

"(D) A denial or cancellation of, an increase in any charge for, or any other adverse or unfavorable change in the terms of, any license or benefit described in section 604(a)(3)(D).

"(E) An action taken or determination made—

"(i) in connection with an application which was made by, or a transaction which was initiated by, any consumer, or in connection with a review of account information under section 604(a)(3)(E)(ii); and

"(ii) which is adverse to the interest of the consumer.

"(2) For purposes of any determination of whether an action is an adverse action under paragraph (1)(A), all appropriate final findings, decisions, commentary, and orders issued under section 701(d)(6) of the Equal Credit Opportunity Act by the Board of Governors of the Federal Reserve System or any court shall apply.".

(b) FIRM OFFER OF CREDIT.—Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) is further amended by adding after subsection (k) (as added by subsection (a) of this section) the following:

"(l) The term 'firm offer of credit' means any offer of credit to a consumer that will be honored if the consumer is determined, based on information in a consumer report on the consumer, to meet the specific criteria used to select the consumer for the offer, except that the offer may be further conditioned solely on any combination of the following:

"(1) The consumer being determined, based on information in the consumer's application for the credit, to meet specific criteria bearing on creditworthiness that are established—

"(A) before selection of the consumer for the offer; and

"(B) for the purpose of determining whether to extend credit pursuant to the offer.

"(2) Verification—

"(A) that the consumer continues to meet the specific criteria used to select the consumer for the offer, by using information in a consumer report on the consumer, information in the consumer's application for the credit, or other information bearing on the creditworthiness of the consumer; or

"(B) of the information in the consumer's application for the credit, to determine that the consumer meets the specific criteria bearing on creditworthiness.

"(3) The consumer furnishing any collateral that is a requirement for the extension of the credit that was—

"(A) established before selection of the consumer for the offer of credit; and

"(B) described to the consumer in the offer of credit.".

(c) CREDIT TRANSACTION WHICH IS NOT INITIATED BY THE CONSUMER.—Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) is further amended by adding after subsection (l) (as added by subsection (b) of this section) the following:

"(m) The term 'credit transaction which is not initiated by the consumer' does not include the use of a consumer report by a person with which the consumer has an account, for purposes of—

"(1) reviewing the account; or

"(2) collecting the account.".

(d) STATE.—Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) is further amended by adding after subsection (m) (as added by subsection (c) of this section) the following:

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

(e) EXCLUSIONS FROM DEFINITION OF CONSUMER REPORT.—Section 603(d) of the Fair Credit Reporting Act (15 U.S.C. 1681a(d)) is amended in the second sentence in clause (A)—

(1) by inserting "(i)" after "(A)";

(2) by inserting before the semicolon at the end the following: ", (ii) any communication of that information among persons related by common ownership or affiliated by corporate control, or (iii) any communication of information from a credit application by a consumer among persons related by common ownership or affiliated by corporate control if it is clearly and conspicuously disclosed that the information may be communicated among such persons and the consumer is given the opportunity, prior to the time that the information is initially communicated, to direct that such information not be communicated among such persons";

(3) in clause (B) by striking "or" after the semicolon at the end;

(4) in clause (C) by striking the period and inserting a semicolon; and

(5) by adding at the end the following: "or (D) any communication of information about a consumer between persons who are affiliated by common ownership or common corporate control and in connection with a credit transaction which is not initiated by the consumer, or an insurance transaction which is not initiated by the consumer, if either of those persons has complied with section 615(d)(4)(B) with respect to a consumer report from which the information is taken and the consumer has consented to use of the report for the transaction, or with respect to existing customers, the consumer has not directed in writing that the report may not be used for the transaction, in accordance with section 615(d)(4)(C).".

(f) EXCLUSION OF CERTAIN COMMUNICATIONS BY EMPLOYMENT AGENCIES FROM DEFINITION OF CONSUMER REPORT.—Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681(a)) is further amended—

(1) in subsection (d), as amended by subsection (e) of this section, by adding at the end the following: "The term also does not include a communication described in subsection (o).": and

(2) by adding at the end the following:

"(o) A communication is described in this subsection if it is a communication—

"(1) that, but for the 3rd sentence of subsection (d), would be an investigative consumer report;

"(2) that is made to a prospective employer for the purpose of—

"(A) procuring an employee for the employer, or

"(B) procuring an opportunity for a natural person to work for the employer;

"(3) that is made by a person that regularly performs such procurement;

"(4) that is not used by any person for any purpose other than a purpose described in paragraph (2) (A) or (B);

"(5) with respect to which—

"(A) the consumer who is the subject of the communication—

"(i) consents orally or in writing to the nature and scope of the communication, before the collection of any information for the purpose of making the communication;

"(ii) consents orally or in writing to the making of the communication to a prospective employer, before the making of the communication; and

"(iii) in the case of consent under clause (i) or (ii) given orally, is provided written confirmation of that consent by the person making the communication, within 3 business days after the receipt of the consent by that person;

"(B) the person that makes the communication does not, for the purpose of making the communication, make any inquiry that if made by a prospective employer of the consumer who is the subject of the communication would violate any applicable Federal or State equal employment opportunity law or regulation; and

"(C) the person that makes the communication—

"(i) discloses in writing to the consumer who is the subject of the communication, within 5 business days after receiving any request from the consumer for such disclosure, the nature and substance of all information in the consumer's file at the time of the request, except that the sources of information that is acquired solely for use in making the communication and actually used for no other purpose need not be disclosed other than under appropriate discovery procedures in the court in which an action is brought; and

"(ii) notifies the consumer that is the subject of the communication, in writing, of the consumer's right to request the information described in clause (i).".

(g) CONSUMER REPORTING AGENCY THAT COMPILES AND MAINTAINS FILES ON A NATIONWIDE BASIS.—Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) is further amended by adding after subsection (o) (as added by subsection (f) of this section) the following:

"(p) The term 'consumer reporting agency that compiles and maintains files on consumers on a nationwide basis' means a consumer reporting agency that regularly engages in the practice of assembling or evaluating, and maintaining, for the purpose of furnishing consumer reports to third parties bearing on a consumer's creditworthiness, credit standing, or credit capacity, each of the following regarding consumers residing nationwide:

"(1) Public record information.

"(2) Credit account information from persons who furnish that information regularly and in the ordinary course of business.".

(h) CLERICAL AMENDMENT.—Section 603(d) of the Fair Credit Reporting Act (15 U.S.C. 1681a(d)) is amended in the first sentence—

(1) by inserting "(1)" after "in whole or in part for"; and

(2) by striking "(1)" before "credit or insurance".

SEC. 103. FURNISHING CONSUMER REPORTS; USE FOR EMPLOYMENT PURPOSES.

(a) FURNISHING CONSUMER REPORTS FOR BUSINESS TRANSACTIONS.—Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is amended—

(1) by inserting "(a) IN GENERAL.—" before "A consumer reporting agency"; and

(2) in subsection (a)(3) (as designated by paragraph (1) of this subsection) by striking subparagraph (E) and inserting the following:

"(E) otherwise has a legitimate business need for the information—

"(i) in connection with a business transaction that is initiated by the consumer; or

"(ii) to review an account to determine whether the consumer continues to meet the terms of the account.".

(b) FURNISHING AND USING CONSUMER REPORTS FOR EMPLOYMENT PURPOSES.—Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is further amended by adding at the end the following new subsection:

"(b) CONDITIONS FOR FURNISHING AND USING CONSUMER REPORTS FOR EMPLOYMENT PURPOSES.—

"(1) CERTIFICATION FROM USER.—A consumer reporting agency may furnish a consumer report for employment purposes only if—

"(A) the person who obtains such report from the agency certifies to the agency that—

"(i) the person has complied with paragraph (2) with respect to the consumer report, and the person will comply with paragraph (3) with respect to the consumer report if paragraph (3) becomes applicable; and

"(ii) information from the consumer report will not be used in violation of any applicable Federal or State equal employment opportunity law or regulation; and

"(B) the consumer reporting agency provides with the report a summary of the consumer's rights under this title, as prescribed by the Federal Trade Commission under section 609(c)(3).

"(2) DISCLOSURE TO CONSUMER.—A person may not procure a consumer report, or cause a consumer report to be procured, for employment purposes with respect to any consumer unless—

"(A) a clear and conspicuous disclosure has been made in writing to the consumer at any time before the report is procured or caused to be procured, in a document that consists solely of the disclosure, that a consumer report may be obtained for employment purposes; and

"(B) the consumer has authorized in writing the procurement of the report by that person.

"(3) CONDITIONS ON USE FOR ADVERSE ACTIONS.—In using a consumer report for employment purposes, before taking any adverse action based in whole or in part on the report a person shall provide to the consumer to whom the report relates—

"(A) a copy of the report;

"(B) a description in writing of the consumer's rights under this title, as prescribed by the Federal Trade Commission under section 609(c)(3); and

"(C) a reasonable period (not required to exceed 5 business days following receipt of the report by the consumer) to respond to

any information in the report that is disputed by the consumer and notice in writing of the opportunity for the consumer to respond in that period, except that such an opportunity to respond and notice are not required if the person takes the adverse action based on a reasonable belief that the consumer has engaged in fraudulent or criminal activity that is related to, or that could affect, the consumer's employment.

"(4) LIMITATION ON PURPOSES.—Subject to paragraph (1), a consumer reporting agency may furnish information bearing on the creditworthiness of a consumer, and a person may use such information, for employment purposes that do not relate to employment of an individual in an executive or administrative position, only if—

"(A) the employment requires or is expected to require a security clearance issued by an agency of the United States or any State as a condition for employment;

"(B) the employment requires or is expected to require the individual to be covered by a fidelity bond; or

"(C) the employment requires or is expected to require the individual, on a regular basis and as part of the normal duties of employment—

"(i) to handle or otherwise have access to substantial amounts of cash or other things of value of the employer: or

"(ii) to engage in any conduct or activity with respect to which the employee has a fiduciary duty.

"(5) EXECUTIVE OR ADMINISTRATIVE POSITION DEFINED.—

"(A) IN GENERAL.—For purposes of paragraph (4), the term 'executive or administrative position' means any position—

"(i) for which compensation is on a salary basis and not an hourly basis; and

"(ii) having policy making, managerial, professional, or supervisory responsibilities.

"(B) APPLICATION OF EXISTING FINDINGS, ETC.—For purposes of determining under subparagraph (A)(ii) whether a position has policy making, managerial, professional, or supervisory responsibilities, all appropriate final administrative and judicial findings, decisions, commentary, and orders issued under the Federal Election Campaign Act of 1971, or the regulations issued under that Act, shall apply.".

SEC. 104. AMENDMENTS RELATING TO USE OF CONSUMER REPORTS FOR PRESCREENING; PROHIBITION ON UNAUTHORIZED OR UNCERTIFIED USE OF INFORMATION.

(a) IN GENERAL.—Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b), as amended by section 103, is further amended—

(1) in subsection (a) by striking "A consumer reporting agency" and inserting "Subject to subsection (c), any consumer reporting agency"; and

(2) by adding after subsection (b) (as added by section 103(b)) the following new subsections:

"(c) FURNISHING REPORTS IN CONNECTION WITH CREDIT TRANSACTIONS NOT INITIATED BY THE CONSUMER.—

"(1) IN GENERAL.—A consumer reporting agency may furnish a consumer report relating to any consumer pursuant to subsection (a)(3)(A) in connection with any credit transaction which is not initiated by the consumer only if—

"(A) the consumer authorizes the agency to provide such report to such person; or

"(B)(i) the transaction consists of a firm offer of credit;

"(ii) the consumer reporting agency has complied with subsection (d); and

"(iii) there is not in effect an election by the consumer, made in accordance with subsection (d), to have the consumer's name and address excluded from lists of names provided by the agency pursuant to this paragraph.

"(2) LIMITS ON INFORMATION RECEIVED UNDER PARAGRAPH (1)(B).—A person may receive pursuant to paragraph (1)(B) only—

"(A) the name and address of a consumer;

"(B) an identifier that is not unique to the consumer and is used by the person solely for the purpose of verifying the identity of the consumer; and

"(C) information pertaining to a consumer that is not identified or identifiable with the consumer.

"(3) INFORMATION REGARDING INQUIRIES.—Except as provided in section 609(a)(5), a consumer reporting agency shall not furnish to any person a record of inquiries in connection with credit transactions which are not initiated by a consumer.

"(d) ELECTION OF CONSUMER TO BE EXCLUDED FROM LISTS.—

"(1) IN GENERAL.—A consumer may elect to have the consumer's name and address excluded from any list provided by a consumer reporting agency in connection with a credit transaction which is not initiated by the consumer, by notifying the agency in accordance with paragraph (2) that the consumer does not consent to any use of consumer reports relating to the consumer in connection with any credit transaction which is not initiated by the consumer.

"(2) MANNER OF NOTIFICATION.—A consumer shall notify a consumer reporting agency under paragraph (1)—

"(A) through the notification system maintained by the agency under paragraph (5), or

"(B) by submitting to the agency a signed notice of election form issued by the agency for purposes of this subparagraph.

"(3) RESPONSE OF AGENCY AFTER NOTIFICATION THROUGH SYSTEM.—Upon receipt of notification of the election of a consumer under paragraph (1) through the notification system maintained by the agency under paragraph (5), a consumer reporting agency shall—

"(A) inform the consumer that the election is effective only for a 2-year period if the consumer does not submit to the agency a signed notice of election form issued by the agency for purposes of paragraph (2)(B); and

"(B) provide to the consumer such a form if requested by the consumer, by not later than 5 business days after receiving the notification through the system in the case of a request made at the time the consumer provides notification through the system.

"(4) EFFECTIVENESS OF ELECTION.—An election of a consumer under paragraph (1)—

"(A) shall be effective with respect to a consumer reporting agency beginning on the date the consumer notifies the agency in accordance with paragraph (2);

"(B) shall be effective with respect to a consumer reporting agency—

"(i) subject to subparagraph (C), for the 2-year period beginning on the date the consumer notifies the agency of the election, in the case of an election for which a consumer notifies the agency only in accordance with paragraph (2)(A); or

"(ii) until the consumer notifies the agency under subparagraph (C), in the case of an election for which a consumer notifies the agency in accordance with paragraph (2)(B);

"(C) shall not be effective after the date on which the consumer notifies the agency, through the notification system established by the agency under paragraph (5), that the election is no longer effective; and

"(D) shall be effective with respect to each affiliate of the agency.

"(5) NOTIFICATION SYSTEM, GENERALLY.—Each consumer reporting agency which furnishes a consumer report in connection with any credit transaction which is not initiated by a consumer, shall—

"(A) establish and maintain a notification system, including a toll-free telephone number, which permits any consumer whose consumer report is maintained by the agency to notify the agency, with appropriate identification, of the consumer's election to have the consumer's name and address excluded from any list of names and addresses provided by the agency for such a transaction; and

"(B) publish by not later than 365 days after the date of the enactment of the Consumer Reporting Reform Act of 1994, and at least annually thereafter, in a publication of general circulation in the area served by the agency—

"(i) a notification that information in consumer files maintained by the agency may be used in connection with such transactions; and

"(ii) the address and toll-free telephone number for consumers to use to notify the agency of the consumer's election under subparagraph (A).

Establishment and maintenance of a notification system (including a toll-free telephone number) and publication by a consumer reporting agency on its own behalf and on behalf of any of its affiliates in accordance with this paragraph is deemed to be compliance with this paragraph by each of those affiliates.

"(6) NOTIFICATION SYSTEM BY AGENCIES WHICH OPERATE NATIONWIDE.—Each consumer reporting agency that compiles and maintains files on consumers on a nationwide basis shall establish and maintain a notification system for purposes of paragraph (5) jointly with other such consumer reporting agencies.".

(b) USE OF INFORMATION OBTAINED FROM REPORTS.—Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is further amended by adding after subsection (d) (as added by subsection (a) of this section) the following new subsection:

"(e) CERTAIN USE OR OBTAINING OF INFORMATION PROHIBITED.—A person shall not use or obtain a consumer report for any purpose unless—

"(1) it is obtained for a purpose for which the consumer report is authorized to be furnished under subsection (a); and

"(2) the purpose is certified in accordance with section 607 by a prospective user of the report through a general or specific certification.".

SEC. 105. CONSUMER CONSENT REQUIRED TO FURNISH CONSUMER REPORT CONTAINING MEDICAL INFORMATION.

Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b), as amended by sections 103 and 104, is further amended by adding at the end the following:

"(f) FURNISHING REPORTS CONTAINING MEDICAL INFORMATION.—A consumer reporting agency shall not furnish for employment purposes, or in connection with a credit transaction, a consumer report which contains medical information about a consumer, unless the consumer consents to the furnishing of the report.".

SEC. 106. AMENDMENTS RELATING TO OBSOLETE INFORMATION AND INFORMATION CONTAINED IN CONSUMER REPORTS.

(a) REPEAL LARGE-DOLLAR EXCEPTIONS.—Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is amended—

(1) in subsection (a) by striking "(a) Except as authorized under subsection (b), no" and inserting "(a) INFORMATION EXCLUDED FROM CONSUMER REPORTS.—No"; and

(2) by striking subsection (b).

(b) CLARIFICATION OF REPORTING PERIOD.—Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c), as amended by subsection (a), is further amended by adding at the end the following new subsection:

"(b) RUNNING OF REPORTING PERIOD.—(1) The 7-year period referred to in paragraphs (4) and (6) of subsection (a) shall begin, with respect to any delinquent account which is placed for collection (internally or by referral to a 3d party, whichever is earlier), charged to profit and loss, or subjected to any similar action, upon the expiration of the 180-day period beginning on the date of the commencement of the delinquency which immediately preceded the collection activity, charge to profit and loss, or similar action.

"(2) Paragraph (1) applies only to items of information added to a consumer report on or after the date that is 455 days after the date of the enactment of the Consumer Reporting Reform Act of 1994.".

(c) ADDITIONAL INFORMATION ON BANKRUPTCY FILINGS REQUIRED.—Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is further amended by adding after subsection (b) (as added by subsection (b) of this section) the following new subsection:

"(c) INFORMATION REQUIRED TO BE DISCLOSED.—Any consumer reporting agency which furnishes a consumer report which contains information regarding any case involving the consumer which arises under title 11, United States Code, shall include in the report an identification of the chapter of such title 11 under which such case arises if provided by the source of the information. If any case arising or filed under title 11, United States Code, is withdrawn by the consumer prior to a final judgment, the consumer reporting agency shall include in the report that such case or filing was withdrawn upon receipt of documentation certifying such withdrawal.".

(d) INDICATION OF CLOSURE OF ACCOUNT; INDICATION OF DISPUTE BY CONSUMER.—Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is further amended by adding after subsection (c) (as added by subsection (c) of this section) the following new subsections:

"(d) INDICATION OF CLOSURE OF ACCOUNT BY CONSUMER.—If a consumer reporting agency is notified pursuant to section 623(a)(4) that a credit account of a consumer was voluntarily closed by the consumer, the agency shall indicate that fact in any consumer report that includes information related to the account.

"(e) INDICATION OF DISPUTE BY CONSUMER.—If a consumer reporting agency is notified pursuant to section 623(a)(3) that information regarding a consumer that was furnished to the agency is disputed by the consumer, the agency shall indicate that fact in each consumer report that includes the disputed information.".

(e) NOTATION ON CONSUMER REPORT.—Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is further amended by adding at the end the following new subsection:

"(f) CERTAIN ACCOUNT INFORMATION.—A consumer reporting agency, upon the written request of a consumer, and subject to the submission of appropriate documentation by the consumer, shall include with any information regarding a failure of the consumer to make any payment on an account of the consumer, a statement (in such form as the Federal Trade Commission shall prescribe) that during the period when the account in question became due, the consumer was receiving assistance pursuant to a declaration of a disaster by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, or unemployment compensation under the laws of any State (or, but for the exhaustion of benefits, would be entitled to receive such compensation).".

(f) CLERICAL AMENDMENTS.—

(1) The heading for section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is amended by striking "**Obsolete information**" and inserting "**Requirements relating to information contained in consumer reports**".

(2) The table of sections at the beginning of the Fair Credit Reporting Act (15 U.S.C. 1681a et seq.) is amended by striking the item relating to section 605 and inserting the following:

"605. Requirements relating to information contained in consumer reports.".

SEC. 107. AMENDMENTS RELATING TO COMPLIANCE PROCEDURES.

(a) DISCLOSURE OF CONSUMER REPORTS BY USERS.—Section 607 of the Fair Credit Reporting Act (15 U.S.C. 1681e) is amended by adding at the end the following new subsection:

"(c) DISCLOSURE OF CONSUMER REPORTS BY USERS ALLOWED.—A consumer reporting agency may not prohibit a user of a consumer report furnished by the agency on a consumer from disclosing the contents of the report to the consumer, if adverse action against the consumer has been taken, or is contemplated, by the user based in whole or in part on the report.".

(b) NOTICE TO USERS AND PROVIDERS OF INFORMATION TO ENSURE COMPLIANCE.—Section 607 of the Fair Credit Reporting Act (15 U.S.C. 1681e) is further amended by adding after subsection (c) (as added by subsection (a) of this section) the following new subsection:

"(d) NOTICE TO USERS AND FURNISHERS OF INFORMATION.—

"(1) NOTICE REQUIREMENT.—A consumer reporting agency shall provide to any person—

"(A) who regularly and in the ordinary course of business furnishes information to the agency with respect to any consumer; or

"(B) to whom a consumer report is provided by the agency;

a notice of such person's responsibilities under this title.

"(2) CONTENT OF NOTICE.—The Federal Trade Commission shall prescribe the content of notices under paragraph (1).".

(c) RECORD OF IDENTITY OF USERS AND PURPOSES CERTIFIED BY USERS OF REPORTS.—Section 607 of the Fair Credit Reporting Act (15 U.S.C. 1681e) is further amended by adding after subsection (d) (as added by subsection (b) of this section) the following new subsection:

"(e) PROCUREMENT OF CONSUMER REPORT FOR RESALE.—

"(1) DISCLOSURE.—A person may not procure a consumer report for purposes of reselling the report (or any information in the report) unless the person discloses to the consumer reporting agency which originally furnishes the report—

"(A) the identity of the end-user of the report (or information), and

"(B) each permissible purpose under section 604 for which the report is furnished to the end-user of the report (or information).

"(2) RESPONSIBILITIES OF PROCURERS FOR RESALE.—A person which procures a consumer report for purposes of reselling the report (or any information in the report) shall—

"(A) establish and comply with reasonable procedures designed to ensure that the report (or information) is resold by the person only for a purpose for which the report may be furnished under section 604, including by requiring that each person to which the report (or information) is resold and which resells or provides the report (or information) to any other person—

"(i) identifies each end user of the resold report (or information);

"(ii) certifies each purpose for which the report (or information) will be used; and

"(iii) certifies that the report (or information) will be used for no other purpose; and

"(B) before reselling the report, make reasonable efforts to verify the identifications and certifications made under subparagraph (A).".

SEC. 108. AMENDMENTS RELATING TO CONSUMER DISCLOSURES.

(a) ALL INFORMATION IN CONSUMER'S FILE REQUIRED TO BE DISCLOSED.—Section 609(a)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)(1)) is amended to read as follows:

"(1) All information in the consumer's file at the time of the request.".

(b) MORE INFORMATION CONCERNING RECIPIENTS OF REPORTS REQUIRED.—Section 609(a)(3) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)) is amended to read as follows:

"(3)(A) Identification of each person (including each end-user identified under section 607(e)(1)) who procured a consumer report—

"(i) for employment purposes within the 2-year period preceding the request; or

"(ii) for any other purpose within the 1-year period preceding the request.

"(B) An identification of a person under subparagraph (A) shall include—

"(i) the name of the person or, if applicable, the trade name (written in full) under which such person conducts business; and

"(ii) upon request of the consumer, the address and telephone number of the person.".

(c) DISCLOSURE OF PERMISSIBLE PURPOSES.—Section 609(a) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)) is further amended by adding at the end the following:

"(4) The permissible purpose under section 604, by category, for which each person identified under paragraph (3) procured a consumer report.".

(d) INFORMATION REGARDING INQUIRIES.—Section 609(a) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)) is amended by adding after paragraph (4) (as added by subsection (c) of this section) the following:

"(5) A record of all inquiries received by the agency in the 1-year period preceding the request that identified the consumer in connection with a credit transaction which was not initiated by the consumer.".

(e) SUMMARY OF RIGHTS REQUIRED TO BE INCLUDED WITH DISCLOSURE.—

(1) IN GENERAL.—Section 609 of the Fair Credit Reporting Act (15 U.S.C. 1681g) is amended by adding at the end the following new subsection:

"(c) SUMMARY OF RIGHTS REQUIRED TO BE INCLUDED WITH DISCLOSURE.—

"(1) SUMMARY OF RIGHTS.—A consumer reporting agency shall provide to a consumer,

with each written disclosure by the agency to the consumer under this section—

"(A) a written summary of all rights the consumer has under this title; and

"(B) in the case of a consumer reporting agency that compiles and maintains files on consumers on a nationwide basis, a toll-free telephone number established by the agency at which personnel are accessible to consumers during normal business hours.

"(2) SPECIFIC ITEMS REQUIRED TO BE INCLUDED.—The summary of rights required under paragraph (1) shall include—

"(A) a brief description of this title and all rights of consumers under this title;

"(B) an explanation of how the consumer may exercise the rights of the consumer under this title;

"(C) a list of all Federal agencies responsible for enforcing any provision of this title and the address and any appropriate phone number of each such agency, in a form that will assist the consumer in selecting the appropriate agency;

"(D) a statement that the consumer may have additional rights under State law and that the consumer may wish to contact a State or local consumer protection agency or a State attorney general to learn of those rights; and

"(E) a statement that a consumer reporting agency is not required to remove accurate derogatory information from a consumer's file, unless the information is outdated under section 605 or cannot be verified.

"(3) FORM OF SUMMARY OF RIGHTS.—For purposes of this subsection and any disclosure by a consumer reporting agency required under this title with respect to consumers' rights, the Federal Trade Commission (after consultation with each Federal agency referred to in section 621(b)) shall prescribe the form and content of any disclosure of the rights of consumers required under this title.".

(2) TECHNICAL AMENDMENT.—Section 606(a)(1)(B) of the Fair Credit Reporting Act (15 U.S.C. 1681d(a)(1)(B)) is amended by inserting "and the written summary of the rights of the consumer prepared pursuant to section 609(c)" before the semicolon.

(f) FORM OF DISCLOSURES.—

(1) IN GENERAL.—Subsections (a) and (b) of section 610 of the Fair Credit Reporting Act (15 U.S.C. 1681h) are amended to read as follows:

"(a) IN GENERAL.—

"(1) PROPER IDENTIFICATION.—A consumer reporting agency shall require, as a condition of making the disclosures required under section 609, that the consumer furnish proper identification.

"(2) DISCLOSURE IN WRITING.—Except as provided in subsection (b), the disclosures required to be made under section 609 shall be provided under that section in writing.

"(b) OTHER FORMS OF DISCLOSURE.—

"(1) IN GENERAL.—If authorized by a consumer, a consumer reporting agency may make the disclosures required under 609—

"(A) other than in writing; and

"(B) in such form as may be—

"(i) specified by the consumer in accordance with paragraph (2); and

"(ii) available from the agency.

"(2) FORM.—A consumer may specify pursuant to paragraph (1) that disclosures under section 609 shall be made—

"(A) in person, upon the appearance of the consumer at the place of business of the consumer reporting agency where disclosures are regularly provided, during normal business hours, and on reasonable notice;

"(B) by telephone, if the consumer has made a written request for disclosure by telephone;

"(C) by electronic means, if available from the agency; or

"(D) by any other reasonable means that is available from the agency.".

(2) SIMPLIFIED DISCLOSURE.—Not later than 90 days after the date of enactment of this Act, each consumer reporting agency shall develop a form on which such consumer reporting agency shall make the disclosures required under section 609(a) of the Fair Credit Reporting Act, for the purpose of maximizing the comprehensibility and standardization of such disclosures.

(3) GOALS.—The Federal Trade Commission shall take appropriate action to assure that the goals of comprehensibility and standardization are achieved in accordance with paragraph (2).

(4) CONFORMING AMENDMENTS.—

(A) Section 609(a) of the Fair Credit Reporting Act (15 U.S.C. 1681h(a)) is amended in the matter preceding paragraph (1) by striking "and proper identification of any consumer" and inserting "and subject to section 610(a)(1)".

(B) Section 610 of the Fair Credit Reporting Act (15 U.S.C. 1681h) is amended in the heading for the section by inserting "**and form**" after "**Conditions**".

(C) The table of sections at the beginning of the Fair Credit Reporting Act (15 U.S.C. 1681a et seq.) is amended in the item relating to section 610 by inserting "and form" after "Conditions".

SEC. 109. AMENDMENTS RELATING TO PROCEDURES IN CASE OF THE DISPUTED ACCURACY OF ANY INFORMATION IN A CONSUMER'S FILE.

(a) IN GENERAL.—Section 611(a) of the Fair Credit Reporting Act (15 U.S.C. 1681i(a)) is amended to read as follows:

"(a) REINVESTIGATIONS OF DISPUTED INFORMATION.—

"(1) REINVESTIGATION REQUIRED.—

"(A) IN GENERAL.—If the completeness or accuracy of any item of information contained in a consumer's file at a consumer reporting agency is disputed by the consumer and the consumer notifies the agency directly of such dispute, the agency shall reinvestigate free of charge and record the current status of the disputed information, or delete the item from the file in accordance with paragraph (5), before the end of the 30-day period beginning on the date the agency receives the notice of the dispute from the consumer.

"(B) EXTENSION OF PERIOD TO REINVESTIGATE.—Except as provided in subparagraph (C), the 30-day period described in subparagraph (A) may be extended for up to, but for no more than, 15 additional days if the consumer reporting agency receives information from the consumer within that 30-day period that is relevant to the reinvestigation.

"(C) LIMITATIONS ON EXTENSION OF PERIOD TO REINVESTIGATE.—Subparagraph (B) shall not apply to any reinvestigation in which, in the 30-day period described in subparagraph (A), the information that is the subject of the reinvestigation is found to be inaccurate or incomplete or the consumer reporting agency determines that the information cannot be verified.

"(2) PROMPT NOTICE OF DISPUTE TO FURNISHER OF INFORMATION.—

"(A) IN GENERAL.—Before the end of the 5-business-day period beginning on the date a consumer reporting agency receives notice of a dispute from any consumer in accordance with paragraph (1), the agency shall provide notification of the dispute to any person that provided any item of information in dispute, at the address and in the manner established with the person. The notice shall include all relevant information regarding the dispute that the agency has received from the consumer.

"(B) PROVISION OF OTHER INFORMATION FROM CONSUMER.—The consumer reporting agency shall promptly provide to the person that provided the information in dispute all relevant information regarding the dispute that is received by the agency from the consumer after the period referred to in subparagraph (A) and before the end of the period referred to in paragraph (1)(A).

"(3) DETERMINATION THAT DISPUTE IS FRIVOLOUS OR IRRELEVANT.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), a consumer reporting agency may terminate a reinvestigation of information disputed by a consumer under that paragraph if the agency reasonably determines that the dispute by the consumer is frivolous or irrelevant, including by reason of a failure by a consumer to provide sufficient information to investigate the disputed information.

"(B) NOTICE OF DETERMINATION.—Upon making any determination in accordance with subparagraph (A) that a dispute is frivolous or irrelevant, a consumer reporting agency shall notify the consumer within 5 business days of such determination, by mail or, if authorized by the consumer for that purpose, by any other means available to the agency.

"(C) CONTENTS OF NOTICE.—A notice under subparagraph (B) shall include—

"(i) the reasons for the determination under subparagraph (A); and

"(ii) identification of any information required to investigate the disputed information, which may consist of a standardized form describing the general nature of such information.

"(4) CONSIDERATION OF CONSUMER INFORMATION.—In conducting any reinvestigation under paragraph (1) with respect to disputed information in the file of any consumer, the consumer reporting agency shall review and consider all relevant information submitted by the consumer in the period described in paragraph (1)(A) with respect to such disputed information.

"(5) TREATMENT OF INACCURATE OR UNVERIFIABLE INFORMATION.—

"(A) IN GENERAL.—If, after any reinvestigation under paragraph (1) of any information disputed by a consumer, an item of the information is found to be inaccurate or incomplete or cannot be verified, the consumer reporting agency shall promptly delete that item of information from the consumer's file. The information deleted shall consist solely of the information that was disputed by the consumer and shall not include any portion of the same item that was not disputed.

"(B) REQUIREMENTS RELATING TO REINSERTION OF PREVIOUSLY DELETED MATERIAL.—

"(i) CERTIFICATION OF ACCURACY OF INFORMATION.—If any information is deleted from a consumer's file pursuant to subparagraph (A), the information may not be reinserted in the file by the consumer reporting agency unless the person who furnishes the information certifies that the information is complete and accurate.

"(ii) NOTICE TO CONSUMER.—If any information which has been deleted from a consumer's file pursuant to subparagraph (A) is reinserted in the file, the consumer reporting agency shall notify the consumer of the reinsertion in writing within 5 business days

after the reinsertion or, if authorized by the consumer for that purpose, by any other means available to the agency.

"(iii) ADDITIONAL INFORMATION.—As part of or in addition to the notice under clause (ii), a consumer reporting agency shall provide to a consumer in writing within 5 business days after the date of the reinsertion—

"(I) a statement that the disputed information has been reinserted;

"(II) the name, business address, and telephone number of any furnisher of information contacted, or of any furnisher of information which contacted the consumer reporting agency, in connection with the reinsertion of such information; and

"(III) a notice that the consumer has the right to add a statement to the consumer's file disputing the accuracy or completeness of the disputed information.

"(C) PROCEDURES TO PREVENT REAPPEARANCE.—A consumer reporting agency shall maintain reasonable procedures designed to prevent the reappearance in a consumer's file, and in consumer reports on the consumer, of information that is deleted pursuant to this paragraph (other than information that is reinserted in accordance with subparagraph (B)(i)).

"(D) FREE CONSUMER REPORT DURING 12-MONTH PERIOD AFTER DELETION OF INFORMATION.—Upon the request of a consumer, a consumer reporting agency shall make all disclosures pursuant to section 609 without charge to that consumer at least once during the 12-month period after the consumer receives a notification under paragraph (6) or paragraph (8) of the deletion of information that is found to be inaccurate or cannot be verified.

"(E) AUTOMATED REINVESTIGATION SYSTEM.—

"(i) IN GENERAL.—Any consumer reporting agency that compiles and maintains files on consumers on a nationwide basis shall implement an automated system through which furnishers of information to that consumer reporting agency may report the results of a reinvestigation that finds incomplete or inaccurate information in a consumer's file to other such consumer reporting agencies.

"(ii) NATIONWIDE CONSUMER REPORTING AGENCIES.—A consumer reporting agency that compiles and maintains files on consumers on a nationwide basis shall report the results of a reinvestigation initiated by a consumer under section 611 that finds in the consumer's file information that is incomplete or inaccurate or information that cannot be verified, to any other consumer reporting agency that compiles and maintains files on consumers on a nationwide basis and—

"(I) to which a consumer report on the consumer was provided within the preceding 2-year period for purposes of resale by that other agency; or

"(II) to which a consumer report on the consumer was provided within the preceding 7-year period for purposes of merging that report to that other agency's proprietary files.

"(iii) ACTION REQUIRED UPON RECEIPT OF REPORT.—If a consumer reporting agency receives a report under clause (ii), the agency shall—

"(I) change the data in its files in accordance with the report;

"(II) delete data from its proprietary files in accordance with the report; or

"(III) reinvestigate the disputed data that is the subject of the report in accordance with section 611, with the source of that data.

"(6) Notice of results of reinvestigation.—

"(A) IN GENERAL.—A consumer reporting agency shall provide written notice to a consumer of the results of a reinvestigation under this subsection within 5 business days after the completion of the reinvestigation, by mail or, if authorized by the consumer for that purpose, by other means available to the agency.

"(B) CONTENTS.—As part of or in addition to the notice under subparagraph (A), a consumer reporting agency shall provide to a consumer in writing within the 5-day period referred to in subparagraph (A)—

"(i) a statement that the reinvestigation is completed;

"(ii) a consumer report that is based upon the consumer's file as that file is revised as a result of the reinvestigation;

"(iii) a description or indication of any changes made in the consumer report as a result of those revisions to the consumer's file;

"(iv) a notice that, if requested by the consumer, a description of the procedure used to determine the accuracy and completeness of the information shall be provided to the consumer by the agency, including the name, business address, and telephone number of any furnisher of information contacted in connection with such information;

"(v) a notice that the consumer has the right to add a statement to the consumer's file disputing the accuracy or completeness of the information; and

"(vi) a notice that the consumer has the right to request under subsection (d) that the consumer reporting agency furnish notifications under that subsection.

"(7) DESCRIPTION OF REINVESTIGATION PROCEDURE.—A consumer reporting agency shall provide to a consumer a description referred to in paragraph (6)(B)(iv) by not later than 15 days after receiving a request from the consumer for that description.

"(8) EXPEDITED DISPUTE RESOLUTION.—If a dispute regarding an item of information in a consumer's file at a consumer reporting agency is resolved in accordance with paragraph (5)(A) by the deletion of the disputed information by not later than 3 business days after the date on which the agency receives notice of the dispute from the consumer in accordance with paragraph (1)(A), then the agency shall not be required to comply with paragraphs (2), (6), and (7) with respect to that dispute if the agency—

"(A) provides prompt notice of the deletion to the consumer by telephone;

"(B) includes in that notice, or in a written notice that accompanies a confirmation and consumer report provided in accordance with subparagraph (C), a statement of the consumer's right to request under subsection (d) that the agency furnish notifications under that subsection; and

"(C) provides written confirmation of the deletion and a copy of a consumer report on the consumer which is based on the consumer's file after the deletion, within 5 business days after making the deletion.".

(b) CONFORMING AMENDMENT.—Subsection (d) of section 611 of the Fair Credit Reporting Act (15 U.S.C. 1681i(d)) is amended by striking "The consumer reporting agency shall clearly" and all that follows through the end of the subsection.

SEC. 110. AMENDMENT RELATING TO CHARGES FOR DISCLOSURE.

Section 612 of the Fair Credit Reporting Act (15 U.S.C. 1681j) is amended to read as follows:

"§ 612. Charges for certain disclosures

"(a) REASONABLE CHARGES ALLOWED FOR CERTAIN DISCLOSURES.—Except as provided in subsections (b), (c), (d), and (e), a consumer reporting agency may impose a reasonable charge on a consumer—

"(1) for making a disclosure to the consumer pursuant to section 609, which—

"(A) shall not exceed $8; and

"(B) shall be indicated to the consumer prior to making disclosure; and

"(2) for furnishing pursuant to section 611(d), following a reinvestigation under section 611(a), a statement, codification, or summary to a person designated by the consumer under that section after the 30-day period beginning on the date of notification of the consumer under section 611(a)(6) or (8) with respect to the reinvestigation, which—

"(A) shall not exceed the charge that the agency would impose on each designated recipient for a consumer report; and

"(B) shall be indicated to the consumer prior to furnishing such information.

"(b) FREE CONSUMER REPORT AFTER ADVERSE NOTICE TO CONSUMER.—Each consumer reporting agency that maintains a file on a consumer shall make all disclosures pursuant to section 609 without charge to the consumer if, within 60 days after receipt by such consumer of a notification pursuant to section 615 or of a notification from a debt collection agency affiliated with that consumer reporting agency stating that the consumer's credit rating may be or has been adversely affected, the consumer makes a request under section 609.

"(c) FREE CONSUMER REPORT UNDER CERTAIN OTHER CIRCUMSTANCES.—Upon the request of the consumer, a consumer reporting agency shall make all disclosures pursuant to section 609 without charge to that consumer if the consumer certifies in writing that the consumer—

"(1) is unemployed and intends to apply for employment in the 60-day period beginning on the date the certification is made;

"(2) is a recipient of public welfare assistance; or

"(3) has reason to believe that the file on the consumer at the agency contains inaccurate information due to fraud.

"(d) OTHER CHARGES PROHIBITED.—A consumer reporting agency shall not impose any charge on a consumer for providing any notification required by this Act or making any disclosure required by this Act, except as authorized by subsection (a).

"(e) ANNUAL CONSUMER REPORT UPON REQUEST AT SPECIFIED CHARGE.—

"(1) IN GENERAL.—Upon the written request of a consumer, a consumer reporting agency that maintains a file on the consumer shall make all disclosures pursuant to section 609 once in any 12-month period, at the charge specified in paragraph (2).

"(2) CHARGE SPECIFIED.—The charge for disclosures under paragraph (1) shall be an amount that does not exceed the lesser of—

"(A) the total cost incurred by the consumer reporting agency in making the disclosures; or

"(B) $3.".

SEC. 111. AMENDMENTS RELATING TO DUTIES OF USERS OF CONSUMER REPORTS AND DUTIES OF AFFILIATES SHARING CERTAIN INFORMATION.

(a) DUTIES OF USERS TAKING ADVERSE ACTIONS.—Section 615(a) of the Fair Credit Reporting Act (15 U.S.C. 1681m(a)) is amended to read as follows:

"(a) DUTIES OF USERS TAKING ADVERSE ACTIONS ON THE BASIS OF INFORMATION CONTAINED IN CONSUMER REPORTS.—If any person

takes any adverse action with respect to any consumer which is based in whole or in part on any information contained in a consumer report, the person shall—

"(1) provide written notice of the adverse action to the consumer;

"(2) provide to the consumer in writing—

"(A) the name, address, and telephone number of the consumer reporting agency (including a toll-free telephone number established by the agency if the agency compiles and maintains files on consumers on a nationwide basis) which furnished the report to the person; and

"(B) a statement that the consumer reporting agency did not make the decision to take the adverse action and is unable to provide the consumer the specific reasons why the adverse action was taken; and

"(3) provide to the consumer a written notice of the consumer's right—

"(A) to obtain, under section 612, a free copy of a consumer report on the consumer from the consumer reporting agency referred to in paragraph (2), which notice shall include an indication of the 60-day period under that section for obtaining such a copy; and

"(B) to dispute, under section 611, with a consumer reporting agency the accuracy or completeness of any information in a consumer report furnished by the agency.".

(b) DUTIES OF USERS WHO MAKE CERTAIN CREDIT SOLICITATIONS.—Section 615 of the Fair Credit Reporting Act (15 U.S.C. 1681m) is amended by adding at the end the following new subsection:

"(d) DUTIES OF USERS WHO MAKE WRITTEN CREDIT SOLICITATIONS ON THE BASIS OF INFORMATION CONTAINED IN CONSUMER FILES.—

"(1) IN GENERAL.—Any person who uses a consumer report on any consumer in connection with any credit transaction which is not initiated by the consumer and which consists of a firm offer of credit shall provide with any written solicitation made to the consumer regarding the transaction a clear and conspicuous statement that—

"(A) information contained in the consumer's consumer report was used in connection with the transaction;

"(B) the consumer received the offer of credit because the consumer satisfied the criteria for creditworthiness under which the consumer was selected for the offer;

"(C) if applicable, the credit may not be extended if, after the consumer responds to the offer, the consumer does not meet the criteria used to select the consumer for the offer or any applicable criteria bearing on creditworthiness or does not furnish any required collateral;

"(D) the consumer has a right to prohibit information contained in the consumer's file with any consumer reporting agency from being used in connection with any credit transaction which is not initiated by the consumer; and

"(E) the consumer may exercise the right referred to in subparagraph (D) by notifying a notification system established under section 604(d).

"(2) DISCLOSURE OF ADDRESS AND TELEPHONE NUMBER.—A statement under paragraph (1) shall include the address and toll-free telephone number of the appropriate notification system established under section 604(d).

"(3) MAINTAINING CRITERIA ON FILE.—A person who makes an offer of credit to a consumer under a credit transaction described in paragraph (1) shall maintain on file the criteria used to select the consumer to receive the offer, all criteria bearing on creditworthiness that are the basis for determining whether or not to extend credit pursuant to the offer, and any requirement for the furnishing of collateral as a condition of the extension of credit, until the end of the 3-year period beginning on the date on which the offer is made to the consumer.

"(4) LIMITATION ON APPLICATION.—Paragraph (1) does not apply to the use of a consumer report by a person if—

"(A) the person is affiliated by common ownership or by common corporate control with the person who procured the report;

"(B) the person who procured the report clearly and conspicuously disclosed to the consumer to whom the report relates, before the report is provided to the person using the report, that the report might be provided to and used by other persons who are affiliated in the manner described in subparagraph (A) to the person who procured the report; and

"(C) the provision and use of the report is—

"(i) consented to by the consumer in writing, or

"(ii) with respect to existing customers, the consumer has been afforded the opportunity to direct in writing that the report may not be provided to or used by persons who are affiliated in the manner described in subparagraph (A) and has not done so.

"(5) AUTHORITY OF FEDERAL AGENCIES REGARDING UNFAIR OR DECEPTIVE ACTS OR PRACTICES NOT AFFECTED.—This title is not intended to affect the authority of any Federal agency to enforce a prohibition against unfair or deceptive acts or practices, including the making of false or misleading statements in connection with credit transactions not initiated by the consumer.".

(c) DUTIES OF PERSON TAKING CERTAIN ACTIONS BASED ON INFORMATION PROVIDED BY AFFILIATE.—Section 615 of the Fair Credit Reporting Act (15 U.S.C. 1681m) is further amended by adding after subsection (d), as added by subsection (b) of this section, the following new subsection:

"(e) DUTIES OF PERSON TAKING CERTAIN ACTIONS BASED ON INFORMATION PROVIDED BY AFFILIATE.—

"(1) DUTIES, GENERALLY.—If a person takes an action described in paragraph (2) with respect to a consumer based in whole or in part on information described in paragraph (3), the person shall—

"(A) notify the consumer in writing of the action, including a statement that the consumer may obtain the information in accordance with subparagraph (B) and may contact the toll-free telephone number required by subparagraph (C);

"(B) upon a written request from the consumer received within 60 days after transmittal of the notice required by subparagraph (A), disclose to the consumer in writing the nature of the information upon which the action is based by not later than 30 days after receipt of the request; and

"(C) make available a toll-free telephone number at which personnel are available to communicate with the consumer regarding the action during normal business hours.

"(2) ACTION DESCRIBED.—An action referred to in paragraph (1) is—

"(A) an adverse action described in section 603(k)(1)(A) taken in connection with a transaction initiated by the consumer, or any adverse action described in section 603(k)(1) (B) or (C);

"(B) a denial of any other transaction initiated by the consumer for personal, family, or household purposes; or

"(C) an increase in any charge for a transaction described in subparagraph (B).

"(3) INFORMATION DESCRIBED.—Information referred to in paragraph (1)—

"(A) except as provided in subparagraph (B), is information that—

"(i) is furnished to the person taking the action by a person related by common ownership or affiliated by common corporate control to the person taking the action; and

"(ii) bears on the consumer's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living; and

"(B) does not include—

"(i) information solely as to transactions or experiences between the consumer and the person furnishing the information; or

"(ii) information in a consumer report.".

(d) CONFORMING AMENDMENT.—Section 615(c) of the Fair Credit Reporting Act (15 U.S.C. 1681m(c)) is amended by striking "subsections (a) and (b)" and inserting "this section".

SEC. 112. AMENDMENTS RELATING TO CIVIL LIABILITY.

(a) CIVIL LIABILITY FOR WILLFUL NONCOMPLIANCE, GENERALLY.—Section 616 of the Fair Credit Reporting Act (15 U.S.C. 1681n) is amended by striking "Any consumer reporting agency or user of information which" and inserting "(a) IN GENERAL.—Any person who".

(b) MINIMUM CIVIL LIABILITY FOR WILLFUL NONCOMPLIANCE.—Section 616(1) of the Fair Credit Reporting Act (15 U.S.C. 1681n(1)) is amended to read as follows:

"(1)(A) any actual damages sustained by the consumer as a result of the failure or damages of no less than $100 and no more than $1,000; or

"(B) in the case of liability of a natural person for obtaining a consumer report under false pretenses or knowingly without a permissible purpose, actual damages sustained by the consumer as a result of the failure or $1,000, whichever is greater;".

(c) CIVIL LIABILITY FOR NEGLIGENT NONCOMPLIANCE.—Section 617 of the Fair Credit Reporting Act (15 U.S.C. 1681o) is amended by striking "Any consumer reporting agency or user of information which" and inserting "(a) IN GENERAL.—Any person who".

(d) ATTORNEY'S FEES.—

(1) WILLFUL NONCOMPLIANCE.—Section 616 of the Fair Credit Reporting Act (15 U.S.C. 1681n) is amended by adding at the end the following:

"(b) ATTORNEY'S FEES.—On a finding by the court that an unsuccessful pleading, motion, or other paper filed in connection with an action under this section was filed in bad faith or for purposes of harassment, the court shall award to the prevailing party attorney's fees reasonable in relation to the work expended in responding to the pleading, motion, or other paper.".

(2) NEGLIGENT NONCOMPLIANCE.—Section 617 of the Fair Credit Reporting Act (15 U.S.C. 1681o) is amended by adding at the end the following:

"(b) ATTORNEY'S FEES.—On a finding by the court that an unsuccessful pleading, motion, or other paper filed in connection with an action under this section was filed in bad faith or for purposes of harassment, the court shall award to the prevailing party attorney's fees reasonable in relation to the work expended in responding to the pleading, motion, or other paper.".

SEC. 113. AMENDMENTS RELATING TO RESPONSIBILITIES OF PERSONS WHO FURNISH INFORMATION TO CONSUMER REPORTING AGENCIES.

(a) IN GENERAL.—The Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended by

redesignating section 623 as section 624 and inserting after section 622 the following new section:

"§ 623. Responsibilities of furnishers of information to consumer reporting agencies

"(a) DUTY OF FURNISHERS OF INFORMATION TO PROVIDE COMPLETE AND ACCURATE INFORMATION.—

"(1) PROHIBITIONS.—A person shall not furnish any information to any consumer reporting agency if the person knows or should have known the information is incomplete or inaccurate.

"(2) DUTY TO CORRECT AND UPDATE INFORMATION.—A person who—

"(A) regularly and in the ordinary course of business furnishes information to one or more consumer reporting agencies about the person's transactions or experiences with any consumer; and

"(B) has furnished to a consumer reporting agency information that the person determines is not complete or accurate;

shall promptly notify the consumer reporting agency of that determination and provide to the agency any corrections to that information, or any additional information, that is necessary to make the information provided by the person to the agency complete and accurate, and shall not thereafter furnish to the agency any of the information that remains not complete or accurate.

"(3) DUTY TO PROVIDE NOTICE OF DISPUTE.—If the completeness or accuracy of any information furnished by any person to any consumer reporting agency is disputed to such person by a consumer, the person may not furnish the information to any consumer reporting agency without notice that such information is disputed by the consumer.

"(4) DUTY TO PROVIDE NOTICE OF CLOSED ACCOUNTS.—A person who regularly and in the ordinary course of business furnishes information to a consumer reporting agency regarding a consumer who has a credit account with that person shall notify the agency of the voluntary closure of the account by the consumer, in information regularly furnished for the period in which the account is closed.

"(5) DUTY TO PROVIDE NOTICE OF DELINQUENCY OF ACCOUNTS.—A person who furnishes information to a consumer reporting agency regarding a delinquent account being placed for collection, charged to profit or loss, or subjected to any similar action shall, by not later than 90 days after furnishing the information, notify the agency of the month and year of the commencement of the delinquency which immediately preceded the action.

"(b) DUTIES OF FURNISHERS OF INFORMATION UPON NOTICE OF DISPUTE.—

"(1) IN GENERAL.—After receiving notice pursuant to section 611(a)(2) of a dispute with regard to the completeness or accuracy of any information provided by a person to a consumer reporting agency, the person shall—

"(A) complete an investigation with respect to the disputed information;

"(B) review all relevant information provided by the consumer reporting agency pursuant to section 611(a)(2);

"(C) report the results of the investigation to the consumer reporting agency; and

"(D) if the investigation finds that the information is incomplete or inaccurate, report those results to all other consumer reporting agencies to which the person furnished the information and that compile and maintain files on consumers on a nationwide basis.

"(2) DEADLINE.—A person shall complete all investigations, reviews, and reports required under paragraph (1) regarding information provided by the person to a consumer reporting agency, before the end of the period under section 611(a)(1) within which the consumer reporting agency is required to complete actions required by that section regarding that information.

"(c) LIMITATION ON LIABILITY.—Sections 616 and 617 do not apply to any failure to comply with subsection (a), except as provided in section 621(c)(1)(B).

"(d) LIMITATION ON ENFORCEMENT.—Subsection (a) may be enforced exclusively under section 621 by the Federal agencies and officials and the State officials identified in that section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of the Fair Credit Reporting Act (15 U.S.C. 1681a et seq.) is amended by striking the item relating to section 623 and inserting the following:

"623. Responsibilities of furnishers of information to consumer reporting agencies.
"624. Relation to State laws.".

SEC. 114. INVESTIGATIVE CONSUMER REPORTS.

Section 606 of the Fair Credit Reporting Act (15 U.S.C. 1681d) is amended—

(1) in subsection (a)(1) by striking "or" after the semicolon at the end and inserting "and";

(2) by striking subsection (a)(2) and inserting the following:

"(2) the person certifies or has certified to the consumer reporting agency that—

"(A) the person has made the disclosures to the consumer required by paragraph (1); and

"(B) the person will comply with subsection (b).";

(3) in subsection (b) by striking "shall" the second place it appears; and

(4) by adding at the end the following:

"(d) PROHIBITIONS.—

"(1) CERTIFICATION.—A consumer reporting agency shall not prepare or furnish an investigative consumer report unless the agency has received a certification under subsection (a)(2) from the person who requested the report.

"(2) INQUIRIES.—A consumer reporting agency shall not make an inquiry for the purpose of preparing an investigative consumer report on a consumer for employment purposes if the making of the inquiry by an employer or prospective employer of the consumer would violate any applicable Federal or State equal employment opportunity law or regulation.

"(3) CERTAIN PUBLIC RECORD INFORMATION.—Except as otherwise provided in section 613, a consumer reporting agency shall not furnish an investigative consumer report which includes information which is a matter of public record and which relates to an arrest, indictment, conviction, civil judicial action, tax lien, or outstanding judgment, unless the agency has verified the accuracy of the information within the 30-day period ending on the date the report is furnished.

"(4) CERTAIN ADVERSE INFORMATION.—A consumer reporting agency shall not prepare or furnish an investigative consumer report on a consumer that contains information that is adverse to the interest of the consumer and that is obtained through a personal interview with a neighbor, friend, or associate of the consumer or with another person with whom the consumer is acquainted or who has knowledge of such item of information, unless—

"(A) the agency has followed reasonable procedures to obtain confirmation of the information, from an additional source that has independent and direct knowledge of the information; or

"(B) the person interviewed is the best possible source of the information.".

SEC. 115. INCREASED CRIMINAL PENALTIES FOR OBTAINING INFORMATION UNDER FALSE PRETENSES.

(a) OBTAINING INFORMATION UNDER FALSE PRETENSES.—Section 619 of the Fair Credit Reporting Act (15 U.S.C. 1681q) is amended by striking "fined not more than $5,000 or imprisoned not more than one year, or both" and inserting "fined under title 18, United States Code, imprisoned for not more than 2 years, or both".

(b) UNAUTHORIZED DISCLOSURES BY OFFICERS OR EMPLOYEES.—Section 620 of the Fair Credit Reporting Act (15 U.S.C. 1681r) is amended by striking "fined not more than $5,000 or imprisoned not more than one year, or both" and inserting "fined under title 18, United States Code, imprisoned for not more than 2 years, or both".

SEC. 116. ADMINISTRATIVE ENFORCEMENT.

(a) AVAILABLE ENFORCEMENT POWERS.—Section 621(a) of the Fair Credit Reporting Act (15 U.S.C. 1681s(a))—

(1) is amended in the second sentence by striking "Act and shall be subject to enforcement by the Federal Trade Commission under section 5(b) thereof with respect to any consumer reporting agency or person subject to enforcement by the Federal Trade Commission pursuant to this subsection, irrespective" and inserting "Act. All functions and powers of the Federal Trade Commission under the Federal Trade Commission Act shall be available to the Commission to enforce compliance with this title by any person subject to enforcement by the Federal Trade Commission pursuant to this subsection and not subject to enforcement pursuant to section 8 of the Federal Deposit Insurance Act, irrespective";

(2) as amended by paragraph (1), is further amended by inserting before the 3rd period the following: ", including the power to enforce the provisions of this title in the same manner as if the violation had been a violation of any Federal Trade Commission trade regulation rule"; and

(3) as amended by paragraph (1), is further amended by adding after the 3rd period the following: "Notwithstanding the preceding sentence, a court may not impose any civil penalty on a person for a violation of section 623(a)(1) unless the person has been enjoined from committing the violation, or ordered not to commit the violation, in an action or proceeding brought by or on behalf of the Federal Trade Commission and has violated the injunction or order, and the court may not impose any civil penalty for any violation occurring before the date of the violation of the injunction or order.".

(B) AGENCIES RESPONSIBLE FOR ENFORCEMENT.—Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended—

(1) in subsection (a), by inserting "ENFORCEMENT BY FEDERAL TRADE COMMISSION.—" before "Compliance with the requirements"; and

(2) in subsection (b), by striking the matter preceding paragraph (1) and inserting the following:

"(b) ENFORCEMENT BY OTHER AGENCIES.—Compliance with the requirements imposed under this title with respect to consumer reporting agencies, persons who use consumer reports from such agencies, persons who furnish information to such agencies, and users of information who are subject to section 615(e) shall be enforced under—".

SEC. 117. STATE ENFORCEMENT OF FAIR CREDIT REPORTING ACT.

Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

"(c) STATE ACTION FOR VIOLATIONS.—

"(1) AUTHORITY OF STATES.—In addition to such other remedies as are provided under State law, whenever the chief law enforcement officer of a State, or an official or agency designated by a State, has reason to believe that any person has violated or is violating this title, the State—

"(A) may bring an action to enjoin such violation in any appropriate United States district court or in any other court of competent jurisdiction;

"(B) subject to paragraph (5), may bring an action on behalf of its residents to recover—

"(i) damages for which the person is liable to such residents under sections 616 and 617 as a result of the violation;

"(ii) in the case of a violation of section 623(a), damages for which the person would, but for section 623(c), be liable to such residents as a result of the violation; or

"(iii) damages of not more than $1,000 for each willful or negligent violation; and

"(C) in the case of any successful action under subparagraph (A) or (B), shall be awarded the costs of the action and reasonable attorney fees as determined by the court.

"(2) RIGHTS OF FEDERAL REGULATORS.—The State shall serve prior written notice of any such action upon the Federal Trade Commission or the appropriate Federal regulator determined under subsection (b) and provide the Commission or appropriate Federal regulator with a copy of its complaint, except in any case where such prior notice is not feasible, in which case the State shall serve such notice immediately upon instituting such action. The Federal Trade Commission or appropriate Federal regulator shall have the right (A) to intervene in the action, (B) upon so intervening, to be heard on all matters arising therein, (C) to remove the action to the appropriate United States district court, and (D) to file petitions for appeal.

"(3) INVESTIGATORY POWERS.—For purposes of bringing any action under this subsection, nothing in this subsection shall prevent the chief law enforcement officer, or an official or agency designated by a State, from exercising the powers conferred on the chief law enforcement officer or such official by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

"(4) LIMITATION ON STATE ACTION WHILE FEDERAL ACTION PENDING.—Whenever the Federal Trade Commission or the appropriate Federal regulator has instituted a civil action or an administrative action under section 8 of the Federal Deposit Insurance Act for a violation of this title, no State may, during the pendency of such action, bring an action under this section against any defendant named in the complaint of the Commission or the appropriate Federal regulator for any violation of this title that is alleged in that complaint.

"(5) LIMITATIONS ON STATE ACTIONS FOR VIOLATION OF SECTION 621(a)(1).—

"(A) VIOLATION OF INJUNCTION REQUIRED.—A State may not bring an action against a person under paragraph (1)(B) for a violation of section 623(a)(1), unless—

"(i) the person has been enjoined from committing the violation, in an action brought by the State under paragraph (1)(A); and

"(ii) the person has violated the injunction.

"(B) LIMITATION ON DAMAGES RECOVERABLE.—In an action against a person under paragraph (1)(B) for a violation of section 623(a)(1), a State may not recover any damages incurred before the date of the violation of an injunction on which the action is based.".

SEC. 118. FEDERAL RESERVE BOARD AUTHORITY.

Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s), is further amended by adding after subsection (d) (as redesignated by section 117) the following new subsection:

"(e) INTERPRETIVE AUTHORITY.—The Board of Governors of the Federal Reserve System may issue interpretations of any provision of this title as it may apply to any persons identified under paragraph (1), (2), and (3) of subsection (b), or to the holding companies and affiliates of such persons, in consultation with Federal agencies identified in paragraphs (1), (2), and (3) of subsection (b).".

SEC. 119. PREEMPTION OF STATE LAW.

Section 624 of the Fair Credit Reporting Act, as redesignated by section 113(a) of this Act, is further amended—

(1) by striking "This title" and inserting "(a) IN GENERAL.—Except as provided in subsections (b) and (c), this title"; and

(2) by adding at the end the following:

"(b) GENERAL EXCEPTIONS.—No requirement or prohibition may be imposed under the laws of any State—

"(1) with respect to any subject matter regulated under—

"(A) subsection (c) or (d) of section 604, relating to the prescreening of consumer reports;

"(B) section 611, relating to the time by which a consumer reporting agency must take any action, including the provision of notification to a consumer or other person, in any procedure related to the disputed accuracy of information in a consumer's file, except that this subparagraph does not apply to any State law in effect on the date of the enactment of the Consumer Reporting Reform Act of 1994;

"(C) section 615(a), relating to the duties of a person who takes any adverse action with respect to a consumer on the basis of information contained in a consumer report;

"(D) section 615(d), relating to the duties of persons who use a consumer report of a consumer in connection with any credit transaction which is not initiated by the consumer and which consists of a firm offer of credit;

"(E) section 605, relating to obsolete information, except that this subparagraph does not apply to any State law in effect on the date of the enactment of the Consumer Reporting Reform Act of 1994; or

"(F) section 623(b)(2), relating to the time by which a person must take any action required under section 623(b)(1) with respect to an investigation of information furnished by the person to a consumer reporting agency, except that this subparagraph does not apply to any State law in effect on the date of the enactment of the Consumer Reporting Reform Act of 1994;

"(2) with respect to the exchange of information among persons affiliated by common ownership or common corporate control, except that this paragraph does not apply to section 2480e (a) and (c)(1) of title 9, Vermont Statutes Annotated (as in effect on the date of the enactment of the Consumer Reporting Reform Act of 1994); or

"(3) with respect to the form and content of any disclosure required to be made under section 609(c).

"(c) DEFINITION OF FIRM OFFER OF CREDIT.—Notwithstanding any definition of the term 'firm offer of credit' (or any equivalent term) under the laws of any State, the definition of that term contained in section 603(l) shall be construed to apply in the enforcement and interpretation of the laws of any State governing consumer reports.

"(d) LIMITATIONS.—Subsections (b) and (c)—

"(1) do not affect any settlement, agreement, or consent judgment between any State Attorney General and any consumer reporting agency in effect on the date of the enactment of the Consumer Reporting Reform Act of 1994; and

"(2) do not apply to any provision of State law (including any provision of a State constitution) that—

"(A) is enacted after January 1, 2003;

"(B) states explicitly that the provision is intended to supplement this Act; and

"(C) gives greater protection to consumers than is provided under this Act.".

SEC. 120. ACTION BY FTC.

(a) MODIFICATION OF REQUIREMENTS BY FTC AUTHORIZED.—

(1) IN GENERAL.—Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s), is further amended by adding after subsection (e) (as added by section 118 of this Act) the following:

"(f) MODIFICATION OF REQUIREMENTS BY FTC AUTHORIZED.—If it considers such action necessary for the protection of consumers, the Federal Trade Commission may, after consultation with each Federal agency referred to in section 621(b) and with appropriate State regulatory and law enforcement agencies, promulgate regulations in accordance with section 553 of title 5, United States Code, to impose requirements—

"(1) that are more stringent than those imposed under—

"(A) section 611, relating to the time by which a consumer reporting agency must take any action, including the provision of notification to a consumer or other person, in any procedure related to the disputed accuracy of information in a consumer's file;

"(B) section 615(a), relating to the duties of a person who takes any adverse action with respect to a consumer on the basis of information contained in a consumer report;

"(C) section 615(d), relating to the duties of persons who use a consumer report on a consumer in connection with any credit transaction which is not initiated by the consumer and that consists of a firm offer of credit; or

"(D) section 623(b)(2), relating to the time by which a person must take any action required under section 623(b)(1) with respect to an investigation of information furnished by the person to a consumer reporting agency; and

"(2) with respect to the form and content of any disclosure required to be made under section 609(c).".

(2) CLERICAL AMENDMENTS.—

(A) The heading for section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended to read as follows:

"§ 621. Administrative enforcement and authorities; State actions".

(B) The table of contents at the beginning of the Fair Credit Reporting Act is amended by striking the item relating to section 621 and inserting the following:

"621. Administrative enforcement and authorities; State actions.".

(b) DEADLINE TO PRESCRIBE MATTERS.—The Federal Trade Commission shall prescribe all matters required by this title (including the amendments made by this title) to be prescribed by that Commission, before the end of the 300-day period beginning on the date of the enactment of this Act.

SEC. 121. AMENDMENT TO FAIR DEBT COLLECTION PRACTICES ACT.

Section 807(11) of the Fair Debt Collection Practices Act (15 U.S.C. 1692e), relating to certain practices constituting prohibited representations, is amended to read as follows:

"(11) The failure to disclose clearly, in any written communication made to collect a debt or to obtain information about a consumer, that the debt collector is attempting to collect a debt and that any information obtained will be used for that purpose, except that this paragraph does not apply to a communication—

"(A) to acquire location information in accordance with section 804;

"(B) made solely to acknowledge receipt of monies or payments; or

"(C) that consists solely of information requested by the consumer or the consumer's attorney.".

SEC. 122. FURNISHING CONSUMER REPORTS FOR CERTAIN PURPOSES RELATING TO CHILD SUPPORT.

Section 604(a) of the Fair Credit Reporting Act (15 U.S.C. 1681b) is amended in subsection (a) (as designated by section 103(a)(1) of this Act) by adding at the end the following:

"(4) In response to a request by the head of a department, agency, or office of any State or any political subdivision of any State that is responsible under law for enforcing child support orders (or an official authorized by the head of any such department, agency, or office), if the person making the request certifies to the consumer reporting agency that—

"(A) the consumer report is needed to establish an individual's capacity to make child support payments, or to determine the appropriate level of such payments;

"(B) the person has provided at least 10 days prior written notice to the consumer whose report is requested, by certified or registered mail to the last known address of the consumer, that the report will be requested; and

"(C) the consumer report obtained pursuant to this paragraph will be kept confidential, will be used solely for establishing child support payment obligations, and will not be used in connection with any other civil, administrative, or criminal proceeding or for any other purpose.".

SEC. 123. DISCLOSURE OF INFORMATION AND CONSUMER REPORTS TO FBI FOR COUNTERINTELLIGENCE PURPOSES.

(a) IN GENERAL.—The Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended by adding after section 624, as redesignated by section 113(a) of this Act, the following new section:

"§ 625. Disclosures to FBI for counterintelligence purposes

"(a) IDENTITY OF FINANCIAL INSTITUTIONS.—Notwithstanding section 604 or any other provision of this title, a consumer reporting agency shall furnish to the Federal Bureau of Investigation the names and addresses of all financial institutions (as that term is defined in section 1101 of the Right to Financial Privacy Act of 1978) at which a consumer maintains or has maintained an account, to the extent that information is in the files of the agency, when presented with a written request for that information, signed by the Director of the Federal Bureau of Investigation, or the Director's designee, which certifies compliance with this section. The Director or the Director's designee may make such a certification only if the Director or the Director's designee has determined in writing that—

"(1) such information is necessary for the conduct of an authorized foreign counterintelligence investigation; and

"(2) there are specific and articulable facts giving reason to believe that the consumer—

"(A) is a foreign power (as defined in section 101 of the Foreign Intelligence Surveillance Act of 1978) or a person who is not a United States person (as defined in such section 101) and is an official of a foreign power; or

"(B) is an agent of a foreign power and is engaging or has engaged in international terrorism (as that term is defined in section 101(c) of the Foreign Intelligence Surveillance Act of 1978) or clandestine intelligence activities that involve or may involve a violation of criminal statutes of the United States.

"(b) IDENTIFYING INFORMATION.—Notwithstanding the provisions of section 604 or any other provision of this title, a consumer reporting agency shall furnish identifying information respecting a consumer, limited to name, address, former addresses, places of employment, or former places of employment, to the Federal Bureau of Investigation when presented with a written request, signed by the Director or the Director's designee, which certifies compliance with this subsection. The Director or the Director's designee may make such a certification only if the Director or the Director's designee has determined in writing that—

"(A) such information is necessary to the conduct of an authorized counterintelligence investigation; and

"(B) there is information giving reason to believe that the consumer has been, or is about to be, in contact with a foreign power or an agent of a foreign power (as defined in section 101 of the Foreign Intelligence Surveillance Act of 1978).

"(c) COURT ORDER FOR DISCLOSURE OF CONSUMER REPORTS.—Notwithstanding section 604 or any other provision of this title, if requested in writing by the Director of the Federal Bureau of Investigation, or a designee of the Director, a court may issue an order ex parte directing a consumer reporting agency to furnish a consumer report to the Federal Bureau of Investigation, upon a showing in camera that—

"(1) the consumer report is necessary for the conduct of an authorized foreign counterintelligence investigation; and

"(2) there are specific and articulable facts giving reason to believe that the consumer whose consumer report is sought—

"(A) is an agent of a foreign power; and

"(B) is engaging or has engaged in international terrorism (as that term is defined in section 101(c) of the Foreign Intelligence Surveillance Act of 1978) or clandestine intelligence activities that involve or may involve a violation of criminal statutes of the United States.

The terms of an order issued under this subsection shall not disclose that the order is issued for purposes of a counterintelligence investigation.

"(d) CONFIDENTIALITY.—No consumer reporting agency or officer, employee, or agent of a consumer reporting agency shall disclose to any person, other than those officers, employees, or agents of a consumer reporting agency necessary to fulfill the requirement to disclose information to the Federal Bureau of Investigation under this section, that the Federal Bureau of Investigation has sought or obtained the identity of financial institutions or a consumer report respecting any consumer under subsection (a), (b), or (c) and no consumer reporting agency or officer, employee, or agent of a consumer reporting agency shall include in any consumer report any information that would indicate that the Federal Bureau of Investigation has sought or obtained such information or a consumer report.

"(e) PAYMENT OF FEES.—The Federal Bureau of Investigation shall, subject to the availability of appropriations, pay to the consumer reporting agency assembling or providing reports or information in accordance with procedures established under this section, a fee for reimbursement for such costs as are reasonably necessary and which have been directly incurred in searching, reproducing, or transporting books, papers, records, or other data required or requested to be produced under this section.

"(f) LIMIT ON DISSEMINATION.—The Federal Bureau of Investigation may not disseminate information obtained pursuant to this section outside of the Federal Bureau of Investigation, except to the Department of Justice as may be necessary for the approval or conduct of a foreign counterintelligence investigation, or, where the information concerns a person subject to the Uniform Code of Military Justice, to appropriate investigative authorities within the military department concerned as may be necessary for the conduct of a joint foreign counterintelligence investigation.

"(g) RULES OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit information from being furnished by the Federal Bureau of Investigation pursuant to a subpoena or court order, or in connection with a judicial or administrative proceeding to enforce the provisions of this Act. Nothing in this section shall be construed to authorize or permit the withholding of information from the Congress.

"(h) REPORTS TO CONGRESS.—On a semiannual basis, the Attorney General of the United States shall fully inform the Permanent Select Committee on Intelligence and the Committee on Banking, Finance and Urban Affairs of the House of Representatives, and the Select Committee on Intelligence and the Committee on Banking, Housing, and Urban Affairs of the Senate concerning all requests made pursuant to subsections (a), (b), and (c).

"(i) DAMAGES.—Any agency or department of the United States obtaining or disclosing any consumer reports, records, or information contained therein in violation of this section is liable to the consumer to whom such consumer reports, records, or information relate in an amount equal to the sum of—

"(1) $100, without regard to the volume of consumer reports, records, or information involved;

"(2) any actual damages sustained by the consumer as a result of the disclosure;

"(3) if the violation is found to have been willful or intentional, such punitive damages as a court may allow; and

"(4) in the case of any successful action to enforce liability under this subsection, the costs of the action, together with reasonable attorney fees, as determined by the court.

"(j) DISCIPLINARY ACTIONS FOR VIOLATIONS.—If a court determines that any agency or department of the United States has

violated any provision of this section and the court finds that the circumstances surrounding the violation raise questions of whether or not an officer or employee of the agency or department acted willfully or intentionally with respect to the violation, the agency or department shall promptly initiate a proceeding to determine whether or not disciplinary action is warranted against the officer or employee who was responsible for the violation.

"(k) GOOD-FAITH EXCEPTION.—Notwithstanding any other provision of this title, any consumer reporting agency or agent or employee thereof making disclosure of consumer reports or identifying information pursuant to this subsection in good-faith reliance upon a certification of the Federal Bureau of Investigation pursuant to provisions of this section shall not be liable to any person for such disclosure under this title, the constitution of any State, or any law or regulation of any State or any political subdivision of any State.

"(l) LIMITATION OF REMEDIES.—Notwithstanding any other provision of this title, the remedies and sanctions set forth in this section shall be the only judicial remedies and sanctions for violation of this section.

"(m) INJUNCTIVE RELIEF.—In addition to any other remedy contained in this section, injunctive relief shall be available to require compliance with the procedures of this section. In the event of any successful action under this subsection, costs together with reasonable attorney fees, as determined by the court, may be recovered.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of the Fair Credit Reporting Act (15 U.S.C. 1681a et seq.), as amended by section 114(b) of this Act, is further amended by adding after the item relating to section 624 the following:

"625. Disclosures to FBI for counterintelligence purposes.".

(c) REPEAL OF PROVISIONS.—The following provisions of the Fair Credit Reporting Act, as amended by this section, are repealed:

(1) Section 625.

(2) In the table of contents at the beginning of the Fair Credit Reporting Act, the item relating to section 625.

SEC. 124. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments and repeals made by this title shall take effect 365 days after the date of the enactment of this Act.

(b) EXCEPTIONS.—

(1) The amendment made by section 121 shall take effect 90 days after the date of the enactment of this Act.

(2) The amendments made by subsections (a) and (b) of section 123 shall take effect on the date of the enactment of this Act.

(3) Subsection (c) of section 123 shall take effect on the date that is 5 years after the date of the enactment of this Act.

SEC. 125. RELATIONSHIP TO OTHER LAW.

Nothing in this title or the amendments made by this Act shall be considered to supersede or otherwise affect section 2721 of title 18, United States Code, with respect to motor vehicle records for surveys, marketing, or solicitations.

SEC. 126. SENSE OF SENATE.

It is the sense of the Senate that—

(1) individuals should generally be judged for credit worthiness based on their own credit worthiness and not on the zip code or neighborhood in which they live; and

(2) the Federal Trade Commission after consultation with the appropriate Federal banking agencies shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate within 6 months as to whether and how the location of the residence of an applicant for unsecured credit is considered by many companies and financial institutions in deciding whether an applicant should be granted credit.

SEC. 127. TECHNICAL CORRECTION TO DEPOSITORY INSTITUTIONS MANAGEMENT INTERLOCKS ACT.

Section 209(c)(1)(C) of the Depository Institution Management Interlocks Act (12 U.S.C. 3207(c)(1)(C), as added by section 338(b) of the Riegle Community Development and Regulatory Improvement Act of 1994) is amended by inserting "or institutions" after "newly chartered institutions".

TITLE II—CREDIT REPAIR ORGANIZATIONS

SEC. 201. REGULATION OF CREDIT REPAIR ORGANIZATIONS.

Title IV of the Consumer Credit Protection Act is amended to read as follows:

"TITLE IV—CREDIT REPAIR ORGANIZATIONS

"Sec.
"401. Short title.
"402. Findings and purposes.
"403. Definitions.
"404. Prohibited practices.
"405. Disclosures.
"406. Credit repair organizations contracts.
"407. Right to cancel contract.
"408. Noncompliance with this title.
"409. Civil liability.
"410. Administrative enforcement.
"411. Statute of limitations.
"412. Relation to State law.
"413. Effective date.

"SEC. 401. SHORT TITLE.

"This title may be cited as the 'Credit Repair Organizations Act'.

"SEC. 402. FINDINGS AND PURPOSES.

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

"(1) Consumers have a vital interest in establishing and maintaining their creditworthiness and credit standing in order to obtain and use credit. As a result, consumers who have experienced credit problems may seek assistance from credit repair organizations which offer to improve the credit standing of such consumers.

"(2) Certain advertising and business practices of some companies engaged in the business of credit repair services have worked a financial hardship upon consumers, particularly those of limited economic means and who are inexperienced in credit matters.

"(b) PURPOSES.—The purposes of this title are as follows:

"(1) To ensure that prospective buyers of the services of credit repair organizations are provided with the information necessary to make an informed decision regarding the purchase of such services.

"(2) To protect the public from unfair or deceptive advertising and business practices by credit repair organizations.

"SEC. 403. DEFINITIONS.

"For purposes of this title—

"(1) CONSUMER.—The term 'consumer' means an individual.

"(2) CONSUMER CREDIT TRANSACTION.—The term 'consumer credit transaction' means any transaction in which credit is offered or extended to an individual for personal, family, or household purposes.

"(3) CREDIT REPAIR ORGANIZATION.—The term 'credit repair organization'—

"(A) means any person who uses any instrumentality of interstate commerce or the mails to sell, provide, or perform (or represent that such person can or will sell, provide, or perform) any service, in return for the payment of money or other valuable consideration, for the express or implied purpose of—

"(i) improving any consumer's credit record, credit history, or credit rating; or

"(ii) providing advice or assistance to any consumer with regard to any activity or service described in clause (i); and

"(B) does not include—

"(i) any nonprofit organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986;

"(ii) any attorney-at-law who is a member of the bar of the highest court of any State or otherwise licensed under the laws of any State, with respect to services rendered which are within the scope of regulations applicable to members of such bar or such licensees; or

"(iii) any creditor (as defined in section 103 of the Truth in Lending Act), with respect to any consumer, to the extent the creditor is assisting the consumer to restructure any debt owed by the consumer to the creditor.

"(4) CREDIT.—The term 'credit' has the meaning given to such term in section 103(e) of this Act.

"SEC. 404. PROHIBITED PRACTICES.

"(a) IN GENERAL.—No person may—

"(1) make any statement, or counsel or advise any consumer to make any statement, which is untrue or misleading (or which, upon the exercise of reasonable care, should be known by the credit repair organization, officer, employee, agent, or other person to be untrue or misleading) with respect to any consumer's creditworthiness, credit standing, or credit capacity to—

"(A) any consumer reporting agency (as defined in section 603(f) of this Act); or

"(B) any person—

"(i) who has extended credit to the consumer; or

"(ii) to whom the consumer has applied or is applying for an extension of credit;

"(2) make any statement, or counsel or advise any consumer to make any statement, the intended effect of which is to alter the consumer's identification to prevent the display of the consumer's credit record, history, or rating for the purpose of concealing adverse information that is accurate and not obsolete to—

"(A) any consumer reporting agency;

"(B) any person—

"(i) who has extended credit to the consumer; or

"(ii) to whom the consumer has applied or is applying for an extension of credit;

"(3) make or use any untrue or misleading representation of the services of the credit repair organization; or

"(4) engage, directly or indirectly, in any act, practice, or course of business that constitutes or results in the commission of, or an attempt to commit, a fraud or deception on any person in connection with the offer or sale of the services of the credit repair organization.

"(b) PAYMENT IN ADVANCE.—No credit repair organization may charge or receive any money or other valuable consideration for the performance of any service which the credit repair organization has agreed to perform for any consumer before such service is fully performed.

"SEC. 405. DISCLOSURES.

"(a) DISCLOSURE REQUIRED.—Any credit repair organization shall provide any consumer with the following written statement before any contract or agreement between the consumer and the credit repair organization is executed:

"'Consumer Credit File Rights Under State and Federal Law

"'You have a right to dispute inaccurate information in your credit report by contacting the credit bureau directly. However, neither you nor any "credit repair" company or credit repair organization has the right to have accurate, current, and verifiable information removed from your credit report. The credit bureau must remove accurate, negative information from your report only if it is over 7 years old. Bankruptcy information can be reported for 10 years.

"'You have a right to obtain a copy of your credit report from a credit bureau. You may be charged a reasonable fee. There is no fee, however, if you have been turned down for credit, employment, insurance, or a rental dwelling because of information in your credit report within the preceding 60 days. The credit bureau must provide someone to help you interpret the information in your credit file. You are entitled to receive a free copy of your credit report if you are unemployed and intend to apply for employment in the next 60 days, if you are a recipient of public welfare assistance, or if you have reason to believe that there is inaccurate information in your credit report due to fraud.

"'You have a right to sue a credit repair organization that violates the Credit Repair Organization Act. This law prohibits deceptive practices by credit repair organizations.

"'You have the right to cancel your contract with any credit repair organization for any reason within 3 business days from the date you signed it.

"'Credit bureaus are required to follow reasonable procedures to ensure that the information they report is accurate. However, mistakes may occur.

"'You may, on your own, notify a credit bureau in writing that you dispute the accuracy of information in your credit file. The credit bureau must then reinvestigate and modify or remove inaccurate or incomplete information. The credit bureau may not charge any fee for this service. Any pertinent information and copies of all documents you have concerning an error should be given to the credit bureau.

"'If the credit bureau's reinvestigation does not resolve the dispute to your satisfaction, you may send a brief statement to the credit bureau, to be kept in your file, explaining why you think the record is inaccurate. The credit bureau must include a summary of your statement about disputed information with any report it issues about you.

"'The Federal Trade Commission regulates credit bureaus and credit repair organizations. For more information contact:

The Public Reference Branch
Federal Trade Commission
Washington, D.C. 20580'.

"(b) SEPARATE STATEMENT REQUIREMENT.—The written statement required under this section shall be provided as a document which is separate from any written contract or other agreement between the credit repair organization and the consumer or any other written material provided to the consumer.

"(c) RETENTION OF COMPLIANCE RECORDS.—

"(1) IN GENERAL.—The credit repair organization shall maintain a copy of the statement signed by the consumer acknowledging receipt of the statement.

"(2) MAINTENANCE FOR 2 YEARS.—The copy of any consumer's statement shall be maintained in the organization's files for 2 years after the date on which the statement is signed by the consumer.

"SEC. 406. CREDIT REPAIR ORGANIZATIONS CONTRACTS.

"(a) WRITTEN CONTRACTS REQUIRED.—No services may be provided by any credit repair organization for any consumer—

"(1) unless a written and dated contract (for the purchase of such services) which meets the requirements of subsection (b) has been signed by the consumer; or

"(2) before the end of the 3-business-day period beginning on the date the contract is signed.

"(b) TERMS AND CONDITIONS OF CONTRACT.—No contract referred to in subsection (a) meets the requirements of this subsection unless such contract includes the following information (in writing):

"(1) The terms and conditions of payment, including the total amount of all payments to be made by the consumer to the credit repair organization or to any other person.

"(2) A full and detailed description of the services to be performed by the credit repair organization for the consumer, including—

"(A) all guarantees of performance; and

"(B) an estimate of—

"(i) the date by which the performance of the services (to be performed by the credit repair organization or any other person) will be complete; or

"(ii) the length of the period necessary to perform such services.

"(3) The credit repair organization's name and principal business address.

"(4) A conspicuous statement in bold face type, in immediate proximity to the space reserved for the consumer's signature on the contract, which reads as follows: 'You may cancel this contract without penalty or obligation at any time before midnight of the 3rd business day after the date on which you signed the contract. See the attached notice of cancellation form for an explanation of this right.'.

"SEC. 407. RIGHT TO CANCEL CONTRACT.

"(a) IN GENERAL.—Any consumer may cancel any contract with any credit repair organization without penalty or obligation by notifying the credit repair organization of the consumer's intention to do so at any time before midnight of the 3rd business day which begins after the date on which the contract or agreement between the consumer and the credit repair organization is executed or would, but for this subsection, become enforceable against the parties.

"(b) CANCELLATION FORM AND OTHER INFORMATION.—Each contract shall be accompanied by a form, in duplicate, which has the heading 'Notice of Cancellation' and contains in bold face type the following statement:

"'You may cancel this contract, without any penalty or obligation, at any time before midnight of the 3rd day which begins after the date the contract is signed by you.

"'To cancel this contract, mail or deliver a signed, dated copy of this cancellation notice, or any other written notice to [name of credit repair organization] at [address of credit repair organization] before midnight on [date]

"'I hereby cancel this transaction,

[date]

[purchaser's signature].'.

"(c) CONSUMER COPY OF CONTRACT REQUIRED.—Any consumer who enters into any contract with any credit repair organization shall be given, by the organization—

"(1) a copy of the completed contract and the disclosure statement required under section 405; and

"(2) a copy of any other document the credit repair organization requires the consumer to sign,

at the time the contract or the other document is signed.

"SEC. 408. NONCOMPLIANCE WITH THIS TITLE.

"(a) CONSUMER WAIVERS INVALID.—Any waiver by any consumer of any protection provided by or any right of the consumer under this title—

"(1) shall be treated as void; and

"(2) may not be enforced by any Federal or State court or any other person.

"(b) ATTEMPT TO OBTAIN WAIVER.—Any attempt by any person to obtain a waiver from any consumer of any protection provided by or any right of the consumer under this title shall be treated as a violation of this title.

"(c) CONTRACTS NOT IN COMPLIANCE.—Any contract for services which does not comply with the applicable provisions of this title—

"(1) shall be treated as void; and

"(2) may not be enforced by any Federal or State court or any other person.

"SEC. 409. CIVIL LIABILITY.

"(a) LIABILITY ESTABLISHED.—Any person who fails to comply with any provision of this title with respect to any other person shall be liable to such person in an amount equal to the sum of the amounts determined under each of the following paragraphs:

"(1) ACTUAL DAMAGES.—The greater of—

"(A) the amount of any actual damage sustained by such person as a result of such failure; or

"(B) any amount paid by the person to the credit repair organization.

"(2) PUNITIVE DAMAGES.—

"(A) INDIVIDUAL ACTIONS.—In the case of any action by an individual, such additional amount as the court may allow.

"(B) CLASS ACTIONS.—In the case of a class action, the sum of—

"(i) the aggregate of the amount which the court may allow for each named plaintiff; and

"(ii) the aggregate of the amount which the court may allow for each other class member, without regard to any minimum individual recovery.

"(3) ATTORNEYS' FEES.—In the case of any successful action to enforce any liability under paragraph (1) or (2), the costs of the action, together with reasonable attorneys' fees.

"(b) FACTORS TO BE CONSIDERED IN AWARDING PUNITIVE DAMAGES.—In determining the amount of any liability of any credit repair organization under subsection (a)(2), the court shall consider, among other relevant factors—

"(1) the frequency and persistence of noncompliance by the credit repair organization;

"(2) the nature of the noncompliance;

"(3) the extent to which such noncompliance was intentional; and

"(4) in the case of any class action, the number of consumers adversely affected.

"SEC. 410. ADMINISTRATIVE ENFORCEMENT.

"(a) IN GENERAL.—Compliance with the requirements imposed under this title with respect to credit repair organizations shall be enforced under the Federal Trade Commission Act by the Federal Trade Commission.

"(b) VIOLATIONS OF THIS TITLE TREATED AS VIOLATIONS OF FEDERAL TRADE COMMISSION ACT.—

"(1) IN GENERAL.—For the purpose of the exercise by the Federal Trade Commission of the Commission's functions and powers under the Federal Trade Commission Act, any violation of any requirement or prohibition imposed under this title with respect to credit repair organizations shall constitute an unfair or deceptive act or practice in commerce in violation of section 5(a) of the Federal Trade Commission Act.

"(2) ENFORCEMENT AUTHORITY UNDER OTHER LAW.—All functions and powers of the Federal Trade Commission under the Federal Trade Commission Act shall be available to the Commission to enforce compliance with this title by any person subject to enforcement by the Federal Trade Commission pursuant to this subsection, including the power to enforce the provisions of this title in the same manner as if the violation had been a violation of any Federal Trade Commission trade regulation rule, without regard to whether the credit repair organization—

"(A) is engaged in commerce; or

"(B) meets any other jurisdictional tests in the Federal Trade Commission Act.

"(c) STATE ACTION FOR VIOLATIONS.—

"(1) AUTHORITY OF STATES.—In addition to such other remedies as are provided under State law, whenever the chief law enforcement officer of a State, or an official or agency designated by a State, has reason to believe that any person has violated or is violating this title, the State—

"(A) may bring an action to enjoin such violation;

"(B) may bring an action on behalf of its residents to recover damages for which the person is liable to such residents under section 409 as a result of the violation; and

"(C) in the case of any successful action under subparagraph (A) or (B), shall be awarded the costs of the action and reasonable attorney fees as determined by the court.

"(2) RIGHTS OF COMMISSION.—

"(A) NOTICE TO COMMISSION.—The State shall serve prior written notice of any civil action under paragraph (1) upon the Federal Trade Commission and provide the Commission with a copy of its complaint, except in any case where such prior notice is not feasible, in which case the State shall serve such notice immediately upon instituting such action.

"(B) INTERVENTION.—The Commission shall have the right—

"(i) to intervene in any action referred to in subparagraph (A);

"(ii) upon so intervening, to be heard on all matters arising in the action; and

"(iii) to file petitions for appeal.

"(3) INVESTIGATORY POWERS.—For purposes of bringing any action under this subsection, nothing in this subsection shall prevent the chief law enforcement officer, or an official or agency designated by a State, from exercising the powers conferred on the chief law enforcement officer or such official by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

"(4) LIMITATION.—Whenever the Federal Trade Commission has instituted a civil action for violation of this title, no State may, during the pendency of such action, bring an action under this section against any defendant named in the complaint of the Commission for any violation of this title that is alleged in that complaint.

"SEC. 411. STATUTE OF LIMITATIONS.

"Any action to enforce any liability under this title may be brought before the later of—

"(1) the end of the 2-year period beginning on the date of the occurrence of the violation involved; or

"(2) in any case in which any credit repair organization has materially and willfully misrepresented any information which—

"(A) the credit repair organization is required, by any provision of this title, to disclose to any consumer; and

"(B) is material to the establishment of the credit repair organization's liability to the consumer under this title,

the end of the 2-year period beginning on the date of the discovery by the consumer of the misrepresentation.

"SEC. 412. RELATION TO STATE LAW.

"This title shall not annul, alter, affect, or exempt any person subject to the provisions of this title from complying with any law of any State except to the extent that such law is inconsistent with any provision of this title, and then only to the extent of the inconsistency.

"SEC. 413. EFFECTIVE DATE.

"This title shall apply after the end of the 6-month period beginning on the date of the enactment of the Credit Repair Organizations Act, except with respect to contracts entered into by a credit repair organization before the end of such period.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Massachusetts [Mr. KENNEDY] will be recognized for 20 minutes, and the gentleman from California [Mr. MCCANDLESS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. KENNEDY].

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

Mr. Speaker, I am pleased to again bring before the House one of the most important pieces of consumer legislation we will consider in this Congress. I want to thank the gentleman from Texas, Chairman GONZALEZ, the gentleman from Iowa [Mr. LEACH], the gentleman from California [Mr. MCCANDLESS], and the gentleman from California [Mr. TORRES], for working with me to fashion an excellent piece of legislation. This past summer, the House passed by voice vote a virtually identical version of this bill. Since that time, Members of the House and the other body have met to reconcile differences in each Chamber's bill. The bill before the House today represents a compromise that is not only bipartisan, but bicameral, as well.

Let me briefly describe what this bill attempts to do. In a nutshell, it reforms the credit reporting industry—an industry that affects the lives of virtually every working American. Credit bureaus—especially TRW, Equifax, and Transunion, the big 3—have 450 million files on individual consumers. They process over 2 billion pieces of data each month, and do so at practically the speed of light. The credit reports they compile determine whether a consumer will obtain a mortgage, a car or business loan, a job, and even an apartment.

If these reports are not accurate, or if they are distributed without a legitimate purpose, then our whole society suffers. Consumers may be unfairly deprived of credit, employment, and their privacy. And businesses may lose out on the opportunity to gain new customers.

Unfortunately, today the consumer reporting industry is riddled with problems. The Federal Trade Commission receives 9,000 complaints each year about credit bureaus—more than it receives about any other businesses, including auto dealers and debt collectors. One recent study shows why: 48 percent of all credit reports—nearly half—contain at least one error, and 20 percent or all reports contain errors so serious that they could cost consumers a mortgage, a loan, or a job.

Credit bureaus have shown little interest in correcting these mistakes on their own. Even after being contacted by consumers about possible mistakes, the bureaus fail to respond 26 percent of the time to inquiries. As a result, consumers must often wait months, even years, to clean up error-riddled consumer reports. In the meantime, they may have lost an opportunity to own a home or a car, or land a better job.

Equally disturbing is the growing distribution of credit reports without a consumer's knowledge or consent. These reports contain very personal information about a consumer's life. When that information is sent far and wide without consent, then the consumer suffers an invasion of privacy that can be personally embarrassing and financially damaging. Several years ago, someone wrongfully obtained a copy of former Vice President Quayle's consumer report, and distributed it widely. These practices must stop. The right to privacy is sacred to all Americans, and we should not tolerate its erosion.

For tens—if not hundreds—of thousands of consumers, the promise of the information highway has given way to an Orwellian nightmare of erroneous and unknowingly disseminated credit reports. The legislation we bring to the floor today takes a number of steps to improve both the accuracy and privacy of consumer reports:

It requires credit bureaus to investigate consumer complaints within 30 days, and delete any information they cannot verify. That way, consumers will not be plagued for months or years by someone else's bad debts.

It caps the cost of a credit report at $3, and allows consumers to obtain free copies of their credit reports after a reinvestigation or adverse action, or if they are unemployed, on public assistance, or believe they are victims of fraud. By making credit reports more affordable, this provision will help consumers detect and correct errors before they do damage.

The bill also requires credit providers—like banks and department stores—who furnish information to credit bureaus to do so accurately, and to correct mistakes promptly. By requiring these furnishers of information to be more careful, we will improve the quality of information that is put into a credit report to begin with, and hopefully avoid many of the problems we now see taking place.

The bill improves privacy protections by requiring employers to obtain a consumer's written consent before obtaining the consumer's credit report. It also allows a consumer to learn who has seen his or her report, and why, to help prevent unauthorized uses of that report.

Last, this bill regulates, for the first time, so-called credit repair organizations. These firms frequently promise to clear up a consumer's bad credit, but in fact either fail to follow through, or do so only by misleading credit bureaus. H.R. 1015 bars credit repair firms from making untrue or misleading statements to credit bureaus. In addition, it allows these firms to collect payment from a consumer only after they have fully performed their services. These provisions will help weed out the corrupt actors in this growing industry.

This legislation does not only benefit consumers. It also benefits business. In the areas of prescreening and information-sharing among affiliates, it extends new liberties to industry. Hopefully, those liberties will result in new credit opportunities for consumers. The bill also carefully ensures that grantors will not be the subject of frivolous lawsuits.

In addition, H.R. 1015 gives industry an 8-year Federal preemption of State laws. This compromise provision is the product of a careful effort to balance industry's desire for nationwide uniformity with States' vital interest in protecting their citizens. This has been a contentious issue for quite some time, and has impeded the progress of this bill in the past. I would have preferred that there be no Federal preemption in this bill. Federal law usually sets a floor, not a ceiling, for consumer protection—allowing States to adopt added measures to protect their citizens. Nevertheless, the 8-year preemption mandated by this bill will test the viability of a uniform national standard. If after 8 years the Federal law is not adequately protecting consumers, then I would expect States to step in once again and do the job.

In closing, Mr. Speaker, I would like to reiterate that this is landmark legislation. It gives consumers protections that they desperately need. And it provides industry with benefits that will enable more efficient operations. I believe that it merits the support of the entire House, and I urge its adoption.

□ 1420

Mr. Speaker, I also want to take a brief moment to acknowledge the tremendous efforts on behalf of consumers by the chairman of the full Committee on Banking, Finance and Urban Affairs, the gentleman from Texas [Mr. GONZALEZ]. Mr. GONZALEZ played a key role over the course of the last several years in forming this legislation. He has been the bulwark to consumer protections that are contained in this bill, and without his unflinching willingness to stand up for the consumers, Mr. Speaker, I do not believe that this legislation could have been nearly as good and as strong as it is today. So, I want to very much thank the chairman for the efforts he has made, and I again want to thank and congratulate the gentleman from California [Mr. MCCANDLESS]. I thank him for all his help in fashioning the compromise.

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

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

Mr. Speaker, the House is being asked today to suspend the rules and pass a bill to substantially amend the Fair Credit Reporting Act [FCRA]. Basically, what we are doing is calling-up S. 783, deleting the text of the bill, and inserting the text of a compromise bill that resembles very closely a bill that the House passed earlier this year. I urge my colleagues to support this compromise bill.

By way of background, the FCRA was passed over 20 years ago to ensure the accuracy and completeness of information about consumers that credit bureaus collect, maintain, and report. Although the credit reporting industry has changed dramatically over the last 20 years, the FCRA has not been substantially amended since its passage.

Not surprisingly, the FCRA is out-of-date. When it was originally passed, credit reporting was still a local business activity. Today, however, credit reporting is a nationwide industry that utilizes the very latest in technology. Credit reporting is carried out today in ways that were not foreseen 20 years ago.

This compromise bill is drafted with an eye toward the future. Hopefully, the FCRA, as amended by this compromise bill, will not need to be amended for another 20 years.

I mentioned earlier that this compromise bill closely resembles a bill that the House passed earlier this year. That bill was H.R. 1015 which passed the House on June 13, 1994 by voice vote. I want to briefly discuss just two of this compromise bill's provisions to assure Members that the essential elements of H.R. 1015 have been retained.

First, I want to assure Members that the FCRA, as amended by this compromise bill, will be the law of the land for the next 8 years beginning January 1, 1995—just as it would have been under H.R. 1015. After 8 years, States will be able to enact tougher laws if they choose to do so. I think that 8 years is long enough to foster national uniformity, but not too long to stifle State ingenuity.

Second, I want to assure Members that the FCRA, as amended by this compromise bill, will generally allow credit bureaus to charge a reasonable fee for providing credit reports. Only under certain circumstances will they have to provide credit reports for free. The language in the compromise bill is exactly the same on this issue as it was in H.R. 1015.

The bill that we passed in June was a good bill, but the compromise bill we have before us today is an even better bill. It is a bill that all of us can support without reservation. I urge my colleagues to suspend the rules and pass this compromise bill.

Mr. KENNEDY. Mr. Speaker, I yield such time as he may consume to the chairman of the full Committee on Banking, Finance and Urban Affairs, the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, I rise merely to compliment both the chairman of the subcommittee, the gentleman from Massachusetts [Mr. KENNEDY], and the ranking minority member, the gentleman from California [Mr. MCCANDLESS]. I can only testify to the fact that since I was in on the initial basic legislation and, obviously, understood at the time, as on this occasion, that it is a question in a legislative process of compromise, and so these needed amendments, if we just took the effort poured into the amendments to the basic act, that would be enough to render praise to such individuals as the gentleman from California [Mr. MCCANDLESS] and also the predecessor chairman of the subcommittee, the gentleman from California [Mr. TORRES]. He brought a bill after going through what I called this long, interminable journey of this legislative package. The journey was fraught with not only chuckholes, but assaults on the way, some monstrously large as they were in the last Congress. In other words, Mr. Speaker, this is actually a process that has gone through more than one Congress.

So, I wanted to compliment these gentlemen, including the gentleman from California [Mr. TORRES] who is here again today even though he does not belong to our Committee on Banking, Finance and Urban Affairs any longer. He has gone up to the prestigious power centers of appropriations where the money is. But I do want to render tribute because this again demonstrates what so often in our country we do not tend to appreciate, and that is the beauty of the American system of procedure and legislative consideration under the utmost democratic of processes and where finally after refinement, after refinement, we have something that in the words of the gentleman from California [Mr. MCCANDLESS] should be acceptable to every Member of the House.

Mr. Speaker, I end up by rendering tribute to these distinguished chairmen like the gentleman from Massachusetts [Mr. KENNEDY], the gentleman from California [Mr. MCCANDLESS], the

gentleman from California [Mr. TORRES], and others.

Mr. Speaker, today I hope the House will cast its final vote for one of the most important consumer protection bills to come before Congress this session: the Consumer Reporting Reform Act of 1994.

S. 783 represents the very diligent work of not only both sides of the aisle, but both sides of Capitol Hill. Earlier this summer, this legislation received the overwhelming approval of the Senate, passing by a vote of 87 to 10. The House bill, H.R. 1015, also received overwhelming support and passed on a voice vote. The bill before the Members this morning represents a fair compromise between those two popular bills. Like the previous bills, this legislation still represents long overdue reform on the Fair Credit Reporting Act. It still improves credit bureau information so that lenders can make better business decisions. It still demands accuracy from companies that provide information to credit bureaus. And it still gives consumers more control over who can access their personal financial information that credit bureaus collect.

I have taken the House floor many times to apprise my colleagues of the horror stories I have heard about credit bureau mistakes. Mr. Speaker, I have told you about the families who could not purchase their first home, about unemployed workers kept from jobs, and about taxpayers unfairly labeled deadbeats because of credit reporting mistakes. For the past 4 years, I have fought to make the Fair Credit Reporting Act work better for consumers, and I believe S. 783 achieves that goal. I hope and trust the Senate will pass the bill with the amendments the House proposes, so that these reforms can be enacted at last.

Mr. McCANDLESS. Mr. Speaker, I yield 3 minutes to the gentleman from Wyoming [Mr. THOMAS], an outstanding member of the Committee on Banking, Finance and Urban Affairs.

Mr. THOMAS of Wyoming. Mr. Speaker, I rise in support of S. 783, the Fair Credit Reporting Act, and I want to recognize the work of Mr. McCANDLESS and Mr. KENNEDY on this legislation. What started out in subcommittee as overly bureaucratic, antibusiness legislation that would have had the effect of restricting credit to consumers, has become a commonsense balance between the interests of consumers and the businesses who grant credit. Mr. McCANDLESS and Mr. KENNEDY deserve much credit for that evolution.

The current Fair Credit Reporting Act is out of date. It was passed in 1970, and we all have agreed for some time that we needed to make changes. Time and again over the years, we witnessed legislation come out of the Banking Committee that didn't strike the kind of balance we have in today's bill. Those of us who support the private sector have stood together year after year in opposition to those efforts.

While many have used the word "Gridlock" in a negative sense over the past few years, this is a case where gridlock worked. Legislation that would have limited credit to consumers was turned back and held up until the sponsors of this bill finally decided that it was time to deal, and we were able to make vast improvements to the legislation.

We struck a compromise that allows consumers to protect their privacy and their ability to gain access to their reports and correct errors. We have compromised on the preemption issue so companies will not have to comply with a patchwork of State laws. We were able to find a way to make credit reports available for free to those who truly need them without requiring credit bureaus to just give away their product. In short, we have a compromise piece of legislation that will help consumers without hurting business.

Finally, Mr. Speaker, I want to point out that this is another important piece of legislation that has come out of the Banking Committee this year. We heard a lot of talk earlier this year that Whitewater was preventing us from working on other important issues that would effect the American people. That is simply not been the case.

We passed the community development financial institution bill, which included flood insurance legislation, high cost mortgage legislation, regulatory relief for banks and small business secondary market development. The President is due to sign the interstate banking and branching legislation tomorrow. And today we take a step toward passing the fair credit reporting legislation we have worked on for so many years. Clearly, this committee has been able to work together to pass important legislation despite our differences on other issues. I am encouraged by that, and I want to congratulate my fellow members of the committee for that success.

□ 1430

Let me finally say on behalf of my friend, the gentleman from California [Mr. McCANDLESS], who will be leaving the House soon, that his leadership in this committee and other committees on which we have served together has been invaluable. Since I was not here last night, I wish the gentleman would listen while I am saying these nice things about him, because I may not do it again.

In any event, it has been wonderful to have his leadership, and we appreciate very much what he has done, and we truly will miss him in the House.

Mr. McCANDLESS. I am sorry, I did not hear what the gentleman said. The full chairman is smiling, so I am not sure what the intent of his remark is.

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

Mr. THOMAS of Wyoming. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, would it not be like AL McCANDLESS to turn his back while they were trying to say nice things about him?

Mr. KENNEDY. Mr. Speaker, I am just surprised the gentleman from California [Mr. McCANDLESS] did not ask him to repeat it.

In any event, I yield 5½ minutes to the gentleman from California [Mr. TORRES] who did yeoman's work in getting this legislation passed in his time as chairman of the same subcommittee which I now chair. He did a fantastic job in bringing this legislation along. I take delight in yielding time to the gentleman.

Mr. TORRES. Mr. Speaker, I thank the gentleman for his fine comments.

Mr. Speaker, I rise today in strong support of the House substitute amendments to S. 783, a bill to reform our Nation's credit reporting system. This bipartisan compromise bill may be the most important consumer legislation considered by this Congress. This legislation will increase the accuracy of consumer reports and better protect the privacy of those reports. It seeks to modernize and reform the Fair Credit Reporting Act of 1970—a law that has not been substantially updated in more than 20 years.

The FCRA was enacted to ensure that the Nation's credit reporting system functioned fairly, accurately, and without undue intrusion into the consumer's privacy. But our country has changed dramatically over the past two decades, and so too has the technology which facilitates the credit reporting system. Credit reports are no longer filed in manilla envelopes and stored in metal cabinets. Today, reports are stored, manipulated and relayed by the most sophisticated computers in the world. When the FCRA was passed in 1970, the largest credit bureau had 27 million files on consumers. Today, each of the three largest bureaus keeps files on 170 to 200 million consumers.

The present state of computer technology and the volume of credit transactions which fuel the American economy have rendered the FCRA dangerously ill-equipped to meet the needs of today's consumers.

The FCRA sought to achieve a balance between the legitimate business need to obtain accurate consumer credit information and the right of consumers to protect the privacy of their personal and financial records. But that delicate balance has been lost.

Today, consumers' lives are an open book. Sensitive personal and financial data is bought and sold with little or no regard for the privacy of the consumer. Workers are denied employment or even blackballed because of erroneous information in their files. Furthermore, inaccurate credit information is difficult, if not impossible, to correct. Clearly, it is time to regain the balance to protect American consumers against the abuses of the credit reporting industry.

The human consequences of these abuses can be devastating. Moreover, virtually every adult in America is at risk of falling victim to an industry that is out of control. Whenever you apply for a loan, rent an apartment, buy a house, purchase insurance or apply for a job, you are at the mercy of the consumer reporting industry—an industry that is responsible for untold horror stories. As the former chairman of the Subcommittee on Consumer Affairs and Coinage, I spent 2 years examining the credit reporting industry. After extensive hearings and a thorough investigation, the subcommittee found an industry desperately in need of major reform.

The most serious problem uncovered by the subcommittee was the number of errors contained in credit reports. In 1991 alone, 10,000 consumers complained to the Federal Trade Commission about inaccurate credit reports. Recent studies have found that almost half of all credit reports contain errors and that one of every four reports has serious errors which could result in the denial of credit, insurance, or even the loss of a job.

These studies have also found that consumers spend an average of 6 months getting credit bureaus to correct errors in their reports, and that even if mistakes are corrected, they often show up as errors in subsequent reports.

This bill will put an end to the pain and suffering that the consumer reporting industry is causing thousands of decent and responsible Americans. It will increase the accuracy of credit reports and better protect the privacy of those reports.

This compromise bill will give consumers greater access to their credit histories and makes it easier to correct mistakes. It holds banks and merchants accountable for the quality of the information they turn over to credit bureaus. And it increases privacy by requiring employers to get permission before they can check a worker's credit report. This bill offers greatly needed reforms.

I would like to extend my gratitude to the chairman of the Subcommittee on Consumer Reporting and Insurance, the Honorable JOSEPH KENNEDY and to the chairman of full Banking, the Honorable HENRY B. GONZALEZ. On February 18, 1993, Chairman GONZALEZ and KENNEDY joined me in introducing this legislation. Since that time they have worked tirelessly to advance the bill to the House floor. Against great odds, and the opposition of some of the most powerful interests in the country, they have refined this bill to make it acceptable to both consumer and industry representatives, as well as Democrats and Republicans alike. They are the true heroes of this reform effort.

Finally, I would be remiss if I did not acknowledge the efforts of the staff who have worked behind the scenes on this legislation. I particularly want to acknowledge the work of Banking Committee counsel Amy Friend, who has labored on this legislation for almost 4 years. Without her superb efforts, I seriously doubt that we would be considering this bill today.

Mr. Speaker, I urge my colleagues to vote for this critical piece of consumer legislation.

Mr. MCCANDLESS. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. BACHUS], a member of the Committee on Banking, Finance and Urban Affairs.

Mr. BACHUS of Alabama. Mr. Speaker, I rise in support of this legislation. I believe this legislation will have a positive effect on the American public in their dealings with credit agencies in applying for credit.

Every day in America countless numbers of our citizens apply for home mortgages, attempt to finance the purchase of automobiles, make application for credit cards or minimum extensions of credit, and seek employment or admission to schools, associations and organizations. Sadly, in preparing credit reports in connection with these transactions, there are errors, omissions and foul-ups. They cannot be avoided entirely. However, we can and we should attempt to minimize these miscues, and seek also to lessen the scope and damage occasioned by these mistakes. The legislation, I am convinced, will do just that. I support it because I sincerely believe that it will help the American public as they apply for and utilize the credit market, and make credit reports more accurate and more reliable.

Before I talk about two positive provisions in this legislation I would like to say that last night this House honored the ranking minority member of this committee, the gentleman from California [Mr. MCCANDLESS], on the floor of this House, and this will, I am sure be the last piece of legislation that the gentleman from California will be actively involved in on this floor.

□ 1440

I want to tell the gentleman personally that he will be missed by members of this committee. I think this legislation and his work on it is certainly a fitting tribute in this, his last year.

I also want to say to the gentleman from Massachusetts [Mr. KENNEDY], I commend him for his hard work.

I want to point out, first of all, an amendment that I offered to correct an injustice currently confronting consumers victimized by erroneous credit reports.

Under current law, innocent consumers have the obligation to wade through credit reporting bureaucracy to get erroneous information changed on their credit report.

With the adoption of my amendment, now contained within this bill, the responsibility will be placed where it ought to be—on the source of the error. With this new automated system, the consumer need only contact one credit reporting agency, yet the error will be corrected on the reports of all three nationwide credit reporting agencies.

For too long, erroneous credit reports that just keep reappearing year after year have been a never-ending nightmare for some consumers. Many consumers never realized and never were told that in order to correct a single error they may need to begin three separate reinvestigation processes.

Modern technology gives us the ability to communicate simultaneously. The adoption of this amendment utilizes this technology to communicate the correct information to all three nationwide reporting agencies. One contact and credit information nationwide is corrected.

A second issue of interest to me is a revision to the Fair Debt Collection Practices Act. In 1977 when the Congress passed the Fair Debt Collection Practices Act, it was intended for this law to stop abusive debt collection practices. One of the unintended results was a rise in technical lawsuits filed against collection agencies.

Few of these law suits are for substantive violations of the Fair Debt Collection Practices Act and few reach the courts. What has happened because of the $1,000 statutory damages provision in the law, collectors settle out of court because the cost of fighting the suit, even if they win, would exceed an out-of-court settlement.

It is not uncommon for a lawyer to call a collector, threaten suit and then quickly add, "it will cost you a minimum of $1,000 in statutory damages plus legal fees, however, we will settle for $750." And what are the "abusive practices" that lead to these suits. One prominent example was the collector who was called by a consumer and asked to provide a receipt for a check the consumer had written to the debt collection agency. When the receipt was received, it did not contain the words "this is an attempt to collect a debt and any information obtained will be used for that purpose." That wording is required every time a collector communicates with a debtor. But certainly Congress did not expect that the language be contained on a receipt, especially when it was requested by a debtor. In this case, however, the collector was threatened with legal action because the "wording" was not on the receipt. Mr. Speaker, there are many such cases, mostly of a technical nature.

It is my understanding that Section 121 of S. 783 begins to address the problem of technical violations of the Fair Debt Collection Practices Act. It provides that the required collection disclosure only be contained in written

communications, not oral ones and that receipts or information requested by a consumer or attorney need not contain the warning.

This provision has been endorsed by the Federal Trade Commission at both the staff and Commission level. The provision would not in any way weaken the Fair Debt Collections Practices Act. Still contained in the law is a broad provision that a collector cannot use fraudulent or deceptive means to collect a debt. So even though a collector would not have to give the warnings on telephone calls, they could not misrepresent the purpose of their calls.

Now I would like to take a minute to engage the chairman of the Consumer Credit and Insurance Subcommittee in a brief colloquy.

Mr. Speaker, under the terms of section 121 of S. 783, which is before us today, is it the intent of the legislation that the disclosures contained in section 807 (11) of the Fair Debt Collection Practices Act would no longer have to be made in telephone calls between debt collectors and consumer debtors?

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

Mr. BACHUS of Alabama. I yield to the gentleman from Massachusetts.

Mr. KENNEDY. The gentleman is correct. However, nothing in the bill undercuts the general rule of section 807 in that all communications, including those by phone, must not be false or misleading.

Mr. BACHUS of Alabama. Second, I would like to point out that in many cases a third party has taken over responsibility for the payment of a debt of a consumer. This is particularly true in student loan situations.

It is not uncommon, for instance, for the parents of a student to take responsibility for the payment of that loan.

In those cases where a third party, whether it is a parent or otherwise, has taken responsibility for the loan, is it the intent of the authors of this legislation that section 121 would also govern contact between responsible third parties and the debt collector?

Mr. KENNEDY. Mr. Speaker, if the gentleman will continue to yield, the gentleman is correct, so long as the third party is a minor. If the third party is the age of the majority, then the act could be read to prevent the collector from collecting from the third party.

Mr. BACHUS of Alabama. I appreciate the response of the subcommittee chairman but I would like to point out that section 805(b) of the Fair Debt Collection Practices Act allows a consumer to assign responsibility for a debt to a third party, regardless of the age of the debtor. Since the legislation before us today does not in any way amend Section 805, it is clear that the ability of a debt collector to contact a third party when authorized to do so by the consumer-debtor is not in any way changed by today's legislation. Thus it is clear that a consumer-debtor, regardless of age, can authorize a collector to contact a third-party in connection with a debt.

Again, I would like to commend the members of this committee for what I consider a strong bipartisan effort and resulting in legislation which will have a very positive impact on consumers and the American public as they make their way through the credit reporting bureaucracy.

Mr. MCCANDLESS. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I thank the gentleman from California [Mr. MCCANDLESS] for yielding time to me.

I wish to acknowledge his service and work in the body as this is perhaps one of the last bills that he will work with as the ranking member on leadership from the Republican side of the aisle. He has been a friend and a good colleague on the Committee on Banking, Finance and Urban Affairs. We appreciate the contributions that he has made over this long distinguished career in the House.

I rise in support of this legislation. This has been a challenge, and I want to pay credit to the chairman of the committee, the gentleman from Texas [Mr. GONZALEZ], the subcommittee chairman, the gentleman from Massachusetts [Mr. KENNEDY], and of course, the gentleman from California [Mr. TORRES], our colleague, who has worked so hard on this.

I think it is a real mark of Congressman TORRES' service in this Congress that even after moving to a different committee, he has continued his interest in this issue, which I think demonstrates his concern for consumers, as that of the gentleman from Texas [Mr. GONZALEZ] and the subcommittee chairman, the gentleman from Massachusetts [Mr. KENNEDY].

This has been a tough issue—credit report policy—to address, but the major outline in this legislation tries to deal with the nameless, faceless recordkeeping that seems to come to visit our constituents it terms of eliminating or stopping one from obtaining credit at various times of need. The people in our districts are experiencing problems, as was pointed out, and have been the victims of errors and mistakes in recordkeeping.

It is no longer the manila folders that are the source of the information. Now it is an electronic system that seems to be almost incapable of making modifications and corrections.

The advocates insist the improvement in computers and how much better they make recordkeeping. But somehow the mistakes and errors seem to be repeated and replicated beyond any human control. The system needs accountability.

Mr. Speaker, this bill starts to deal with the businesses of credit making and the use of that information in a proper way, providing, obviously, when there is incorrect or adverse information consumers may deceive a free report and provides a nominal charge on a yearly basis for any consumer to check and review that information that the credit agency is sharing with others when the consumer seeks credit, and providing for eliminating improper use, for instance, in employment application and work place service most employers would no longer use credit report information.

Mr. Speaker, it is a good bill. It is not everything we want. I think we will need to be aware of this and working on this in the years ahead to address the needs of the consumers and the people we represent, but it is a significant step forward.

Mr. Speaker, I rise in strong support of S. 783, the Consumer Reporting Reform Act of 1994. This legislation is an overdue initiative that sets in place crucial consumer protections against faulty credit reports and the unauthorized sharing or credit history.

I am certain that many of my colleagues have heard from consumers about the problems caused by inaccurate credit reports. They have heard about jobs that are lost, loans not made and apartments not rented solely because of a credit bureau that has passed on inaccurate information. They have also heard from constituents about the difficulty that these consumers have had in seeking to correct their credit reports.

Mr. Speaker, S. 783 remedies many of the intrinsic problems in the nationwide credit reporting system. This legislation sets in place a requirement that consumers be notified of adverse action taken against them which is based on their consumer credit reports. The bill provides a workable mechanism for consumers to dispute and correct inaccurate information in a timely fashion and imposes a new threshold on providers of information to ensure that that information is accurate. The bill also increases consumer access to reports by limiting the charges that can be assessed for a report and by requiring a free copy of a report when an adverse action has been taken.

The legislation contains important worker rights protections. All too often workers rights have been trampled in the pursuit of "protecting business interests." Whether it is eavesdropping on phone conversations or using credit reports for employment purposes, basic worker privacy has been thrown out the window. This legislation is an important step to restore employee privacy rights. Rather than the current unrestricted use and abuse of these reports, the bill includes new safeguards to protect the privacy of employees and job applicants. Under this legislation, consumer credit reports can only be used for specific types of employment; prior approval is required and prior to taking an adverse action, the employee or job applicant must be notified and be given an opportunity to respond.

Mr. Speaker, this legislation is a balanced bill that provides consumers with long needed, essential protections. It is time to end the economic disruption that occurs from inaccurate

reports. It is time to end the bureaucratic maze that consumers must fight to correct those reports. I urge the adoption of this legislation.

Mr. KENNEDY. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. MFUME].

Mr. MFUME. Mr. Speaker, I want to join with others in thanking and congratulating the gentleman from Texas [Mr. GONZALEZ], the full committee chair, the gentleman from Massachusetts [Mr. KENNEDY], who has seen this through his own subcommittee, and the gentleman from California [Mr. MCCANDLESS], whose leadership both on the other side of the aisle and in this House we will all sorely miss. The gentleman from California [Mr. TORRES] was here and left. It was the gentleman from California [Mr. TORRES] who was the driving force behind this in previous Congresses.

As Members know, this legislation informs the credit reporting industry, and industry that affects all of our lives. Unfortunately, that industry has been riddled with problems, many of those have been addressed in this bill.

It has been equally disturbing by many that the distribution of credit reports, kind of willy-nilly across this Nation without consumers' knowledge and consent. This legislation seeks to deal with many of those problems.

It requires credit bureaus to investigate consumer complaints in 30 days. It caps the cost of a credit report at $3. The bill also provides credit providers who furnish information to bureaus with the responsibility of doing that accurately. Then making them correct mistakes promptly. It improves privacy protections by requiring employers to obtain the consumers' written permission before obtaining a credit report. And last, the bill regulates for the first time the so-called credit repair agencies.

One of the aspects of the bill that I fought hard for and was able to get amended in committee and adopted was also a provision that would allow consumers who became unemployed and who got behind in a payment to be able, after a year of making payments on time and current, to be able to go in and to have information removed from their record. There had been some disagreement in the other House about that.

We were able, myself along with the distinguished Senator from Nevada, Mr. BRYAN, to work out a compromise for the sake of moving this bill forward.

I am comfortable with that and the Senator is. We feel, quite frankly, that while this bill does not do everything, it certainly takes us a quantum leap from where we were.

I urge its passage, and I congratulate those Members on both sides of the aisle who have worked so hard to bring it to this point.

Mr. MCCANDLESS. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. SCHUMER], a member of our committee.

□ 1450

Mr. SCHUMER. Mr. Speaker, I thank the gentleman for yielding time to me, and for his leadership and help on this bill.

Mr. Speaker, I rise in support of this legislation. The reforms in this bill are necessary to give consumers the protections and information necessary in the complex and treacherous world of credit information. I applaud Chairman CONZALEZ and Representative KENNEDY for their diligence in continuing to push for this bill. Because of their persistence and leadership on this issue, consumers will benefit greatly from the protections included in this legislation.

In the modern era, one punch of a computer button can instantly deliver to anyone with a computer terminal more confidential information about an American citizen than a private detective could unearth in a week.

When that information is correct, there is a legitimate fear of big brother. Who has access to this information and for what purposes?

When that information is wrong, lives can be ruined. We have all heard the horror stories of people denied mortgages, car loans, jobs—all because of a "mixup at the credit bureau." While we will never be able to eliminate all of the foulups, we must strengthen consumers' ability to correct false reports as quickly as possible. And when such errors are inflicted willfully or by negligence, credit bureaus must know they will be liable.

The 20-year-old Fair Credit Reporting Act is woefully out of date. The balance between consumer rights and legitimate business interests that was struck in the original legislation has been fundamentally altered by advances in technology, the expanding use of credit information, and continued inaccuracies in credit reports. The time has come for changes that address these issues, ensures the accuracy of credit reports, and protects consumers' privacy.

This bill does those things. For example, under the bill, disputed information must be removed from a credit report if a credit bureau cannot verify its accuracy within 30 days. After the disputed information is removed, consumers will receive a free copy of their credit report to make sure it stays out. And as part of the credit report, consumers will be told who has received a copy of their report.

I am also happy that this bill preserves the protection consumers now enjoy from unauthorized intrusions into their credit files by direct marketers. The FTC's current interpretation of the fair credit bill correctly prohibits such privacy violations and the bill before us does not disturb that prohibition. The issue is currently being litigated and I am certain that the courts will uphold the FTC's reading of current law.

I urge my colleagues to support the bill and give consumers the protections they so critically need.

Mr. MCCANDLESS. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. FLAKE], an outstanding member of our committee.

Mr. FLAKE. Mr. Speaker, I rise in support of Senate bill 783, the Consumer Reporting Reform Act of 1994 which amends the Fair Credit Reporting Act by improving the accuracy of and protecting the privacy of information contained in consumer credit reports.

The Fair Credit Reporting Act of 1970 was enacted to guarantee the fairness and accuracy of consumer reporting. However, as communications technology has continued to expand, so to has the frequency of error and abuse of consumer information easily accessed through credit reporting agencies.

The Consumer Reporting Reform Act of 1994 successfully addresses the need to enhance current protection mechanisms against abuse, error, and in many cases, breaches of confidentiality. These have resulted in the loss of jobs, the inability to obtain homes, to rent homes, or even to secure credit. This bill provides additional safeguards needed to ensure that consumers are accurately informed of their rights, and to ensure that credit reports are used only for proper purposes.

I commend Senator BRYAN, Chairman KENNEDY, and my colleagues for moving legislation that requires the Nation's credit reporting agencies to inform consumers of the information contained in their reports, to investigate and update incorrect information in a timely manner, and legislation that hold banks and retailers accountable for information they provide to credit reporting agencies.

Mr. Speaker, I urge my colleagues to support Senate bill 783.

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

The SPEAKER pro tempore (Mr. KLECZKA). The gentleman from Massachusetts [Mr. KENNEDY] has 1½ minutes remaining.

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

Mr. Speaker, the gentleman from California [Mr. MCCANDLESS] and I are pleased to present this bill to our colleagues and we thank the members of the Banking Committee and their staffs for their outstanding and persistent efforts in bringing this meaningful legislation to the floor. There is one provision in the bill on which we seek additional clarification. In order that the record reflect our bipartisan interpretation of and intention regarding this provision, and because there is no committee report accompanying the final language being

acted upon by the House I am asking that this statement appear in the record of today's proceedings.

This bill contains a definition of and several references to the term "consumer reporting agency that complies and maintains files on consumers on a nationwide basis." I think it would be helpful to all of us to clarify which companies and types of companies are covered by this term and which companies are not included.

Usually the credit reporting industry has to correct the misconception most people have that there are only three consumer reporting agencies in this country. There are, in fact, hundreds of consumer reporting agencies operating locally and regionally across the country.

However, for the purposes of this definition, we want to differentiate between the truly nationwide consumer reporting agencies—specifically Equifax, Trans Union and TRW—and the local agencies, such as the Credit Bureau in Hyannis or the Credit Bureau of Fresno County. We seek here to underscore that these three agencies, which are the repositories of information in the credit reporting industry, operate differently from local affiliates, even if those affiliates operate on an interstate basis.

Only three systems are truly nationwide consumer reporting agencies which compile and maintain consumers' files on an automated basis. The three repositories we mentioned above regularly engage in the practice of gathering or evaluating public record information and credit account information from credit grantors and others who furnish such information regularly and in the ordinary course of business on consumers residing in substantially all of the 50 States. The repositories maintain this information for the purpose of furnishing consumer reports which have a bearing on the consumer's credit worthiness, credit standing, or credit capacity to third parties who have a permissible purpose established under the Fair Credit Reporting Act.

Another reason for defining the nationwide consumer reporting agency in section 603 is that we are aware that other organizations meet the definition of a "consumer reporting agency" in the FCRA. However, they engage in specialized reporting areas, such as medical information, mortgage reporting, commercial credit reporting, check verification, and insurance claims. Companies involved in these and similar activities are not meant to be included under the definition of a nationwide consumer reporting agency.

While the expression, "consumer reporting agency that complies and maintains files on consumers on a nationwide basis," would presently apply only to the three companies identified above, we should recognize the possibility exists that some other company may someday decide to engage in this activity. If that company meets all the terms and conditions, as we have attempted to define them, as an automated nationwide credit reporting agency, the provisions of this bill regarding such nationwide consumer reporting agencies would be applicable.

Mr. Speaker, we appreciate the opportunity to provide this important clarification regarding this definition.

Mr. Speaker, I would also like to acknowledge the efforts of several staff members who did a tremendous job on this very technical and complex piece of legislation. Franci Livingston and Katie Ryan of my staff, Amy Friend of the full committee, and Joe Seidel, Sean Cassidy, and Margo Tank of minority staff deserve to be acknowledged and thanked for all their hard work. Without their efforts, we would not be here today.

Mr. Speaker, additionally, I would like to thank Shawn Maher, who has done a yeoman's work on this bill, as well.

Mr. CASTLE. Mr. Speaker, I rise in support of this compromise legislation to amend the Fair Credit Reporting Act. This is a sound piece of legislation that balances consumer protection and fairness to business.

As my colleagues know, it was not easy to achieve the compromise embodied in this bill. During the last Congress, the House was unable to pass fair credit reform legislation. In this session of Congress, it has taken us a full 2 years to complete the bill before us today. While it has not been easy, the bill will protect consumers without placing an unfair burden on the credit industry.

The Fair Credit Reporting Act is intended to ensure that every consumer's credit history is accurately collected, maintained, and reported by credit bureaus. If a consumer believes that there is inaccurate information in his or her credit file, they should be able to have this corrected in a timely fashion. This legislation will ensure that credit information is maintained accurately and that if a mistake is made, it must be reinvestigated quickly. Consumers are entitled to have access to their credit reports for a reasonable fee, or in some cases for free if they have had an adverse credit action or are unemployed.

Equally as important, this compromise will not place an unfair regulatory burden on companies that provide credit to consumers. Credit card issuers are an especially important component of the economy of my State of Delaware. They provide thousands of good jobs to our citizens, in addition to making credit available to Americans across the country.

A number of important and controversial issues have been fairly resolved in this compromise. For example, the bill will permit affiliated companies to share credit information if the consumer is notified and given an opportunity to opt-out. In addition, State and Federal authorities will be able to sue furnishers of credit information that knowingly produce inaccurate information. Consumers will be protected without exposing legitimate businesses to excessive lawsuits. This legislation also recognizes that the credit industry is now a complex, nationwide business. The bill would establish a uniform, national standard for credit reporting for 8 years. This Federal preemption will allow businesses to comply with one law on credit reports rather than a myriad of State laws. This was one of the toughest issues to resolve, but I believe it will benefit consumers and businesses.

Mr. Speaker, I believe this hard-won compromise will protect the privacy of consumers and improve the accuracy of credit information, without undermining the ability of credit card issuers to do business in a cost-effective manner. I want to thank Representative AL MCCANDLESS for his tireless efforts to produce a balanced bill, as well as Chairman KENNEDY for his diligent efforts on behalf of consumers. I urge passage of the bill.

Mr. KENNEDY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. KENNEDY] that the House suspend the rules and pass the Senate bill, S. 783, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MFUME. 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.

SAFE DRINKING WATER ACT AMENDMENTS OF 1994

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3392) to amend the Safe Drinking Water Act to assure the safety of public water systems, as amended.

The Clerk read as follows:

H.R. 3392

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 "Safe Drinking Water Act Amendments of 1994".

SEC. 2. REFERENCES; EFFECTIVE DATE; DISCLAIMER.

(a) REFERENCE TO SAFE DRINKING WATER ACT.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title XIV of the Public Health Service Act (the Safe Drinking Water Act) (42 U.S.C. 300f and following).

(b) EFFECTIVE DATE.—Except as otherwise specified in this Act or in the amendments made by this Act, the amendments made by this Act shall take effect on the date of enactment of this Act.

(c) DISCLAIMER.—Nothing in this Act or in any amendments made by this Act to title XIV of the Public Health Service Act (the Safe Drinking Water Act) or any other law shall be construed by the Administrator of the Environmental Protection Agency or the courts as affecting, modifying, expanding, changing, or altering (1) the provisions of the Federal Water Pollution Control Act, (2) the duties and responsibilities of the Administrator under that Act, or (3) the regulation or control of point or nonpoint sources of pollution discharged into waters covered by that Act. The Administrator shall identify in the agency's annual budget all funding and full-time equivalents administering the Safe Drinking Water Act separately from funding and staffing for the Federal Water Pollution Control Act.

SEC. 3. NATIONAL DRINKING WATER REGULATIONS.

(a) NEW CONTAMINANT SELECTION.—Section 1412(b)(3) is amended to read as follows:

"(3) REGULATION OF UNREGULATED CONTAMINANTS.—

"(A) PROPOSED LISTS.—(i) Within 1 year after the enactment of the Safe Drinking Water Act Amendments of 1994, the Administrator, after consultation with the scientific community, including the Science Advisory Board, shall select and publish a proposed list of not fewer than 15 contaminants which are known or anticipated to occur in public water systems, which are not subject to any proposed or promulgated national primary drinking water regulation, and which may require regulation under this title.

"(ii) Within 5 years after the enactment of the Safe Drinking Water Act Amendments of 1994 and every 4 years thereafter, the Administrator, after consultation with the scientific community, including the Science Advisory Board, and after considering the occurrence data base established under section 1445(g), shall (in addition to the contaminants listed under clause (i)) select and publish a proposed list of not fewer than 12 contaminants which are not subject to any proposed or promulgated national primary drinking water regulation, which are known or anticipated to occur in public water systems, and which may require regulation under this title.

"(iii) If, after the year 2010, the Administrator determines that the number of unregulated contaminants meeting the criteria for the list under clause (ii) is fewer than 12, the Administrator may, by rule, waive the requirement to select at least 12 contaminants every 4 years under that clause. At any time after such rule is promulgated, the Administrator may, after consultation with the scientific community, including the Science Advisory Board and after considering the occurrence data base established under section 1445(g), select a proposed list of 1 or more contaminants (in addition to the contaminants listed under clause (i) or (ii)) which are known or anticipated to occur in public water systems, which are not subject to any proposed or promulgated national primary drinking water regulation, and which may require regulation under this title.

"(iv) In selecting unregulated contaminants for the proposed lists referred to in this paragraph, the Administrator shall select contaminants that present the greatest public health concern. The Administrator, in making such selection, shall take into consideration, among other factors of public health concern, the effect of such contaminants upon subgroups that comprise a meaningful portion of the general population (such as pregnant woman and children) that are identifiable as being at greater health risk than the general population, based on adequate scientific information. The unregulated contaminants considered for such proposed lists shall include, but not be limited to, substances referred to in section 101(14) of the Comprehensive Environmental Response Compensation and Liability Act of 1980, and substances registered as pesticides under the Federal Insecticide, Fungicide, and Rodenticide Act.

"(v) The Administrator's decision whether or not to select an unregulated contaminant for a proposed list pursuant to this paragraph shall not be subject to judicial review.

"(B) FINAL LIST.—Each proposed list established in subparagraph (A) shall be subject to public comment for a period of at least 60 days. Within 6 months after the close of the public comment period, and not later than 1 year after the proposed list is published, the Administrator shall publish in the Federal Register the final list of contaminants meeting the requirements of subparagraph (A), together with responses to significant comments. Each final list shall include at least the minimum number of contaminants specified in subparagraph (A).

"(C) DETERMINATION TO REGULATE.—At any time after the final list of contaminants established under subparagraph (B) is published, but not later than 30 months thereafter, the Administrator shall determine, by rule, whether or not to regulate each of the contaminants on such final list. The Administrator, after notice in the Federal Register, may extend the period for making such determination for any or all of the contaminants on the list for up to 9 months. The Administrator shall allow at least 90 days for public comment prior to making a determination under this subparagraph. A determination to regulate a contaminant shall be based on the following three findings:

"(i) A finding that the contaminant is known to occur in public water systems.

"(ii) A finding that, based on the best available public health information, the contaminant occurs in concentrations which have or may have any adverse effect on the health of persons.

"(iii) A finding that regulation of such contaminant presents a meaningful opportunity for public health risk reduction for persons served by public water systems.

The Administrator may regulate a contaminant that does not appear on a list published under subparagraph (A) or (B) if the determination to regulate is pursuant to this subparagraph.

"(D) REGULATION.—For each contaminant under subparagraph (C) that the Administrator determines shall be regulated, the Administrator shall promulgate, by rule, maximum contaminant level goals and national primary drinking water regulations as provided in paragraphs (4) and (5) of this subsection. The Administrator shall propose the maximum contaminant level goal and national primary drinking water regulation not later than 18 months after the determination to regulate under subparagraph (C), and may publish such proposed regulation concurrent with the determination to regulate. The Administrator shall allow at least 90 days for public comment on any such proposed goal and proposed regulation. The Administrator shall promulgate a maximum contaminant level goal and national primary drinking water regulation within 18 months after the proposal thereof. The Administrator, by notice in the Federal Register, may extend the deadline for such promulgation for up to 9 months.

"(E) HEALTH ADVISORIES.—The Administrator may publish health advisories (which are not regulations) or take other appropriate actions for contaminants not subject to any national primary drinking water regulation.

"(F) STUDY OF HEALTH EFFECTS.—As part of the Administrator's study, under existing authorities of the Administrator, of the health effects of contaminants for regulatory purposes, the Administrator shall examine, among other health related issues, methods for identifying subpopulations that may be impacted by contaminants and the extent and nature of such impacts, taking into consideration other risks to such subpopulations. There are authorized to be appropriated such sums as may be necessary for the Administrator to examine the health effects of drinking water contaminants for such regulatory purposes.

"(G) CRYPTOSPORIDIUM.—(i) Not later than December 31, 1996, the Administrator shall publish a maximum contaminant level goal and promulgate an interim national primary drinking water regulation for cryptosporidium for public water systems serving 10,000 persons or more. Such regulation shall take effect not later than 24 months after the date of promulgation.

"(ii) Not later than December 31, 1998, the Administrator shall promulgate a national primary drinking water regulation for cryptosporidium. Such regulation shall take effect, for public water systems of all sizes, not later than 24 months after the date of promulgation.

Each date for publication and promulgation specified in clause (i) and (ii) may be delayed by up to 6 months if the Administrator determines that such additional time is necessary to review information under the Administrator's information collection rule.".

(b) LIMITED ALTERNATIVE TO FILTRATION REQUIREMENTS.—Section 1412(b)(7)(C) is amended by adding at the end the following:

"(v) As an additional alternative to the regulations promulgated pursuant to clauses (i) and (iii), including the criteria for avoiding filtration contained in 40 CFR 141.71, a State exercising primary enforcement responsibility for public water systems may establish, on a case-by-case basis and after notice and an opportunity of at least 90 days for public comment, alternatives to filtration requirements in effect on such date of enactment, in the case of systems having uninhabited, undeveloped watersheds in consolidated ownership, and having control over access to, and activities in, those watersheds if (taking into consideration the effects of wildlife in such watersheds) the State determines (and the Administrator concurs) that the public health will be fully protected by such alternatives consistent with the requirements of this title. The authority of a State to establish alternatives under this clause shall expire 3 years after the enactment of the Safe Drinking Water Act Amendments of 1994.".

(c) COMPLIANCE DATES.—Section 1412(b) is amended by striking the first sentence in paragraph (10) and by adding the following at the end thereof:

"(12) Within 24 months after the promulgation of a national primary drinking water regulation under this subsection, each State exercising primary enforcement responsibility for public water systems shall adopt corresponding State regulations under section 1413(a)(1). The Administrator shall specify the date upon which public water systems must comply with each national primary drinking water regulation promulgated under this subsection. Such compliance date may not be more than 36 months after the date of promulgation, except that if the Administrator determines that additional time is necessary for capital improvements required to meet the national primary drinking water regulations, the Administrator may establish a later compliance date. Such later date shall not be later than 48 months after the date of promulgation (or 60 months in the case of systems serving fewer than 3,300 persons). Each State with primary enforcement responsibility may determine a public water system's eligibility for any extension beyond 36 months. Nothing in this paragraph shall limit the discretion of the Administrator to differentiate among the compliance dates on the basis of system size or other factors considered appropriate by the Administrator, or to establish interim compliance milestones.".

SEC. 4. STANDARD SETTING.

Section 1412 is amended as follows:

(1) The second sentence of subsection (b)(4) is amended by inserting before the period the following: "or a treatment technique established pursuant to paragraph (7)(A) of this subsection".

(2) Subsection (b)(5) is amended as follows:

(A) In the first sentence, strike "feasible" after "means" and insert "achievable"; and after "technology" strike ", treatment techniques and" and insert "or".

(B) Insert "(A)" after "(5)" and add the following at the end thereof:

"(B) For purposes of taking costs into consideration pursuant to the first sentence of subparagraph (A) of this paragraph, in the case of any national primary drinking water regulation proposed and promulgated after enactment of the Safe Drinking Water Act Amendments of 1994 (other than a national primary drinking water regulation covered by subparagraph (C) or (D)), the Administrator shall consider (in the

case of nonthreshold contaminants) and may consider (in the case of threshold contaminants) both the incremental compliance costs likely to be incurred and the incremental public health risk reduction benefits afforded by alternative levels. The terms 'costs' and 'benefits', as used in this subparagraph—

"(i) shall include additional and identifiable reductions, if any, of regulated contaminants not covered by such proposed or promulgated regulation that are expected to be achieved solely from the use of the applicable technology or technologies that form the basis for such regulation, and

"(ii) shall include consideration of the effects of such contaminants upon subgroups that comprise a meaningful portion of the general population, such as pregnant women and children, that are identifiable as being at greater health risk than the general population based on adequate scientific information.

"(C) Subparagraph (B) shall not take effect with respect to the first promulgation after the date of enactment of the Safe Drinking Water Act Amendments of 1994, or with respect to the initial revision after such date, of a national primary drinking water regulation for the following:

"(i) Contaminants covered by the proposed national primary drinking water regulation for radionuclides as set forth in 56 Federal Register 33050, July 19, 1991.

"(ii) Sulfate.

"(iii) Contaminants covered by the proposed negotiated rules on (I) disinfectants and disinfection by-products as set forth in 59 Federal Register 38668, July 29, 1994, and (II) enhanced surface water treatment as set forth in 59 Federal Register 38832, July 29, 1994. Subparagraph (B) shall also not take effect with respect to the promulgation of a second stage regulation for contaminants covered by the proposed negotiated rules referred to in clause (iii).

Any subsequent revision of any such regulation shall be subject to the provisions of subparagraph (D).

"(D) In the case of any national primary drinking water regulation for a contaminant regulated prior to enactment of the Safe Drinking Water Act Amendments of 1994, or any subsequent revision of a national primary drinking water regulation established in accordance with subparagraph (C), subparagraph (B) shall apply to any proposal to amend such national primary drinking water regulation only if a review required pursuant to paragraph (9) results in findings by the Administrator, published in the Federal Register, that changes in technology, treatment techniques, or other means permit greater protection of the health of persons. If the Administrator promulgates such regulation in accordance with subparagraph (B), such regulation must provide for greater protection of the health of persons. If the Administrator does not promulgate a regulation in accordance with subparagraph (B) because such greater protection of the health of persons is not achievable, the Administrator may initiate a new rulemaking under subparagraph (A) or retain the existing national primary drinking water regulations.

"(E) Any subsequent revision of a national primary drinking water regulation for contaminants regulated in accordance with subparagraph (C) or (D) (where such revision is pursuant to the standard setting language of subparagraph (B)) shall, at a minimum, provide greater protection of the health of persons than the regulation in effect on the date of enactment of the Safe Drinking Water Act Amendments of 1994 for such contaminant or, in the case of contaminants subject to subparagraph (C), than the regulation promulgated under subparagraph (C). If the Administrator does not promulgate such regulation in accordance with subparagraph (B) because such greater protection is not achievable, the Administrator may initiate a new rulemaking pursuant to subparagraph (A) or retain the existing national primary drinking water regulations.

"(F) In the absence of scientific evidence suggesting new or more serious health effects than existing on the date of enactment of the Safe Drinking Water Act Amendments of 1994, for purposes of proposal and promulgation after such date of a national primary drinking water regulation for sulfate, the Administrator shall include—

"(i) best technology or other means under subsection (b)(5), and

"(ii) public notification and options for provision of alternative water to populations at risk as alternative means for complying with such regulation.

Such proposal shall be made within 6 months after such date of enactment and such rule shall be promulgated within 2 years after such date of enactment.

"(G)(i) Except as provided in clause (ii), notwithstanding any provision of any law enacted prior to the enactment of the Safe Drinking Water Act Amendments of 1994, within 6 months of such date of enactment, the Administrator shall promulgate a national primary drinking water regulation for radon.

"(ii) For the period of 5 years from the date of promulgation of the regulation under clause (i) or from the end of the 6-month period referred to in such clause, whichever comes first, such regulation shall provide that public water systems may comply with an alternative maximum contaminant level of 1000 picocuries per liter. If the Congress enacts legislation which reauthorizes the Indoor Radon Abatement Act in the 103d or 104th Congress, such alternative maximum contaminant level shall thereafter be deemed to be the applicable maximum contaminant level for purposes of such regulation.".

(3) In the first sentence of subsection (b)(7)(A), strike the word "ascertain" and insert "measure".

(4) In subsection (b)(9) strike "3-year" and insert "5-year". No change to section 1412(b)(9) made by this Act shall be a basis for delaying the promulgation of any rule proposed pursuant to section 1412(b)(9) prior to the date of the enactment of this Act.

(5) Add the following new subsection at the end thereof:

"(f) METHODOLOGIES; RISK ASSESSMENT.—(1) The Administrator, in carrying out the provisions of this title, is expected, consistent with the intent of Congress, to use at all times sound, unbiased, and objective scientific practices and methodologies. The Administrator, in carrying out the Administrator's responsibilities under this title, shall ensure that the presentation of information on significant health risks is unbiased and informative.

"(2) To the extent feasible, documents made available to the general public which describe the degree of risk from exposure shall, at a minimum, characterize the population or populations, (including any identifiable subpopulations, as referred to in section 1412(b)(5)(B)(ii), at greater risk than the general population) addressed by any agency risk estimates; state the expected risk for the specific population; and state the reasonable range or other equivalent description of uncertainty in the assessment process.".

SEC. 5. SMALL SYSTEM TECHNOLOGY.

Section 1412(b)(6) is amended to read as follows:

"(6)(A) For purposes of this section and section 1415, at the time the Administrator proposes and promulgates a national primary drinking water regulation establishing a maximum contaminant level for any contaminant, the Administrator shall propose and promulgate a listing of the best technology or other means available for achieving compliance with such regulation for large public water systems, and a listing of the best technology or other means, if any, available for achieving compliance with such regulation for public water systems in each of the following categories:

"(i) Systems serving fewer than 10,000 persons but not fewer than 3,300 persons.

"(ii) Systems serving 3,300 persons or fewer.

In proposing and promulgating lists for systems described in clauses (i) and (ii), the Administrator shall consider cost variations associated with system size.

"(B) For purposes of this section and section 1415, at the time the Administrator proposes and promulgates a national primary drinking water regulation establishing a treatment technique for any contaminant, the Administrator shall propose and promulgate, for large public water systems, and for systems in the size ranges referred to in clause (i) and (ii) of subparagraph (A), a listing of the best technology or other means, if any, available for achieving a level of protection for public health equivalent to the level of protection provided by such treatment technique for systems in such size ranges.

"(C) A listing under this paragraph of the best technology or other means under subparagraph (A) shall not be construed to require or authorize that any specified technology or other means be used for purpose of meeting any national primary drinking water regulation.

"(D) A listing under this paragraph of the best technology or other means shall provide as much reliable information as practicable on performance, effectiveness, limitations, costs, and other relevant factors in support of the listing, including the applicability of such technology or other means to surface and underground source waters, or both. Consistent with such reliable information, each State exercising primary enforcement responsibility for such systems shall presume (pending the availability of monitoring data, pending availability of information on a system's viability, including the availability of financial assistance under this title, and pending other relevant factors) that use of such technology or other means should enable the public water system concerned to meet the national primary drinking water regulation.

"(E) The Administrator shall, on a continuing basis, assess the engineering feasibility, performance, effectiveness, costs, and limitations of best technologies and other means of meeting national primary drinking water regulations, and may, by rule, revise the list under subparagraph (A) or (B) as appropriate.

"(F) As used in this paragraph, the term 'best technology' for public water systems shall include, whenever appropriate, innovative and alternative technologies.

"(G) At any time after the promulgation of a national primary drinking water regulation, the Administrator may add to the lists under this paragraph, by guidance published in the Federal Register, any new or innovative technology or other means. A State may treat such technologies in the same manner as those listed pursuant to subparagraph (A) or (B).

"(H) To the greatest extent possible, within 24 months after the enactment of the Safe Drinking Water Act Amendments of 1994, the Administrator shall publish each of the following for public water systems in the size ranges referred to in clauses (i) and (ii) of subparagraph (A)—

"(i) For contaminants subject to a maximum contaminant level promulgated prior to such publication, a list of best technologies available that achieve compliance with such maximum contaminant level.

"(ii) For contaminants subject to a treatment technique promulgated prior to such publication, a list of alternative technologies that achieve a level of protection of public health equivalent to the level of protection provided by such treatment technique.".

SEC. 6. AMENDMENTS TO SECTION 1413.

(a) EMERGENCY PLANS.—Section 1413(a)(5) is amended by inserting after "emergency circumstances" the following: "including earthquakes, floods, hurricanes, and other natural disasters".

(b) PROTECTION OF DRINKING WATER DISTRIBUTION SYSTEMS.—Section 1413(a) is amended by adding the following after paragraph (6), as added by section 7(a):

"(7) has adopted (pursuant to guidance issued by the Administrator not later than 3 years after the date of the enactment of the Safe Drinking Water Act Amendments of 1994) and implemented requirements for public water systems in the State to take feasible measures to protect the distribution system from contamination due to leakage from sewer lines.".

(c) RECYCLING OF FILTER BACKWASH.—Section 1413 is amended by adding at the end thereof the following:

"(c) RECYCLING OF FILTER BACKWASH.—The Administrator shall promulgate a regulation to govern the recycling of filter backwash water within the treatment process of a public water system. The Administrator shall promulgate such regulation not later than 3 years after the date of the enactment of the Safe Drinking Water Act Amendments of 1994 unless such recycling has been addressed by the Administrator's 'enhanced surface water treatment rule' prior to such date. Any regulation under this subsection shall be deemed to be a national primary drinking water regulation for purposes of this title.".

SEC. 7. CERTIFICATION OF LABORATORIES AND OPERATORS.

(a) CERTIFICATION.—Section 1413(a) is amended by striking "and" at the end of paragraph (4), by striking the period at the end of paragraph (5) and inserting a semicolon, and by adding the following at the end thereof:

"(6) has adopted and is implementing, within 2 years after the promulgation of regulations pursuant to section 1442(h), requirements for the certification of—

"(A) laboratories conducting tests pursuant to this part, and

"(B) operators of community and nontransient noncommunity public water systems; and".

(b) STANDARDS.—Section 1442 is amended by adding the following at the end thereof:

"(h) MINIMUM STANDARDS.—(1) Not later than 30 months after the date of enactment of the Safe Drinking Water Act Amendments of 1994 and after consultation with States exercising primary enforcement responsibility for public water systems, the Administrator shall promulgate regulations specifying minimum standards for certification (and recertification) of the operators of public water systems. Such regulations shall take into account existing State programs, the complexity of the system and other factors aimed at providing an effective program at reasonable cost to States and public water systems, taking into account the size of the system.

"(2) Not later than 3 years after the date of enactment of the Safe Drinking Water Act Amendments of 1994 and after consultation with States exercising primary enforcement responsibility for public water systems, the Administrator shall promulgate regulations specifying minimum standards for certification (and recertification) of laboratories conducting tests pursuant to this part. Such regulations shall contain minimum criteria to ensure, to the extent possible, nationwide uniformity in such testing.

"(3) For any State exercising primary enforcement responsibility for public water systems which has an operator certification program in effect on the date of the enactment of the Safe Drinking Water Act Amendments of 1994, the regulations under paragraph (1) shall allow the State to enforce such program in lieu of the regulations under paragraph (1) if the State submits the program to the Administrator within 18 months after the promulgation of such regulations unless the Administrator determines (within 9 months after the State submits the program to the Administrator) that such program is inconsistent with such regulations. If disapproved it may be resubmitted in accordance with section 1428(c).".

(c) STUDY OF TRANSIENT SYSTEMS.—The Administrator of the Environmental Protection Agency shall survey various categories of transient noncommunity public water systems nationwide to evaluate any potential public health threat posed by any lack of operator certification or training for such systems, and within 4 years after the date of the enactment of the Safe Drinking Water Act Amendments of 1994, report to Congress with appropriate recommendations.

SEC. 8. ENFORCEMENT OF DRINKING WATER REGULATIONS.

(a) NOTICE.—Section 1414(a)(1)(A) is amended by striking "he shall so notify the State and" and inserting "the Administrator shall so notify the State, provide the State with an opportunity to confer with the Administrator, and notify".

(b) EFFECTIVE DATE.—Section 1414(g)(2) is amended as follows:

(1) Amend the first sentence to read as follows: "In the case of a State exercising primary enforcement responsibility for public water systems, an order issued under this subsection to enforce section 1445 shall not take effect until after the Administrator has provided such State with an opportunity to confer with the Administrator regarding the order.".

(2) Strike "proposed" in the second sentence.

(c) CIVIL PENALTY.—Section 1414(g)(3) is amended as follows:

(1) In subparagraph (B), strike "$5,000" and insert "$75,000 (or $100,000 if the violation occurs for more than 15 days or the public water system serves more than 10,000 persons)".

(2) In subparagraph (C), strike "$5,000" and insert "$75,000 (or $100,000 if the violation occurs for more than 15 days or the public water system serves more than 10,000 persons)".

(d) ENFORCEABILITY OF STATE REQUIREMENTS.—Section 1414 is amended by adding the following at the end thereof:

"(h) STATE REQUIREMENTS.—For a State exercising primary enforcement responsibility for public water systems, any violation of a State requirement that implements a national primary drinking water regulation shall be treated as a violation of a national primary drinking water regulation in effect under section 1412, except to the extent that the State requirement includes elements that are more stringent, or broader in scope, than elements of the national primary drinking water regulation.".

SEC. 9. QUARTERLY NONCOMPLIANCE REPORTING.

(a) NONCOMPLIANCE REPORTING.—Section 1413 is amended by inserting the following new subsection after subsection (c):

"(d) QUARTERLY NONCOMPLIANCE REPORTING.—(1) Each State exercising primary enforcement responsibility for public water systems shall submit quarterly reports to the Administrator on a schedule and in a format prescribed by the Administrator, consisting of each of the following items:

"(A) Violations, during the previous quarter, by public water systems in the State of State regulations adopted to implement the requirements of national primary drinking water regulations.

"(B) Enforcement actions taken, during the previous quarter, by the State against public water systems with respect to State regulations adopted to implement the requirements of national primary drinking water regulations.

"(C) Notification of any variance or exemption granted during the previous quarter. The notice shall include a statement of reasons for the granting of the variance or exemption, including documentation of the need for the variance or exemption and the finding that the granting of the variance or exemption will not result in an unreasonable risk to health. The State may use a single notification statement to report 2 or more similar variances or exemptions.

"(2) The reports under paragraph (1)(A) shall include information specifying the contamination level in the case of any exceedance of any maximum contaminant level included in a national primary drinking water regulation.

"(3) The Administrator shall make all information reported to the Administrator under this subsection available to the public in such manner as will ensure maximum accessibility and comprehension by the public.".

(b) COMPLIANCE WITH SUBSECTION (h).—Section 1413(a)(3) is amended by inserting ", including reports under subsection (d)," after "reports".

SEC. 10. SMALL SYSTEM ASSISTANCE PROGRAM.

(a) BAAT VARIANCE.—Section 1415 is amended by adding the following at the end thereof:

"(e) SMALL SYSTEM ASSISTANCE PROGRAM.—

"(1) BAAT VARIANCES.—In the case of public water systems serving 3,300 persons or fewer, a variance under this section shall be granted by a State which has primary enforcement responsibility for public water systems allowing the use of Best Available Affordable Technology in lieu of best technology or other means where—

"(A) no best technology or other means is listed under subparagraph (A)(ii) or subparagraph (B) of section 1412(b)(6) for a given contaminant for public water systems serving 3,300 persons or fewer;

"(B) the Administrator has identified BAAT for that contaminant pursuant to paragraph (3); and

"(C) the State finds that the conditions in paragraph (4) are met.

"(2) DEFINITION OF BAAT.—The term 'Best Available Affordable Technology' or 'BAAT' means the most effective technology or other means for the control of a drinking water contaminant or contaminants that is available and affordable to systems serving fewer than 3,300 persons.

"(3) IDENTIFICATION OF BAAT.—(A) As part of each national primary drinking water regulation proposed and promulgated after the enactment of the Safe Drinking Water Act Amendments of 1994, the Administrator shall identify BAAT in any case where no 'best technology or other means' is listed under subparagraph (A)(ii) or subparagraph (B) of section 1412(b)(6) for that contaminant for systems serving fewer than 3,300 persons. No such identified BAAT shall require a technology from specific manufacturer or brand. BAAT need not be adequate to achieve the applicable maximum contaminant level or treatment technique, but shall bring the public water system as close to achievement of such maximum contaminant level as practical or as close to the level of health protection provided by such treatment technique as practical, as the case may be. Any technology or other means identified as BAAT must be determined by the Administrator to be protective of public health. Simultaneously with identification of BAAT, the Administrator shall list any assumptions underlying the public health determination referred to in the preceding sentence, where

such assumptions concern the public water system to which the technology may be applied, or its source waters. The Administrator shall provide the assumptions used in determining affordability, taking into consideration the number of persons served by such systems. Such listing shall provide as much reliable information as practicable on performance, effectiveness, limitations, costs, and other relevant factors in support of such listing, including the applicability of BAAT to surface and underground waters or both.

"(B) To the greatest extent possible, within 24 months after the date of the enactment of the Safe Drinking Water Act Amendments of 1994, the Administrator shall identify BAAT for all national primary drinking water regulations proposed or promulgated prior to such date of enactment where no best technology or other means is listed under subparagraph (A)(ii) or subparagraph (B) of section 1412(b)(6) for that contaminant for systems serving fewer than 3,300 persons, and where compliance by such small systems is not practical. In identifying BAAT for such national primary drinking water regulations, the Administrator shall give priority to evaluation of atrazine, asbestos, selenium, pentachlorophenol, antimony, and nickel.

"(4) CONDITIONS FOR BAAT VARIANCE.—To grant a variance under this subsection, the State must determine that—

"(A) the public water system cannot install 'best technology or other means' because of the system's small size;

"(B) the public water system could not comply with the maximum contaminant level through use of alternate water supplies or through management changes or restructuring, as described in section 1419 (relating to public water system viability);

"(C) the public water system has the capacity to operate and maintain BAAT; and

"(D) the circumstances of the public water system are consistent with the public health assumptions identified by the Administrator under paragraph (3).

"(5) SCHEDULES.—Any variance granted by a State under this subsection shall establish a schedule for the installation and operation of BAAT within a period not to exceed 2 years after the issuance of the variance, except that the State may grant an extension of 1 additional year upon application by the system. The application shall include a showing of financial or technical need. Variances under this subsection shall be for a term not to exceed 5 years (including the period allowed for installation and operation of BAAT), but may be renewed for such additional 5-year periods by the State upon a finding that the criteria in paragraph (4) continued to be met.

"(6) MICROBIOLOGICAL CONTAMINANTS.—No variance may be issued under this subsection for microbiological contaminants.

"(7) REVIEW.—Any review by the Administrator under paragraphs (4) and (5) shall be pursuant to subsection (a)(1)(G)(i).".

(b) TECHNICAL AND CONFORMING CHANGES.—(1) Section 1415 is amended by striking "best technology, treatment techniques, or other means" and "best available technology, treatment techniques or other means" each place such terms appear and inserting in lieu thereof "best technology or other means".

(2) Section 1415(a)(1)(A) is amended by striking the third sentence and by striking "Before a schedule prescribed by a State pursuant to this subparagraph may take effect" and all that follows down to the beginning of the last sentence.

(3) Section 1415(a)(1)(C) is amended as follows:

(A) Amend the first sentence to read as follows: "Before a variance is issued and a schedule is prescribed pursuant to this subsection or subsection (e) by a State, the State shall provide notice and an opportunity for a public hearing on the proposed variance and schedule.".

(B) Insert "under this section" before the period at the end of the third sentence".

(4) Section 1415(a)(1)(D) is amended as follows:

(A) Strike "under subparagraph (A)" and insert "under this section".

(B) Strike "that subparagraph" in each place it appears and insert in each such place "this section".

(C) Strike the last sentence.

(5) Section 1415(a)(1)(F) is amended by striking "3-year" and inserting "5-year" and by amending the first sentence to read as follows: "Not later than 5 years after the enactment of the Safe Drinking Water Act Amendments of 1994, the Administrator shall complete a review of the variances granted under this section (and the schedules prescribed in connection with such variances).".

(6) Section 1415(a)(1)(G)(i) is amended by striking "subparagraph (A) or (B)" and inserting "this section".

(7) Section 1415(b) is amended by striking "paragraph (1)(B) or (2) of subsection (a)" and inserting "this section".

(8) Section 1415(c) is amended by striking "subsection (a)" and inserting "this section".

(9) Section 1415(d) is amended to read as follows:

"(d) [REPEALED.]".

SEC. 11. EXEMPTIONS.

(a) SYSTEMS SERVING FEWER THAN 3,300 PERSONS.—Section 1416 is amended by adding the following at the end thereof:

"(h) SMALL SYSTEMS.—(1) For public water systems serving fewer than 3,300 persons, the maximum exemption period shall be 4 years if the State is exercising primary enforcement responsibility for public water systems and determines that—

"(A) the public water system cannot meet the maximum contaminant level or install Best Available Affordable Technology ('BAAT') due in either case to compelling economic circumstances (taking into consideration the availability of financial assistance under section 1443(c), relating to State Revolving Funds) or other compelling circumstances;

"(B) the public water system could not comply with the maximum contaminant level through the use of alternate water supplies;

"(C) the granting of the exemption will provide a drinking water supply that protects public health given the duration of exemption; and

"(D) the State has met the requirements of paragraph (2).

"(2)(A) Before issuing an exemption under this section or an extension thereof for a small public water system described in paragraph (1), the State shall—

"(i) examine the public water system's technical, financial, and managerial capability (taking into consideration any available financial assistance) to operate in, and maintain compliance with, this title, and

"(ii) determine if management or restructuring changes (or both) can reasonably be made that will result in compliance with this title or, if compliance cannot be achieved, improve the quality of the drinking water.

"(B) Management changes referred to in subparagraph (A) may include rate increases, accounting changes, the hiring of consultants, the appointment of a technician with expertise in operating such systems, contractual arrangements for a more efficient and capable system for joint operation, or other reasonable strategies to improve viability.

"(C) Restructuring changes referred to in subparagraph (A) may include ownership change, physical consolidation with another system, or other measures to otherwise improve customer base and gain economies of scale.

"(D) If the State determines that management or restructuring changes referred to in subparagraph (A) can reasonably be made, it shall require such changes and a schedule therefore as a condition of the exemption. If the State determines to the contrary, the State may still grant the exemption. The decision of the State under this subparagraph shall not be subject to review by the Administrator, except as provided in subsection (d).

"(3) Paragraphs (1) and (3) of subsection (a) shall not apply to an exemption issued under this subsection. Subparagraph (B) of subsection (b)(2) shall not apply to an exemption issued under this subsection, but any exemption granted to such a system may be renewed for additional 4-year periods upon application of the public water system and after a determination that the criteria of paragraphs (1) and (2) of this subsection continue to be met.

"(4) No exemption may be issued under this section for microbiological contaminants.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—(1) Section 1416(b)(1) is amended by striking "prescribed by a State pursuant to this subsection" and inserting "prescribed by a State pursuant to this subsection or subsection (h)".

(2) Section 1416(c) is amended by striking "under subsection (a)" and inserting "under this section" and by striking "including" in the second sentence and inserting "including, in the case of an exemption under subsection (a),".

(3) Section 1416(d)(1) is amended by striking "3-year" and inserting "4-year" and by amending the first sentence to read as follows: "Not later than 4 years after the date of enactment of the Safe Drinking Water Act Amendments of 1994, the Administrator shall complete a comprehensive review of the exemptions granted (and schedules prescribed pursuant thereto) by the States during the 4-year period beginning on such date.".

(4) Section 1416(b)(2)(C) is repealed.

(c) SYSTEMS SERVING MORE THAN 3,300 PERSONS.—Section 1416(b)(2)(A)(ii) is amended by striking "12 months" and inserting "4 years" and section 1416(b)(2)(B) is amended by striking "3 years after the date of the issuance of the exemption" and inserting "4 years after the expiration of the initial exemption".

SEC. 12. PUBLIC WATER SYSTEM VIABILITY.

Part B is amended by adding the following at the end thereof:

"SEC. 1419. PUBLIC WATER SYSTEM VIABILITY.

"(a) EPA GUIDELINES.—Within 18 months after the enactment of the Safe Drinking Water Act Amendments of 1994, the Administrator shall issue guidelines for purposes of subsection (b) for State programs to bring public water systems into compliance with this title and to maintain such compliance. The guidelines shall be developed in consultation with the States.

"(b) STATE PROGRAMS TO ASSURE VIABILITY.—Within 2 years after issuance of guidelines under subsection (a), each State exercising primary enforcement responsibility for public water systems shall develop and implement a comprehensive program to assure the viability of community and noncommunity nontransient public water systems within that State which are subject to the provisions of subsection (e). The program shall be treated as approved by the Administrator unless disapproved by the Administrator within 6 months after the date of its submittal. If disapproved it may be resubmitted in accordance with section 1428(c).

"(c) FINANCIAL ASSISTANCE FOR SMALL SYSTEMS.—(1) Except as provided in paragraph (2), no financial assistance may be provided from funds made available under section 1443(c) to any public water system in operation on the date of enactment of the Safe Drinking Water Act Amendments of 1994 that—

"(A) serves fewer than 10,000 persons, and

"(B) has a history of violations of monitoring requirements or violations of national primary drinking water regulations,

unless the State determines whether the public water system has, or will have, the technical, managerial, and financial capability to operate in compliance, and maintain compliance, with this title. Such determination shall be based on such information as the public water system may provide to the State and such other information as may be available to the State. In making such determination the State shall take into consideration the financial assistance which may be available to the public water system.

"(2)(A) If the State determines under paragraph (1) that a public water system lacks the capability referred to in paragraph (1), the State shall require adoption by the system of management or restructuring changes or both before providing funding to the system under section 1443(c), except as provided in subparagraph (B). Management changes may include rate increases, accounting changes, the hiring of consultants, the appointment of a technician with expertise in operating such systems, contractual arrangements for a more efficient and capable system for joint operation, or other reasonable strategies to improve viability. Restructuring changes may include ownership change, physical consolidation with another system, or other measures to otherwise improve customer base and gain economies of scale.

"(B) If the State determines under paragraph (1) that a system lacks the capability referred to in paragraph (1), funds provided under section 1443(c) (relating to State Revolving Funds) shall be available only to support such physical consolidation.

"(d) NEW SYSTEMS.—No financial assistance of any kind may be provided under this title to any public water system that is established, and begins operations, in any State after the enactment of the Safe Drinking Water Act Amendments of 1994, unless the Administrator determines that the State has an effective operating permit program or other means to ensure, before commencing operation, that the system has the management and technical capacity and financial capability, taking into account its customer base and other relevant factors, to comply and maintain compliance with the applicable requirements of this title. No change in the ownership of a public water system shall result in the application of the prohibition contained in this subsection to such system.

"(e) STATE VIABILITY ASSESSMENTS.—(1) Before the end of the first full fiscal year after the enactment of the Safe Drinking Water Act Amendments of 1994, each State shall establish a program for assessing, over a 5-year period, the long-term technical, managerial, and financial capability of community and nontransient noncommunity public water systems serving fewer than 10,000 persons that are in violation of this title or may be in jeopardy of not maintaining compliance with this title. The State shall establish a schedule for determining which systems to include in the assessment program.

"(2) The assessment program referred to in paragraph (1) shall include any public water system that has been in significant noncompliance (as defined in guidelines issued prior to the enactment of the Safe Drinking Water Act Amendments of 1994 or any revisions thereof and in national primary drinking water regulations promulgated after such date of enactment) or violated any maximum contaminant level or treatment technique, any variance, or any exemption under this title during the 2 years prior to the date on which the State makes a determination (in accordance with the schedule under in paragraph (1)) regarding whether to include such system in the assessment program.

"(3) For all public water systems referred to in paragraph (1) (other than those referred to in paragraph (2)), the State shall establish, in consultation with the Administrator, a system of priorities, as part of the program for conducting assessments, where there has been other noncompliance during such 2-year period which the State considers serious. The State shall publish such priorities and file them with the Administrator. The State, in its discretion and considering its resources, may, but is not required to, conduct assessments of public water systems which are in compliance during such period.

"(f) WAIVER.—The Administrator may waive any requirements of this section in the case of a State viability program adopted before the enactment of this section if the Administrator finds that such State viability program is fully achieving the objectives of this section.

"(g) AVAILABILITY OF SRF FUNDS.—Unless the State has—

"(1) prior to the end of the first full fiscal year after the enactment of the Safe Drinking Water Act Amendments of 1994, established a program meeting the requirements of subsection (e), and

"(2) beginning with the third fiscal year after the Administrator issues guidelines under subsection (a), developed and implemented an approved program under subsection (b),

only 50 percent of the funds that would otherwise be allocated to that State under section 1443(c) (relating to State Revolving Funds) may be made available to the State.

"(h) EPA REVIEW.—The decisions of the State under this section regarding any particular public water system are not subject to review by the Administrator.".

SEC. 13. SOURCE WATER ASSESSMENT AND PETITION PROGRAM.

(a) GUIDELINES AND PROGRAMS.—Section 1428 is amended by adding "**AND SOURCE WATER**" after "**WELLHEAD**" in the section heading and by adding at the end thereof the following:

"(l) SOURCE WATER ASSESSMENT.—

"(1) GUIDANCE.—Within 12 months after enactment of the Safe Drinking Water Act Amendments of 1994, after notice and comment, the Administrator shall publish guidance for States exercising primary enforcement responsibility for public water systems to carry out directly or through delegation (for the protection and benefit of public water systems and for the support of monitoring flexibility) a source water assessment program within the State's boundaries.

"(2) PROGRAM REQUIREMENTS.—A source water assessment program under this subsection shall—

"(A) delineate the boundaries of the assessment areas in such State from which one or more public water systems in the State receive supplies of drinking water, using all reasonably available hydrogeologic information on the sources of the supply of drinking water in the State and the water flow, recharge, and discharge and any other reliable information as the State deems necessary to adequately determine such areas; and

"(B) identify for contaminants regulated under this title for which monitoring is required under this title (or any unregulated contaminants which the State, for the purposes of this subsection, has determined to present an urgent threat to public health), to the extent practical, the origins within each delineated area of such contaminants to determine the susceptibility of the public water systems in the delineated area to such contaminants.

"(3) APPROVAL, IMPLEMENTATION, AND MONITORING RELIEF.—A State source water assessment program under this subsection shall be submitted to the Administrator within 18 months after the Administrator's guidance is issued under this subsection and shall be deemed approved 9 months after the date of such submittal unless the Administrator disapproves the program as provided in subsection (c). States shall begin implementation of the program immediately after its approval. The Administrator's approval of a State program under this subsection shall include a timetable, established in consultation with the State, allowing not more than 2 years for completion after approval of the program. Public water systems seeking monitoring relief in addition to the interim relief provided under section 1418(a) shall be eligible for monitoring relief, consistent with section 1418(b), upon completion of the assessment in the delineated source water assessment area or areas concerned.

"(4) TIMETABLE.—The timetable referred to in paragraph (3) shall take into consideration the availability to the State of funds under section 1443(c) (relating to State Revolving Funds) for assessments and other relevant factors. The Administrator may extend any timetable included in a State program approved under paragraph (3) to extend the period for completion by an additional 18 months. The timetable shall be deemed to be part of the guidance published under paragraph (1) and shall be subject to section 1450(j). Compliance with subsection (g) shall not affect any State permanent monitoring flexibility program approved under section 1418(b). To avoid duplication and to encourage efficiency, the program shall, to the extent practicable, be coordinated with other existing programs and mechanisms, including the wellhead protection program, vulnerability assessments, sanitary surveys, and monitoring programs.

"(5) DEMONSTRATION PROJECT.—The Administrator shall, as soon as practicable, conduct a demonstration project, in consultation with other Federal agencies, to demonstrate the most effective and protective means of assessing and protecting source waters serving large metropolitan areas and located on Federal lands.

"(m) PETITION PROGRAM.—

"(1) SUBMISSION OF PETITIONS.—Within 18 months after publication by the Administrator of guidance under subsection (l), each State exercising primary enforcement responsibility shall adopt and submit to the Administrator a source water petition program. A petition under such program may request that the State assist in addressing the origins of contaminants regulated under this title (or unregulated contaminants for which the State has determined, for purposes of this section, that there is an urgent threat to public health) and that are not adequately addressed by the wellhead protection program or other programs. The origins of such contaminants may include, to the extent practicable, the specific activities that affect the drinking water supply of a community. Such program shall also include provisions for voluntary partnerships, including those in which public water systems and local governments participate and submit petitions. The program shall provide for public notice of petitions.

"(2) CONTENTS OF PETITIONS.—Petitions submitted to the State under this subsection may seek assistance in directing, or redirecting, consistent with applicable program authorities administrative, technical, or financial resources to address the origins of drinking water contaminants regulated under this title (or unregulated contaminants for which the State has determined, for purposes of this section, that there is an urgent threat to public health) and that are not adequately addressed by the wellhead protection program or other programs. Any such petition shall, at a minimum—

"(A) include delineation of the source water area covered by the petition, based on the source water assessment delineation areas set forth in subsection (l)(2)(A);

"(B) based on reasonably available data, identify the nature of the problem that is the basis for the petition;

"(C) to the extent practicable, identify the origins of such drinking water contaminants; and

"(D) identify any missing data necessary to adequately characterize the problem that is the basis of the petition.

Identification of a contaminant or contaminants in a petition shall be contaminant specific. Contaminants may be combined in a single petition. The State may elect to waive the requirement for the petitioner to meet subparagraph (D).

"(3) RESPONSE TO PETITIONS.—Each State receiving a petition under this subsection shall respond to the petition in an expeditious manner unless the State determines, in its discretion, that the petition is frivolous. The State response may include, as appropriate, utilization and coordination of programs, technical assistance, financial assistance, education, training, contingency plans and demonstration projects for the delineated areas to protect the drinking water supply of systems within those areas from such contaminants. Nothing in this paragraph is intended or shall be interpreted to create or convey any new authority in any State, political subdivision of a State, or public water system for any control measure or limit in any way any authority of a State, political subdivision of a State, or water system.

"(4) APPROVAL OF PETITION PROGRAM.—The Administrator's approval of a State source water petition program under this subsection is not required unless the State uses grant funds under section 1443(c) (relating to State Revolving Funds) to adopt and implement the program. The State may use grants allotted to the State under section 1443(c) for such purposes only with the approval of the Administrator. If adopted with the use of funds made available under section 1443(c) by a State exercising primary enforcement responsibility for public water systems, the State shall comply with the delineation requirements set forth in subsection (l)(2)(A) and the program shall contain, as appropriate, one or more of the elements referred to in section 1428(a)(4).".

(b) PUBLIC PARTICIPATION.—Subsection (b) of section 1428 is amended by adding the following at the end thereof: "No funds shall be available to the State under section 1443(c) (relating to State Revolving Funds) for the purpose of carrying out a State source water petition program unless the State procedures referred to in this section also apply to any State source water petition program adopted under subsection (m).".

(c) APPROVAL AND DISAPPROVAL OF STATE PROGRAMS.—Section 1428 is amended as follows:

(1) Amend the first sentence of subsection (c)(1) to read as follows: "If, in the judgment of the Administrator, a State program or portion thereof under subsection (a) is not adequate to protect public water systems as required by subsection (a) or a State program under subsection (l) or (m) or section 1418(b) does not meet the applicable requirements of subsection (l), (m) or section 1418(b), the Administrator shall disapprove such program or portion thereof.".

(2) Add after the second sentence of subsection (c)(1) the following: "A State program developed pursuant to subsection (l) or (m) or section 1418(b) shall be deemed to meet the applicable requirements of subsection (l), (m) or section 1418(b) unless the Administrator determines within 9 months of the receipt of the program that such program (or portion thereof) does not meet such requirements.".

(3) In the third sentence of subsection (c)(1) and in subsection (c)(2) strike "is inadequate" and insert "is disapproved".

(4) Add the following at the end of subsection (c)(1): "Notwithstanding any other provision of this subsection, the provisions of this subsection shall apply to source water petition programs under subsection (m) only if the State uses grants under section 1443(c) (relating to State Revolving Funds) for such program.".

(5) In subsection (b), add the following before the period at the end of the first sentence: "and source water assessment programs under subsection (l)".

(6) In subsection (g)—

(A) insert after "under this section" the following: ", State source water assessment programs under subsection (l) and State petition programs under subsection (m) for which the State uses grants under section 1443(c) (relating to State Revolving Funds)"; and

(B) strike "Such" in the last sentence and inserting "In the case of wellhead protection programs, such".

SEC. 14. MONITORING OF REGULATED CONTAMINANTS.

Part B is amended by adding the following after section 1417:

"SEC. 1418. MONITORING OF CONTAMINANTS.

"(a) INTERIM MONITORING RELIEF AUTHORITY.—(1) A State exercising primary enforcement responsibility for public water systems may modify the monitoring requirements for—

"(A) regulated chemical pesticide contaminants,

"(B) polychlorinated byphenyls,

"(C) dioxin, and

"(D) unregulated contaminants for which monitoring is required under phase II as set forth on January 30, 1991, in volume 56 of the Federal Register, page 3526 and phase V as set forth on July 17, 1992, in volume 57 of the Federal Register, page 31776

for an interim period to provide that any public water system serving 3,300 persons or fewer shall not be required to conduct additional quarterly monitoring during an interim relief period for such contaminants if—

"(i) monitoring, conducted at the beginning of the period for the contaminant concerned and certified to the State by the public water system, fails to detect the presence of the contaminant in the ground or surface water supplying the public water system, and

"(ii) the State, (considering the hydrogeology of the area and other relevant factors), determines in writing that the contaminant is unlikely to be detected by further monitoring during such period.

"(2) The interim relief period referred to in paragraph (1) shall terminate when permanent monitoring relief is adopted and approved for such State, or at the end of 36 months after the enactment of the Safe Drinking Water Act Amendments of 1994, whichever comes first. In order to serve as a basis for interim relief, the monitoring conducted at the beginning of the period must occur at the time determined by the State to be the time of the public water system's greatest vulnerability to the contaminant concerned in the relevant ground or surface water, taking into account in the case of pesticides the time of application of the pesticide for the source water area and the travel time for the pesticide to reach such waters and taking into account, in the case of other contaminants, seasonality of precipitation and contaminant travel time.

"(b) PERMANENT MONITORING RELIEF AUTHORITY.—(1) Each State exercising primary enforcement responsibility for public water systems under this title and having an approved wellhead protection program and a source water assessment program may adopt, in accordance with guidance published by the Administrator, and submit to the Administrator as provided in section 1428(c), tailored alternative monitoring requirements for public water systems in such State (as an alternative to the monitoring requirements specified in the Administrator's standardized monitoring framework for chemical contaminants and the applicable national primary drinking water regulations) where the State concludes that (based on data available at the time of adoption concerning susceptibility, use, occurrence, wellhead protection, or from the State's drinking water source water assessment program) such alternative monitoring would provide assurance that it complies with the Administrator's guidelines. The State program must be adequate to assure compliance with, and enforcement of, applicable national primary drinking water regulations. Alternative monitoring shall not apply to regulated microbiological contaminants, disinfectants and disinfection by-products, or corrosion by-products. The preceding sentence is not intended to limit other authority of the Administrator under other provisions of this title to grant monitoring flexibility.

"(2)(A) The Administrator shall issue, after notice and comment and at the same time as guidelines are issued for source water assessment under section 1428(l), guidelines for States to follow in proposing alternative requirements to the standardized monitoring framework for chemical contaminants. The Administrator shall publish such framework in the Federal Register. The guidelines shall assure that the public health will be protected from drinking water contamination. The guidelines shall require that a State alternative monitoring program apply on a contaminant-by-contaminant basis and that, to be eligible for such alternative monitoring program, a public water system must show the State that the contaminant is not present in the drinking water supply or, if present, it is reliably and consistently below the maximum contaminant level.

"(B) For purposes of subparagraph (A), the phrase 'reliably and consistently below the maximum contaminant level' means that, although contaminants have been detected in a water supply, the State has sufficient knowledge of the contamination source and extent of contamination to predict that the maximum contaminant level will not be exceeded. In determining that a contaminant is reliably and consistently below the maximum contaminant level, States shall consider the quality and completeness of data, the length of time covered and the volatility or stability of monitoring results during that time, and the proximity of such results to the maximum contaminant level. Wide variations in the analytical results, or analytical results close to the maximum contaminant level, shall not be considered to be reliably and consistently below the maximum contaminant level.

"(3) The guidelines issued by the Administrator under paragraph (2) shall require that if, after the monitoring program is in effect and operating, a contaminant covered by the alternative monitoring program is detected at levels at or above the maximum contaminant level or is no longer reliably or consistently below the maximum contaminant level, the public water system must either—

"(A) demonstrate that the contamination source has been removed or that other action has been taken to eliminate the contamination problem, or

"(B) test for the detected contaminant pursuant to the applicable national primary drinking water regulation.

"(c) TREATMENT AS NPDWR.—All monitoring relief granted by a State to a public water system for a regulated contaminant under subsection (a) or (b) shall be treated as part of the national primary drinking water regulation for that contaminant.

"(d) OTHER MONITORING RELIEF.—Nothing in this section shall be construed to affect the authority of the States under the standard monitoring framework for chemical contaminants and under applicable national primary drinking water regulations to alter monitoring requirements through waivers in effect at the time of the enactment of the Safe Drinking Water Act Amendments of 1994. States are encouraged to use such authority.".

SEC. 15. FEDERAL FACILITIES.

(a) IN GENERAL.—Part C is amended by adding at the end thereof the following new section:

"SEC. 1429. FEDERAL FACILITIES.

"(a) IN GENERAL.—Each department, agency, and instrumentality of the executive, legislative, and judicial branches of the Federal Government—

"(1) owning or operating any facility in a wellhead protection area,

"(2) engaged in any activity at such facility resulting, or which may result, in the contamination of water supplies in any such area, or

"(3) owning or operating any public water system

shall be subject to, and comply with, all Federal, State, interstate, and local requirements, both substantive and procedural (including any requirement for permits or reporting or any provisions for injunctive relief and such sanctions as may be imposed by a court to enforce such relief), respecting the protection of such wellhead areas and respecting such public water systems in the same manner and to the same extent as any person is subject to such requirements, including the payment of reasonable service charges. The Federal, State, interstate, and local substantive and procedural requirements referred to in this subsection include, but are not limited to, all administrative orders and all civil and administrative penalties and fines, regardless of whether such penalties or fines are punitive or coercive in nature or are imposed for isolated, intermittent, or continuing violations. The United States hereby expressly waives any immunity otherwise applicable to the United States with respect to any such substantive or procedural requirement (including, but not limited to, any injunctive relief, administrative order or civil or administrative penalty or fine referred to in the preceding sentence, or reasonable service charge). The reasonable service charges referred to in this subsection include, but are not limited to, fees or charges assessed in connection with the processing and issuance of permits, renewal of permits, amendments to permits, review of plans, studies, and other documents, and inspection and monitoring of facilities, as well as any other nondiscriminatory charges that are assessed in connection with a Federal, State, interstate, or local regulatory program respecting the protection of wellhead areas or public water systems. Neither the United States, nor any agent, employee, or officer thereof, shall be immune or exempt from any process or sanction of any State or Federal Court with respect to the enforcement of any such injunctive relief. No agent, employee, or officer of the United States shall be personally liable for any civil penalty under any Federal, State, interstate, or local law concerning the protection of wellhead areas or public water systems with respect to any act or omission within the scope of the official duties of the agent, employee, or officer. An agent, employee, or officer of the United States shall be subject to any criminal sanction (including, but not limited to, any fine or imprisonment) under any Federal or State requirement adopted pursuant to this title, but no department, agency, or instrumentality of the executive, legislative, or judicial branch of the Federal Government shall be subject to any such sanction. The President may exempt any facility of any department, agency, or instrumentality in the executive branch from compliance with such a requirement if he determines it to be in the paramount interest of the United States to do so. No such exemption shall be granted due to lack of appropriation unless the President shall have specifically requested such appropriation as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation. Any exemption shall be for a period not in excess of 1 year, but additional exemptions may be granted for periods not to exceed 1 year upon the President's making a new determination. The President shall report each January to the Congress all exemptions from the requirements of this section granted during the preceding calendar year, together with his reason for granting each such exemption.

"(b) ADMINISTRATIVE ENFORCEMENT ACTIONS.—(1) The Administrator may commence an administrative enforcement action against any department, agency, or instrumentality of the executive, legislative, or judicial branch of the Federal Government subject to the provisions of subsection (a) pursuant to the enforcement authorities contained in this title. The Administrator shall initiate an administrative enforcement action against such a department, agency, or instrumentality in the same manner and under the same circumstances as an action would be initiated against another person. Any voluntary resolution or settlement of such an action shall be set forth in a consent order.

"(2) No administrative order issued to such a department, agency, or instrumentality shall become final until such department, agency, or instrumentality has had the opportunity to confer with the Administrator.

"(c) LIMITATION ON STATE USE OF FUNDS COLLECTED FROM FEDERAL GOVERNMENT.—Unless a State law in effect on the date of the enactment of the Safe Drinking Water Act Amendments of 1994 or a State constitution requires the funds to be used in a different manner, all funds collected by a State from the Federal Government from penalties and fines imposed for violation of any substantive or procedural requirement referred to in subsection (a) shall be used by the State only for projects designed to improve or protect the environment or to defray the costs of environmental protection or enforcement.".

(b) CONFORMING AMENDMENTS.—Section 1447(a) is amended as follows:

(1) By striking out "(1) having jurisdiction over any federally owned or maintained public water system or (2)".

(2) By striking out "respecting the provision of safe drinking water and".

(3) Section 1447(c) is amended by striking out "the Safe Drinking Water Amendments of 1977" and inserting "this title" and by striking "this Act" and inserting "this title".

SEC. 16. EMERGENCY POWERS.

Section 1431(b) is amended by striking out "$5,000" and inserting in lieu thereof "$15,000".

SEC. 17. TAMPERING.

Section 1432 is amended as follows:

(1) In subsection (d), by striking "or" at the end of paragraph (1) and by striking paragraph (2) and inserting the following:

"(2) to knowingly and deliberately interfere with the operation of a public water system with the intent to cause economic harm to the system or cause the system to violate this title; or

"(3) to knowingly and deliberately render inaccurate a monitoring device with the intent to falsify monitoring results.".

(2) By adding at the end the following:

"(e) FAILURE TO REPORT.—Any owner or operator of a public water system who knowingly and deliberately fails to report for more than 90 days to the State with primary enforcement responsibility for public water systems, or to the public as required by this title, or to the Administrator, a violation of a maximum contaminant level or treatment technique shall be subject to a fine of not more than $10,000, imprisonment for not more than 2 years, or both, except that failure to comply with the exact form and contents of a notice shall not be considered a failure to report which is subject to enforcement under this subsection.

"(f) FALSE STATEMENTS.—State requirements applicable to public water systems in States with primary enforcement responsibility for public water systems under this title, or requirements of the Administrator under this title, respecting statements, representations, writings, or documents shall be construed to be subject to the provisions of section 1001 of title 18 of the United States Code and for such purposes such requirements shall be treated as a matter within the jurisdiction of a department or agency of the United States and solely for that purpose such State shall be treated as a Federal department or agency.".

SEC. 18. FUNDS FOR SAFE DRINKING WATER.

(a) STATE REVOLVING FUNDS.—Section 1443 is amended by redesignating subsection (c) as subsection (d) and by adding the following new subsection after subsection (b):

"(c) STATE REVOLVING FUNDS.—

"(1) GENERAL AUTHORITY.—

"(A) GRANTS TO STATES TO ESTABLISH REVOLVING FUNDS.—The Administrator shall enter into agreements with States to make capitalization grants, including letters of credit, to the States under this subsection solely to further the health protection objectives of this title, promote the efficient use of fund resources, and for such other purposes as specified in this title. The grants shall be deposited in drinking water treatment revolving funds established by the State, except as otherwise provided in this subsection and in other provisions of this title. No portion of any specific percentage amount of such grants referred to in paragraph (5), (8), or (9) or authorized by other provisions of this title to be used for other purposes specified in this title shall be deposited in any State revolving fund. All such grants shall be allotted to the States in the same manner as funds are allotted to States under subsection (a)(4), except as provided in paragraph (8) and except that the State allotment for a State not exercising primary enforcement responsibility for public water systems shall not be deposited in any such fund but shall be allotted by the Administrator as follows: 30 percent of such allotment shall be available to the Administrator as needed to exercise primary enforcement responsibility under this title in such State and the remainder shall be reallotted to States exercising primary enforcement responsibility for public water systems for deposit in such funds. Whenever the Administrator makes a final determination pursuant to section 1413(b) that the requirements of section 1413(a) are no longer being met by a State, additional grants for such State under this title shall be immediately terminated by the Administrator.

"(B) USE OF FUNDS.—Except as otherwise authorized by this title, amounts deposited in such revolving funds, including loan repayments and interest earned on such amounts, shall be used only for providing loans or other financial assistance of any kind or nature that the State deems appropriate to public water systems. Such financial assistance may be used by a public water system only for expenditures (not including monitoring, operation, and maintenance expenditures) of a type or category which the Administrator has determined, through guidance, will facilitate compliance with national primary drinking water regulations applicable to such system under section 1412 or otherwise significantly further the health protection objectives of this title. Such financial assistance may be used for acquisition from willing sellers, at fair market value, of real property or interests therein

which are integral to such systems. 15 percent of the amount credited to any revolving fund established under this section in any fiscal year shall be available solely for providing loan assistance to public water systems which regularly serve fewer than 10,000 persons.

"(C) FUND MANAGEMENT.—Each State revolving fund under this subsection shall be established, maintained, and credited with repayments and interest. The fund corpus shall be available in perpetuity for providing financial assistance under this section. To the extent amounts in each such fund are not required for current obligation or expenditure, such amounts shall be invested in interest bearing obligations of the State or of the United States.

"(D) GRANTS FROM REVOLVING FUNDS.—A State may not provide assistance in the form of grants from a State revolving fund established under this subsection in an aggregate amount which exceeds the sum of the interest collected on deposits in such State revolving fund plus amounts deposited in such fund by the State pursuant to paragraph (3). Such grants may only be made to public water systems owned by a governmental or inter-governmental agency, a non-profit organization, an Indian tribe, or any combination thereof which the State finds to be experiencing financial hardship.

"(E) INVESTOR-OWNED PUBLIC WATER SYSTEMS.—In the case of any public water system not owned by a governmental or inter-governmental agency, a non-profit organization, an Indian tribe, or any combination thereof, the State may provide assistance from a State revolving fund under this subsection according to priorities established by the State based on the greatest public health needs and financial need. The State may provide loan assistance to any such system from such a State revolving fund only after making a determination that the system has the ability to repay the loan according to its terms and conditions. States are authorized to require such systems to identify a dedicated source for repayment of the loans and to impose such other requirements as may be necessary to assure loan repayment.

"(2) SPECIFIC REQUIREMENT.—No loan or other financial assistance may be provided to a public water system from a revolving fund established under this subsection to be used for any expenditure that could be avoided or significantly reduced by appropriate consolidation of that public water system with any other public water system, except that in such cases such assistance may be provided from the revolving fund for such consolidation.

"(3) STATE CONTRIBUTION.—In the case of grants made after fiscal year 1995, each agreement under this subsection shall require that the State deposit in the fund from State moneys an amount equal to at least 20 percent of the total amount of the grant to be made to the State on or before the date on which the grant payment is made to the State.

"(4) COMBINED FINANCIAL ADMINISTRATION.—Notwithstanding subparagraph (C) of paragraph (1), a State may (as a convenience and to avoid unnecessary administrative costs) combine, in accordance with State law, the financial administration of a revolving fund established under this subsection with the financial administration of any other revolving fund established by the State if otherwise not prohibited by the law under which such revolving fund was established and if the Administrator determines that—

"(A) the grants under this subsection, together with loan repayments and interest, will be separately accounted for and used solely for the purposes specified in paragraph (1); and

"(B) the authority to establish assistance priorities and carry out oversight and related activities (other than financial administration) with respect to such assistance remains with the State agency having primary responsibility for administration of the State program under this part.

"(5) ADMINISTRATION.—(A) Each State may annually use up to 4 percent of the funds allotted to the State under this subsection to cover the reasonable costs of administration of the assistance program under this subsection and of providing technical assistance to public water systems within the State. For fiscal year 1995 and each fiscal year thereafter, each State may use up to an additional 5 percent of the funds allotted to the State under this subsection for public water system supervision if the State matches such expenditures with at least an equal amount of non-Federal funds. At least half of such match must be additional to the amount expended by the State for public water supervision in fiscal year 1993. An additional 1 percent of the funds annually allotted to the State under this subsection shall be used by each State to provide technical assistance to public water systems in such State.

"(B) The Administrator shall publish such guidance and promulgate such regulations as may be necessary to carry out the provisions of this section, including—

"(i) provisions to ensure that each State commits and expends funds allotted to the State under this subsection as efficiently as possible in accordance with this title and applicable State laws,

"(ii) guidance to prevent waste, fraud, and abuse, and

"(iii) guidance to avoid the use of funds made available under this subsection to finance the expansion of any public water system in anticipation of future population growth.

Such guidance and regulations shall also insure that the States, and public water systems receiving assistance under this subsection, use accounting, audit, and fiscal procedures that conform to generally accepted accounting standards.

"(C) Each State administering a revolving fund and assistance program under this subsection shall publish and submit to the Administrator a report every 2 years on its activities under this subsection, including the findings of the most recent audit of the fund and the entire State allotment. The Administrator shall periodically audit all revolving funds established by, and all other amounts allotted to, the States pursuant to this subsection in accordance with procedures established by the Comptroller General.

"(6) NEEDS SURVEY.—The Administrator shall conduct an assessment of financial needs of all public water systems in the United States and submit a report to the Congress containing the results of such assessment within 2 years after the date of the enactment of the Safe Drinking Water Act Amendments of 1994. The Administrator shall revise such report periodically as appropriate.

"(7) INDIAN TRIBES.—1½ percent of the amounts appropriated annually to carry out this subsection may be used by the Administrator to make grants to Indian Tribes and Alaskan Native Villages which are not otherwise eligible to receive either grants from the Administrator under this subsection or assistance from State revolving funds established under this subsection. Such grants may only be used for expenditures by such tribes and villages for public water system expenditures referred to in paragraph (1)(B).

"(8) OTHER AREAS.—Of the funds annually available under this section for grants to States, the Administrator shall make allotments in accordance with section 1443(a)(4) for the District of Columbia, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, and the Republic of Palau. The grants allotted as provided in this paragraph may be provided by the Administrator to the governments of such areas, to public water systems in such areas, or to both, to be used for the public water system expenditures referred to in paragraph (1)(B). Such grants shall not be deposited in revolving funds. The total allotment of grants under this subsection for all areas described in this paragraph in any fiscal year shall not exceed 1 percent of the aggregate amount made available to carry out this subsection in that fiscal year.

"(9) ADDITIONAL SET-ASIDES.—Any State exercising primary enforcement responsibility for public water systems may use up to 4 percent of the annual grants under this subsection allotted to that State for the following:

"(A) To establish and implement wellhead protection programs under section 1428.

"(B) For a period of 5 years after the Administrator publishes guidance under section 1428(l), to establish and implement source water assessment programs under section 1428.

"(C) For a 7-fiscal year period after guidelines are issued under section 1419(a), to develop and implement a viability program under section 1419(b) and assess viability under section 1419(e).

Not more than 2 percent of such annual grant allotment for any such State in any fiscal year may be used by that State for purpose of subparagraph (C). If any State exercising primary enforcement responsibility for public water systems adopts a petition program under section 1428(m), the State may use not more than 1 percent of the grant under this subsection allotted to the State in any fiscal year for establishing and implementing such program. No such funds shall be used for such a petition program if the State fails to implement the program.

"(10) DEMONSTRATION PROJECT FOR STATE OF VIRGINIA.—Notwithstanding the other provisions of this subsection limiting the use of funds deposited in a State revolving fund from any State allotment, the State of Virginia may, as a single demonstration and with the approval of the Virginia General Assembly and the Administrator, conduct a program to demonstrate alternative approaches to intergovernmental coordination to assist in the financing of new drinking water facilities in the following rural communities in southwestern Virginia where none exists on the date of the enactment of the Safe Drinking Water Act Amendments of 1994 and where such communities are experiencing economic hardship: Lee County, Wise County, Scott County, Dickenson County, Russell County, Buchanan County, Tazewell County, and the city of Norton, Virginia. The funds allotted to that State and deposited in the State revolving fund may be loaned to a regional endowment fund for the purpose set forth in this paragraph under a plan to be approved by the Administrator. The plan may include an advisory group that includes representatives of such counties.

"(11) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out the purposes of this subsection $599,000,000 for the fiscal year 1994 and $1,000,000,000 for each of the fiscal years 1995, 1996, and 1997, and such sums as may be necessary thereafter. Sums shall remain available until expended.".

(b) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Administrator of the Environmental Protection Agency shall report to the Congress, after notice and public comment, on the appropriateness of using State revolving funds under section 1443(c) of the Public Health Service Act for acquisition of real property or interests therein from willing sellers where such acquisition is undertaken in addition to, or as an alternative to, system development as a means of complying

with national primary drinking water regulations. The review of the use of such funds shall examine any cost savings and environmental benefits for safe drinking water and any problems related thereto.

(c) TECHNICAL ASSISTANCE.—(1) The Administrator of the Environmental Protection Agency may provide technical assistance to small public water systems to enable such systems to achieve and maintain compliance with applicable national primary drinking water regulations. Such assistance may include circuit-rider programs, training, and preliminary engineering evaluations. There is authorized to be appropriated to the Administrator to be used for such technical assistance $15,000,000 for the fiscal year 1994, and such sums as may be necessary for fiscal years thereafter. No portion of any State revolving fund established under section 1443(c) of the Public Health Service Act and no portion of any funds made available under this subsection may be used either directly or indirectly for lobbying expenses. Of the total amount appropriated under this subsection, 3 percent shall be used for technical assistance to public water systems owned or operated by Indian tribes. Nothing in this Act or the amendments made by this Act authorizes scientific or environmental research and development.

(2) Section 1442(g) is amended to read as follows:

"(g) [RESERVED].".

(d) PUBLIC WATER SYSTEMS SUPERVISION GRANTS.—Section 1443(a) is amended as follows:

(1) Paragraph (4) is amended by adding the following at the end thereof: "The allotment of grant funds under this subsection for States not exercising primary enforcement responsibility for public water systems shall not be provided to such States but shall be available to the Administrator for the costs of administering this title in those States.".

(2) Paragraph (7) is amended by striking out "not more than the following amounts" and all that follows down through the end of such paragraph and inserting "such sums as may be necessary for fiscal years after fiscal year 1994.".

SEC. 19. RECORDS AND INSPECTIONS.

(a) REQUIREMENTS.—Section 1445(a)(1) is amended by inserting "(A)" after "(1)" and by adding at the end the following:

"(B) Instead of using the authority under subparagraph (A) for the purposes set forth in this paragraph or subsection (b), the Administrator may, on a case-by-case basis, require by certified mail any public water system to provide, on a 1-time, periodic, or continuous basis, such records, reports, and information as the Administrator may reasonably require in determining whether such system has acted or is acting in compliance with this title. The Administrator shall provide the State exercising primary enforcement responsibility for public water systems a copy of such certified mail. This subparagraph shall not be construed to change any requirements of other applicable laws, such as the Paperwork Reduction Act of 1980. Nothing in this subparagraph shall be construed to affect the authority of the Administrator to use the authority of subsection (b) to determine compliance with this title.".

(b) PENALTIES.—Section 1445(c) is amended by adding at the end the following: "Such penalty may be assessed by the Administrator after notice and opportunity for a public hearing on the record in accordance with section 554 of title 5 of the United States Code.".

SEC. 20. MONITORING FOR UNREGULATED CONTAMINANTS.

Section 1445(a) is amended as follows:

(1) By adding at the end of paragraph (2) the following sentence: "Within 24 months after the enactment of the Safe Drinking Water Act Amendments of 1994 and every 5 years thereafter, the Administrator shall review and, if necessary, revise the list of unregulated contaminants for which monitoring is required.".

(2) In paragraph (3), by inserting "not more than 40" after "shall list" in the first sentence.

(3) In paragraph (4), by adding at the end thereof: "Prior to the 24-month deadline established under subsection (g), the State, where it is exercising primary enforcement responsibility for public water systems under this title, shall provide the results of such monitoring to the Administrator for inclusion in the occurrence data base under subsection (g).".

SEC. 21. OCCURRENCE DATA BASE.

Section 1445 is amended by adding the following new subsection at the end thereof:

"(g) OCCURRENCE DATA BASE.—Not later than 24 months after enactment of the Safe Drinking Water Act Amendments of 1994, the Administrator shall assemble and maintain a national drinking water occurrence data base, using monitoring data on the occurrence of both regulated and unregulated contaminants in public water supply systems obtained under subsection (a) of this section, and information from other public and private sources.".

SEC. 22. GENERAL PROVISIONS.

(a) GUIDELINES.—Section 1450 is amended by adding the following at the end thereof:

"(j) GUIDELINES.—(1) All guidelines issued by the Administrator for States exercising primary enforcement responsibility for public water systems for any purpose pursuant to any requirement established by the Safe Drinking Water Act Amendments of 1994 shall be published in the Federal Register and shall remain in effect until changed by the Administrator in accordance with the same procedure as they were established. Such guidelines shall not be considered to be rules and shall not be enforceable as rules. Adoption by a State of a program covered by such guidelines and approval of the program by the Administrator shall be treated as an agreement by the State with, and acceptance of, the guidelines.

"(2) Except as otherwise provided in this title, failure of a State to abide by a guideline referred to in paragraph (1) shall not be a basis for the State's loss of primary enforcement responsibility for public water systems.

"(3) The Administrator shall order a State to halt use of a monitoring relief program under section 1418 to which any guideline referred to in paragraph (1) applies if the Administrator makes a finding, in writing, after notice to the State, that the State has failed to comply with such guideline and gives the State at least 90 days to correct the alleged problem.

"(4) The Administrator may, in the Administrator's discretion, reduce by 50 percent the amount of grants otherwise made available to the State in any fiscal year under section 1443(c) (relating to State revolving funds) if the Administrator makes a finding in writing, after notice to the State, that the State has failed to comply with any guideline referred to in paragraph (1) and gives the State at least 90 days to correct the alleged problem.".

(b) WHISTLE BLOWER.—Section 1450(i) is amended as follows:

(1) Amend paragraph (2)(A) by striking "30 days" and inserting "180 days" and by inserting before the period at the end "and the Environmental Protection Agency".

(2) Amend paragraph (2)(B)(i) by inserting before the last sentence the following: "Upon conclusion of such hearing and the issuance of a recommended decision that the complaint has merit, the Secretary shall issue a preliminary order providing the relief prescribed in clause (ii), but may not order compensatory damages pending a final order.".

(3) Amend paragraph (2)(B)(ii) by inserting "and" before "(III)" and by striking "compensatory damages, and (IV) where appropriate, exemplary damages" and inserting "and the Secretary may order such person to provide compensatory damages to the complainant".

(4) Redesignate paragraphs (3), (4), (5), and (6) as paragraphs (4), (5), (6), and (7), respectively, and insert after paragraph (2) the following:

"(3)(A) The Secretary shall dismiss a complaint filed under paragraph (1), and shall not conduct the investigation required under paragraph (2), unless the complainant has made a prima facie showing that any behavior described in subparagraphs (A) through (C) of paragraph (1) was a contributing factor in the unfavorable personnel action alleged in the complaint.

"(B) Notwithstanding a finding by the Secretary that the complaint has made the showing required by paragraph (1)(A), no investigation required under paragraph (2) shall be conducted if the employer demonstrates, by clear and convincing evidence, that it would have taken the same unfavorable personnel action in the absence of such behavior.

"(C) The Secretary may determine that a violation of paragraph (1) has occurred only if the complainant has demonstrated that any behavior described in subparagraphs (A) through (C) of paragraph (1) was a contributing factor in the unfavorable personnel action alleged in the complaint.

"(D) Relief may not be ordered under paragraph (2) if the employer demonstrates clear and convincing evidence that it would have taken the same unfavorable personnel action in the absence of such behavior.".

(5) Add at the end the following:

"(8) This subsection may not be construed to expand, diminish, or otherwise affect any right otherwise available to an employee under Federal or State law to reduce the employee's discharge or other discriminatory action taken by the employer against the employee. The provisions of this subsection shall be prominently posted in any place of employment to which this subsection applies.".

(c) EFFECTIVE DATE.—The amendments made by subsection (b) shall apply to claims filed under section 1450(i) of the Public Health Service Act on or after the date of the enactment of this Act.

SEC. 23. ADMINISTRATIVE PENALTIES.

Part E is amended by adding at the end the following new section:

"SEC. 1452. ADMINISTRATIVE PENALTIES.

"(a) IN GENERAL.—The Administrator may assess an administrative penalty for violations of section 1412, 1415, 1416, or 1442(h). Such a penalty may only be assessed—

"(1) after providing notice (in accordance with section 1414(a)(1)(A)) of at least 45 days of the Administrator's intention to assess such penalty to the State exercising primary enforcement responsibility for public water systems and to the public water system in violation of such section, and

"(2) after opportunity for a hearing on the record in accordance with section 554 of title 5, United States Code.

"(b) PENALTY.—The penalty under subsection (a) shall be not more than $5,000 per day of violation. The total penalty under such subsection shall not exceed—

"(1) $50,000 for violation of section 1442(h) (relating to minimum standards for certification of operators and laboratories), or

"(2) $90,000 in the case of violations of sections 1412, 1415, and 1416.

In assessing such penalties, the Administrator shall consider the size of the public water system, the ability of the system to operate in compliance with this title, the seriousness of the violation, the economic impact of such violation, and history of violations.".

SEC. 24. WATER RETURN.

Part E is amended by adding at the end the following:

"SEC. 1453. WATER RETURN.

"Not later than 18 months after the date of the enactment of the Safe Drinking Water Act Amendments of 1994, the Administrator shall issue, after public notice, guidelines to assist public water systems in assessing the conditions, when it is consistent with the requirements and public health objectives of this title, to return water from the public water system used for heat pumps and similar devices to the distribution system of the public water system.".

SEC. 25. WATER CONSERVATION PLAN.

Part E is amended by adding at the end the following:

"SEC. 1454. WATER CONSERVATION PLAN.

"(a) GUIDELINES.—Not later than 1 year after the date of the enactment of the Safe Drinking Water Act Amendments of 1994, the Administrator shall publish in the Federal Register guidelines for water conservation plans for public water systems serving fewer than 3,300 persons, public water systems serving between 3,300 and 10,000 persons, and public water systems serving more than 10,000 persons, taking into consideration such factors as water availability and climate.

"(b) SRF LOANS OR GRANTS.—Within 1 year after publication of the guidelines under subsection (a), a State exercising primary enforcement responsibility for public water systems may require a public water system, as a condition of receiving a loan or grant from a State revolving fund under section 1443(c), to submit with its application for such loan or grant a water conservation plan consistent with such guidelines.".

SEC. 26. SUBMERSIBLE PUMPS; FITTINGS; AND RESIDENTIAL WATER TREATMENT UNITS.

Part F is amended by adding at the end the following:

"SEC. 1466. SUBMERSIBLE PUMPS.

"(a) IN GENERAL.—(1) Except as provided in subsection (b), within 3 years after the date of the enactment of the Safe Drinking Water Act Amendments of 1994 the Administrator shall promulgate regulations containing a health effects based performance standard establishing minimal leaching levels of lead from new submersible pumps reasonably anticipated to be used in domestic water wells, taking into account marketing and sales information and other relevant factors. Such standard shall apply to new pumps manufactured for, or first introduced into, interstate commerce after the effective date of the regulation promulgating the standard.

"(2) At a minimum, the standard under this section shall not allow lead concentration in drinking water to increase by more than 15 parts per billion (ppb) when in prolonged contact with the pump. Such standard shall be effective 3 years after the date of its promulgation or at such earlier time as the Administrator determines that pumps subject to paragraph (1) can reasonably be anticipated to be in compliance with such standards.

"(b) EXCEPTION.—(1) If the Administrator determines, after notice and opportunity for public comment, that—

"(A) voluntary standards have been developed that are at least as protective as the minimum standard described in subsection (a)(2), and

"(B) pumps subject to paragraph (1) of subsection (a) can reasonably be anticipated to be in compliance with such voluntary standards within 6 years after the date of the enactment of the Safe Drinking Water Act Amendments of 1994,

the Administrator shall not promulgate regulations establishing the standard under subsection (a) or, if such regulations have been promulgated, provide that such regulations shall not take effect or be enforced.

"(2) Within 2 years after the date of the enactment of the Safe Drinking Water Act Amendments of 1994, the Administrator shall determine, after notice and opportunity for public comment, whether new submersible pumps which convey drinking water and which contain brass alloys containing 0.2 percent lead or more are being manufactured for, or first introduced into, interstate commerce. If the Administrator determines, at that time, that such pumps are not being manufactured for, or first introduced into, interstate commerce, the Administrator shall not promulgate regulations establishing the standard under subsection (a) or make a determination under subsection (b)(1), or if such regulations have been promulgated, provide that such regulations shall not take effect or be enforced.

"SEC. 1467. FITTINGS.

"(a) IN GENERAL.—Within 1 year after the date of the enactment of the Safe Drinking Water Act Amendments of 1994, the Administrator shall determine if—

"(1) voluntary standards for new plumbing fittings manufactured for or introduced into interstate commerce which convey drinking water have been developed that are at least as protective of human health as the minimum performance standard promulgated under subsection (b), and

"(2) such fittings can reasonably be anticipated to comply with such standards within 5 years after such date of enactment.

"(b) REGULATIONS.—If the Administrator determines that such voluntary standards for new plumbing fittings which convey drinking water have not been developed or that such fittings cannot reasonably be anticipated to comply, within 5 years of such date of enactment, with such voluntary standards, the Administrator shall, within 2 years after the date of such determination, promulgate regulations setting a health effects based performance standard establishing minimal leaching levels of lead from such new plumbing fittings. Such regulation shall take effect 3 years after the date of such promulgation. Under such regulation, such fittings shall not cause lead concentration in drinking water to increase by more than 15 parts per billion when in prolonged contact with such fitting.

"SEC. 1468. ENFORCEMENT OF SECTIONS 1466 AND 1467.

"(a) IN GENERAL.—Any person who manufactures or first introduces in interstate commerce any new submersible pump or new plumbing fitting which violates any requirement established by the Administrator by regulation under section 1466 or 1467, shall be liable to the United States for a civil penalty in an amount not to exceed $10,000 for each such violation. To assess such civil penalty, the Administrator shall, after notice and opportunity for hearing on the record in accordance with sections 554 and 556 of title 5, United States Code, issue an order assessing such civil penalty.

"(b) ACTIONS.—The Administrator may commence a civil action to enjoin any violation of section 1466 or 1467 or to assess and recover any civil penalty under subsection (a). Any such action may be brought in the district court of the United States for the district in which the violation is alleged to have occurred or in which the defendant resides or has the defendant's principal place of business. Such a court shall have jurisdiction to issue injunctive relief and to assess a civil penalty.

"(c) ORDER.—The Administrator may issue an order to require any person to comply with any requirement of section 1466 or 1467.

"(d) FUTURE COMPLIANCE.—The Administrator shall periodically evaluate compliance with the standards under sections 1466 and 1467.

"SEC. 1469. RESIDENTIAL WATER TREATMENT UNITS.

"(a) FTC INVESTIGATION.—The Federal Trade Commission, in consultation with the Administrator of the Environmental Protection Agency, shall conduct an investigation, pursuant to the Federal Trade Commission Act, into the veracity of claims that devices manufactured, sold, or distributed in interstate commerce for use in single and multi-family residences will improve the quality of drinking water or eliminate or reduce the level of 1 or more drinking water contaminants (for which a national primary drinking water regulation is promulgated under the Safe Drinking Water Act) and shall take such action pursuant to section 5 of such Act against any person who introduces, delivers for introduction, sells, advertises, or offers for sale, in interstate commerce, such devices as the Commission deems appropriate to ensure that such claims are consistent with the requirements of that Act and any applicable decisions and orders of the Commission under section 5 of that Act. The Commission shall, consistent with the requirements of such Act, report the results of its investigation and the actions it takes to the Congress within 2 years after enactment of this Act. The Commission may, from time to time, issue rules (pursuant to section 553 of title 5 of the United States Code) and any violation of such rules shall be treated by the Commission as a violation of a rule under section 18 of the Federal Trade Commission Act (15 U.S.C. 57a) regarding unfair or deceptive acts or practices.

"(b) EPA REPORT.—The Administrator, taking into account any available results of such study, shall, within 3 years after the date of the enactment of the Safe Drinking Water Act Amendments of 1994, submit a report to Congress containing recommendations regarding the effectiveness of such devices, and recommendations for legislation, to the extent necessary to assure the effectiveness of such devices in reducing the level of drinking water contaminants.".

SEC. 27. BOTTLED DRINKING WATER STANDARDS.

Section 410 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 349) is amended—

(1) by striking "Whenever" and inserting "(a) Except as provided in subsection (b), whenever"; and

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

"(b) BOTTLED DRINKING WATER STANDARDS.—(1) Not later than 180 days after the Administrator of the Environmental Protection Agency promulgates a national primary drinking water regulation for a contaminant under section 1412 of the Public Health Service Act (42 U.S.C. 300g-1), the Secretary, after public notice and comment, shall issue a regulation under this subsection for that contaminant in bottled water or make a finding that such a regulation is not necessary to protect the public health because the contaminant is contained in water in public water systems (as defined under section 1401(4) of such Act (42 U.S.C. 300f(4)) but not in water used for bottled drinking water. In the case of contaminants for which national primary drinking water regulations were promulgated under such section 1412 before the date of enactment of the Safe Drinking Water Act Amendments of 1994, the Secretary shall issue such regulation within 1 year after such date of enactment.

"(2) A regulation issued by the Secretary as provided in this subsection shall include any monitoring requirements that the Secretary determines appropriate for bottled water.

"(3) A regulation issued by the Secretary as provided in this subsection shall require the following:

"(A) In the case of contaminants for which a maximum contaminant level is established in a

national primary drinking water regulation under section 1412 of the Public Health Service Act, the regulation under this subsection shall establish a maximum contaminant level for the contaminant in bottled water which is at least as stringent as the maximum contaminant level provided in the national primary drinking water regulation.

"(B) In the case of contaminants for which a treatment technique is established in a national primary drinking water regulation under section 1412 of the Public Health Service Act, the regulation under this subsection shall require that bottled water be subject to requirements no less protective of the public health than those applicable to water provided by public water systems using the treatment technique required by the national primary drinking water regulation.

"(4)(A) If the Secretary fails to establish a regulation under this subsection within the 180-day period described in paragraph (1), the national primary drinking water regulation referred to in paragraph (1) shall be considered, as of the date on which the Secretary is required to establish a regulation under paragraph (1), as the regulation applicable under this subsection to bottled water.

"(B) Not later than 30 days after the end of the 180-day period, or the 1-year period if applicable, described in paragraph (1), the Secretary shall, with respect to a national primary drinking water regulation that is considered applicable to bottled water as provided in subparagraph (A), publish a notice in the Federal Register that—

"(i) sets forth the requirements of the national primary drinking water regulation, including monitoring requirements, which shall be applicable to bottled water, and

"(ii) provides that such requirements shall take effect on the date on which the national primary drinking water regulation for the contaminant takes effect under section 1412 of the Public Health Service Act (or in the case of national primary drinking water regulations promulgated before the enactment of the Safe Drinking Water Act Amendments of 1994, on the date 18 months after the enactment of such Act).".

SEC. 28. ARSENIC.

(a) STUDY.—Subject to availability of appropriations, the Administrator of the Environmental Protection Agency shall enter into an agreement with the National Academy of Sciences to conduct a comprehensive study of the human health effects of arsenic (which is subject to regulation as a contaminant under the Safe Drinking Water Act), taking into consideration the fact that arsenic occurs naturally. Such study shall be completed within 2 years of the date the agreement is entered into. A report shall be transmitted to the Administrator of the Environmental Protection Agency for purposes of subsection (b).

(b) REGULATION.—

(1) PROPOSED REGULATION.—Not later than December 31, 1996, the Administrator of the Environmental Protection Agency shall propose a national primary drinking water regulation for arsenic. If the study under subsection (a) is begun before May 31, 1996, the Administrator may not, except as provided in paragraph (2), promulgate such regulation until the National Academy of Sciences has issued a report under such subsection. When the National Academy of Sciences issues such report, the Administrator shall reopen the comment period on the proposed regulation for 60 days.

(2) REGULATION.—The Administrator shall promulgate a national primary drinking water regulation for arsenic not later than December 31, 1999, except that the Administrator may extend such date for 1 year if the Administrator has issued a new proposed regulation for arsenic. The Administrator may promulgate such regulation prior to such date if the Administrator finds that arsenic in drinking water is associated with an imminent and substantial endangerment to the health of persons and publishes such determination in the Federal Register.

(3) STANDARD SETTING PROCESS.—In issuing the national primary drinking water regulation for arsenic, the Administrator may promulgate a national primary drinking water regulation pursuant to section 1412(b)(5)(A) and (B) of the Safe Drinking Water Act.

SEC. 29. DEFINITIONS.

(a) PIPED WATER.—Section 1401 is amended by adding at the end the following:

"(15) The term 'piped water' means, in addition to water carried in pipes, water carried in culverts, canals, or similar conveyances. Such term does not include irrigation water provided to incidental nonagricultural users if the Administrator or State (in the case of a State exercising primary enforcement responsibility for public water systems) determines that alternative drinking water to achieve the equivalent level of health protection provided by the applicable national primary drinking water regulations is provided for drinking, cooking, and bathing, or where the Administrator or State (in the case of a State exercising primary enforcement responsibility for public water systems) determines that the water provided for drinking, cooking, and bathing is treated by the provider of such irrigation water, or a pass-through entity providing water for drinking, cooking, and bathing, to achieve the equivalent level of health protection provided by the applicable national primary drinking water regulations. This paragraph shall not be construed to affect the meaning of the term 'human consumption' as used in any other provision of this title. As used in this paragraph, the term 'conveyance' does not include rivers, streams, lakes, or ponds. Nothing in this paragraph shall create new or additional requirements for public water system.".

(b) ALTERNATIVE QUALITY CONTROL AND TESTING PROCEDURES.—Section 1401(1)(D) is amended by adding the following at the end thereof: "At any time after promulgation of a regulation referred to in this paragraph, the Administrator may add equally effective quality control and testing procedures by guidance published in the Federal Register. Such procedures shall be treated as an alternative for public water systems to the quality control and testing procedures listed in the regulation.".

SEC. 30. REPORTS ON ENVIRONMENTAL PROTECTION AGENCY ADMINISTERED PROGRAMS.

For States and Indian Tribes in which the Administrator of the Environmental Protection Agency has revoked primary enforcement responsibility under part B of title XIV of the Public Health Service Act (the Safe Drinking Water Act) or is otherwise administering such title, the Administrator shall provide every 2 years, a report to Congress on the implementation by the Administrator of all applicable requirements of that title in such States.

SEC. 31. GENERAL AUTHORIZATION.

(a) IN GENERAL.—Part A is amended by adding the following new section after section 1401:

"SEC. 1402. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title for the first 8 fiscal years following the enactment of the Safe Drinking Water Act Amendments of 1994.".

(b) CONFORMING AMENDMENTS.—The heading for part A is amended to read as follows:

"PART A—GENERAL PROVISIONS".

SEC. 32. CLERICAL AMENDMENT.

Section 1421(b)(3)(B)(i) is amended by striking "number or States" and inserting "number of States".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes, and the gentleman from Virginia [Mr. BLILEY] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

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

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

There was no objection.

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

Mr. Speaker, this bipartisan consensus on Safe Drinking Water is the result of months of negotiations, as members and staff from both sides of the aisle in the Energy and Commerce Committee have worked with one another and outside groups to hammer out a compromise that addresses the legitimate concerns of all sides in the safe drinking water debate.

Remarkable, the package of amendments before us today is supported by the water supply community, by State and local governments, by the public interest community, and by agricultural interests.

Organizations supporting passage of this legislation, include, to name a few: the American Water Works Association, the National Association of Water Companies, the National Rural Water Association, the National League of Cities, the American Public Health Association, the National Governor's Association, the Natural Resources Defense Council, the U.S. Public Interest Research Group, the National Conference of Farmer Cooperatives, and the National Agricultural Chemicals Association. I will put a more complete list of supporting organizations in the RECORD accompanying my remarks.

There are good reasons why this bipartisan legislation has such broad support.

It is a good deal for State and local governments because it offers new flexibility and new funding to: establish more intergovernment cooperation, carve a greater role for the States, and address concerns about unfunded mandates.

It is a good deal for the public water suppliers because it reduces the financial burden of monitoring for contaminants unlikely to be a problem, clarifies that future regulatory efforts should focus on contaminants associated with the greatest public health risks, revises the standard-setting provisions to expressly allow the consideration of incremental costs and benefits

in evaluating the feasibility of drinking water technologies for some new standards, and provides broad new authorities for variance and exemptions from the act's requirements, where consistent with continued health protection.

And, finally, it is a good deal for public interest groups because it establishes a new program to see that operators of public water systems are properly trained, puts in place a new State effort to assure that small water systems have the resources and expertise needed to provide safe water, promotes pollution prevention, enhances health protection for subpopulations especially sensitive to drinking water contamination, such as the elderly or pregnant women, puts in place a new program to reduce contamination of drinking water distribution lines from leaking sewer lines, and calls for prompt establishment of new standards for cryptosporidium—the drinking water contaminant responsible for the tragic disease outbreak in Milwaukee last year.

This cooperative effort is only possible because President Clinton made the enactment of safe drinking water legislation a top environmental priority for this Congress. He has been steadfast in his commitment to providing regulatory relief while still maintaining important public health protection.

I want to commend my colleagues on both sides of the aisle for their efforts in helping to make this difficult compromise possible. In particular, I want to express my deep appreciation to Chairman DINGELL for his leadership in this matter and to Congressman BLILEY and Congressman MOORHEAD who have worked hard to see all the legitimate issues addressed as they have helped to forge this bipartisan consensus.

I also want to commend Congressman SYNAR for his work in helping us put this package together, and to give special commendations to Congressman SLATTERY, Congressman STUDDS, and Congressman LAMBERT for their efforts in helping to bridge the gap between the water supply community and the public interest community. Without their invaluable work, the progress we have made would simply not have been possible.

Finally, I want to commend the EPA staff who contributed greatly to the negotiations, including the head of the drinking water program, Jim Elder, as well as Phil Metzker, Tom Wall, John Reeder, and Julie Anderson.

I look forward to continuing to work with my colleagues to see this bill rapidly enacted into law.

Mr. Speaker, I include for the RECORD a list of organizations supporting the bipartisan consensus in H.R. 3392:

ORGANIZATIONS SUPPORTING THE BIPARTISAN CONSENSUS IN H.R. 3392

Among the organizations supporting passage of this legislation are:

The American Water Works Association,
The Association of Metropolitan Water Agencies,
The National Association of Water Companies,
The National Rural Water Association,
The National League of Cities,
The National Association of Counties,
The National Governor's Association,
The National Resources Defense Council,
Friends of the Earth,
The U.S. Public Interest Research Group,
The American Oceans Campaign,
Clean Water Action,
Physicians for Social Responsibility,
The U.S. Conference of Mayors,
The National Conference of State Legislatures,
The Association of State Drinking Water Administrators,
The National Association of Regulatory Utility Commissioners,
The National Water Resources Association,
The National Conference of Farmer Cooperatives,
The National Agricultural Chemicals Association,
The Food Industry Environmental Council,
The National Audubon Society,
The National Wildlife Federation,
The American Public Health Association, and
The Clean Water Industry Coalition.

Mr. Speaker, I also include for the RECORD a memorandum to the members and staff of the Committee on Energy and Commerce regarding the markup of Safe Drinking Water Act amendments:

[Memorandum]

Re mark-up of Safe Drinking Water Act Amendments.
To: Members and Staff of the Energy and Commerce Committee
From: Henry A. Waxman
Date: September 19, 1994.

Legislation amending the Safe Drinking Water Act is scheduled to be marked up at the Health and the Environment Subcommittee on Tuesday, September 21 at 11:00 a.m.; and at the full Energy and Commerce Committee on the afternoon of September 21.

The mark-up vehicle will be H.R. 3392, amendments to the Safe Drinking Water Act introduced by Congressmen Slattery and Bliley. A bipartisan comprehensive substitute to this bill will be offered at the Subcommittee mark-up with support from Chairman Waxman, Chairman Dingell, Representatives Slattery and Bliley, and Representatives Synar, Studds and Lambert (the sponsors of H.R. 4314, an alternate drinking water bill).

The comprehensive substitute is the product of more than 6 months of negotiations, and is intended to address the concerns of state and local governments and water suppliers (who have sought greater flexibility in the control of drinking water contamination and greater federal financial and technical assistance); and the concerns of the public interest community (which has sought greater assurance of public health protection, and adoption of more effective programs to address carcinogens in drinking water and prevent water borne disease outbreaks such as the one occurring last year in Milwaukee).

The text of the Substitute is attached. This compromise includes:

A major new program of federal financial and technical assistance to help drinking water suppliers, especially those in rural areas, meet the health protection requirements of the Safe Drinking Water Act;

More flexible monitoring requirements designed to reduce the burden on water suppliers while assuring continued protection of the public health;

Extended timeframes for compliance with new drinking water standards;

A new source water assessment program to encourage prevention of drinking water contamination at the source;

A revised approach to the regulation of new contaminants to assure that new regulatory efforts focus on those contaiminats associated with the greatest health threats;

A revised standard setting approach providing EPA with greater flexibility to consider incremental costs and benefits in establishing standards for drinking water contaminants not yet the subject of proposed or final regulations;

New provisions using federal financial assistance to assure that small water suppliers have the financial, technical, and managerial expertise to meet the health protection requirements of the Safe Drinking Water Act;

A new program allowing small water systems (those serving less than 3,300 persons) to utilize alternative technologies tailored to their more limited capabilities in meeting drinking water standards;

Broad state authority to grant small water systems renewable exemptions from Safe Drinking Water Act requirements, where the terms of the exemptions continue to assure health protection;

Expanded state authority to grant larger water systems up to two four-year exemptions from Safe Drinking Water Act requirements, where the terms of the exemptions continue to assure health protection.

New state programs to assure that individuals operating public water systems have the training and expertise necessary to properly and safely operate drinking water systems;

A new program to assure that plumbing fixtures and submersible pumps do not contribute unsafe levels of lead to drinking water;

More streamlined EPA authority to impose administrative penalties comparable to the agency's enforcement authorities under other environmental laws;

New penalties for the falsification of monitoring results, for interfering with the operation of a public water system, and for knowing and deliberate failures to report violations of drinking water standards;

New directives for the Food and Drug Administration to issue standards for bottled water supplies that are at least as protective of the public health as applicable regulations for tap water;

A new program to prevent "cross-connections"—where sewage escaping from leaky sewer lines contaminates drinking water;

A new reporting system and widely available data base with comprehensive information on violations of drinking water standards;

New provisions promoting more cost-effective approaches to the contamination of drinking water by sulfate and arsenic;

A requirement for EPA to promptly publish a new standard for cryptosporidium, the currently unregulated drinking water contaminant responsible for the disease outbreak in Milwaukee; and

A less burdensome approach to drinking water contamination with radon, where effective national policies are adopted for control of radon in indoor air pollution.

A copy of the substitute is attached. If you have any questions, please contact Greg Wetstone or Phil Barnett of the Subcommittee staff at ext. 67620.

□ 1500

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

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

Mr. Speaker, I rise in support of H.R. 3392, the Safe Drinking Water Act Amendments of 1994.

Almost a year ago, Congressman JIM SLATTERY and I introduced legislation to reform the Safe Drinking Water Act. Our efforts were motivated by a concern that the Safe Drinking Water Act was broken and that it had lost the confidence of those it is intended to protect and those who are responsible for enforcing it.

This legislation changes that. This legislation includes important reforms that will ensure that drinking water is safe and that public resources are allocated efficiently.

As the chairman of the subcommittee, Mr. WAXMAN, has already described, this legislation is the product of literally months of negotiations among a number of members of the Energy and Commerce Committee. I am pleased to see that the compromise bill contains a number of elements that are contained in legislation that I introduced with Congressman SLATTERY more than a year ago.

I am also proud that this legislation is supported by a broad coalition of elected officials and public water systems, including the National Governors' Association, the National League of Cities, the U.S. Conference of Mayors, the National Conference of State Legislatures, and representatives of virtually every kind of public water system in the United States.

Indeed, some 39 separate organizations support this legislation.

Mr. Speaker, I include this list of organizations supporting this legislation in the RECORD, as follows:

National Governors' Association.
National League of Cities.
U.S. Conference of Mayors.
National Association of Counties.
National Conference of State Legislatures.
Association of State Drinking Water Administrators.
National Association of Regulatory Utility Commissioners.
American Water Works Association.
Association of Metropolitan Water Agencies.
National Association of Water Companies.
National Rural Water Association.
National Water Resources Association.
Natural Resources Defense Council.
Friends of the Earth.
Clean Water Action.
Physicians for Social Responsibility.
American Oceans Campaign.
U.S. Public Interest Research Group.
Agricultural Retailers Association.
American Crop Protection Association (formerly NACA).
American Farm Bureau Federation.
American Feed Industry Association.
American Soybean Association.
Clean Water Industry Coalition.
CF Industries, Inc.
Equipment Manufacturers Institute.
Farmland Industries, Inc.
Food Industry Environmental Council.
National Association of Conservation Districts.
National Association of State Departments of Agriculture.
National Association of Wheat Growers.
National Corn Growers Association.
National Cotton Council.
National Potato Council.
National Council of Farmer Cooperatives.
National Grange.
National Pork Producers Council.
National Milk Producers Federation.
United Fresh Fruit and Vegetable Association.

Mr. Speaker, it was the coalition of elected officials and public water systems that brought to my attention the need to reform the Safe Drinking Water Act, and it is this coalition that deserves the credit for the fact that we are considering a bipartisan bill to make important reforms to the Safe Drinking Water Act. I want to emphasize that this is reform that started outside the Washington, DC beltway, not inside of it.

Let me take just a moment to describe a few of the important reforms that this bill would make to the Safe Drinking Water Act. First, this legislation changes the way that EPA would choose new contaminants to regulate. Under current law, EPA is required to regulate 25 new contaminants every 3 years. This bill changes that, requiring EPA to choose which contaminants to regulate based on whether regulation would result in a meaningful opportunity to protect the public health.

Second, this legislation changes the way in which EPA sets standards for new drinking water contaminants by giving EPA the authority to consider the costs and benefits of various options. The bill also requires EPA to provide risk assessment information which is sound and unbiased.

Third, this legislation contains a number of important changes that will benefit small public water systems. More than 80 percent of the public water systems in the United States are small systems, and they have been hit particularly hard by the dramatically increasing costs of complying with the Safe Drinking Water Act. This legislation requires EPA to identity technologies that small systems can use to meet the standards under the act. This legislation also creates new variance and exemption procedures when small systems just do not have the resources to comply with the standards established for larger systems.

In conclusion, I want to thank Congressman JIM SLATTERY for his cooperation and hard work on H.R. 3392. I also want to thank the 200 Members of the House who have cosponsored H.R. 3392 and helped to move it forward. Finally, I want to thank Chairman DINGELL and Chairman WAXMAN for agreeing to work with us to develop legislation which attempts to solve problems.

Mr. Speaker, I also want to thank the gentleman from Pasadena, CA [Mr. MOORHEAD], my ranking Member; the gentlewoman from Arkansas [Ms. LAMBERT]; the gentleman from Oklahoma [Mr. SYNAR]; and the gentleman from Massachusetts [Mr. STUDDS] for their work in the committee to move this bill forward in a bipartisan way.

I also want to thank EPA for their willingness to work with us. I want to thank our staff, particularly Charles Ingebretson and Nandan Kenkeremath.

Mr. Speaker, this bill will help restore confidence in the Safe Drinking Water Act, both for all of us who drink the water but also for those who are entrusted with enforcing the law and making it work. I certainly urge my colleagues to support this bill.

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

Mr. WAXMAN. Mr. Speaker, I yield 5 minutes to the gentlewoman from Arkansas [Ms. LAMBERT], an important member of our committee and a member who made an important contribution to this particular legislation.

Ms. LAMBERT. Mr. Speaker, it is with satisfaction and some exhaustion that I rise in strong support of this long-awaited bill. This bill has been a long time in coming, and I want to thank my colleagues who have been working tirelessly over the past 6 months—Mr. DINGELL, Mr. BLILEY, Mr. WAXMAN, Mr. SLATTERY, my original cosponsor, Mr. SYNAR and Mr. STUDDS and their staffs. A special thanks to Mindy Byrns O'Brien of my staff.

We have a rare situation where we have strong support from many interested parties to enact this piece of legislation into law. To name a few, we have the support of the Governors, the mayors, the cities and counties, the big water suppliers, the rural water suppliers, the environmentalists, and the agricultural community. I believe reaching a consensus of this magnitude is something to be very proud of.

H.R. 3392 is a responsible bill and one that provides some needed relief to public water systems without compromising the health of their water consumers. In addition, H.R. 3392 includes $1.3 billion worth of already appropriated Federal funds to help States run their drinking water programs. This is one bill that does not contain unfunded Federal mandates.

Most importantly to me, coming from a rural district, is the relief and assistance provided to our rural water suppliers. For years, small rural public water systems have been compelled to monitor for some contaminants that do not even exist in their watersheds, and at great expense. This compromise

would permit systems to receive monitoring relief in these type of situations so that their limited resources can be devoted to more productive purposes like getting safe drinking water to the many people of my district. We also secured technical and financial assistance grants for organizations such as the National Rural Water Association and the Rural Community Assistance Program to continue to conduct their circuit rider and managerial support programs to help small systems stay in compliance with the act. These programs have been extremely successful and cost effective over the years, and I anticipate their continued success.

I also appreciate the chairmen's accommodation of agricultural interests. Through these negotiations, we have been able to create a bottoms-up approach to prevent the contamination of our drinking water supplies. Through a petition process, concerned stakeholders, such as our farmers, can work together with the local governments, local public water systems, and the States in voluntary partnerships to protect the integrity of our drinking water to avoid the installation of expensive treatment technology. Like preventative health care, we can elude certain contamination problems before they become irreversible.

When we started, there were two bills—one introduced by Mr. SLATTERY and Mr. BLILEY and one introduced by Mr. STUDDS, Mr. SYNAR, and myself. At the beginning we were pretty far apart in our approaches. However, through diligent negotiations and sheer determination, we were able to work out our differences and produce a responsible and effective bill.

Therefore, I urge my colleagues to support H.R. 3392 and vote yes for Safe Drinking Water.

□ 1510

Mr. BLILEY. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. MOORHEAD], the ranking minority member on the committee.

Mr. MOORHEAD. Mr. Speaker, I rise in support of H.R. 3392, the Safe Drinking Water Act Amendments of 1994.

As Chairman WAXMAN and the gentleman from Virginia, Mr. TOM BLILEY, ranking member of the subcommittee have already mentioned, this bill is the product of many months of negotiations among members and staff of the Energy and Commerce Committee. I will admit that it is not a perfect bill, but it is a good compromise because it contains many important reforms to the Safe Drinking Water Act, and because it is supported by a broad coalition of elected officials and other organizations.

This legislation contains many important reforms for small public water systems. I want to point out that this bill also contains reforms that will benefit large public water systems, such as the one that serves most of my constituents in southern California, the metropolitan water district.

First of all, the bill directs EPA to use a new process for selecting new contaminants to regulate, and authorizes EPA to consider incremental costs and benefits when it sets new drinking water regulations.

The bill also includes language requiring EPA to ensure that risk assessment information is presented in a fair and unbiased fashion. Together, these provisions will help to ensure that public water systems are spending their limited resources on the most significant public health risks.

This legislation also helps large public water systems by giving them more time to comply with new EPA regulations. New treatment technologies can take a while to finance and construct. The bill gives EPA the authority to extend compliance timeframes to take these considerations into account.

Finally, the bill includes a new source water assessment program that will help States and public water systems identify sources of drinking water contamination before they become big problems. I am pleased to note that the bill also includes a petition program that will allow public water systems to receive assistance from the State and other sources to address potential sources of drinking water contamination before they require the installation of expensive treatment technologies.

I want to commend Congressman BLILEY and Congressman SLATTERY for their work over the past year to reform and improve the Safe Drinking Water Act. They have listened to Governors, mayors, and other elected officials and they have stood fast for real reform in the Federal drinking water program.

I also want to commend Chairman DINGELL and Chairman WAXMAN, and Ms. LAMBERT, Mr. SYNAR, and Mr. STUDDS, and their staffs, for their efforts in developing this compromise. This legislation offers our first opportunity in a long time to make an environmental law more cost effective and flexible. I urge my colleagues to support the bill.

Mr. WAXMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Oklahoma [Mr. SYNAR], a key player in the development of this compromise.

Mr. SYNAR. Mr. Speaker, I rise in strong support of H.R. 3392, the bipartisan compromise bill negotiated by several members of the Energy and Commerce Committee. This bill achieves something that has been long sought by the small rural water systems that I represent: significant reform of the current Safe Drinking Water Act.

When Congress strengthened the Safe Drinking Water Act in 1986 after years of the Reagan administration's unwillingness to regulate even the most basic contaminants polluting America's drinking water supplies, we went a little too far, quite frankly. Our actions were justified at the time, but I am afraid that we did not fully appreciate the impact that the 1986 amendments would have on already struggling small water systems, especially in light of dwindling Federal resources available to fund the mandates imposed on local water systems and States by the act.

The Environment, Energy and Natural Resources Subcommittee, which I chair, held oversight hearings in 1990 and 1994 on this issue and requested several U.S. General Accounting Office reviews of EPA's efforts to address small system compliance problems with the act. Small systems have the greatest difficulties complying with the act because they lack the financial resources and technical capabilities to carry out the basic requirements of the original 1974 law, let alone the additional costly requirements of the 1986 amendments. In testimony before the subcommittee, representatives of small systems complained that their scarce resources were going to pay for sometimes excessive or unnecessary testing of contaminants, rather than needed infrastructure improvements.

In 1992, I introduced legislation to provide small systems with appropriate monitoring relief. In 1993, the Clinton administration proposed 10 principles for the act's reauthorization, designed to address the needs of small systems. Earlier this year, I joined with my colleagues, Representatives BLANCHE LAMBERT and GERRY STUDDS, to introduce comprehensive legislation to provide relief to small systems and reform the current requirements of the Safe Drinking Water Act. Representatives SLATTERY and BLILEY introduced competing reform legislation backed by a strong coalition of States, municipalities, and local water systems.

After almost 7 months of staff negotiations, we reached agreement with Representatives DINGELL, WAXMAN, SLATTERY, and BLILEY on all of the complex and contentious issues raised at the negotiating table. The final bill is supported by a wide range of groups, including the States, municipalities, urban and rural water systems, the agricultural community, and environmental groups. The fact that so many diverse interests support the bill is a tribute to the leadership shown by committee Chairman DINGELL and subcommittee Chairman WAXMAN, especially. And I want to say a special thanks to Representatives LAMBERT and STUDDS and their staff members for the extensive time and effort they put in on this important issue.

The compromise legislation incorporates many of the key provisions included in the Lambert-Synar-Studds bill, including encouraging drinking water systems to protect their source

waters and to implement programs to assess and prevent pollution of their drinking water supplies. Importantly, the bill eliminates the act's requirement that EPA arbitrarily regulate 25 additional contaminants every 3 years, and instead adopts a revised approach to ensure that EPA regulates only those contaminants that occur in the water and present actual health threats to citizens. The bill also revises the standard setting process to ensure that compliance costs and risk reduction benefits are considered when regulating new contaminants, and directs EPA to regulate the dangerous contaminant that caused hundreds of thousands of people in the Milwaukee, WI, area to become sick last year.

Most importantly, the bill provides substantial monetary and technical assistance to small systems trying to achieve or maintain compliance with the act. Fully 15 percent of the newly established State revolving fund [SRF] for drinking water systems is set aside specifically for small systems. That amounts to almost $200 million in financial assistance to small systems right off the bat, since that money has already been appropriated. In addition, 1 percent of the SRF will be used by States to provide much needed technical assistance to water systems, and an additional $15 million per year is authorized in new funding for technical assistance to small systems.

The bill also grants an automatic 3-year interim monitoring relief period for small systems to ensure that their scarce resources are not spent testing for contaminants not likely to be found. This relief extends to contaminants that are particularly expensive to monitor and test for, such as pesticides, dioxin, PCB's, and unregulated contaminants. Moreover, the bill contains opportunities for all systems to obtain long-term permanent monitoring relief in States with strong wellhead protection or source water assessment programs. The bill's provisions also grant drinking water systems substantial relief from the costly testing and treatment of contaminants such as radon, arsenic, and sulfate. The compromise also contains a new program directing EPA to identify technologies available to help small systems meet Federal standards. If small systems cannot afford conventional technologies, the bill allows systems to obtain a variance from the law by installing the best available affordable technologies, as determined by EPA. Under the legislation, small systems are given additional time to come into compliance with new EPA regulations—up to 5 years instead of the current 18 months.

Finally, I want to point out that this legislation includes provisions which will enhance public health protection and assist small systems, in particular, in their efforts to achieve long-term compliance with the act. For example, the bill requires all drinking water operators to be trained and certified. We require drivers to have a license to operate a motor vehicle; we should accept no less from the folks who are, in effect, driving the delivery of drinking water safe enough to protect public health. This bill also contains Federal financial assistance to States to ensure that systems are viable and that they have the financial, technical, and managerial experience necessary to meet the health protection requirements of the act. GAO testified last March that one of the biggest problems facing small water systems is the fact that there are so many systems that operate on the margin financially. The viability provisions included in this bill will help systems achieve and maintain long-term compliance with the statute. Throughout the process, we endeavored to avoid any unfunded mandates, and the bill provides for grandfathering of existing programs where appropriate and ample time for systems to come into compliance with new requirements.

Mr. Speaker, each time we turn on the tap, it is an act of faith that the water will be safe. Public water systems need new tools—not endless regulations—to be able to do their jobs. This bill gives it to them. I urge support for H.R. 3392.

Mr. BLILEY. Mr. Speaker, I yield 3 minutes to the gentleman from Wyoming [Mr. THOMAS].

Mr. THOMAS of Wyoming. Mr. Speaker, I thank the gentleman for yielding me the time and giving me this opportunity to rise to express my concern about this bill, the Safe Drinking Water Act Amendments of 1994, and the fact that it is being considered under suspension of the rules. While I commend the Committee on Energy and Commerce for its efforts to bring this initiative to the House floor, I have strong reservations about a single provision. That provision is claiming only States with primacy are eligible to receive Federal funding.

As many may or may not know, Wyoming is a State, I think the only State in the Nation that does not claim primacy over drinking water standards. Wyoming does not choose to exercise drinking water primacy because of the annual administrative costs of up to $1 million it would take to hire an additional 35 employees to administer the EPA rules. EPA currently, however, does it with a total of 11 employees, and of course this is obviously much more efficient.

I have been following this debate for some time, even when efforts to pass the bill failed last year over jurisdictional disputes, and I am pleased with the provisions of this bill that will ease the heavy-handed Federal regulations that have been mandated in water systems throughout the country.

Since the 1986 Safe Drinking Water Act, water systems large and small in urban and rural districts have been calling for Congress to change and relieve them of some of the burdens, and I commend the committee for doing that. But I am concerned, as Members can imagine, and I had hoped that we would go to the Rules Committee and would have a chance to take a look at section 18 of this bill which excludes Wyoming from Federal funding simply because we do not claim primacy. I believe it is unjust to exclude one State with a population of 460,000 people from this important source of funding simply because the Federal Government wants to give us in this bill a federally unfunded mandate for primacy.

The Senate passed its version of the Safe Drinking Water Act in May, and the measure did not contain this unfair discrepancy. I compliment the Senate for their work.

So I of course have a certain amount of conflict in my mind. I think this is a good bill. I support the bill. But this provision is very troublesome to me and to my State.

□ 1520

I am hopeful that we can give it some consideration and some work during the conference committee, as I expect it will pass here and, indeed, it should. But I think there is an unfair provision, and I want to express my concern about that unfair provision and ask that it be given some consideration during the conference committee.

Mr. WAXMAN. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. DINGELL], the distinguished chairman of the Committee on Energy and Commerce, without whom this bill would not be before us today.

Mr. DINGELL. Mr. Speaker, I rise in strong support of the bipartisan bill, H.R. 3392, to amend the Safe Drinking Water Act. It was reported by our Committee on Energy and Commerce by a vote of 43 to 1. It has the support of the National Governors' Association, the Conference of Mayors, the League of Cities, the National Association of Counties, the Rural Water Systems, agricultural interests, the environmentalists, and many others.

I commend subcommittee Chairman HENRY WAXMAN and the subcommittee's ranking Republican, TOM BLILEY, for their leadership in forging this balanced, bipartisan compromise. In addition, I call attention to the tireless efforts of Representatives MIKE SYNAR, JIM SLATTERY, GERRY STUDDS, CARLOS MOORHEAD, and BLANCHE LAMBERT. Without their participation and support, the compromise would not likely have been achieved.

I also want to express my appreciation to the committee staff, majority and minority, the staff of the subcommittee, and the staff of these other Members. They, together with the Office of the Legislative Counsel, devoted

long hours and several weekends toward this effort.

Mr. Speaker, this is a good bill. It is balanced. It is bipartisan. It will help the States and public water systems comply with the law at less cost. It makes changes in the law aimed at making it more effective. It does not weaken existing regulations. It is fiscally and environmentally sound. I urge its adoption.

Mr. Speaker, all of us embarked on this endeavor because we believed it important to make the Safe Drinking Water Act more workable and effective. We understand that this national program is very important to the health of the people we serve. When our citizens go to turn on the tap, they rightfully expect that the water from that tap is of good quality and safe for drinking, cooking, bathing, washing, and other uses that relate to the good health of persons. That is the purpose of the Safe Drinking Water Act which was last amended in 1986. However, as we all have learned from recent experiences in Wisconsin and the District of Columbia we cannot take it for granted that our drinking water is always safe.

We must be vigilant. We must monitor the water to ensure that contaminants of any kind are not threatening to make our water unsafe. We must be watchful that our public water supply systems are capable of supplying safe water to our taps and that they are actually doing just that.

At the same time, we are all aware of the complaints of the States and local governments and the public water systems about the act. They contend that it imposes unnecessary costs on States, local governments that operate public water systems, the privately operated water systems, and ultimately the ratepayers who are our constituents. They object to monitoring requirements that they believe are unnecessary and raise costs. They contend that the regulations fail to consider the size and rate base of water systems. Indeed, more than 87 percent of the public water systems in the United States serve less than 10,000 persons; 83 percent of those serve under 3,300 persons with many serving fewer than 1,000 persons.

One of the principle areas of concern to the States and the EPA relates to the obligations of the States under the act to properly administer the law as so-called primacy States; that is, States with enforcement responsibility over public water systems which includes all States but Wyoming. The States believing they were overburdened by the act have threatened to give up primacy which would require the EPA to administer the program in those States as it now does in Wyoming because that State has never accepted primacy. This concern was the subject of an investigation by the General Accounting Office. The following is our correspondence with the EPA about that investigation:

HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS OF THE COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, August 3, 1993.

Hon. CAROL M. BROWNER,
Administrator, Environmental Protection Agency, Washington, DC.

DEAR ADMINISTRATOR BROWNER: Pursuant to Rules X and XI of the House of Representatives, this Subcommittee has been examining, with the help of the General Accounting Office (GAO), the actions of the states and the Environmental Protection Agency (EPA) in carrying out fully and in a timely manner the requirements of the Safe Drinking Water Act (SDWA). In furtherance of that continuing effort, the GAO has provided the enclosed report (B-252821) of June 25, 1993 entitled "States Face Increased Difficulties in Meeting Basic Requirements." The GAO found that:

Many states granted primary drinking water program enforcement authority by the EPA are not effectively carrying out the monitoring enforcement and other mandatory elements of the program which GAO says is a key condition to retaining primacy.

Resource constraints have made it more difficult for the states to carry out existing requirements and the situation promises to deteriorate further as these requirements expand.

EPA is hopeful that Alaska, Maine, and Washington, which are threatened by EPA with withdrawal of their primacy authority, will resolve these problems before EPA must take over and run their programs.

Alabama has only one staff person to oversee implementation of the lead/copper rule by the state's 600 small water systems and thus can not educate their operators on compliance, which could lead to violations.

The EPA has identified the primacy issue as a material weakness under the Federal Manager's Financial Integrity Act.

Preliminary studies show that the resource gap is $147 million now and will grow to $200 million by 1998.

EPA's guidance on priority setting, which is to give states time to gain funding while focusing on the most vital activities to protect public health, does not appear to address the problem of insufficient resources.

EPA, facing budget constraints, acknowledges that it could not effectively administer these programs either; that such EPA operation would be significantly less effective in protecting the public than an adequate state program; and that it would impose substantially greater costs upon water systems.

Since 1986, the number of contaminants regulated has grown from 23 to 85 today and is expected to reach 111 by 1995. If radionuclides rules are finalized as proposed, EPA estimates that the states will spend $15 to $28 million for one-time start-up costs and $10 to $19 million annually on compliance and enforcement.

EPA's Phase II and V rules, which set standards for over 60 contaminants, including pesticides, are presenting problems for the states. The high cost of testing, which GAO says ranges from $2,500 to $10,000 for each set of analyses, is expected to generate heavy resistance from many water systems.

The GAO report recommends: We recommend that as part of EPA's strategy to deal with the drinking water program's funding crisis, the Administrator, EPA, work with the cognizant committees of the Congress to identify a funding level for the program that (1) will maintain the integrity of the program and (2) better reflects the program's importance in protecting human health. This remedy should be part of an integrated strategy that also considers the need to (1) find innovative and cost-effective alternatives to achieve compliance and (2) bring the program's spiraling regulatory costs under control.

While this Committee is certainly receptive to the idea of EPA identifying an appropriate funding level for the program, in connection with our Committee's consideration of H.R. 1701 to establish a Drinking Water State Revolving Fund under the Act, Chairman Waxman and I tried to work with EPA to address funding for the primacy function in FY 1994. As a result, our Committee reported the bill with a provision for funding for the primacy states. However, as I understand the matter, the Office of Management and Budget (OMB) opposed this idea. As a result, you wrote to me on July 7, 1993 that the Administration does not now favor such a provision. In expressing this view, your letter notes that the fiscal year budget for 1994 proposes the same level of funding for primacy as in FY 1993, but adds that funding for this program has increased 80% since FY 1989. On the other hand, GAO states that despite vastly increased duties, the states have received relatively modest increases in grants since 1986. Specifically, GAO said the grants went from $33.5 million in FY 1997 to $58.9 million in FY 1993. That is far short of closing the gap noted above by the GAO.

Given the present budgetary climate and OMB's views, I question whether, once identified, the Administration would fund primacy at the level suggested by the EPA. However, I request your comments, in consultation with OMB, on this part of the GAO recommendation. Please also comment on the funding gap set forth by the GAO, and on whether you agree with the GAO estimates.

As the GAO observes, improved primacy funding is not a panacea. Finding ways to help public water systems and their customers meet the costs of regulation is crucial. I believe that the President's initiative for a revolving fund could provide early help, beginning in October, for many small systems, although it too is not a panacea because funding is limited. However, the Administration's criticisms of this legislation, coupled with reports that the Senate does not want to pass such limited legislation without reauthorizing the Act, certainly raises doubts that such help will be available before October 1. In this regard, I note that the report required by section 519 of Public Law 102-389 has not been issued and the Committee on Energy and Commerce has not had an airing of the broader reauthorization issues.

Please also comment on the remainder of the GAO recommendation concerning alternatives to achieve compliance and to control regulatory costs.

In addition, please respond to the following questions:

1. Please provide the status of primacy compliance by Alaska, Maine, Washington, California, Kansas, Alabama, Illinois, North Dakota, and Iowa. What is the status of withdrawal actions by the EPA in these states, taking into consideration the recent litigation concerning the applicable regulations? What enforcement actions has EPA taken in these states under section 1414(a)(1)?

(2) Do you agree with GAO's estimates of costs of testing for contaminants? If not, why not? Who must pay these costs?

3. The GAO states that EPA's priority setting guidance is legally consistent with the

Act. However, GAO raises at least two issues at pages 8 and 9. Please respond to each.

4. Please explain EPA's contingency plan for takeover in Alaska, Maine, and Washington. The GAO cites a letter to Maine that states that compliance, after EPA takeover, would be by enforcement rather than by preventive assistance. Please explain the basis for this view. What is EPA's capability to carry out this threat in Maine or other states?

5. Congressman Washington and others have expressed concern that public water systems do not adequately address the needs of the poor and low income people who are threatened with water shut-offs. I request your comments on this concern and on what actions can and should be taken by the EPA or others to address this matter.

I request your response to these matters within 30 days after receipt of this letter. I also welcome comments by the states and the public water supply systems on these matters.

With every good wish,

Sincerely,

JOHN D. DINGELL,
Chairman.

Enclosure.

ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC. November 15, 1993.

Hon. JOHN DINGELL,
Chairman, Subcommittee on Oversight and Investigations, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of August 3, 1993, to Administrator Carol M. Browner, transmitting the General Accounting Office (GAO) report entitled, "States Face Increased Difficulties in Meeting Basic Requirements." Your letter and the GAO report advance several serious issues that we have been grappling with for some time. States have not allocated sufficient resources to keep pace with the increased regulatory requirements in the Public Water Supply Supervision (PWSS) program and this has jeopardized some States' ability to maintain primacy. I would like to take this opportunity to let you know what the Environmental Protection Agency (EPA) is doing about the problem.

As GAO points out, the funding shortfalls in State programs are serious. Since the GAO interviews were conducted, we have updated our estimates of State program needs. Our latest estimates show that State program needs for Fiscal Year 1993 total $304 million. Almost $59 million was provided by Federal grants in 1993, and States contributed an additional $83 million, leaving a shortfall of $162 million. This is somewhat higher than the shortfall estimate of $147 million that we provided to GAO during its review.

To help reduce this shortfall, we began in 1988 to implement a State Capacity Initiative to inform State legislatures and outside groups of the increased requirements under the Safe Drinking Water Act (SDWA) and the need for increased funding. This initiative has met with moderate success. Since its inception, States have provided an additional $53 million for drinking water through the passage of fee legislation or through the redirection of general revenues. During this same period, however, a number of States experienced reductions in funding because of severe budget shortfalls during the recent economic slowdown. At the Federal level, grants to States have risen by $25.5 million since 1988, a 76 percent increase.

In spite of increases at the State and Federal levels, we know that substantial shortfalls remain and States are having difficulties fully meeting primacy requirements. Until recently, many States responded by making their own decisions about which parts of the program to implement first and EPA's Regional offices had no guidelines on withdrawing primacy from a State. Recognizing this, EPA crafted a three-pronged strategy that involved: (1) providing States and Regions with guidance which identified activities with the highest priority and established where EPA would draw the line on primacy, (2) devising a systematic way to evaluate State performance, and (3) developing a contingency plan in the event that a State returns primacy or EPA is forced to withdraw primacy. As you point out, we also identified State primacy as a material weakness under the Federal Managers Financial Integrity Act.

I would like to describe briefly the status of our implementation of the three major elements of our strategy. EPA issued the PWSS priority guidance in June 1992. It is intended to focus limited State resources first on oversight of requirements with the most significant impact on public health and to allow States time to allocate resources to fully implement the program. It is not intended to defer any statutory or regulatory requirements. If conflicts arise, the statutory and regulatory requirements would, of course, prevail. Although we were concerned about potential misunderstandings regarding the intent of the priority guidance, we believe that it is better to establish consistent and clear goals upon which we can measure program progress rather than have each State set its own priorities. We also believe that the EPA Regions can and do act more decisively when they have clear guidance on when to consider initiating primacy withdrawal.

GAO contends that some States are unable to meet the minimum State program criteria outlined in the priority guidance. Over a year ago, we developed a systematic way to evaluate individual State performance. The results of this effort are enclosed. We plan to update this evaluation each year—the next one is scheduled to be completed after all of the information for FY 1993 is available. In addition, we arranged for EPA headquarters staff to visit and review the PWSS programs of seven States: Vermont, West Virginia, New Mexico, Kansas, Colorado, California, and Idaho. We have completed all seven reviews and our findings are that while none of the States are currently about to implement all of the regulatory requirements, they are doing a good job of implementing the Priority One and "Base Minimum" elements of their programs. The areas in which the State programs seem weakest are: following up on enforcement actions after they have been issued, updating their data management systems to accommodate the new contaminants and requirements, and maintaining technical capabilities to provide support in areas such as corrosion control optimization and vulnerability assessments. Most States with past problems have been successful in securing new sources of revenue to fund existing program requirements; however, there is widespread understanding and concern that current funding levels will be insufficient for future needs.

Our contingency plan for primacy withdrawal/return was developed to give Regions a blueprint for action should they need to withdraw primary for a State. Our ability to take over State programs is admittedly limited because of our own resource constraints. Because of this, the contingency plan recommends that EPA-operated programs focus on those activities specifically required by the Safe Drinking Water Act and the drinking water regulations. Consequently, a program implemented by EPA would be heavily weighted towards enforcement and data management. EPA could not carry out a preventative program like many States do. As a result, we would expect States, systems, and outside organizations to take the lead in working to maintain and fund drinking water activities at the State level.

EPA recognizes that the priority guidance and the contingency plan are, at best, only temporary measures to address the problem of maintaining State primacy. We agree with GAO that a permanent solution must involve an integrated strategy which combines increased funding of State programs with finding innovative alternatives to achieve compliance, and bringing the increase in the program's regulatory costs under control. We have evaluated these matters as part of a study required by Section 519 of Public Law 102-389 (i.e., the Chafee-Lautenberg Amendment to the FY 1993 Appropriations Act). The Administrator transmitted the report to Congress on September 8, along with the Administration's recommendations for reauthorization of the Safe Drinking Water Act (SDWA). The Administration supports a Federal backstop fee to help States find the resources necessary to meet primary requirements, and streamlined procedures to improve program efficiency. I am sure Congress will wish to consider the critical importance of the State capacity issue in its deliberations on reauthorization of the SDWA.

In addition to States, public water systems are facing increased difficulties complying with the new regulations. As you know, the Administration supports authorization of appropriations for a five-year, multibillion dollar Drinking Water State Revolving Fund which will help public water systems meet SDWA requirements. We thank you for your support and the support that other members of your committee have given to developing specific proposals in this regard.

You raised several specific questions in your letter. Our response to these is enclosed.

Thank you again for your continued interest in the PWSS program. The Office of Water would be pleased to work with you to shape solutions to the serious primary problems that States face. If you have any questions in the meantime, please contact me or have your staff call James R. Elder, Director, Office of Ground Water and Drinking Water, at (202) 260-5543.

Sincerely,

ROBERT PERCIASEPE,
Assistant Administrator.

Enclosure.

Question one: Please provide the status of primacy compliance by Alaska, Maine, Washington, California, Kansas, Alabama, Illinois, North Dakota, and Iowa. What is the status of withdrawal actions by the EPA in these states, taking into consideration the recent litigation concerning the applicable regulations? What enforcement actions has EPA taken in these states under section 1414(a)(1)?

Response: Alaska—EPA's Region X Office wrote to the State of Alaska on February 5, 1993, indicating that they intended to initiate primacy withdrawal because the State had not adopted the Surface Water Treatment Rule (SWTR) and the Total Coliform Rule (TCR) within the required time frame.

The Region was also concerned about the State's commitment to the drinking water program, identifying several management-related problems.

The State adopted the SWTR and TCR shortly after the February letter and submitted the final primacy package and formal Attorney General's statement soon thereafter. The Region and the State also developed a 34-step agreement to strengthen management of the program. While the State has made limited progress toward meeting the terms of this agreement, we remain concerned about the State's willingness to fulfill its commitments. The Region will meet with State officials every few months to review progress.

The Alaska Native Villages are facing a host of sanitation problems in addition to drinking water. EPA, in conjunction with a number of Federal and State Agencies, is working to strengthen the delivery of Federal assistance to them.

EPA took the following enforcement actions in Alaska between October 1, 1992 and July 31, 1993: nine Notices of Violation (NOV's); seven Proposed Administrative Orders (PAO); and six Final Administrative Orders (FAO).

Maine—EPA's Region I Office wrote to the State of Maine in January 1993, indicating that EPA may initiate primacy withdrawal. The State program was substantially understaffed, preventing them from meeting the minimum requirements for maintaining primacy. The Legislature passed a user fee proposal in July 1993. The authorizing legislation requires appointment of a commission by the Governor within 60 days of passage. The primary responsibility of this commission will be to review the funding needs of the drinking water program on an annual basis and set the level of the user fee based on that review. The drinking water program is concurrently funding five positions independent of this recent legislative action. These staffing increases are in addition to several positions being funded by the New England Interstate and the Maine Rural Water Association. We anticipate the total number of persons assigned to the drinking water program to increase from the current level of 14 to 25.

We are encouraged by these events and expect to receive a detailed action plan from the State. While concurrence with a satisfactory plan will allow us to put the primacy withdrawal process on hold, we will continue to give close attention to State activities until the increased resources to run a complete program are realized.

EPA took the following enforcement actions in Maine between October 1, 1992 and July 31, 1993: two NOV's.

Washington—EPA's Region X Office wrote to the State of Washington on January 7, 1993, indicating that they intended to initiate primacy withdrawal because the State failed to adopt the Surface Water Treatment (SWTR) and Total Coliform Rule (TCR) within the required time frame.

The State responded on February 12, 1993, with a detailed schedule of actions which culminated in the adoption of the SWTR and TCR in March 1993. The rules became effective in April 1993. EPA recently approved these regulations and a notice was placed in the Federal Register on August 4, 1993.

EPA took the following enforcement actions in Washington between October 1, 1992 and July 31, 1993: 59 NOV's, nine PAO's, two FAO's, and (1) 1431 emergency order, and one referral to the Department of Justice.

California—EPA became concerned about the ability of the State of California to maintain primacy when they announced two years ago that they could not adopt the Lead and Copper rule without additional funding. The State and EPA were able to work out a compromise that resulted in the State requesting and receiving a two year extension for rule adoption. The State is currently working towards adoption of the rule with the full intent of maintaining primacy. In the interim, the State and EPA's Region IX Office in San Francisco are jointly implementing the requirements of the Federal rule. The State has already approved its regulations for the Surface Water Treatment Rule (SWTR) and Total Coliform Rule (TCR). The State has extensions for adoption of the Phase II and V rules through December 1993. EPA took the following enforcement actions in California between October 1, 1992 and July 31, 1993: 284 NOV's, 66 PAO's, 53 FAO's, and one (1) 1431 emergency order.

Kansas—EPA had become concerned over time that Kansas did not have sufficient personnel to fully implement the program. The State was also late in adopting several of the early rules and we questioned how committed the State was to maintaining a strong drinking water program.

Fortunately, the State's position has changed over the past two years, and EPA is encouraged that the State will continue to make improvements in their program. The State is now up-to-date on rule adoption and in 1992 received an increase in the drinking water user fee in order to dedicate additional personnel to the program.

EPA took the following enforcement actions in Kansas between October 1, 1992 and July 31, 1993: five NOV's, three PAO's, three FAO's, and held one public hearing.

Alabama—EPA is not seriously concerned about the ability of Alabama to meet current primacy requirements. However, EPA is concerned about the State's ability to fund expanding program requirements. Alabama has adopted all of their regulations and is proceeding with implementation.

The GAO report specifically mentioned a concern about the ability of the State to implement the Lead and Copper rule due to the fact that only one State person is available to oversee 600 small systems.

EPA does not anticipate that the small systems will have many action level exceedences. There were no action level exceedences in either the first or second round of monitoring of the large systems, and only two systems exceeded the action level in the first round of monitoring for the medium-sized systems. (Data on the second round of the medium-sized systems is not yet available.) While small systems will probably present a monitoring and reporting problem, small system oversight for the Lead and Copper rule is considered a Priority Two issue under the EPA's Priority Guidance. EPA's direction to the State is to undertake Priority One activities. In this case, the State would focus on large and medium systems oversight first, while it builds ample capacity to implement the full Lead and Copper Rule by 1998.

There were no EPA enforcement actions in Alabama in FY 1993.

Illinois—Primacy is not an issue in Illinois. Illinois has adopted all of their regulations and is proceeding with implementation.

The GAO report specifically mentioned a concern about the ability of the State to increase funding for the program. The issue of tight budgets and competition with other programs is a problem facing nearly all State drinking water programs. It often takes States two-three years to pass a fee proposal.

EPA took the following enforcement actions in Illinois between October 1, 1992 and July 31, 1993: 37 NOV's, 18 PAO's, nine FAO's, and one (1) 1431 emergency order.

North Dakota—EPA is not currently concerned about the ability of North Dakota to maintain primacy. North Dakota has adopted all of their regulations and is proceeding with implementation. The GAO report specifically mentioned a concern about the ability of the State to increase funding resources for the program. The North Dakota Legislature did approve an increase of five positions recently and will be reviewing the long-term funding picture at the end of this year.

EPA took the following enforcement actions in North Dakota, between October 1992 and July 31, 1993: two NOV's

Iowa—EPA is looking closely at Iowa's ability to meet current requirements in order to maintain primacy. As with many States, it will be difficult for Iowa to meet future requirements without substantial funding increases.

GAO noted that Iowa is planning to allow small, nonvulnerable systems to take a single sample per sampling point instead of quarterly samples mandated in the Phase II rules, even if the sample is taken after the October 1, 1993 deadline of the Chafee-Lautenberg Amendment to the FY '93 Appropriations Act. EPA's policy interpreting this amendment made it clear that systems must take the single sample before that deadline. EPA has not given Iowa primacy for the Phase II rule and could not approve the State's rule if it were less stringent than the Federal rule.

EPA took the following enforcement actions in Iowa between October 31, 1992 and July 31, 1993: 11 NOV's.

Question two: Do you agree with GAO's estimates of costs of testing for contaminants? If not, why not? Who must pay these costs?

Reponse: In general, EPA agrees with GAO's estimates to contaminant costs associated with the Phase II and V contaminants. However, our actual upper level estimates are lower, as they range from $2,500-$4,000 for one complete set of samples. It is not clear to us whether the GAO range estimate is for one set of samples, or whether it reflects annual costs. Many of the contaminants require quarterly monitoring, which could account for their $10,000 estimate.

Monitoring costs are either paid by the system and its ratepayers or by the State. Some States conduct all monitoring for the systems, at no cost to the system. Other States provide monitoring at a subsidized cost. In a majority of States, however, systems use private, certified laboratories and are responsible for paying for their own monitoring costs.

The Association of State Drinking Water Administrators (ASDWA) is initiating a survey of all States to determine the actual (or best estimate) costs for systems to comply with Phase II and V monitoring requirements. The survey is expected to be completed by the end of Winter.

Question three: The GAO states that EPA's priority setting guidance is legally consistent with the Act. However, GAO raises at least two issues at pages 8 and 9. Please respond to each.

Response: GAO's two issues are that the provisions of the Priority Guidance are, in some respects, inconsistent with regulatory requirements and that the guidance is, at best, only a partial solution to the underlying fiscal crisis affecting the program. GAO

recommends that EPA and Congress reexamine the funding priority of the program rather than compromise its overall integrity.

The priority setting guidance clearly states that the guidance does not defer any statutory or regulatory requirements. If any conflicts arise between the guidance and requirements, the requirements would prevail. In GAO's example, the guidance identifies implementing the Lead and Copper Rule for small systems as a Priority Two activity while the regulations require States to designate or approve optimal corrosion control treatment for small systems that exceed the lead level by December 1996. GAO interprets the guidance to give States until 1998 to start on Priority Two activities. To clarify, the Priority Guidance is in effect between 1993 and 1998. During this time, States must focus first on Priority One activities and then begin Priority Two activities. States must be concurrently working to close the resource gap so that all activities can be undertaken as soon as possible. There is a chance that some States may not be working on some Priority Two activities by 1996 and that some of their systems may exceed that action level for lead. In such an instance, the State would be legally obligated to designate the corrosion control treatment. States could, as an option, designate a standard corrosion control (e.g., adjust pH) for all small systems that exceed the action level and still satisfy the regulatory requirement.

We fully acknowledge that the guidance is only a partial solution to the primacy problem. We have recently completed a report on the drinking water program pursuant to the requirements of Public Law 102-389 (i.e., Chafee-Lautenberg Amendment to the FY '93 Appropriations Act). The report along with recommendations for reauthorization of the Act were sent to Congress on September 8, 1993, and a copy was provided to your staff at that time.

Question four: Please explain EPA's contingency plan for takeover in Alaska, Maine, and Washington. The GAO cites a letter to Maine that states that compliance, after EPA take-over, would be by enforcement rather than by preventative assistance. Please explain the basis for this view. What is EPA's capability to carry out this threat in Maine or other states?

Response: EPA's contingency plan for these States, as well as any other State in which we would have to initiate primacy withdrawal, is the same. The nucleus of a direct implementation program operated by EPA would focus on enforcement and data management. Our technical assistance and other preventative services would remain very modest because of resource constraints. Rather, we would reserve our efforts for activities specifically required by the Safe Drinking Water Act and the National Primary Drinking Water Regulations. The contingency plan gives EPA some level of consistency for all State programs that may be returned or withdrawn and sends an early signal to States, systems, and outside organizations about what an EPA operated program would look like.

Our capability to carry out direct implementation programs is, admittedly, limited. As indicated in our contingency plan, we would use the grant funds that the affected State would have received and we would redirect EPA staff from within the drinking water program as well as from other water programs, both at the national and regional levels. If more than one or two State programs were returned or withdrawn, we would have to look beyond water program resources or approach OMB regarding the need for a supplemental budget request.

Question five: Congressman Washington and others have expressed concern that public water systems do not adequately address the needs of the poor and low income people who are threatened with water shut-offs. I request your comments on this concern and on what actions can and should be taken by the EPA or others to address this matter.

Response: We share Congressman Washington's concern and we realize that the many new regulations being promulgated pursuant to Congressional mandates may aggravate this situation. However, specific programs to address the needs of low-income people who are threatened with water shut-offs are best structured and implemented at the State and local level. A responsive program needs to take into account the variable circumstances among different locales, including increased costs for wastewater treatment and other environmental programs.

There is a full range of programs designed to help the needy in cities across the U.S. For example, Congressman Washington's home city of Houston established a contribution program to a "water fund" via the regular water bill, minimum billing rates for low income households, special payment arrangements in cases of hardship, and several layers of notification to ensure that customers are aware of their status and their options. These efforts must involve coordination among the water system and other community agencies such as those responsible for housing and welfare.

EPA has several activities underway to specifically assist disadvantaged communities. Small systems, some of which would fall into the category of minority and disadvantaged, are receiving technical assistance and training to support their system operators through an EPA grant to the National Rural Water Association (NRWA). NRWA currently receives nearly $4 million to provide this assistance. In addition, the Rural Community Assistance Program (RCAP) receives $750,000 per year to help low income rural communities.

EPA's drinking water and wastewater programs are considering an environmental justice initiative to find better ways to communicate with persons residing in communities likely to be affected by environmental equity concerns, so that EPA may provide these communities with targeted assistance, both technical and educational. Furthermore, EPA is working with other Federal agencies to streamline the delivery of Federal assistance to Alaskan Native Villages in order to help them solve their critical sanitation problems.

STATUS OF STATE PWSS PROGRAMS

[Final fiscal year 1992 report—Revised Jan. 30, 1993]

State	Rule scope	Rule implementation	Compliance rates	Data quality	Violation resolution	Violation prevention	State capability
Connecticut	High	Medium	Medium	Medium	Medium	Medium	Medium
Massachusetts	High	High	High	High	High	Medium	High
Maine	High	High	Medium	Medium	Low	Medium	Low
New Hampshire	High	High	Medium [1]	Undetermined	Medium [1]	Medium	Medium
Rhode Island	High	High	Medium [1]	Undetermined	Medium [1]	Medium	High
Vermont	High	High	Medium [1]	Low	Low [1]	Low	Medium
New Jersey	High	Medium	Low [1]	No OGWDW audit	Medium [1]	Medium	High
New York	High	Medium	Medium	Medium	Medium	High	High
Puerto Rico	High	High	Low [1]	No OGWDW audit	Medium [1]	Medium	Medium
Virgin Islands	Low	Low	Low [1]	No OGWDW audit	High [1]	Medium	Medium
District of Columbia	NA	High	High [1]	No OGWDW audit	High [1]	Low	NA
Delaware	High	Medium	Low [1]	No OGWDW audit	Medium [1]	Medium	Medium
Maryland	High	Medium	Medium	High	Low	Medium	Medium
Pennsylvania	High	Medium	Low	High	Medium	Medium	Medium
Virginia	High	High	Medium	Medium	Medium	Medium	Medium
West Virginia	High	Medium	Low [1]	No OGWDW audit	Low [1]	High	Medium
Alabama	High	High	Medium [1]	No OGWDW audit	Medium [1]	Medium	Low
Florida	High	High	Low	Medium	Medium	High	High
Georgia	High	Medium	Medium [1]	No OGWDW audit	Medium [1]	Medium	Medium
Kentucky	High	Medium	Low [1]	No OGWDW audit	Medium [1]	Medium	High
Mississippi	Medium	High	Medium	Medium	Medium	High	Low
North Carolina	Medium	Medium	Medium [1]	No OGWDW audit	High [1]	Medium	Low
South Carolina	High	Medium	Medium [1]	No OGWDW audit	Medium [1]	Medium	High
Tennessee	High	Medium	Medium [1]	No OGWDW audit	High [1]	Medium	Medium
Illinos	High	Medium	Low [1]	No OGWDW audit	Low [1]	Medium	Medium
Indiana	Medium	Medium	High [1]	Low	Medium [1]	Medium	Medium
Michigan	High	Medium	Medium [1]	No OGWDW audit	Medium [1]	Medium	Low
Minnesota	High	Medium	High [1]	No OGWDW audit	Medium [1]	Medium	Low
Ohio	High	Medium	Medium [1]	No OGWDW audit	Medium [1]	Medium	Medium
Wisconsin	High	Medium	Medium [1]	No OGWDW audit	Medium [1]	Medium	Low
Arkansas	High	Medium	Medium [1]	No OGWDW audit	Low [1]	High	Medium
Louisiana	High	Medium	Medium	High	Medium	Medium	High
New Mexico	High	Medium	Medium	High	Medium	Medium	Medium
Oklahoma	High	High	Low [1]	No OGWDW audit	Medium [1]	High	Medium
Texas	High	Medium	Medium	High	Medium	High	Low
Iowa	Medium	Low	Medium [1]	No OGWDW audit	High [1]	Medium	Low
Kansas	Low	Low	Low	High	Medium	Medium	Low
Missouri	High	Low	Medium [1]	No OGWDW audit	Medium [1]	Medium	Medium
Nebraska	Medium	Medium	Low [1]	No OGWDW audit	Medium [1]	High	Low

STATUS OF STATE PWSS PROGRAMS—Continued

[Final fiscal year 1992 report—Revised Jan. 30, 1993]

State	Rule scope	Rule implementation	Compliance rates	Data quality	Violation resolution	Violation prevention	State capability
Colorado	Medium	Medium	Medium	High	Medium	High	Low
Montana	Medium	Medium	Low	Medium	Low	Medium	Low
North Dakota	High	Medium	Medium [1]	No OGWDW audit	Low [1]	High	Low
South Dakota	Medium	High	Low [1]	No OGWDW audit	Medium [1]	Medium	Low
Utah	High	Medium	Low [1]	No OGWDW audit	Medium [1]	Medium	Medium
Wyoming	NA	High	Low [1]	No OGWDW audit	Medium [1]	Low	NA
Arizona	High	Medium	Medium	Medium	Medium	High	Medium
California	Medium	Low	High [1]	No OGWDW audit	Medium [1]	Medium	Medium
Hawaii	High	Medium	Medium [1]	No OGWDW audit	Medium [1]	Medium	High
Nevada	Medium	Medium	Low [1]	No OGWDW audit	Medium [1]	Medium	Low
Alaska	Low	Low	Low	Medium	Low	Medium	Medium
Idaho	Medium	Medium	Low [1]	No OGWDW audit	Medium [1]	Medium	Low
Oregon	Medium	High	Low [1]	No OGWDW audit	Medium [1]	Medium	Medium
Washington	Low	Medium	Low [1]	Low	Low [1]	Medium	Low

[1] Rating based on data of poor or uncertain quality.

Note: No OGWDW audit—standardized OGWDW audit not yet conducted; undetermined—audit conducted data, but results not yet known.
NA—Not applicable—program implemented by EPA, not State.

COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, October 21, 1993.

Hon. CAROL M. BROWNER,
Administrator, Environmental Protection Agency, Washington, DC.

DEAR ADMINISTRATOR BROWNER: Enclosed, pursuant to Rules X and XI of the Rules of the House of Representatives, is my letter to Chairman Louis Stokes of the Subcommittee on VA, HUD, and Independent Agencies concerning H.R. 2491, the Departments of Veterans Affairs, HUD, and Independent Agencies Appropriations Act of 1994.

I call your attention particularly to my comments regarding the provision added by the Senate regarding radionuclides and would appreciate your response to the following:

1. The 102nd Congress, at the urging of the Senate, adopted section 519(b) of Public Law 102-389. It required that the EPA conduct a study and risk assessment of radon, obtain recommendations from the Science Advisory Board (SAB), and provide a report to Congress by July 31, 1993. Please explain the status of these matters and the cause of delay in submitting the report to Congress.

In this regard, section 519(b) also refers to a court imposed deadline of October 1. I understand that the EPA has sought an extension. Please explain the status of this litigation and the effect of H.R. 2491 on the litigation and the rulemaking.

2. According to the July 30, 1993 edition of Inside EPA (copy enclosed), the SAB issued a "highly critical review of the agency's draft report on radon in drinking water, arguing that the agency has not addressed key uncertainties in its costs and risk analyses." Please provide that draft and the SAB review and recommendations. What is the EPA doing to address the SAB concerns and recommendations?

3. Please (a) describe the radon standard proposed by the EPA; (b) indicate the states and the water systems subject to the standard; (c) explain the need for this particular standard from a health standpoint and the risks; (d) explain whether the statute requires this particular standard or whether a less stringent standard is authorized; (e) explain the lead time allowed to meet the standard and explain whether that time is reasonable for all of the affected systems, taking into consideration the availability of the technology, the risks, and the costs; and (f) explain the means, measures, and technology for compliance by all types of systems and the expected initial costs and operating costs. Please summarize the public criticism of this standard in the rulemaking.

Finally, I appreciated receiving your recent communication of principles for amending the Safe Drinking Water Act. They are helpful, but I note that the EPA has not transmitted a legislative proposal to carry them out. To help our Committee in considering these principles, my staff requested on my behalf that you provide, as a drafting service, the legislation to carry out each of these principles. I am particularly interested in your drafting of the fee principle because of the need to avoid constitutional problems and to address the issue of whether the fees collected are subject to the appropriation process under the House Rules.

Also, I would appreciate your not endorsing any Senate bills that purport to carry out the EPA principles without discussing the matter with me and my staff, as well as with Subcommittee Chairman Waxman.

I request your response to the above matters as early as possible, as well as your reply to our letter of August 3, 1993 concerning this program.

With every good wish.

Sincerely,

JOHN D. DINGELL,
Chairman.

Enclosure.

ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, December 22, 1993.

Hon. JOHN D. DINGELL,
Chairman, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter dated October 21, 1993, regarding the radon report to Congress and the drinking water radionuclides regulation.

The radon report was due to Congress on July 31, 1993. The Science Advisory Board (SAB) Executive Committee recommendations were received on July 30, 1993. The Agency worked to address SAB's concerns by incorporating changes to the report and also attaching a commentary to it that addressed each comment in detail by citing the change or explaining our perspective. In mid-October the report and commentary were forwarded to the Office of Management and Budget (OMB) for their review and comment. We are currently having discussions with OBM over the contents of the report. As soon as the radon report receives my final review, I will transmit it to Congress. In the interim, as requested, I have enclosed the July 15, 1993, version of the radon report, that was reviewed by the SAB Executive Committee, and all three SAB committee reviews.

In regard to your inquiry concerning the radionuclides regulation, specifically radon, enclosed is a detailed response to your questions regarding the radon standard, the associated health effects, those public water systems affected by the radon standard and the public comments received following the proposed rule.

Concerning your interest in legislative language to carry out the Administration's ten SDWA reauthorization recommendations, we would be pleased to provide assistance to Committee staff. Presently, we are drafting legislative language that must undergo OMB review. We anticipate having legislative language reflecting our ten recommendations by early next year.

You can be assured that my staff and I will not endorse any Senate bills purporting to carry out EPA principles without discussing the matters with you and your staff, as well as with, I expect, we will provide technical assistance to members as requested.

If you have any additional questions regarding the enclosed documents or the enclosed responses to your questions regarding radon, please do not hesitate to call me or have your staff contact Mr. Robert Perciasepe, Assistant Administrator for Water, at (202) 260-5700.

Sincerely,

CAROL M. BROWNER.

Enclosure.

ENCLOSURE

Several years ago the Agency conducted a comparative risk assessment of all pollutants being considered by the Agency. Radon ranked in the highest category among all the pollutants considered. The scientific evidence amassed to support the risk assessment of radon is among the strongest EPA has used to assess the health effects of an environmental pollutant. Radon is the most prevalent of all the radionuclides covered under EPA's proposed radionuclides rule which also includes radium, uranium, gross alpha, beta and photon emitters. Radon in drinking water poses the greatest health risk of all contaminants in this rule.

QUESTIONS REGARDING RADON

(A) Describe the radon standard proposed by the EPA.

The 1986 amendments to the SDWA require EPA to develop an MCL for radon. In July 1991, EPA proposed a drinking water standard for radon at 300 pCi/l. The total annual cost for all public ground water systems to comply was estimated to be $272 million. At 300 pCi/l, the Agency estimated that 26,000 systems would be affected.

(B) Indicate the States and the water systems subject to the standard.

All States are subject to the standard. Those States where systems are likely to find concentrations exceeding the proposed radon in drinking water MCL of 300 pCi/l are located in the northeastern, midwest and western United States.

Radon is a problem only for ground water dependent systems. A large percentage of the affected systems are small (an estimated 85 percent serve fewer than 500 people). Systems relying solely on surface water are not required to monitor for radon, because radon

is a highly volatile gas and is not expected to be found in surface water.

(C) Explain the need for this particular standard from a health standpoint and the risks.

At the proposed radon in drinking water standard of 300 pCi/l, the Agency estimates that 84 cancer cases, would be avoided annually. The estimated health benefit of regulating radon in water in the range of 500 to 200 pCi/l is estimated to be saving 57–100 cancer cases a year, respectively.

The health hazard posed by radon in water is due both 1) to its volatilization from water during household water use, and enrichment of indoor air radon levels, thereby contributing to increased risk of lung cancer, and 2) direct ingestion of radon contributing to risk of stomach and other cancers. While on average water makes a small contribution to indoor air radon (about 5% for houses served by ground water), it is prevalent in drinking water from ground water wells and does contribute to the very substantial risks posed by radon in the household environment overall. Because it is a volatile gas, very little radon is expected to be found in surface water, and surface water systems are not anticipated to require treatment. EPA estimated that 30,000 or more public water systems serving 30 million or more people may have radon in water at levels exceeding an estimated 110^{-4} risk level (150 pCi/l water).

Outdoor background levels of radon in air (about 0.1 to 0.5 pCi/l air) present estimated lifetime lung cancer risks of about 1 in 1,000, a risk level above those generally accepted in EPA regulatory programs. Typical indoor air radon levels (1–2 pCi/l air) pose estimated lifetime lung cancer risks near 1 in 100. Radon from all sources is estimated to cause 7,000 to 30,000 lung cancer deaths annually, of which about 40–400 may be attributed to radon from drinking water. While the average water contribution to indoor air radon is small relative to the contribution of soil gas (for most houses), it does represent a substantial estimated number of annual cancer cases and in many communities poses individual lifetime risks above EPA's historical lifetime cancer risk goal for drinking water regulations of 10^{-4} to 10^{-6}. While these risk estimates have inherent uncertainties, they are less here than for other contaminants regulated by EPA because this risk assessment is based on human data whereas most EPA risk assessments are based on animal studies.

(D) Explain whether the statute requires this particular standard or whether a less stringent standard is authorized.

Regulatory standards prepared under the SDWA are based on two parts. The first part is a Maximum Contaminant Level Goal (MCLG) which is a health based regulatory goal and is not enforceable. Radon is classified as a (known human) carcinogen by EPA and other organizations such as the International Agency for Research on Cancer. MCLGs for carcinogens are set at zero in accordance with EPA policy. The MCLG for radon is zero given that persons have a high risk of lung and internal organ cancer due to radon exposure.

The second part is a Maximum Contaminant Level (MCL) which is established as close to the MCLG as is technically feasible, taking cost into consideration, and is enforceable on this basis. The MCL (standard) for radon in drinking water was proposed at 300pCi/l.

(E) Explain the time allowed to meet the standard and explain whether that time is reasonable for all of the affected systems taking into consideration the availability of the technology, the risks, and the costs.

(F) Explain the means, measures and technology for compliance by all types of systems and the expected initial costs and operating costs.

The statute currently requires rules to become effective 18 months after signature by the EPA Administrator. Within the first three years, all public water systems need to complete the initial round of testing. The initial monitoring requirements for radon are for ground water systems and mixed ground and surface water systems to obtain four consecutive quarterly samples for one year.

The current statute requires EPA to set best available technology. Technologies are judged to be BAT based upon the following factors: high removal efficiency, general geographic applicability, cost, reasonable service life, compatibility with other water treatment processes, and the ability to bring all of the water in a system into compliance.

The Agency proposed that, of the technologies capable of removing radon from source water, only aeration fulfills the requirements of the SDWA as BAT for radon removal. Aeration has demonstrated radon removal efficiencies in excess of 99.9 percent. Aeration technology is currently available, and has been installed in public water supplies, and is compatible with other water treatment processes in different regions.

Legislative history focuses on feasibility considerations for large systems. The Administration's SDWA proposal envisions granting greater flexibility to small systems.

Implementation of this rule allows States to grant monitoring waivers to systems that demonstrate compliance with the MCL reliably and consistently in the initial compliance period, allowing systems to collect only one sample per three year compliance period for the remainder of the nine year compliance cycle. Systems relying solely on surface water are not required to monitor for radon, because radon is a highly volatile gas and is not expected to be found in surface water. Laboratories would be expected to accurately measure radon down to levels of the final radon standard at the time of sampling.

The Agency estimates the total annual cost (including treatment and operations and maintenance) to comply with the proposed radon standard of 300 pCi/l to be $272 million for the estimated 26,000 systems affected. The total capital investment for all systems meeting this standard would be approximately $1.6 billion.

(G) Please summarize the public criticism of this standard in the rulemaking.

Since the radionuclides rule was proposed, EPA received comments from more than 600 persons. A large majority of these commenters commented on the radon portion of the rule.

MAJOR COMMENTS WERE

1. Indoor air radon risk should receive higher priority than radon in drinking water.
2. EPA should give greater consideration to uncertainties in risk assessment.
3. EPA costs are significantly underestimated.
4. The role of cost effectiveness should be better evaluated in the decision making process regarding its priority status as well as the impact on setting a standard that will protect drinking water.
5. Analytical laboratories lack capacity to implement the monitoring requirements.
6. Monitoring requirements should be phased-in to give small systems a chance to comply.

The Agency is currently analyzing the public comments and preparing responses to all public comments. Responses will be provided in the Agency's final radionclides rule Response to Comments Document.

Mr. DINGELL. Mr. Speaker, on the other side of the coin, the environmentalists and the EPA also believed that changes in the law are needed to make it more effective, particularly in the area of enforcement.

Two bills were introduced in the House—H.R. 3392 and H.R. 4314. The administration did not propose a bill, but did provide a list of 10 principles for changes in the act. In early March, we began to work with the coalition of States and the public water systems, the agricultural interests, the environmentalists, and the EPA. In the beginning, the general discussions with these various interests indicated that differences, while significant, were not insurmountable. However, as time wore on and the discussions by the Members and the staff evolved, it soon became apparent that the differences were quite large. On several occasions, as I noted in an August 9, 1994 letter to the Appropriations Committee, I doubted that a timely resolution would be possible.

During the course of these discussions, the other body passed in May 1994 their version of amendments to the act, S. 2019. However, that 240 page bill was not really a help, because it contained so many extraneous amendments on such matters as the EPA cabinet bill, the Council on Environmental Quality, and private property rights. It was quickly recognized that S. 2019 involved jurisdictional interest of at least six committees.

Despite all of this, the subcommittee and the committee, working with these interests, devised a bipartisan amendment to H.R. 3392 that gained the enthusiastic support of all these interests. Regrettably, resolution took several months. But, we believe it is sound in that it does not weaken existing health based requirements for drinking water, while providing needed relief as the Congressional Budget Office indicates in item No. 7 of the following CBO letter:

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 23, 1994.

Hon. JOHN D. DINGELL,
Chairman, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 3392, the Safe Drinking Water Act Amendments of 1994.

Enactment of the bill would affect direct spending and receipts. Therefore, pay-as-you-go procedures would apply.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

ROBERT D. REISCHAUER,
Director.

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 3392.
2. Bill title: Safe Drinking Water Act Amendments of 1994.
3. Bill status: As ordered reported by the House Committee on Energy and Commerce on September 20, 1994.
4. Bill purpose: The bill would amend the Safe Drinking Water Act (SDWA) to require the Environmental Protection Agency (EPA) to make grants to states for capitalizing state revolving loan funds (SRFs) that would

finance facilities for the treatment of drinking water. The bill would authorize appropriations of $1 billion annually over the 1995–1997 period for these capitalization grants. In addition, major provisions of the bill would: amend the procedures EPA uses to identify contaminants for regulation under the SDWA; require EPA to establish an alternative monitoring program for drinking water; allow operators of small drinking water systems to obtain variances and exemptions from drinking water standards under certain conditions; direct EPA to define treatment technologies that are feasible for small drinking water systems when the agency issues new contaminant regulations; require states to ensure that public water systems have the technical expertise and financial resources to implement the SDWA; and establish an alternative standard for radon in drinking water.

5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1995	1996	1997	1998	1999
Authorizations of appropriations:					
Specific authorizations	1,000	1,000	1,000	0	0
Estimated authorizations	30	31	32	1,070	1,105
Total authorizations	1,030	1,031	1,032	1,070	1,105
Estimated outlays	41	200	550	875	1,000
Revenues	(1)	(1)	(1)	(1)	(1)
Direct spending:					
Estimated budget authority	0	(1)	(1)	(1)	(1)
Estimated outlays	0	(1)	(1)	(1)	(1)

[1] Less than $500,000.

The costs of this bill fall within budget function 300.

Basis of estimate: For purposes of this estimate, CBO assumes that the bill will be enacted by October 1994, and that all funds authorized by the bill will be appropriated for each year. Estimated authorizations are based on information provided by EPA. Estimated outlays are based on historical spending patterns of ongoing SDWA programs administered by EPA and of its grant program for waste water treatment SRFs. A discussion of the estimated costs for significant provisions of each section of the bill follows.

Section 19 Funds for Safe Drinking Water. This section of the bill would authorize the appropriation of $599 million for 1994, $1 billion annually over the 1995-1997 period, and such sums as are necessary after 1997, for capitalization grants to states for new drinking water revolving loan funds. For this estimate, CBO assumes that the SRF capitalization grants would continue at $1 billion annually in 1998 and 1999, adjusted for inflation. Starting in 1996, states would be required to provide a 20 percent match to receive the federal grant. Each state would be authorized to make loans or offer other kinds of financial assistance to communities for capital projects that would facilitate compliance with national drinking water regulations.

The bill also would direct states to set aside specific amounts of their grants to pay for administration of the program, provide funds to establish and implement source water protection programs, and also pay for part of the public water system supervision program.

EPA Drinking Water Program Costs. EPA's ongoing drinking water research and regulatory activities have been funded annually through the appropriations process, even though the authorization for these programs expired in 1991. In 1994, EPA estimates it will spend about $74 million on this program, including: $31 million for implementing drinking water regulations, $20 million for research on drinking water contaminants, $16 million on protecting ground water, and $7 million for enforcing regulations.

While this bill would not specifically authorize additional appropriations for research and regulatory activities, based on information from EPA, CBO estimates that enactment of this bill would require the agency to increase its base funding for drinking water by about $15 million annually over the 1995–1999 period. This increase is largely for writing regulations and providing guidance and training to state programs.

In addition, section 19 would authorize the appropriation of $15 million for 1994 and such sums as are necessary for subsequent years for EPA to provide technical assistance to small drinking water systems. Based on the 1994 authorization, adjusted for inflation in subsequent years, we estimate this provision would cost $80 million over the 1995–1999 period, assuming appropriation of the necessary amounts.

Civil Penalties. The bill would strengthen the Administrator's ability to assess existing penalties and it also would make violators of certain regulations regarding the operation of public water systems subject to additional civil, administrative, and criminal penalties. Based on information provided by EPA, CBO expects that increases in federal government receipts from these changes would be insignificant.

Any criminal fines collected would be deposited in the Crime Victims Fund and spent in the following year. Thus, direct spending from the fund would match the increase in revenues from criminal fines with a one-year lag. Because collections from criminal fines are expected to be insignificant, increased direct spending from the fund would also be insignificant.

Bottled Drinking Water Regulations. The bill specifies that an EPA regulation regarding drinking water would apply to bottled water if the Food and Drug Administration (FDA) does not issue a regulation on bottled drinking water within 180 days. This provision may require the FDA to expedite review of regulations on bottled drinking water, and to increase inspections of bottled drinking water facilities. These activities may require additional resources, but CBO cannot estimate the cost of these activities because the FDA could not provide the necessary information.

6. Pay-as-you-go considerations: Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts through 1998. Enactment of this bill would increase governmental receipts from civil and criminal penalties, as well as direct spending from the Crime Victims Fund, but CBO expects that the amounts involved would be insignificant.

Section 16 would explicitly waive any federal immunity from administrative orders or civil or administrative fines or penalties assessed under SDWA, and would clarify that federal facilities are subject to reasonable service charges assessed in connection with a federal or state program. This provision of SDWA may encourage states to seek to impose fines and penalties against the federal government under SDWA. If federal agencies contest these fines and penalties, it is possible that payments would have to be made from the government's Claims and Judgments Fund, if not otherwise provided from appropriated funds. The Claims and Judgments Fund is a permanent, open-ended appropriation, and any amounts paid from it would be considered direct spending. CBO cannot predict the number or the dollar amount of judgments against the government that could result from enactment of this bill. Further, we cannot determine whether those judgments would be paid from the Claims and Judgments Fund or from appropriated funds.

7. Estimated cost to State and local governments:

Summary

CBO estimates the bill would authorize appropriations of $1 billion annually over the 1995–1999 period for EPA grants to states to help public water supply systems comply with drinking water regulations. In 1994, EPA had about $75 million to promote to states for this purpose.

In addition to authorizing substantially greater appropriations to assist states with compliance, the bill would relieve many drinking water systems of the need to take significant steps to comply with regulations concerning radon in drinking water. (Estimates of the nationwide cost of complying with EPA's proposed maximum contaminant level (MCL) for radon in drinking water range from $0.3 billion to $2.5 billion annually.) Other provisions of the bill could lower the cost of complying with drinking water regulations for some systems, though CBO cannot qualify these savings. Finally, the bill would require states to take on some added responsibilities for water supply supervision, but states could use some federal funds to help offset the costs of these activities.

Current law

Information from the U.S. Bureau of the Census indicates that the public drinking water industry[1] has spent about $25 billion annually in recent years to fulfill its basic water service delivery mission and to comply with the SDWA. Of this amount, EPA has estimated that the costs of complying with the SDWA are about $1.4 billion annually. This annual cost includes annual operations and maintenance costs, water monitoring, and annual debt service on an estimated $8.6 billion in capital investments necessary to comply with the SDWA. A 1993 study prepared for the American Water Works Association (AWWA) estimates annual SDWA compliance costs at $2.3 billion. This study assumed a higher cost of capital financing than the EPA estimate did, and also assumed that many water utilities require multiple treatment sites for water contaminants. Neither of these estimates includes costs for complying with regulations governing radon or disinfection/disinfectant by-products, because they are not currently in effect. The study prepared for AWWA estimates that these two regulations could require a capital investment of $10 billion.

State public water supply supervision (PWSS) programs implement the SDWA at the state level. These programs perform critical functions, including enforcement, staff training, data management, sanitary surveys, and certification of testing laboratories. In 1994, EPA had about $64 million available for state PWSS grants. State funding for this activity is approximately $85 million. EPA and the Association of State

[1] There are about 200,000 public water systems regulated under the SDWA serving 243 million Americans. About 85 percent of the population is served by publicly owned drinking water systems. The estimates of the cost of SDWA compliance that are cited by CBO combine the costs to publicly owned and privately owned systems. Most of these costs are public spending.

Drinking Water Administrators (ASDWA) have estimated that these programs are inadequate to meet current law requirements and that they are underfunded by about $160 million annually.

Changes that would be made by the bill

State Revolving Funds. This bill would create state drinking water revolving funds (SRFs), which would be a significant new source of low-cost infrastructure financing for many public water supply systems. Although local water systems would have to repay SRF loans, each state could decide what level of financial assistance is appropriate for the communities in the state. Depending on how each state manages its SRF, these funds could potentially become independent and self-sustaining sources of capital for SDWA investments.

Compliance with Radon Standard. Section 4 would direct EPA to issue an alternative maximum contaminent level (MCL) for radon in drinking water within two years. EPA's draft MCL for radon is 300 picocuries per liter of water (pCi/L_{water}). Under current law, the agency expects to issue its standard in April, 1995. The bill would direct the agency to establish an alternative radon standard of 1,000 (pCi/L_{water}).

EPA estimates that public drinking water systems serving 17 million people would be required to comply with its draft radon MCL (300 pCi/L_{water}) at an annual cost of $275 million. A study prepared for the AWWA estimates that about 33,000 systems would need to meet this standard at an annual cost of $2.5 billion. The biggest difference between these estimates involves the cost of systems and technologies to treat water for radon. EPA believes that many water systems can rely on off-the-shelf packaged systems to comply with this regulation. The study done for AWWA assumes that more systems would face unique needs and would spend more on design and engineering costs to comply with this standard.

At an alternative radon standard of 1,000 pCi/L_{water}, EPA estimates that the nationwide costs for mitigating radon in drinking water would be reduced by roughly 75 percent. The study prepared for AWWA indicates cost savings of approximately 65 percent if the standard were 1,000 pCi/L_{water}. Therefore, CBO expects that establishing the alternative radon MCL would eliminate much of the costs water systems would incur under current law to deal with radon problems. We estimate that savings from this provision would be between $200 million and $1.5 billion annually, depending on what these systems would otherwise spend to correct radon problems under current law.

Other Compliance Costs. Other provisions of the bill could result in lower compliance costs for future SDWA regulations, but CBO does not have sufficient information to quantify these savings. (In particular, we do not know what contaminants EPA will decide to regulate in the future.) Section 11 would authorize states to give small water systems variances from compliance with EPA regulations if such systems install appropriate alternative treatment technologies as defined by EPA. Section 12 would allow states to exempt small systems from certain drinking water regulations if it cannot afford to install the best available affordable technology defined by EPA. Section 15 would allow states to provide interim relief from contaminant monitoring for certain small water systems. Finally, the bill would amend the method EPA uses to select drinking water contaminants for regulation so that, over the long term, systems are likely to face fewer regulations than they would under current law.

State Supervision Costs. The bill would require PWSS programs to undertake important new functions. Under section 13, each state would be required to establish a program to ensure the technical and financial viability of water systems in the state.

Section 8 would require states to certify the proficiency of drinking water system operators and testing laboratories. CBO estimates that the cost of these provisions would be less than $20 million a year. The bill would authorize states to use part of their drinking water SRF grant funds to pay for the water system viability programs.

8. Estimate comparison: None.

9. Previous CBO estimate: On April 29, 1993, CBO prepared a cost estimate for H.R. 1865, the Water Supply Construction Assistance Act of 1993, as ordered reported by the House Committee on Public Works and Transportation. This bill established an SRF for drinking water and authorized appropriations of $2.6 billion over the 1994–1996 period to capitalize these funds.

On May 3, 1993, CBO prepared a cost estimate for H.R. 1701, the Drinking Water and Public Health Enhancement Amendments of 1993, as ordered reported by the House Committee on Energy and Commerce. This bill established an SRF for drinking water and authorized appropriations of $4.6 billion over the 1994–1998 period to capitalize these funds.

On April 13, 1994, CBO prepared a cost estimate for S. 2019, the Safe Drinking Water Act Amendments of 1994, as ordered reported by the Senate Committee on Environment and Public Works on March 28, 1994. S. 2019 would establish an SRF for drinking water systems, and would authorize the appropriation of $1 billion annually over the 1995–2000 period to capitalize these funds. In addition, S. 2019 would authorize appropriations of $243 million annually over the 1995–2000 period for other EPA drinking water grant programs.

10. Estimate prepared by: Kim Cawley, Connie Takata, and Melissa Sampson.

11. Estimate approved by: C.G. Nuckols, Assistant Director for Budget Analysis.

Mr. DINGELL. Mr. Speaker, I believe the bill is sound and I hope it will be viewed favorably by the Senate. We do not intend upon passage of H.R. 3392 to join with S. 2019 and request a conference because of the many nongermane amendments to S. 2019. To do so, would involve too many other House committees. It would doom any chance for final passage of this needed bill in the 103d Congress. The issues related to safe drinking water are difficult enough. Hopefully, the Senate will accept this balanced bill or find another mechanism for resolution of any differences. Of course, I caution all that our compromise is fragile as noted by the environmentalists. Changes to one provision can reopen others and result in no bill. I feel sure that is not the outcome we all seek.

Before closing, I want to make clear that the committee, in our efforts to finalize the legislation, did not engage in an extensive discussion for legislative history purposes of the reported bill. Clearly, we did not have time to do so. The sparse legislative history in the committee's report represents the views of the committee. To the extent others address matters on the House floor, I want to make clear that they may not represent the committee's views, unless they are also a part of the report.

Finally, I include at this point a letter from the chairman of the Committee on Public Works and Transportation, my good friend Chairman Norman Mineta.

Mr. Speaker, I wish to agree with Chairman Mineta that the bill and their process does not prejudice future jurisdiction determination over the construction portion of such funds.

I urge adoption of the bill.

COMMITTEE ON PUBLIC WORKS
AND TRANSPORTATION,
Washington, DC, September 27, 1994.

Hon. JOHN D. DINGELL,
Chairman, Committee on Energy and Commerce, House of Representatives, Rayburn HOB, Washington, DC.

DEAR MR. CHAIRMAN: It is my understanding that the Committee on Energy and Commerce has reported an amendment in the nature of a substitute to H.R. 3392, the "Safe Drinking Water Act Amendments of 1993". That amendment would, in part, authorize funds for states to establish drinking water treatment revolving funds. As you know, H.R. 1865, the "Water Supply Construction Assistance Act of 1993", which was referred exclusively to the Committee on Public Works and Transportation and which was reported without amendment on May 17, 1993, would also authorize funds to states for the purpose of establishing drinking water revolving loan funds to provide assistance for the construction, rehabilitation, and improvement of water supply systems. We believe that the use of funds to construct safe drinking water facilities and systems for the filtration, disinfection and distribution of water for human consumption is basically a water supply construction assistance program and within the purview of our Committee. We understand that your Committee does not necessarily share that view.

Our Committee has no objection to this request pending your Committee's acknowledgement that nothing in the amendment, or in the legislative process this Congress on the issue of new safe drinking water state revolving funds, prejudges future jurisdictional determinations over the construction portion of such funds.

In addition, our Committee reserves its right to pursue conferees on the bill should the situation so dictate.

Lastly, I would appreciate your including our exchange of correspondence in the Record during consideration of the bill. Thank you for your cooperation in this matter.

Sincerely,

NORMAN Y. MINETA,
Chair.

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

Mr. Speaker, I would like to at this time congratulate and thank for her hard work the senior staff member on our side, Margaret Durbin, and also my own legislative director, James Derderian, for the work they put into this bill.

Mr. WAXMAN. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Mr. Speaker, I rise in enthusiastic support of the bill.

Mr. Speaker, I rise in strong support of H.R. 3392, the Safe Drinking Water Act of 1994. I have received numerous letters and phone calls from my constituents stressing the urgent

need to amend and reauthorize the Safe Drinking Water Act this year. This legislation is very important to the people of southwest Washington who are concerned about maintaining high quality drinking water, but are struggling with the financial burdens created by the 1986 amendments to the act.

The 1986 amendments established a system to regulate an increasing list of contaminants without providing the funding necessary for communities to meet these mandatory requirements. This latter concern is of particular importance to the smaller communities in Southwest Washington which have a limited financial capacity to respond to these Federal obligations. No one disputes the responsibility of communities to provide safe drinking water to its citizens, but the way the act was working, towns trying to do the right thing have been hamstrung by lack of funds and unable to meet all of their Federal regulatory requirements.

H.R. 3392 is a carefully crafted bill designed to respond to compelling health and safety risks and address important economic considerations. This bill will meet the needs of the communities of southwest Washington and the communities around the Nation. I urge my colleagues to pass this bill today.

Mrs. MORELLA. Mr. Speaker, I rise in support of the Safe Drinking Water Act. This legislation passed the Senate in May, and it has been awaiting House action. It is a bipartisan bill that is the result of months of negotiations. Environmentalists, the EPA, State and local governments, and many other concerned groups have been part of the debate to write a bill that will ensure the quality of our nation's drinking water.

My own State of Maryland has played a role in the effort to reach an agreement that all parties could support. And the State does benefit from the current bill. Direct benefits include $14 million in Federal funds each year to be used for a State revolving loan fund for improving public water systems, monitoring relief for Maryland's nearly 1,000 small water systems serving less than 3,300 people, and funds for a new effort to preserve and protect sources of water supply for towns and cities. Among these cities is Rockville, the second largest city in the State, and a part of Maryland's Eighth Congressional District, which I represent.

Mr. Speaker, I ask my colleagues to join me in supporting this legislation. We cannot take safe drinking water for granted. Milwaukee's water problems resulted in illness and death. The boil-water advisory in Washington, DC and parts of northern Virginia alerted us to potential problems here. Let us assist State and local governments in providing safe drinking water. I urge a "yes" vote.

Mr. GEJDENSON. Mr. Speaker, I rise in support of H.R. 3392, the Safe Drinking Water Act Amendments of 1994. Many people are responsible for bringing this bill to the floor today and I would like to thank the gentleman from California [Mr. WAXMAN] for his tireless efforts over the past several months to forge the compromises necessary to achieve this bill. I also want to take a moment to thank the gentleman from Oklahoma [Mr. SYNAR] for his role in drafting this legislation, and so many other good bills during his tenure in Congress. He will be missed.

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While drinking water treatment in the United States is among the most sophisticated in the world, many people continue to drink water that is contaminated with biological pathogens, heavy metals and possible cancer-causing agents. According to the Environmental Protection Agency [EPA], waterborne disease-causing pathogens, such as cryptosporidium which killed more than 100 people in Milwaukee in 1993, kill about 1,800 and cause another 1.8 million Americans to get sick every year. Currently, the EPA does not regulate cryptosporidium. Some water supplies are also contaminated with suspected cancer-causing agents such as arsenic and nitrates.

Another problem with our current drinking water supply system is the large number of small systems, usually defined as those serving fewer than 3,300 people. Small systems often lack the financial resources necessary to install the latest treatment technology. Small systems almost uniformly serve rural areas of the country. These systems need financial and technical assistance to upgrade or consolidate to ensure that rural Americans have drinking water which meets the highest standards.

The bill before us today addresses these and other important issues. It implements a more manageable framework for EPA to select contaminants which might pose a threat to human health, study them and issue regulations to protect the public. The EPA must immediately act to review at least 15 unregulated contaminants which might be present in water systems to determine whether regulation is required. Over the long term, H.R. 3392 requires the EPA Administrator, within 5 years of enactment and every 4 years thereafter, to develop a list of 12 contaminants which may require regulation. After the list is finalized, regulations must be promulgated which set maximum contaminant levels [MCL] in drinking water and specify treatment techniques. Importantly, the Administrator is instructed to develop a MCL for cryptosporidium and radon and enter into an agreement with the National Academy of Sciences [NAS] to conduct a comprehensive study of the possible health effects of arsenic in drinking water. It is vitally important that cryptosporidium be regulated to reduce the likelihood of another disaster like the one in Milwaukee. Moreover, when setting drinking water standards, the Administrator must pay special attention to the possible effects of contaminants of certain groups, such as children, pregnant women, and the elderly. It is essential that standards are stringent enough to protect these, and other, vulnerable groups.

The bill requires States, using guidance from the EPA, to develop programs to certify laboratories and system operators. This is necessary to guarantee that lab analysis is accurate and that operators have the technical expertise to run systems properly. One inaccurate test or human error at a treatment plant can have serious consequences for those consuming the water. Possible human error lead to a boil water order in the District and parts of northern Virginia this spring. In addition, States are required to establish system viability assessment programs to gauge which systems have the technical, managerial and financial capability to meet all the requirements of the act. This is especially important because many small systems can not meet the full range of the act's requirements, but have not been adequately supervised under the current statute. States risk losing financial assistance if they fail to establish a viability program.

Finally, H.R. 3392 provides for Federal grants to States to establish SDWA State Revolving Funds [SRF]. States will make loans and grants to systems to upgrade and install new treatment technology. The bill authorizes $1 billion for contributions to SRF's in fiscal years 1995, 1996, and 1997 and such sums as may be necessary thereafter. In fiscal year 1995, the Congress has appropriated $700 million for this purpose and $599 million remains available from fiscal year 1994. These funds will help systems across the country to upgrade treatment technology. The bill prohibits loans and grants to small systems for any expenditures which could be avoided through consolidation with other small systems, but funds may be used for such consolidation. The goal of this restriction is to reduce the number of small systems which are not viable and often fail to protect public health.

Mr. Speaker, this is a bipartisan bill which is backed by a wide range of interests, including the National Governors' Association, Conference of State Legislatures, water system representatives and members of the environmental community. To ensure that every American has safe, healthy drinking water, it is essential that we pass this bill today.

Mr. SLATTERY. Mr. Speaker, 11 months ago, I met with the chairman of the Subcommittee on Health and the Environment, Mr. WAXMAN, to discuss the many problems of the Safe Drinking Water Act, as well as the bill which Representative THOMAS BLILEY and I were preparing to introduce to reform that act. In that meeting, we agreed to work together to advance reauthorization legislation. We have moved beyond that initial goal and have achieved a consensus bill.

We are here today to consider legislation which enjoys the support from the public interest community, State and local government associations, water industry associations, and the administration, as well as from all of the principal negotiators of this bill. This bill is a tribute to the hard work over the last 6 months of all parties involved in reaching this consensus.

As we consider the shortcomings of the current law, we will be able to judge the effectiveness of this legislation in addressing those shortcomings by measuring first, whether the bill will better protect and assure the safety of the drinking water supplies of this country, and second, whether the programs responsible for the delivery of drinking water have been made more reasonable and more efficient. On both counts, I am confident that the reforms incorporated in this bill will be successful.

When the Coalition of State and Local Government and Water Industry Associations first approached me regarding the reauthorization of the Safe Drinking Water Act, they criticized the current law for:

First, being inflexible with regard to the selection of new contaminants for regulation and to the setting of standards for those contaminants,

Second, being insensitive to the effect of the act's requirements on small systems,

Third, being overly prescriptive and unnecessarily costly with regard to the requirements for monitoring,

Fourth, underfunded with regard to the contribution by the Federal Government to State and local governments for the costs of administering the act, and

Fifth, simply unworkable with regard to variances and exemptions.

The conclusion these groups led me to is that the current law indeed is causing the wasteful spending of public resources.

On all of these issues, this bill proposes responsible reforms which will lead to vastly improved systems for the delivery of safe drinking water across this country.

Additionally, the public interest community is able to point to provisions in this bill which reform existing programs and create new programs with the intent of improving the quality and safety of our drinking water. The objective of these programs is to avoid the recent water quality problems experienced in Milwaukee and here in the Nation's Capital.

Mr. Speaker, I would like to thank Chairman DINGELL for his leadership and perseverance in negotiating this bill, and also to thank Representative WAXMAN, Representative BLILEY, Representative STUDDS, Representative SYNAR, and Representative LAMBERT, as well as Administrator Browner, for their commitment to crafting a bill which truly offers a balance of reforms which we are all proud to support.

Finally, I want to recognize the tremendous effort made by my colleague—the other original cosponsor of the Slattery/Bliley Safe Drinking Water bill—TOM BLILEY, and that of the minority staff. Throughout this process, Representative BLILEY worked with me in a bipartisan manner toward our mutual goal of enacting responsible reforms to the drinking water laws during this Congress. He has expended enormous amounts of energy on this bill, and the fact that this legislation is here before us for a vote is a tribute to his commitment to this process.

Mr. Speaker, I urge the House to favorably pass H.R. 3392.

Mr. STUDDS. Mr. Speaker, I rise in strong support of H.R. 3392, the Safe Drinking Water Act Amendments of 1994. the lengthy negotiations that went into this legislation have resulted in a bill that is endorsed by a wide range of interests—State and local government, environmental and agricultural organizations, and water suppliers.

They support this bill because it is a vast improvement over current law. It reduces the statute's burden on public water systems by providing more flexibility and—for the first time—financial assistance in the form of a State revolving loan fund program. At the same time, H.R. 3392 maintains and adds public health protections that are essential to a comprehensive overhaul of this law.

As a participant in the negotiations that produced this bill, I can state with assurance that it fairly and constructively balances the interests of the wide range of groups that will be affected by it.

The final agreement that was negotiated includes provisions that are similar in many respects to H.R. 4314, legislation that I introduced to update the Safe Drinking Water Act. These include a State revolving loan fund program, extended timeframes for compliance with drinking water standards, a more sensible method of choosing new contaminants to regulate, a new program allowing small water systems to use alternative, less costly technologies, and several others.

In addition, the bill contains a requirement—which mirrors a provision of my legislation—that States assess their source waters to identify potential contamination threats. We learned the hard way on Cape Cod that preventing pollution in the first place is a lot cheaper than cleaning it up after it's too late.

This bill offers monitoring relief to systems in States with source water assessment programs, saving them millions of dollars—as Massachusetts has done with a similar program it already has in place. While I would have preferred to have seen an even stronger source water protection program, this bill takes an important first step in that direction.

This bipartisan compromise agreement goes a long way toward addressing the concerns expressed to me by the water suppliers in my district and State and I urge my colleagues to give it their strong support.

Mr. LEHMAN. Mr. Speaker, I rise today to voice my opposition to the Safe Drinking Water Act reauthorization. The bill includes another one of those illogical unfunded mandates that could have been avoided by reasonable risk assessment.

Instead of granting water systems the flexibility to address the true contaminants in our water supply, this bill requires cities like Fresno, CA, to spend nearly $20 million a year to lower the level of radon in water, when it is widely known that radon in water only contributes 5 percent to the overall radon risk.

Simply put, this legislation forces local governments to spend millions of dollars on something that will have little or no impact on public health. By doing so, we are actually hindering efforts to remove the true contaminants in our drinking water. Clearly, Congress needs to enact risk-assessment legislation.

The legislation should establish a radon in drinking water standard to be driven by the background level of radon in outdoor air. The Senate supported this level in a vote of 94–6.

Tragically, water agencies, and ultimately our constituents, will bear the very high cost of this mandate for little benefit. If you are concerned about senseless unfunded mandates that are constantly bankrupting local and State governments, I strongly encourage you to vote "no" and send this legislation back to committee to change the radon provisions.

Mr. BAKER of California. Mr. Speaker, I rise in support of H.R. 3392, the Safe Drinking Water Act [SDWA] amendments.

The United States is in dire need of Safe Drinking Water Act [SDWA] reform. In my home district in California, water providers in Contra Costa and Alameda counties need flexibility to address the specific water safety threats facing our part of the county. We owe it to water customers, taxpayers, and ratepayers to ensure that we get the most bang for our buck. This bill helps us achieve this important goal.

I commend members of the Energy and Commerce Committee on both sides of the aisle for drafting a bill acceptable to all parties. I have heard from concerned citizens and various groups throughout the east bay area expressing the need for SDWA reform.

I'm pleased that a broad coalition of organizations has come together in support of the bill before us. These groups include numerous State and local water agencies, Clean Water Action, Gov. Pete Wilson, and the National Governors Association, various other environmental groups, the California American Farm Bureau, and many others.

This bill: Establishes a new regulatory regime to ensure that new regulations focus on contaminants that pose the greatest health threats; gives the EPA greater flexibility in considering both incremental compliance costs and incremental public health risk reduction benefits afforded by alternatives; establishes a source water petition program to encourage States and localities to work together to prevent contamination problems before they occur; directs the EPA to establish a new standard for the contaminant chryptosporidium; provides additional training for operators of public water systems; gives smaller water systems greater flexibility; and creates a program to reduce lead contamination.

I will continue to support constructive efforts like this one that bring differing parties together to solve our Nation's problems. It is only in talking with one another and truly understanding our individual concerns that we can undertake lasting solutions to our problems.

Again, I commend all who took part in discussions and look forward to similar efforts in the future.

Mr. ROBERTS. Mr. Speaker, I rise to voice my concerns with the legislation being debated and the way in which the House is considering this legislation. While I recognize the need for reform of the current law, the desire reduce costs, and bring regulatory relief—this is not the bill nor the way to accomplish those goals.

It is agreed by all parties—including organizations representing health and consumer interests, environmentalists, industry and agricultural groups—that our Nation's drinking water law is broken and must be fixed. Under existing laws, limited financial resources are being drained by costly testing and regulatory procedures that provide little or no safety or health benefit. Recognizing this situation, efforts began in the House and Senate during the 103d Congress to provide financial relief to municipalities and enhance health and safety issues contained in the law. Last year, the Senate was able to report a bill and now the House is considering passage of this bill—a far more detailed and far more reaching piece of legislation.

I applaud the efforts of all interests in working toward a common goal. I recognize the difficulty in fashioning such a compromise from such diverse interests and purposes. However, I feel I cannot support this legislation for the following reasons:

First, House procedures: no perfecting floor amendments allowed;

Second, radon language: overly restrictive radon provisions;

Third, EPA retroactive review not included: intended to provide real relief from nitrate and other testing requirements; and

Fourth, unfunded mandates: When is the Federal Government going to stop passing such costly regulations?

SUSPENSION VERSUS OPEN RULES

In bringing H.R. 3392 to the House floor for consideration, proponents have argued that time is running out in the 103d Congress and every procedural effort must be taken to ensure its quick passage. In forcing the immediate consideration of the bill, the Democratic House leadership has allowed this bill to be brought to the House floor for debate as a suspension.

In other words, the bill is considered as drafted, no amendments are allowed. House rules specifically outline when and if a bill should or would be qualified to be considered as a suspension. H.R. 3392 clearly should not be allowed as a suspension if House rules were applied.

In forcing this procedural move, proponents have been able to repress all perfecting amendments that would have been normally offered during floor consideration of this or any other bill. In doing so, they have successfully prevented me or any other Member from representing an opposing or other viewpoint. I was working with colleagues on offering two or three amendments to address issues of cost and contaminant standard setting. The House will not have the benefit of openly debating and considering those issues.

For that reason alone, I believe my colleagues should oppose this bill. If the bill were defeated today, I would support efforts to bring the bill back for floor debate tomorrow under an open rule that would allow all amendments, including mine, to be considered in a timely and thorough fashion.

RADON SECTION

My second concern with H.R. 3392 is the provisions regarding radon testing and the establishment of a 1,000 picocuries/liter tolerance threshold. I believe this threshold is far too low and should and could be increased without increasing any health or safety risk. Under the bill's language, the Kansas Department of Health and Environment estimates that 10 to 15 percent of all wells in Kansas would be out of compliance. With scientific data showing that this standard level could be increased without jeopardizing health or safety considerations, I would be supportive of amendments to increase the level to 1,500 or 2,000 pCis/liter.

The risk of radon contamination in water is an inhalation concern—that is, showing, et cetera. In water, the conversion rate of radon to air is 10,000 pCis/liter in water to 1 pCis/part in air. In other words, water would have to be contaminated by 10,000 pCis/liter to increase the air radon level by 1 pCi or 40,000 pCis/liter to reach the EPA indoor radon safety threshold of four picocuries.

It was agreed by several experts that an earlier EPA recommendation of 200 PCis/liter for water was excessive and would have caused impossible economic requirements on communities. Based upon the EPA's recommendation of 200 pCis/liter for water, KDHE estimates that 70 to 80 percent of all Kansas wells would be out of compliance. At an EPA rate of 300 pCis/liter, roughly 50 percent of wells would be out of compliance.

Unfortunately, a widely supported amendment to correct this situation will not be considered today during debate of H.R. 3392.

RETROACTIVE REVIEW—NITRATE LEVELS

My third reason for opposing this bill has to do with the practical effects of the current law and the administrative determinations made by the Environmental Protection Agency. Under existing legal requirements, municipal governments and water companies are forced to do regular testing for 110 elements. EPA was given the authority to establish the allowable standard levels for these elements taking into account scientific information and health and safety considerations. Prior to the 1986 enactment of this legislation, State governments regulated and established such standard levels. This law was intended to replace State authority by creating a national set of standards.

The practical impact by transferring this authority to EPA was the creation of standard levels that were consistently lower than the tolerance levels established earlier by the State of Kansas. In particular, the EPA established a standard level of 10 parts per million for nitrates, a level half the earlier Kansas-established standard of 20 ppm. As a result, several communities in Kansas became out of compliance with the EPA requirements and are being forced into spending millions of dollars to locate new water sources and construct new treatment facilities.

Why was the EPA level so much lower than that State level? Only EPA knows.

Yes, I agree, it is important that nitrates be monitored. When consumed in very high quantities, nitrates block the oxygen-carrying ability of our blood. While adults are unharmed by this effect, in infants it can lead to blue baby syndrome. This syndrome is not fatal and is easily reversed when diagnosed.

Since the 1950's, there have only been two cases of blue baby syndrome in Kansas. Both cases were of situations where bottle-fed infants were fed out of private wells with several hundred parts of nitrates per million. There has never been a documented case of blue baby syndrome caused by a municipal water source in Kansas.

In addition, as the EPA nitrate safety level was being put into effect, Jack Burris, a Kansas Department of Health and Environment—the agency in charge of health safety—said that contamination levels of below 20 parts per million were "not dangerous to either children or adults. The EPA level of 10 parts/million is ridiculous." Yet, several communities in Kansas are out of compliance and forced to take drastic action.

This situation is not corrected in this bill. I would have preferred that an amendment be considered during consideration of this bill to force the EPA to review the nitrate level and the other 109 contaminant standards established by the EPA to ensure that they are based on sound science. I have been working on such an amendment. Unfortunately, it will not be considered.

UNFUNDED MANDATES

Finally, I would like to comment on the overall cost of the existing SDWA law and this legislation. Yes, some financial relief will be provided to ease the regulatory burdens facing towns and cities, but not enough.

The Safe Drinking Water Act is one of the largest Federal mandates facing our local communities. Today, we are considering a bill that does provide limited relief, including a loan program to help pay the costs. Yes, a loan, not a grant. Yes, it has to be paid back. I don't believe that it true relief.

More importantly, as a member of the Congressional Caucus on Unfunded Mandates, I have strongly argued Congress should pay 100 percent of all costs associated with Federal mandates. If the Federal Government wants to monitor it and require it, then we should be prepared in Congress to pay for it. Better stated, no money, no mandate. If Congress doesn't pay for it, then it should become voluntary.

On November 22, 1993, I introduced H.R. 3686, a bill requiring that Congress pay the full costs of the Safe Drinking Water Act. Unfortunately, we do not do that in this legislation.

Again, I wish to congratulate and commend my colleagues for all their work. I wish I could support this bill. My hope is that these issues can be resolved in a conference between the House and Senate should this bill move forward.

I will be continuing my efforts to see that effective and true relief for communities is provided.

Thank you.

Mr. BEREUTER. Mr. Speaker, this Member rises in strong support of H.R. 3392, the Safe Drinking Water Act Amendments of 1994.

This Member would begin by expressing his sincere appreciation to the distinguished gentleman from Michigan, the chairman of the Energy and Commerce Committee, Mr. DINGELL, for his outstanding leadership in bringing this bill to the floor.

This Member also commends the distinguished gentleman from Kansas [Mr. SLATTERY], and the distinguished gentleman from Virginia [Mr. BLILEY], for their introduction of this legislation and their work in reaching this compromise version.

Mr. Speaker, there is general agreement that the current drinking water law is badly broken and needs to be fixed. There is an urgent need to make the Safe Drinking Water Act's regulations more flexible and less costly. H.R. 3392 presents a workable solution without compromising the safety of our Nation's water supply. This legislation helps correct some of the serious problems and reduces the substantial local costs created by the current law. Clearly, many of the current SDWA requirements result in prohibitive costs without any real health benefit or increase in water quality. This is an issue on which this Member has been speaking out and seeking corrective actions by the EPA for some time, but without results. However, in large part, it is Congress which is to blame for the statutory direction we have given to the EPA.

H.R. 3392 injects more reasonableness and common sense on this issue and allows States and communities to identify and focus on those contaminants which present an actual health risk in a particular area. Legislation enacted by Congress simply must take into account the economic and budgetary realities faced by States and communities. Blanket

Federal legislation for this yet very diverse Nation is usually ineffective, overreaching, inflexible, and expensive for States and communities of all sizes. That surely is the case with various parts of the current Safe Drinking Water Act.

As the defeat earlier this year of the rule for consideration of the EPA cabinet-level bill demonstrated, most Members and the informed American public now support an assessment of risks during the regulatory process. Clearly, some applications of environmental regulation have entered a phase of diminishing returns. Although great progress has been made in meeting threats to health and safety, a point has been reached where each new environmental regulation should undergo a cost/benefit estimate based on an analysis of risk.

H.R. 3392 gives State and local officials greater responsibility in tailoring a safe drinking water program based on sound science. These officials certainly have a powerful incentive to provide safe drinking water since they and their constituents will be drinking that water and they know full well where the buck stops. They certainly would not subject themselves and their family and friends to harmful water. Instead, they will focus their time and money on the problems unique to their community.

Mr. Speaker, there is a growing financial crisis for small communities that becomes more evident each year as new testing and treatment deadlines are imposed. Many Federal officials are now recognizing the dangers of an inflexible Federal approach to this problem. In fact, during a speech at the annual conference for the National Association of Towns and Townships last September, EPA Administrator Carol Browner stated her support for "more flexibility, more local and regional decision-making."

This Member's experience in visiting with local officials and listening to constituents at town hall meetings indicates that the regulations promulgated to enforce the Safe Drinking Water Act have become a major Federal irritant to local government officials and terribly expensive—for no real benefit. These regulations often result in diverting scarce local dollars to address problems or contaminants which do not exist. One of the most flagrant examples of a requirement which results in higher costs involves testing across the whole Nation for a pesticide used for Hawaiian pineapples, even though it is currently banned in the continental United States.

It costs nearly as much for a very small community to go through the mandated testing procedures as it does for a large community. In most cases, therefore, residents in smaller communities will be forced to pay much more per person, since the costs cannot be spread out over a larger population. Without changes in the current law, though, communities of all sizes will be severely impacted.

This Member would like to cite several examples of the problems facing communities in Nebraska's First District.

Wahoo—population 3,681—recently instituted a 10-percent rate increase due to increased testing costs. The community is expecting an annual increase in excess of $20,000 to pay for water testing requirements.

Homer—population 553—estimates that monthly water rates may nearly triple over the next several years as a result of the testing requirements. Just recently, water rates for customers were about $9 per month. Within a few years, this may jump to $25 per month.

Unadilla—population 294—is projecting that by 1997 each of its 120 households will have to pay an incredible $100 per year just for water testing costs.

Even a city the size of Lincoln—population 191,972—will face problems. The city is estimating that over the next 6 years, total costs for capital improvements and operation and maintenance due to proposed regulations for water quality may be as high as $185 million.

Communities throughout Nebraska and the United States are confronting similar predicaments. In addition to the costs of outrageously overreaching testing requirements, it is clear that the cost of water will skyrocket if truly unnecessary treatment is required. While the EPA sets its standards as close to zero risk as technologically possible, incredibly it takes costs into consideration only for water systems serving more than 1 million people. Also, this required treatment will often result in no actual health benefit.

The Slattery-Bliley bill recognizes that, consistent with sound health considerations, required technology should be based on the size of the community. The legislation reforms the current standard setting procedures by requiring the Environmental Protection Agency [EPA] to establish technologies suitable for use by small systems.

The bill also removes many of the rigid and arbitrary requirements of the current safe drinking water law. For instance, it eliminates the notorious and ridiculous current statutory mandate that EPA identify 25 contaminants every 3 years for regulation and replaces it with a system based on contaminants that, first, represent a public health concern and, second, actually occur in drinking water. The legislation also allows States to tailor monitoring requirements to particular circumstances, with responsible flexibility and reasonable exemptions more easily available.

Mr. Speaker, while everyone certainly recognizes the importance of providing safe drinking water for everyone, this Member believes it should be done in a realistic manner which does not inappropriately burden the communities affected. As stated previously, this Member does not support taking any action that will cause drinking water to become unsafe—for instance, where there is a problem with biological contamination, yes, treatment is obviously necessary. However, the Federal Government should provide more discretion to States so that they can use common sense and not be subject to arbitrary Nationwide standards that have no relevance in a particular State. For instance, the nature of water testing in Nebraska should reflect the State's uniquely strong ground water dependency. This Member has consistently conveyed these views to current and former EPA administrators.

Nebraska relies far more heavily on ground water sources for both drinking water and commercial uses than any other State in the Nation. For example, only 6 or 7 of the more than 700 public water supply entities in the State use any surface water. Chlorination of community drinking water from ground water sources could be requiring a solution to a nonproblem in most Nebraska communities, and in fact, it now appears, add a health hazard through chlorination itself where none now exists.

In a great many Nebraska communities, individual wells are located at various points in a community without being interconnected. This makes certain treatment requirements much more difficult than they may be for communities not using ground water. Since most Nebraska communities incorporate water from their wells directly into their distribution systems, a requirement for chlorination would have the effect of requiring centralization of their water supply systems or chlorination would sometimes have to be provided at each separate well site—an action which would be almost economically impossible for many Nebraska communities.

It is also important to note that Nebraska has not had a water-borne disease outbreak attributed to a public water supply system since at least 1969. That particular situation involved a transient population with an undetermined location or cause of illness.

Mr. Speaker, this Member urges his colleagues to support passage of H.R. 3392, which represents a responsible approach to providing safe drinking water. It will protect the health of individuals as well as communities.

Mrs. MINK of Hawaii. Mr. Speaker, it is Congress' duty to protect the Nation's vital resources and preserve public health and safety. Our duty sets an imperative before us—to vote today to reauthorize the Safe Drinking Water Act. It is important for us to act now and not allow the essential provisions in this act to wait another year; we have already left it unauthorized since 1991.

If we do not act on this bill today, our States and local governments will continue to bear enormous burdens of strict and costly monitoring and treatment criteria. They will continue to be unable to adequately address ongoing threats of waterborne disease and chemical pollutants in their piped water supply. In this greatly bipartisan act, the creation of new revolving loan funds would assist States and small communities to fulfill an essential right of their residents—the right to enjoy drinking water that will not make them sick.

For the numbers of small water systems serving my State of Hawaii, instead of having to comply with an additional 25 contaminants every 3 years, an easier list of 12 contaminants will be required from the EPA every 4 years. This act would allow small systems greater flexibility to evaluate and implement the best available affordable technologies. And small systems will be granted some relief from impractical monitoring requirements.

The amendments in H.R. 3392 include good compromises and solid changes to the currently outdated Safe Drinking Water Act. I urge you to approve this bill. It would be a shame to leave this act unauthorized any longer. Our water systems must be made safer, but with requirements that are realistic and reachable for our States and local governments.

Mr. FAZIO. Mr. Speaker, I rise in strong support of H.R. 3392, the Safe Drinking Water

Act amendments. I urge my colleague to support this important legislation.

Mr. Speaker, the legislation before the House is a significant improvement of the Safe Drinking Water Act. I want to call attention to the strong bipartisan support for this measure. Mr. WAXMAN and Mr. BLILEY, the chairman and the ranking member of the subcommittee urge your support for this measure so they can go forward to work with the Senate on this bill. Mr. DINGELL and Mr. MOORHEAD have also worked hard to bring this bill to the floor.

Their bipartisan efforts and their spirit of cooperation are to be applauded by the membership of this House. The bill is supported by the National Governors' Association, the National Associations of Counties, the League of Cities, and other State and local organizations.

I congratulate this bipartisan coalition for their help in resolving the many complex issues raised by this bill. Just reading a list of the issues resolved by the subcommittee and the committee would take the balance of my time, but I do want to highlight some of the more important provisions of this bill.

First, the Safe Drinking Water Act amendments establish a new State revolving fund to provide loans and grants for local water purveyors. That's important to the small, rural water districts I represent.

Next, the bill also streamlines the regulation of contaminants by focusing on contaminates associated with the greatest health threats. In short, the bill establishes a selection process for unregulated contaminates that incorporates good science.

In addition, the bill incorporates risk assessment principles to give EPA greater flexibility to consider both the costs of compliance and the health benefits associated with monitoring for contaminants.

Mr. Speaker, while Members representing agricultural and rural communities still have some concerns about the proposed radon standards, I believe this reauthorization bill needs to move forward. Passage of the Safe Drinking Water Act amendments will also allow the House and Senate conferees to begin crafting radon language acceptable to all. The committee has put together an excellent bill. Their hard work deserves your support. I urge my colleagues to vote "aye."

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

Mr. WAXMAN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. FIELDS of Louisiana). The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 3392, 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.

VACATING OF ORDERING OF YEAS AND NAYS ON S. 783, CONSUMER REPORTING REFORM ACT OF 1994

Mr. MFUME. Mr. Speaker, I ask unanimous consent to vacate the ordering of the yeas and nays on the motion to suspend the rules and pass the Senate bill, S. 783, and that the question be put again.

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

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. KENNEDY] that the House suspend the rules and pass the Senate bill, S. 783, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

CONTINUATION OF CERTAIN FEE COLLECTIONS FOR SECURITIES AND EXCHANGE COMMISSION

Mr. GIBBONS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5060) to provide for the continuation of certain fee collections for the expenses of the Securities and Exchange Commission for fiscal year 1995.

The Clerk read as follows:

H.R. 5060

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

SECTION 1. CONTINUED COLLECTION OF REVENUES AUTHORIZED.

During fiscal year 1995, the rate of fees under section 6(b) of the Securities Act of 1933 (15 U.S.C. 77f(b)) shall remain at 1/29 of 1 percent.

2. DEPOSIT OF COLLECTIONS.

The fees collected under section 6(b) of the Securities Act of 1933 (to the extent attributable to a rate in excess of 1/50 of 1 percent by reason of section 1 of this Act) shall be deposited as an offsetting collection to the amounts appropriated to the Securities and Exchange Commission for fiscal year 1995, to remain available until expended.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida [Mr. GIBBONS] will be recognized for 20 minutes, and the gentleman from Florida [Mr. SHAW] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. GIBBONS].

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

Mr. Speaker, I rise in support of H.R. 5060, a bill to provide for the continuation of certain registration fee collections for the expenses of the Securities and Exchange Commission for fiscal year 1995.

H.R. 5060 provides that certain securities registration fees will continue to be collected at their current rate through fiscal year 1995. In addition, the bill provides that the amounts attributable to this 1-year extension would be deposited as offsetting collections to the amounts appropriated to the SEC for fiscal year 1995.

The Ways and Means Committee acted on H.R. 5060 because extending the current rate of registration fees is a revenue measure. Earlier in the year, the committee objected when the Senate included this measure in the Senate appropriations bill for the SEC, in violation of the Constitutional requirement that revenue measures originate in the House. Chairman OBEY recognized our jurisdictional concerns and assured us that the conference agreement for that legislation would not contain this provision.

In accordance with this assurance, the conference agreement did not include an extension of the current rate of registration fees. However, according to the SEC, the amount the conference agreement appropriates to the SEC for fiscal year 1995 falls far short of the amount needed to fund the agency for the year. In fact, the SEC believes that it will have to severely restrict its operations during the year if additional funding is not provided. Therefore, it is critical that we pass this bill in order to allow the SEC to be adequately funded in fiscal year 1995.

By passing this bill, we are sending a revenue measure to the Senate. However, I want to make it absolutely clear to the other Chamber that we will not proceed to conference on the bill if they add other provisions to it. The Senate must agree to a clean bill if they want to allow the SEC the funding necessary to continue its important regulatory functions.

Finally, I want to make it clear that the Committee on Ways and Means agreed to report H.R. 5060 favorably as a one-time, stop-gap measure in order to avert a potential shutdown of SEC operations. In future years, the committee fully expects that the SEC will be properly funded without recourse to further revenue legislation.

Mr. Speaker, I urge the House to pass this crucial legislation.

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

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

Mr. Speaker, as Chairman GIBBONS stated in his opening remarks, H.R. 5060 extends for 1 year at current levels the Securities and Exchange Commission registration fee on new stock issuances. This extension is required to forestall an impending funding crisis for the SEC beginning October 1 of this year.

If an extension of this fee is not enacted by October 1, the SEC will be forced to begin closing down its agency on that date with the consequence that stock issuances will be hampered and rigorous enforcement of the securities laws may not take place until the agency is properly funded. This is obviously an intolerable situation and is the primary reason Ways and Means Committee members unanimously reported the bill to the House floor by voice vote.

When the House Appropriations Committee reported legislation earlier this year funding the SEC for fiscal year 1995, it contained an extension of the securities registration fee as an offsetting collection. As this legislation moved to the House floor, this provision was stricken on the ground that it constituted legislating in an appropriations bill in violation of House rule XXI, clause 2. Consequently, the House-passed bill provided only partial funding for the SEC for fiscal year 1995.

Likewise, the other body also included an extension of the securities registration fee in its appropriations bill funding the SEC. This provision was deleted in Conference under threat of a blue slip, a procedure designed to protect the constitutional prerogative of the House to originate revenue measures.

I would like to echo Chairman GIBBONS' comment that this bill is intended to be a one-time, stop-gap measure designed to solve the current funding crisis the SEC faces in fiscal year 1995. The Ways and Means Committee report accompanying the bill contains clear and unequivocal language that the committee expects the SEC to be properly funded in future fiscal years without recourse to revenue measures within the jurisdiction of the Ways and Means Committee.

In closing, I would urge my colleagues to join with me in passing H.R. 5060 in order to avert a truly grave crisis in funding the SEC for fiscal year 1995.

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

Mr. GIBBONS. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. DINGELL].

□ 1530

Mr. DINGELL. Mr. Speaker, I rise in strong support of the bill H.R. 5060 and urge its adoption.

First, Mr. Speaker, I commend my dear friends at the Committee on Ways and Means—I single out the leadership and hard work of acting Chairman SAM GIBBONS and ranking Republican member BILL ARCHER and their staffs,—in bringing H.R. 5060 to the House floor today.

At the outset, I want to note that the SEC is celebrating its 60th anniversary this week. For 60 years, the Nation has looked to the SEC to maintain the efficiency and honesty of the securities markets. By all accounts, it has done that job very well.

The SEC's principal activities—reviewing registration statements and other corporate disclosures; inspecting mutual funds, broker-dealers, and other market professionals; and investigating and punishing violations of the securities laws—are labor-intensive and never-ending. Not to fund these tasks fully or at all would shatter investor confidence and instigate a great national economic tragedy.

I believe that, Democrat and Republican alike, we in this body are united in believing in the importance of economic growth. That growth will not occur without sustained capital formation. Capital formation will not occur unless the securities markets operate efficiently and unless investors can have confidence in the honesty and fairness of those markets. A strong SEC is necessary to both of these.

As the committee report for the original Securities Act of 1933 stated:

The necessity for the bill arises out of the fact that billions of dollars have been invested in practically worthless securities, both foreign and domestic, including those of foreign governments, by the American public through incomplete, careless, or false representations. The result is dire national distress.

Today, more than 38 million individuals, one in every four households, own mutual fund shares. These millions of average Americans deserve vigilant and effective regulatory oversight over their savings. That objective can be accomplished only if the SEC is funded adequately.

Mr. Speaker, the Congress does not have to choose between mounting deficit reduction pressures and fully funding this agency. Currently, the SEC collects in fees twice what we appropriate to it for its budget. However, this money goes straight to the U.S. Treasury. The SEC gets no credit for or use of these moneys. This deplorable situation is explained in detail in the letter that follows my statement. Last year, the Committees on Ways and Means, Appropriations, and Budget played pivotal roles in responding to the financial needs of the SEC, and worked with the Energy and Commerce Committee to provide the SEC a stable source of funding. That collaboration produced the bill H.R. 2239 which passed the House unanimously in July 1993 but which was never acted on by the Senate. This inaction is an outrage. But our immediate problem is to avert the impending shutdown of this key Government agency and the resulting economic gridlock.

To that end, H.R. 5060 provides that the section 6(b) registration fees would continue to be collected at the current rate of one twenty-ninth of 1 percent for 1 additional year, that is, through the end of fiscal year 1995. The bill also provides that the amounts collected attributable to the continuation of the one-twenty-ninth-of-1-percent rate would be deposited as offsetting collections to the amounts appropriated to the SEC for fiscal year 1995. This would allow the incremental amounts raised by continued collection of the fee at the one-twenty-ninth-of-1-percent rate to be available for funding the SEC.

Mr. Speaker, I commend the Committee on Ways and Means for this legislation and announce my intention to continue to press for responsible self-funding legislation for the SEC. I urge my colleagues to support this bill.

I submit my letter to Chairman GIBBONS for the RECORD.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, September 21, 1994.

Hon. SAM GIBBONS,
Acting Chairman, Committee on Ways and Means, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to you today to thank you for working with me to resolve the budgetary crisis currently facing the Securities and Exchange Commission (SEC). The Committee on Energy and Commerce deeply appreciates the action taken by the Committee on Ways and Means to favorably report H.R. 5060 to provide for the continuation of certain fee collections for the expenses of the SEC for fiscal year 1995. H.R. 5060 was introduced yesterday by you and referred jointly to the Committees on Energy and Commerce and Ways and Means. Given the exigent circumstances and the need for expeditious processing of this legislation, this Committee will not asset its jurisdictional interest and agrees to be discharged from further consideration of H.R. 5060.

As you know, in 1990, under the leadership of the Democratic Steering and Policy Committee, our respective Committees engaged in discussions that resulted in the statement issued by Speaker Foley in January 1991 regarding the jurisdiction of House Committees with respect to distinguishing between user fees and taxes. See Jurisdictional Concepts Related to Clause 5 of Rule XXI, Congressional Record, Vol. 137, No. 10, P. H507 (Jan. 15, 1991).

Pursuant to that statement, I understand that the Committee on Ways and Means generally will not assert jurisdiction over "true" regulatory fees that meet the following requirements:

(i) The fees are assessed and collected solely to cover the cost of specified regulatory activities (not including public information activities and other activities benefiting the public in general);

(ii) The fees are assessed and collected only in such manner as may reasonably be expected to result in an aggregate amount collected during any fiscal year which does not exceed the aggregate amount of the regulatory costs referred to in (i) above;

(iii) The only persons subject to the fees are those who directly avail themselves of, or are directly subject to, the regulatory activities referred to in (i), above; and

(iv) The amounts of the fees (a) are structured such that any person's liability for such fees is reasonably based on the proportion of the regulatory activities which relate to such person, and (b) are nondiscriminatory between foreign and domestic entities.

Additionally, pursuant to the Speaker's statement, the mere reauthorization of a preexisting fee that had not historically been considered a tax would not necessarily require a sequential referral to the Committee on Ways and Means. However, if such a preexisting fee were fundamentally changed so that it acquires the attributes of a tax, it properly should be referred to the Committee on Ways and Means.

Pursuant to its statutory mandates, the SEC collects fees for the filing of registration statements and other documents, for transactions on the stock exchanges, and for certain other activities under its regulatory jurisdiction. *See* H. Rpt. 103-179 to Accompany H.R. 2239, the Securities and Exchange

Commission Authorization Act of 1993, at 23–24. Aggregate fees collected by the SEC are dependent upon fee rates established under the federal securities laws as well as upon the level of fee-generating activity. As a result of the 1990 Gramm-Rudman-Hollings deficit reduction legislation, the SEC fees collect a surplus in addition to its appropriated budget. In recent years, the SEC has been a net contributor to the U.S. Treasury well above its appropriated budget. See chart in H. Rpt. 103–179 at 25. The fees collected by the SEC go to the Treasury as general revenues. The SEC gets no use of or credit for these monies but rather receives its yearly appropriations under the discretionary spending caps.

In recent appropriations bills, additional funding has been provided for the SEC by increasing the rate of registration fees under section 6(b) of the Securities Act of 1933 and applying the amounts attributable to these increases as offsetting collections credited against the SEC's appropriations. However, because the SEC already collects more in fees than is necessary to cover the costs of the registration process, the amount of the fees is not rationally related to the services the SEC renders. Thus, increases in these fees are revenue measures. In the past, the Committee on Ways and Means has expressed strong jurisdictional concerns and the Energy and Commerce Committee has expressed strong substantive and public policy concerns see, e.g., letters from the Honorable John D. Dingell to the Honorable John Joseph Moakley (June 17, 1994) and from the Honorable John D. Dingell to the Honorable Alan B. Mollohan (June 17, 1994)) about addressing the funding problems of the SEC in this manner and, accordingly, last year's conference report on the Commerce-Justice-State appropriations for fiscal year 1994 included language noting the agreement of the conferees that this would not be repeated in subsequent appropriations bills.

Last year, the Committee on Ways and Means worked with the Congressional Budget Office (CBO) and the Committees on Appropriations, Budget, and Energy and Commerce, in writing legislation (H.R. 2239) to reauthorize the SEC and to enact a full-cost recovery mechanism to address the SEC's funding imbalance and bring its fee collections in line with the 1991 guidance cited and discussed above. As crafted by the four Committees, with technical assistance from CBO, H.R. 2239 maintained strict Congressional control over SEC fee collections and expenses by providing that the authority of the SEC to collect and deposit fees as offsetting collections would be available only to the extent provided in advance in appropriations Acts. The method of fee adjustment, deposit and credit of offsetting collections, and other safeguards were spelled out in the statute. So as not to increase the budget deficit and to maintain pay-go scorecard neutrality, H.R. 2239 required that SEC fees continue to collect general revenues for fiscal years 1994 through 1998. Thereafter, SEC fees would be set and collected solely to recover the costs of that agency's regulatory activities. H.R. 2239, which enjoys bipartisan cosponsorship, has the strong support of the Administration, the securities industry, the SEC, state securities regulators, the securities bar, consumer groups, and others. On July 20, 1993, the House passed H.R. 2239 unanimously.

Subsequently, the Senate Banking Committee's Subcommittee on Securities held hearings on the SEC's budget authorization, and, in August 1993, that subcommittee's chairman wrote to me indicating his support, and that of the leadership of the full Banking Committee, for legislation along the lines of H.R. 2239. He also expressed his intention to move full-cost recovery legislation in this Congress. See letter from Senator Christopher J. Dodd to the Honorable John D. Dingell (August 6, 1993); see also letter from Senator Alfonse M. D'Amato to the Honorable John D. Dingell (August 3, 1993). However, the Senate Banking Committee has taken no action on this or any other reauthorization for the SEC. Indeed, we were informed by Senate staff at an August 23, 1994 meeting, called at the behest of the Administration, that Senators Gramm, Dodd and Domenici were opposed to SEC full-cost recovery, thus leaving the House to resolve the problems that such opposition created.

On June, 28, 1994, the House passed H.R. 4603, to make appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies programs for fiscal year 1995. As reported by the Committee on Appropriations, H.R. 4603 included a provision that would have allowed continued collection of registration fees at the rate in effect during fiscal year 1994, with such amounts applied as an offsetting collection to the SEC's appropriation. This provision was subject to points of order and was stricken on the ground that it constituted legislating in an appropriations bill in violation of House Rule XXI, clause 2. As passed, the House bill therefore provided only partial funding for the SEC for fiscal year 1995.

On July 22, 1994, the Senate passed its version of H.R. 4603. The Senate amendments included a provision (substantially similar to the provision stricken from the House bill) extending the fiscal year 1994 registration fee rate increase for an additional year in order to provide additional funding for the SEC. However, in response to last year's conference agreement and the jurisdictional concerns of the Committee on Ways and Means, the conference agreement for H.R. 4603 did not include the extension of the registration fees to fund the SEC. According to OMB, due to the operation of the Anti-Deficiency Act, notwithstanding the conference report's implication that the SEC would have funds adequate to maintain its operations through February 1995, the amount appropriated in fact falls far short of the amount needed to fund the agency for the year and would result in the agency having to send out reduction-in-force notices and begin the process of shutting down its operations as soon as October 1994.

H.R. 5060 would avert this crisis by providing that the section 6(b) registration fees would continue to be collected at the current rate of 1/29 of one percent for one additional year, i.e., during fiscal year 1995, and that the amounts collected attributable thereto would be deposited as offsetting collections to the amounts attributable to the SEC for fiscal year 1995. It is my understanding that the House and Senate Committees on Appropriations will ensure enactment of the companion appropriations component. We agree with you that this is a one-time stop-gap measure that will not be repeated and pledge our continued vigorous efforts to secure enactment of a comprehensive solution that serves the public interest.

I wish to thank you again, Mr. Chairman, for your full cooperation and the cooperation of your staff in addressing this matter. Please include this letter in your Committee report on H.R. 5060.

Sincerely,

JOHN D. DINGELL,
Chairman.

Mr. MARKEY. Mr. Speaker, I would like to commend Chairman GIBBONS for his cooperative and timely assistance in providing the Securities and Exchange Commission with the funding it needs to continue its crucial responsibilities of safeguarding the investing public and promoting efficient securities markets. As things now stand, the SEC has been appropriated a mere $125 million for fiscal year 1995. That is far short of the $306 million appropriation requested by that agency and provided for in the President's budget. Without the prompt and responsible action taken today by Chairman GIBBONS and the members of the Committee on Ways and Means, the SEC would face a serious shortfall in its funding, with the possibility of reduction-in-force [RIF] notices having to be issued as early as October 5 of this year. We also applaud our colleagues on the Appropriations Committee, who have long been sensitive to the plight of the SEC, for working to effectuate a corresponding appropriation of funds.

The important work of the SEC must not be allowed to be interrupted. As the securities markets have grown in volume and complexity, the SEC's job has become both more difficult and more essential. Between 1981 and 1993, the value of public offerings has increased by 1,789 percent. The number of investment advisers over that period grew by 292 percent and the value of assets under their management has swelled by 2,033 percent. In the fast-growing mutual fund area, the number of investment companies has increased by 393 percent and assets have grown by 662 percent. As more and more investors enter the marketplace through mutual funds and defined contribution retirement programs, so the critical nature of the SEC's task is enhanced.

The funding problems of the SEC have their roots, ironically, in the SEC's status as a net contributor to the Federal Treasury. The fees collected by the SEC go to the Treasury as general revenues. The SEC gets no credit for those amounts, and as the imbalance has worsened over time, so has the pressure increased on the SEC to be "cash cow" to fund other Federal programs. For example, last year, the SEC collected over $600 million in fees, but received less than half that amount to fund its operations. The wider the gap between what the SEC takes in and what it uses, the more SEC fees look like taxes rather than user fees. Both my Committee and the Committee on Ways and Means would like to see these fees return to their historic status as user fees. In the interim, however, we have been forced to rely on stopgap attempts to satisfy both SEC's budget needs and the Treasury's hunger for revenues through an increase in SEC fees on new stock registrations. All we are doing today is extending that stopgap approach at the same level for yet another year.

There is, however, an alternative. Unfortunately, that alternative, approved unanimously by the House on July 20, 1993, in the form of H.R. 2239, is unavailable to use as it has not been pursued by our Senate colleagues. H.R. 2239 was specifically designed to resolve the SEC's budget problems once and for all, thus relieving Congress of having to take such stopgap measures as we are forced to take

today. This bill was drafted with the cooperative input of the administration, the Appropriations, Budget, Ways and Means and Energy and Commerce Committees, and the Congressional Budget Office. H.R. 2239 would create a mechanism to fully recover the costs of the agency's budget through fee collections. To mute any budget impact, it would wean the Treasury off any excess amounts collected over a 5-year period. The Senate, however, has proved obstinate in its refusal to take up this legislation this Congress. I hope that next year, we can persuade the Senate to do the right thing, and pass full cost recovery legislation, so that SEC funding can be assured and the SEC can focus exclusively on its mandate to protect investors and safeguard the nation's increasingly complex securities markets.

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

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

The SPEAKER pro tempore. (Mr. FIELDS of Louisiana). The question is on the motion offered by the gentleman from Florida (Mr. GIBBONS) that the House suspend the rules and pass the bill, H.R. 5060.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AMERICAN HERITAGE AREAS ACT OF 1994

Mr. VENTO. Mr. Speaker, I move that the House suspend the rules and pass the bill (H.R. 5044) to establish the American Heritage Areas Partnership Program, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5044

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

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "American Heritage Areas Act of 1994".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Definitions.

TITLE I—AMERICAN HERITAGE AREAS PARTNERSHIP PROGRAM

Sec. 101. Short title.
Sec. 102. Congressional findings.
Sec. 103. Statement of purpose.
Sec. 104. Definitions.
Sec. 105. American Heritage Areas Partnership Program.
Sec. 106. Feasibility studies, compacts, management plans, and early actions.
Sec. 107. Management entities.
Sec. 108. Withdrawal of designation.
Sec. 109. Duties and authorities of Federal agencies.
Sec. 110. Lack of effect on land use regulation.
Sec. 111. Authorization of appropriations.
Sec. 112. Expiration of authorities.
Sec. 113. Report.
Sec. 114. Savings provision.

TITLE II—DESIGNATION OF AMERICAN HERITAGE AREAS

Sec. 201. American Coal Heritage Area.
Sec. 202. Augusta Canal American Heritage Area.
Sec. 203. Cane River American Heritage Area.
Sec. 204. Essex American Heritage Area.
Sec. 205. Hudson River Valley American Heritage Area.
Sec. 206. Ohio & Erie Canal American Heritage Area.
Sec. 207. Shenandoah Valley Battlefields American Heritage Area.
Sec. 208. Steel Industry American Heritage Area.
Sec. 209. Vancouver American Heritage Area.
Sec. 210. Wheeling American Heritage Area.

TITLE III—STUDIES REGARDING POTENTIAL AMERICAN HERITAGE AREAS

Sec. 301. Ohio River Corridor.
Sec. 302. Fox and Lower Wisconsin River Corridors.
Sec. 303. South Carolina Corridor.
Sec. 304. Northern Frontier.

TITLE IV—BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR AMENDMENTS

Sec. 401. Boundaries, commission, and revision of plan.
Sec. 402. Implementation of plan.
Sec. 403. Authorization of appropriations.

TITLE V—BRAMWELL NATIONAL HISTORIC DISTRICT

Sec. 501. Bramwell National Historic District.

TITLE VI—SOUTHWESTERN PENNSYLVANIA AMERICAN HERITAGE AREA AMENDMENTS

Sec. 601. Short title.
Sec. 602. Designation of Southwestern Pennsylvania American Heritage Area.
Sec. 603. Powers of the commission.
Sec. 604. Federal participation.
Sec. 605. Congressional oversight.
Sec. 606. Authorization of appropriations.
Sec. 607. Path of progress.

SEC. 2. DEFINITIONS.

For purposes of this Act:

(1) The term "compact" means a compact described in section 106(a)(2).

(2) The term "Secretary" means the Secretary of the Interior.

TITLE I—AMERICAN HERITAGE AREAS PARTNERSHIP PROGRAM

SEC. 101. SHORT TITLE.

This title may be cited as the "American Heritage Areas Partnership Program Act of 1994".

SEC. 102. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) certain areas of the United States represent the diversity of the national character through the interaction of natural processes, distinctive landscapes, cultural traditions, and economic and social forces that have combined to create a particular pattern of human settlement and activity;

(2) in these areas, natural, historic, or cultural resources, or some combination thereof, combine to form a cohesive, nationally distinctive landscape arising from patterns of human activity shaped by geography;

(3) these areas represent the national experience through the physical features that remain and the traditions that have evolved in the areas;

(4) continued use and adaptive reuses of the natural and cultural fabric within these areas by people whose traditions helped to shape the landscapes enhance the significance of the areas;

(5) despite existing Federal programs and existing efforts by States and localities, the natural, historic, and cultural resources and recreational opportunities in these areas are often at risk; and

(6) the complexity and character of these areas distinguish them and call for a distinctive system of recognition, protection, and partnership management.

SEC. 103. STATEMENT OF PURPOSE.

The purposes of this title are—

(1) to recognize that the natural, historic, and cultural resources and recreational opportunities of the United States represent and are important to the great and diverse character of the Nation, and that these resources and opportunities must be guarded, preserved, and wisely managed so they may be passed on to future generations;

(2) to recognize that combinations of such resources and opportunities, as they are geographically assembled and thematically related, form areas that provide unique frameworks for understanding the historical, cultural, and natural development of the community and its surroundings;

(3) to preserve such assemblages that are worthy of national recognition, designation, and assistance, and to encourage linking such resources within such areas through greenways, corridors, and trails;

(4) to encourage appropriate partnerships among Federal agencies, State and local governments, nonprofit organizations, and the private sector, or combinations thereof, to preserve, conserve, and manage those resources and opportunities, accommodate economic viability, and enhance the quality of life for the present and future generations of the Nation;

(5) to authorize Federal financial and technical assistance to State and local governments and private nonprofit organizations, or combinations thereof, to study and promote the potential for conserving and interpreting these areas; and

(6) to prescribe the process by which, and the standards according to which, prospective American Heritage Areas may be assessed for eligibility and included in the American Heritage Areas Partnership Program established by this title.

SEC. 104. DEFINITIONS.

For purposes of this title:

(1) AMERICAN HERITAGE AREA.—The term "American Heritage Area" means an area so designated under this title.

(2) INDIAN TRIBE.—The term "Indian tribe" means any Indian tribe, band, nation, pueblo, or other organized group or community, including any Alaska Native village or regional corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(3) TECHNICAL ASSISTANCE.—The term "technical assistance" means any guidance, advice, help, or aid, other than financial aid.

(4) UNIT OF GOVERNMENT.—The term "unit of government" means the government of a State, a political subdivision of a State, or an Indian tribe.

SEC. 105. AMERICAN HERITAGE AREAS PARTNERSHIP PROGRAM.

(a) ESTABLISHMENT.—In order to preserve nationally distinctive natural, historic, and

cultural resources, and to provide opportunities for conservation, education, and recreation through recognition of and assistance to areas containing such resources, there is hereby established within the Department of the Interior an American Heritage Areas Partnership Program, which shall consist of American Heritage Areas designated under subsection (d).

(b) GENERAL AUTHORITY OF SECRETARY.—In accordance with the purposes of this title, the Secretary is authorized—

(1) to evaluate, in accordance with the criteria established in subsection (c), areas nominated under this title for designation as American Heritage Areas;

(2) to advise State and local governments, nonprofit organizations, and other appropriate entities regarding suitable methods of recognizing and preserving thematically and geographically linked natural, historic, and cultural resources and recreational opportunities; and

(3) to consider any American Heritage Area, designated under this or any other Act, for nomination to the World Heritage List if the Secretary determines that such area meets the qualifications for such nomination.

(c) CRITERIA.—To be eligible for designation as an American Heritage Area, an area shall meet each of the following criteria:

(1) ASSEMBLAGE OF RESOURCES.—The area shall be an assemblage of natural, historic, or cultural resources that—

(A) together represent distinctive aspects of American heritage worthy of recognition, preservation, interpretation, and continuing use; and

(B) are best managed as such an assemblage, through partnerships among public and private entities, and by combining diverse and sometimes noncontiguous resources and active communities.

(2) TRADITIONS, CUSTOMS, BELIEFS, OR FOLKLIFE.—The area shall reflect traditions, customs, beliefs, or folklife, or some combination thereof, that are a valuable part of the story of the Nation.

(3) CONSERVATION OF NATURAL, CULTURAL, OR HISTORIC FEATURES.—The area shall provide outstanding opportunities to conserve natural, cultural, or historic features, or some combination thereof.

(4) RECREATIONAL AND EDUCATIONAL OPPORTUNITIES.—The area shall provide outstanding recreational and educational opportunities.

(5) THEMES AND INTEGRITY OF RESOURCES.—The area shall have an identifiable theme or themes, and resources important to the identified theme or themes shall retain integrity capable of supporting interpretation.

(6) SUPPORT.—Residents, nonprofit organizations, other private entities, and governments within the proposed area shall demonstrate support for designation of the area and for management of the area as appropriate for such designation.

(7) AGREEMENTS.—The principal organization and units of government supporting the designation shall be willing to commit to agreements to work in partnership to implement the management plan of the area.

(8) CONSISTENCY WITH ECONOMIC VIABILITY.—The proposal shall be consistent with continued economic viability in the affected communities.

(d) CONDITIONS FOR DESIGNATION.—An area may be designated as an American Heritage Area only by an Act of Congress or by the means provided in title II. Except as otherwise provided in title II, the Congress may designate an area as an American Heritage Area only after each of the following conditions is met:

(1) SUBMISSION OF STUDY AND COMPACT TO SECRETARY.—An entity requesting American Heritage Area designation for the area submits to the Secretary a feasibility study and compact meeting the requirements of section 106(a). The comments of the Governor of each State in which the proposed American Heritage Area lies, or a statement by the entity that such Governor has failed to comment within a reasonable time after receiving the study and compact, accompanies such submittal to the Secretary.

(2) APPROVAL AND SUBMISSION BY SECRETARY.—The Secretary approves, pursuant to section 106(b), the feasibility study and compact referred to in paragraph (1) and submits the study and compact to the Congress together with any comments that the Secretary deems appropriate regarding a preferred action.

(e) RELATION TO NATIONAL REGISTER OF HISTORIC PLACES.—The act of designation of an American Heritage Area shall not be deemed to signify that such American Heritage Area is included on, or eligible for inclusion on, the National Register of Historic Places, as established in accordance with section 101 of the National Historic Preservation Act (16 U.S.C. 470a). Designation of an American Heritage Area shall not preclude the American Heritage Area or any district, site, building, structure, or object located within the American Heritage Area from subsequently being nominated to, or determined eligible for inclusion on, the National Register.

SEC. 106. FEASIBILITY STUDIES, COMPACTS, MANAGEMENT PLANS, AND EARLY ACTIONS.

(a) CONTENTS AND REQUIREMENTS.—

(1) FEASIBILITY STUDIES.—Each feasibility study submitted under this title shall include sufficient information to determine whether an area has the potential to meet the criteria referred to in section 105(c). Such information shall include, but need not be limited to, each of the following:

(A) A description of the natural, historic, and cultural resources and recreational opportunities presented by the area, including an assessment of the quality and degree of integrity of, the availability of public access to, and the themes represented by such resources and opportunities.

(B) An assessment of the interest of potential partners, including units of government, nonprofit organizations, and other private entities.

(C) A description of tentative boundaries for an American Heritage Area proposed to be established in the area.

(D) Identification of a possible management entity for an American Heritage Area proposed to be established in the area.

(E) An inventory of the amount of land in the area owned by public, private, and private nonprofit entities, respectively.

(2) COMPACTS.—(A) A compact submitted under this title shall include information relating to the objectives and management of an area proposed for designation as an American Heritage Area. Such information shall include, but need not be limited to, each of the following:

(i) A delineation of the boundaries of the proposed American Heritage Area.

(ii) A discussion of the goals and objectives of the proposed American Heritage Area, including an explanation of the proposed approach to conservation and interpretation and a general outline of the protection measures committed to by the partners referred to in clause (iv).

(iii) An identification and description of the management entity that will administer the proposed American Heritage Area.

(iv) A list of the initial partners to be involved in developing and implementing the management plan referred to in paragraph (3) for the proposed American Heritage Area, and a statement of the financial commitment of the partners.

(v) A description of the role of the State or States in which the proposed American Heritage Area is located.

(B)(i) The compact shall be prepared with public participation.

(ii) Actions called for in the compact shall be likely to be initiated within a reasonable time after designation of the proposed American Heritage Area and shall ensure effective implementation of the State and local aspects of the compact.

(3) MANAGEMENT PLANS.—A management plan submitted under this title for an American Heritage Area shall present comprehensive recommendations for the conservation, funding, management, and development of the area. The plan shall take into consideration existing State, county, and local plans and involve residents, public agencies, and private organizations in the area. It shall include a description of the actions recommended to be taken, to protect the resources of the area, by units of government and private organizations. It shall specify existing and potential sources of funding for the protection, management, and development of the area. The plan also shall include the following, as appropriate:

(A) An inventory of the resources contained in the American Heritage Area, including a list of property in the area that should be preserved, restored, managed, developed, or maintained because of the natural, cultural, or historic significance of the property as it relates to the themes of the area.

(B) A recommendation of policies for resource management that consider and detail the application of appropriate land and water management techniques, including (but not limited to) the development of intergovernmental cooperative agreements to protect the historical, cultural, and natural resources and the recreational opportunities of the area in a manner consistent with the support of appropriate and compatible economic viability.

(C) A program, including plans for restoration and construction, for implementation of the management plan by the management entity specified in the compact referred to in paragraph (2) and specific commitments, for the first 5 years of operation of the plan, by the partners identified in the compact.

(D) An analysis of means by which Federal, State, and local programs may best be coordinated to promote the purposes of this title.

(E) An interpretive plan for the American Heritage Area.

(4) EARLY ACTIONS.—After designation of an American Heritage Area but prior to approval of the management plan for that area, the Secretary may provide technical and financial assistance for early actions that are important to the theme of the area and that protect resources that would be in imminent danger of irreversible damage without such early actions.

(b) APPROVAL AND DISAPPROVAL OF COMPACTS AND MANAGEMENT PLANS.—

(1) IN GENERAL.—The Secretary, in consultation with the Governors of each State in which the relevant American Heritage

Area, or proposed area, is located, shall approve or disapprove every compact or management plan submitted under this title not later than 90 days after receiving such compact or management plan. Prior to approving the compact or plan, the Secretary shall consult with the Advisory Council on Historic Preservation in accordance with section 106 of the National Historic Preservation Act (16 U.S.C. 470f).

(2) DISAPPROVAL AND REVISIONS.—If the Secretary disapproves a compact or management plan submitted under this title, the Secretary shall advise the submitter, in writing, of the reasons for the disapproval and shall make recommendations for revisions of the compact or plan. The Secretary shall approve or disapprove a proposed revision to such a compact or plan within 90 days after the date on which the revision is submitted to the Secretary.

(3) AMENDMENTS TO MANAGEMENT PLANS.—The Secretary shall review substantial amendments to management plans for American Heritage Areas. Funds appropriated pursuant to this title may not be expended to implement such amendments until the Secretary approves the amendments.

(4) NO REQUIREMENT FOR LAND USE REGULATION AS CONDITION FOR APPROVAL.—No provision of this title shall be construed to require any change in land use regulation as a condition of approval of a compact, management plan, or revision of a compact or management plan by the Secretary.

SEC. 107. MANAGEMENT ENTITIES.

(a) IN GENERAL.—

(1) RECEIPT OF FEDERAL FUNDS.—Management entities that are designated in compacts approved under section 106(b) for American Heritage Areas are authorized to receive Federal funds in support of cooperative partnerships to prepare and implement the management plans regarding the American Heritage Areas and to otherwise perform the functions contemplated in this title.

(2) ELIGIBILITY.—To be eligible for designation as the management entity of an American Heritage Area, a unit of government or private nonprofit organization must possess the legal ability to—

(A) receive Federal funds for use in preparing and implementing the management plan for the area;

(B) disburse Federal funds to other units of government or other organizations for use in preparing and implementing the management plan;

(C) account for all Federal funds so received or disbursed; and

(D) sign agreements with the Federal Government.

(b) AUTHORITIES OF MANAGEMENT ENTITY.—The management entity of an American Heritage Area may, for purposes of preparing and implementing the management plan for the area, use Federal funds made available under this title—

(1) to make grants and loans to States, political subdivisions thereof, private organizations, and other persons;

(2) to enter into cooperative agreements with Federal agencies; and

(3) to hire and compensate staff.

(c) DUTIES OF MANAGEMENT ENTITY.—The management entity for an American Heritage Area shall do each of the following:

(1) MANAGEMENT PLAN.—The management entity shall develop, and submit to the Secretary for approval, a management plan described in section 106(a)(3) within 3 years after the date of the designation of the area as an American Heritage Area.

(2) PRIORITIES.—The management entity shall give priority to the implementation of actions, goals, and policies set forth in the compact and management plan referred to in section 106(a), including—

(A) assisting units of government, regional planning organizations, and nonprofit organizations—

(i) in preserving the American Heritage Area;

(ii) in establishing and maintaining interpretive exhibits in the area;

(iii) in developing recreational opportunities in the area;

(iv) in increasing public awareness of and appreciation for the natural, historical, and cultural resources of the area;

(v) in the restoration of historic buildings that are located within the boundaries of the area and relate to the themes of the area; and

(vi) in ensuring that clear, consistent, and environmentally appropriate signs identifying access points and sites of interest are put in place throughout the area;

(B) consistent with the goals of the management plan referred to in section 106(a)(3), encouraging economic viability in the affected communities by appropriate means; and

(C) encouraging local governments to adopt land-use policies consistent with the management of the area and the goals of the management plan referred to in section 106(a)(3).

(3) CONSIDERATION OF INTERESTS OF LOCAL GROUPS.—The management entity shall, in developing and implementing the management plan referred to in section 106(a)(3), consider the interests of diverse governmental, business, and nonprofit groups within the geographic area.

(4) PUBLIC MEETINGS.—The management entity shall conduct public meetings at least quarterly regarding the implementation of the management plan referred to in section 106(a)(3).

(5) SUBMISSION OF CHANGES IN PLAN.—The management entity shall submit any substantial changes to the management plan referred to in section 106(a)(3) (including any increase of more than 20 percent in the cost estimates for implementation of the management plan) to the Secretary for the approval of the Secretary.

(6) ANNUAL REPORT.—The management entity shall, for any fiscal year in which it receives Federal funds under this title or in which a loan made by the entity with Federal funds under section 107(b)(1) is outstanding, submit an annual report to the Secretary setting forth its accomplishments, its expenses and income, and the entities to which it made any loans and grants during the year for which the report is made.

(7) COOPERATION WITH AUDITS.—The management entity shall, for any fiscal year in which it receives Federal funds under this title or in which a loan made by the entity with Federal funds under section 107(b)(1) is outstanding, make available for audit by the Congress, the Secretary, and appropriate units of government all records and other information pertaining to the expenditure of such funds and any matching funds, and require, for all agreements authorizing expenditure of Federal funds by other organizations, that the receiving organizations make available for such audit all records and other information pertaining to the expenditure of such funds.

(8) LIABILITY FOR LOANS.—The management entity shall be liable to the Federal Government for any loans that the management entity makes under section 107(b)(1).

(d) DISQUALIFICATION FOR FEDERAL FUNDING.—If a management plan regarding an American Heritage Area is not submitted to the Secretary as required under subsection (c)(1) within the time specified in such subsection, the American Heritage Area shall cease to be eligible for Federal funding under this title until such a plan regarding the American Heritage Area is submitted to the Secretary.

(e) PROHIBITION OF ACQUISITION OF REAL PROPERTY.—A management entity for an American Heritage Area may not use Federal funds received under this title to acquire real property or interest in real property. No provision of this title shall prohibit any management entity from using Federal funds from other sources for their permitted purposes.

(f) DURATION OF ELIGIBILITY FOR FINANCIAL ASSISTANCE.—

(1) IN GENERAL.—A management entity for an American Heritage Area shall be eligible to receive funds appropriated pursuant to this title for a 10-year period beginning on the day on which the American Heritage Area is designated, except as provided in paragraph (2).

(2) EXTENSION OF ELIGIBILITY.—The eligibility of a management entity for funding under this title may be extended, by the Secretary, for a period of not more than 5 years after the 10-year period referred to in paragraph (1), if—

(A) the management entity determines that the extension is necessary in order to carry out the purposes of this title and notifies the Secretary of such determination not later than 180 days prior to the end of the 10-year period referred to in paragraph (1);

(B) the management entity, not later than 180 days prior to the end of the 10-year period referred to in paragraph (1), presents to the Secretary a plan of its activities for the period of the extension, including provisions for becoming independent of the funds made available pursuant to this title; and

(C) the Secretary, after consulting with the Governor of each State in which the American Heritage Area is located, approves such extension of eligibility.

(3) LACK OF EFFECT OF EXTENSION ON FUNDING LIMITATIONS.—An extension provided under this subsection shall not be construed as waiving any limitation on funds provided pursuant to this title.

SEC. 108. WITHDRAWAL OF DESIGNATION.

(a) IN GENERAL.—The American Heritage Area designation of an area shall continue unless—

(1) the Secretary determines that—

(A) the American Heritage Area no longer meets the criteria referred to in section 105(c);

(B) the parties to the compact approved in relation to the area under section 106(b) are not in compliance with the terms of the compact;

(C) the management entity of the area has not made reasonable and appropriate progress in developing or implementing the management plan approved for the area under section 106(b); or

(D) the use, condition, or development of the area is incompatible with the criteria referred to in section 105(c) or with the compact approved in relation to the area under section 106(b); and

(2) after making a determination referred to in paragraph (1), the Secretary submits to the Congress notification that the American Heritage Area designation of the area should be withdrawn.

(b) PUBLIC HEARING.—Before the Secretary makes a determination referred to in subsection (a)(1) regarding an American Heritage Area, the Secretary or a designee shall hold a public hearing within the area.

(c) TIME OF WITHDRAWAL OF DESIGNATION.—

(1) IN GENERAL.—The withdrawal of the American Heritage Area designation of an area shall become final 90 legislative days after the Secretary submits to the Congress the notification referred to in subsection (a)(2) regarding the area.

(2) LEGISLATIVE DAY.—For purposes of this subsection, the term "legislative day" means any calendar day on which both Houses of the Congress are in session.

SEC. 109. DUTIES AND AUTHORITIES OF FEDERAL AGENCIES.

(a) DUTIES AND AUTHORITIES OF SECRETARY.—

(1) GRANTS.—The Secretary may make matching grants to provide assistance regarding feasibility studies and compacts described in section 106(a) and, upon request of the management entity for the relevant American Heritage Area, regarding management plans and early actions described in section 106(a) and capital projects and improvements undertaken pursuant to such management plans. The Secretary may make grants under this section to units of government, and, in consultation with affected units of government, to private nonprofit organizations. In awarding grants, the Secretary shall be guided by the criteria for eligibility for designation referred in section 105(c).

(2) TECHNICAL ASSISTANCE.—(A) The Secretary may provide technical assistance to units of government and private nonprofit organizations regarding feasibility studies and compacts described in section 106(a) and, upon request of the management entity for the relevant American Heritage Area, regarding management plans and early actions described in section 106(a) and capital projects and improvements undertaken pursuant to such management plans. In providing the technical assistance, the Secretary shall be guided by the criteria for eligibility for designation referred to in section 105(c).

(B) The Secretary may elect to provide all or part of the technical assistance authorized by this subsection through cooperative agreements with units of government and private nonprofit organizations whose missions and resources can contribute substantially to the purposes of this title.

(3) OTHER ASSISTANCE.—Nothing in this title shall be deemed to prohibit the Secretary or units of government from providing technical or financial assistance under any other provision of law.

(4) PRIORITIES FOR ASSISTANCE.—In assisting an American Heritage Area, the Secretary shall give priority to actions that assist in—

(A) conserving the significant natural, historic, and cultural resources which support the themes of the American Heritage Area; and

(B) providing educational, interpretive, and recreational opportunities consistent with the resources and associated values of the American Heritage Area.

(5) DETERMINATIONS REGARDING ASSISTANCE.—The Secretary shall decide which American Heritage Areas shall be awarded technical and financial assistance and the amount of the assistance. Such decisions shall be based on the relative degree to which each American Heritage Area effectively fulfills the objectives contained in the management plan for the area, achieves the purposes of this title, and fulfills the criteria referred to in section 105(c) and shall give consideration to projects which provide a greater leverage of Federal funds.

(6) NON-FEDERALLY OWNED PROPERTY.—The Secretary is authorized to spend Federal funds directly on nonfederally owned property to further the purposes of this title, giving priority to assisting units of government in appropriate treatment of districts, sites, buildings, structures, and objects listed or eligible for listing on the National Register of Historic Places.

(7) ANNUAL REPORT.—The Secretary shall submit an annual report to the Congress regarding the American Heritage Areas Partnership Program. Each report shall include—

(A) the number, amount, and recipients of any grants provided by the Secretary under this title and the nature of any technical assistance or early action provided under this title;

(B) a description of the status and condition of, and Federal funding provided under this Act to, each American Heritage Area;

(C) a description of the areas nominated for the American Heritage Partnership Program;

(D) the recommendations of the Secretary regarding areas to be designated by the Congress as American Heritage Areas; and

(E) the status of the implementation of all contractual agreements entered into by the Secretary under this title.

(8) OVERSIGHT OF HERITAGE AREAS WITH EXPIRED ELIGIBILITY.—The Secretary shall investigate, study, and continually monitor the welfare of all American Heritage Areas whose eligibility for Federal funding under this title has expired and shall report to the Congress periodically regarding the condition of such American Heritage Areas.

(9) PROVISION OF INFORMATION.—In cooperation with other Federal agencies, the Secretary shall provide the general public with information regarding the location and character of components of the American Heritage Areas Partnership Program.

(10) PROMULGATION OF REGULATIONS.—The Secretary shall promulgate such regulations as are necessary to carry out the purposes of this title.

(b) DUTIES OF FEDERAL ENTITIES.—Any Federal entity conducting or supporting activities within an American Heritage Area, and any unit of government acting pursuant to a grant of Federal funds or a Federal permit or agreement and conducting or supporting such activities, shall, to the maximum extent practicable—

(1) consult with the Secretary and the management entity for the American Heritage Area with respect to such activities;

(2) cooperate with the Secretary and the management entity in the carrying out of the duties of the Secretary and the management entity under this title, and coordinate such activities with the carrying out of such duties; and

(3) conduct or support such activities in a manner consistent with the management plan for the American Heritage Area unless the Federal entity or unit of government, after consultation with the Secretary and the management entity, determines that there is no practicable alternative.

SEC. 110. LACK OF EFFECT ON LAND USE REGULATION.

(a) LACK OF EFFECT ON AUTHORITY OF GOVERNMENTS.—Nothing in this title shall be construed to modify, enlarge, or diminish any authority of Federal, State, and local governments to regulate any use of land as provided for by current law or regulation.

(b) LACK OF ZONING OR LAND USE POWERS OF ENTITY.—Nothing in this title shall be construed to grant powers of zoning or land use to any management entity for an American Heritage Area.

(c) MANAGEMENT PLAN AVAILABILITY TO LOCAL GOVERNMENTS.—Any management plan referred to in section 106(a) and submitted to the Secretary by the management entity for an American Heritage Area shall be made available to the local governments having jurisdiction over land use regulations affecting the American Heritage Area for the use of the local governments in updating their growth management plans and in the event that such governments desire to amend current land use legislation as they may deem appropriate and in accordance with their legal authority.

SEC. 111. AUTHORIZATION OF APPROPRIATIONS.

(a) FEASIBILITY STUDIES, COMPACTS, MANAGEMENT PLANS, AND EARLY ACTIONS.—From the amounts made available to carry out the National Historic Preservation Act (16 U.S.C. 470 et seq.), there is authorized to be appropriated to the Secretary, for grants and technical assistance pursuant to section 109(a) and the administration of such grants and assistance, annually not more than $8,000,000, to remain available until expended, with the following conditions:

(1) PERCENT OF COST.—No grant under this title for a feasibility study, compact, management plan, or early action may exceed 75 percent of the cost, to the grantee, for such study, compact, plan, or early action.

(2) STUDIES.—The total amount of Federal funding under this title for feasibility studies for a proposed American Heritage Area may not exceed $100,000.

(3) COMPACTS.—The total amount of Federal funding under this title for compacts for a proposed American Heritage Area may not exceed $150,000.

(4) EARLY ACTION GRANTS.—The total amount of Federal funding under this title for early action grants for an American Heritage Area may not exceed $250,000.

(5) MANAGEMENT PLANS.—The total amount of Federal funding under this title for management plans for an American Heritage Area may not exceed $150,000.

(b) MANAGEMENT ENTITY OPERATIONS.—

(1) OPERATING COSTS.—From the amounts made available to carry out the National Historic Preservation Act (16 U.S.C. 470 et seq.), there is authorized to be appropriated to the Secretary, for each management entity of an American Heritage Area, not more than $250,000 annually for the operating costs of such management entity pursuant to section 107.

(2) COST SHARE.—The Federal contribution under this title to the operations of any management entity of an American Heritage Area shall not exceed 50 percent of the annual operating costs of the entity.

(c) PLAN IMPLEMENTATION.—From the amounts made available to carry out the National Historic Preservation Act (16 U.S.C. 470 et seq.), there is authorized to be appropriated to the Secretary, for grants and technical assistance for the implementation of management plans for designated American Heritage Areas and the administration of such grants and assistance, not more than *$14,500,000* annually, to remain available until expended, with the following conditions:

(1) PERCENT OF COST.—No grant under this title for implementation of a management plan may exceed 50 percent of the cost to the grantee of the implementation.

(2) PERCENT OF FUNDING FOR EACH AREA.—Not more than 10 percent of the annual appropriation for this subsection shall be made available, in any 1 year, to each American Heritage Area.

(3) TOTAL FUNDING FOR EACH AREA.—Not more than a total of $10,000,000 may be made available under this subsection to each American Heritage Area.

(4) AGREEMENTS.—Any payment made under this subsection shall be subject to an agreement that conversion, use, or disposal of the project so assisted for purposes contrary to the purposes of this title, as determined by the Secretary, shall result in a right of the United States to the greater of—

(A) reimbursement of all funds made available for such project; and

(B) the proportion of the increased value of the project attributable to such funds, as determined at the time of such conversion, use, or disposal.

(d) LIMITATION ON AMOUNTS FOR TECHNICAL ASSISTANCE.—The amount of Federal funding made available under this section for technical assistance for an American Heritage Area for a fiscal year may not exceed $150,000.

SEC. 112. EXPIRATION OF AUTHORITIES.

The authorities contained in this title shall expire on September 30 of the 25th fiscal year beginning after the date of the enactment of this title.

SEC. 113. REPORT.

The Secretary shall submit to the Congress, every 5 years while the authorities contained in this title remain in force, a report on the status and accomplishments of the American Heritage Areas Partnership Program as a whole.

SEC. 114. SAVINGS PROVISION.

Nothing in this title shall be construed to expand or diminish any authorities contained in any law designating an individual National Heritage Area or Corridor before the date of the enactment of this title.

TITLE II—DESIGNATION OF AMERICAN HERITAGE AREAS

SEC. 201. AMERICAN COAL HERITAGE AREA.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the rise of American industry in the late 19th and 20th centuries led to tremendous growth in the Appalachian coal fields, creating an area of national historic significance in terms of its contributions to the industrial revolution, architecture, culture, and diversity;

(2) within the Appalachian coal belt, the coal mined in southern West Virginia and in southwestern Virginia produced some of the purest and most sought-after coal in the Nation, and the region associated with this coal contains a rich cultural heritage;

(3) the influx of labor needed to mine coal in this region created a diverse community of African Americans from the south, recent immigrants from southern and southeastern Europe, Americans from northern mining areas, and native Appalachians;

(4) it is in the national interest to preserve and protect physical remnants of the late 19th and early 20th century rise of American industry for the education and benefit of present and future generations; and

(5) there is a need to provide assistance to the preservation and promotion of the vestiges of the coal heritage of Appalachia that have outstanding cultural, historic, and architectural value.

(b) STATEMENT OF PURPOSE.—The purposes of this section are to preserve and interpret, for the educational and inspirational benefit of present and future generations, certain lands and structures with unique and significant historical and cultural values associated with the coal mining heritage of southern West Virginia and southwestern Virginia.

(c) DESIGNATION.—

(1) IN GENERAL.—Upon publication by the Secretary in the Federal Register of notice that a compact meeting the requirements for a compact under section 106(a)(2) has been approved by the Secretary under the procedures referred to in section 106(b), there is hereby designated the American Coal Heritage Area (hereinafter in this section referred to as the "Heritage Area").

(2) COMPACT.—The Secretary may not require, as a condition of approving a compact submitted pursuant to this section regarding the Heritage Area, that both the State of West Virginia and the Commonwealth of Virginia sign the compact.

(d) BOUNDARIES.—The Heritage Area shall be composed of the lands generally depicted on the map entitled "Coal Industry National Heritage Area", numbered CMNHA-80,008, and dated August 1994. The map shall be on file and available for public inspection in the office of the Director of the National Park Service.

(e) ADMINISTRATION.—The Heritage Area shall be considered to be part of the American Heritage Areas Partnership Program and shall be considered for all purposes, including but not limited to the management plan submission requirement of section 107(c)(1) and the provisions of section 108, to have been designated an American Heritage Area under section 105(d) on the date on which the Heritage Area is designated under subsection (c) of this section.

SEC. 202. AUGUSTA CANAL AMERICAN HERITAGE AREA.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the Augusta Canal National Historic Landmark in the State of Georgia, listed on the National Register of Historic Places, is one of the last unspoiled and undeveloped areas in the State of Georgia, has remained largely intact, and has excellent water quality, beautiful rural landscapes, architecturally significant mill structures and mill villages, and large acreage in open space;

(2) the beautiful rural landscapes, scenic vistas and excellent water quality of the Augusta Canal contain significant undeveloped recreational opportunities for people throughout the United States;

(3) the existing mill sites and other structures throughout the Augusta Canal were instrumental in the development of the cotton textile industry in the south;

(4) several significant sites associated with Native Americans, the American Revolution, and African-Americans are located within the area; and

(5) the Augusta Canal Authority would be an appropriate management entity for an American Heritage Area established in the area of the Augusta Canal.

(b) STATEMENT OF PURPOSE.—The purposes of this section are to—

(1) designate the Augusta Canal as an American Heritage Area; and

(2) provide a management framework to assist the State of Georgia, its units of local and regional government, and citizens in the development and implementation of integrated cultural, historical, and recreational land resource management programs in order to retain, enhance, and interpret significant features of the lands, waters, historic structures, and heritage of the Augusta Canal.

(c) DESIGNATION.—Upon publication in the Federal Register of notice that a compact meeting the requirements for a compact under section 106(a)(2) has been approved by the Secretary under the procedures referred to in section 106(b), there is hereby designated the Augusta Canal American Heritage Area (hereinafter in this section referred to as the "Heritage Area").

(d) BOUNDARIES.—The Heritage Area shall be comprised of the lands generally depicted on the map entitled "The Augusta Canal", numbered AUCA-80,000, and dated August 1994. The map shall be on file and available for public inspection in the office of the Director of the National Park Service.

(e) ADMINISTRATION.—The Heritage Area shall be considered to be part of the American Heritage Areas Partnership Program and shall be considered for all purposes, including but not limited to the management plan submission requirement of section 107(c)(1) and the provisions of section 108, to have been designated an American Heritage Area under section 105(d) on the date on which the Heritage Area is designated under subsection (c) of this section.

SEC. 203. CANE RIVER AMERICAN HERITAGE AREA.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the settlement in the Natchitoches area along Cane River, established in 1714, is the oldest settlement in the Louisiana Purchase Territory;

(2) the Cane River area is the locale of the development of Creole culture, from the French-Spanish interactions of the early 18th century to the living communities of today;

(3) the Cane River, historically a segment of the Red River, provided the focal point for early settlement in the area, serving as a transportation route upon which commerce and communication reached all parts of the colony;

(4) although a number of Creole structures, sites, and landscapes exist in Louisiana and elsewhere, most, unlike the Cane River area, are isolated examples and lack original outbuilding complexes or integrity;

(5) the Cane River area includes a great variety of historical features, with original elements, in both rural and urban settings and a cultural landscape that represents various aspects of Creole culture, providing the base for a holistic approach to understanding the broad continuum of history within the region;

(6) the Cane River region includes the Natchitoches National Historic Landmark District, composed of approximately 300 publicly and privately owned properties, 4 other national historic landmarks, and other structures and sites that may meet criteria for landmark significance following further study;

(7) historic preservation within the Cane River area has greatly benefited from individuals and organizations that have strived to protect their heritage and educate others about their rich history; and

(8) because of the complexity and magnitude of preservation needs in the Cane River area, and the vital need for a culturally sensitive approach, a partnership approach is desirable for addressing the many preservation and educational needs of the area.

(b) STATEMENT OF PURPOSE.—The purposes of this section are—

(1) to recognize the importance of the Cane River Creole culture as a significant element

of the cultural heritage of the United States; and

(2) to establish a Cane River American Heritage Area to be undertaken in partnership with the State of Louisiana, the city of Natchitoches, local communities and settlements of the Cane River area, preservation organizations, and private landowners, with full recognition that programs must fully involve the local communities and landowners.

(c) DESIGNATION.—In furtherance of the need to recognize the value and importance of the Cane River region, upon publication by the Secretary in the Federal Register of notice that a compact meeting the requirements for a compact under section 106(a)(2) has been approved by the Secretary under the procedures referred to in section 106(b), there is hereby designated the Cane River American Heritage Area (hereinafter in this section referred to as the "Heritage Area").

(d) BOUNDARIES.—

(1) IN GENERAL.—The Heritage Area shall be composed of the lands encompassing—

(A) an acre approximately 1 mile on both sides of the Cane River, as depicted on the map numbered "CARI-80,000", and dated January 1994;

(B) the Natchitoches National Historical Landmark District;

(C) the Los Adaes State Commemorative Area;

(D) the Fort Jesup State Commemorative Area;

(E) the Fort St. Jean Baptiste State Commemorative Area; and

(F) the Kate Chopin House.

(2) MAP.—The Secretary shall prepare a map of the Cane River American Heritage Area, which shall be on file and available for public inspection in the office of the Director of the National Park Service.

(e) ADMINISTRATION.—The Heritage Area shall be considered to be part of the American Heritage Areas Partnership Program and shall be considered for all purposes, including but not limited to the management plan submission requirement of section 107(c)(1) and the provisions of section 108, to have been designated an American Heritage Area under section 105(d) on the date on which the Heritage Area is designated under subsection (c) of this section.

(f) MANAGEMENT ENTITY.—Upon petition, the Secretary is authorized to recognize a coalition consisting of the following persons as the management entity, for purposes of title I, for the Cane River American Heritage Area:

(1) 1 member submitted by the mayor of Natchitoches.

(2) 1 member submitted by the Association for the Preservation of Historic Natchitoches.

(3) 1 member submitted by the Natchitoches Historic Foundation, Inc.

(4) 2 members, with experience in and knowledge of tourism in the area of the Cane River American Heritage Area, submitted by local business and tourism organizations.

(5) 1 member submitted by the Governor of the State of Louisiana.

(6) 1 member submitted by the Police Jury of Natchitoches Parish in Louisiana.

(7) 1 member submitted by the Concerned Citizens of Cloutierville.

(8) 1 member submitted by the St. Augustine Historical Society.

(9) 1 member submitted by the Black Heritage Committee.

(10) 1 member submitted by the Los Adaes/Robeline Community.

(11) 1 member submitted by the Natchitoches Historic District Commission.

(12) 1 member submitted by the Cane River Waterway Commission.

(13) 2 members who are landowners in and residents of the Cane River American Heritage Area.

(14) 1 member, with experience and knowledge of historic preservation, submitted by Museum Contents, Inc.

(15) 1 member, with experience and knowledge of historic preservation, submitted by the President of Northwestern State University of Louisiana.

(16) 1 member, with experience in and knowledge of environmental, recreational, and conservation matters affecting the Cane River American Heritage Area, submitted by the Natchitoches Sportsman's Association and other local recreational and environmental organizations.

(17) The superintendent of the Jean Lafitte National Historic Park and Preserve, or a designee.

SEC. 204. ESSEX AMERICAN HERITAGE AREA.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) Essex County, Massachusetts, was host to a series of historic events that influenced the course of the early settlement of the United States, its emergence as a maritime power, and its subsequent industrial development;

(2) the North Shore of Essex County and Merrimack River valley contain examples of significant early American architecture and significant Federal-period architecture, many sites and buildings associated with the establishment of the maritime trade in the United States, the site of the witchcraft trials of 1692, the birthplace of successful iron manufacture, and the establishment of the textile and leather industries in and around the cities of Peabody, Beverly, Lynn, Lawrence, and Haverhill;

(3) Salem, Massachusetts, has a rich heritage as one of the earliest landing sites of the English colonists, the first major world harbor for the United States, and an early thriving hub of American industries;

(4) the Saugus Iron Works National Historic Site is the site of the first sustained, integrated iron works in Colonial America, and the technology employed at the Iron Works was dispersed throughout the Colonies and was critical to the development of industry and technology in America;

(5) the Salem Maritime National Historic Site contains nationally significant resources that explain the manner in which the Nation was settled, its evolution into a maritime power, and its development as a major industrial force, and the story told at the Salem Maritime and Saugus Iron Works National Historic Sites would be greatly enhanced through the interpretation of significant theme-related resources in Salem and Saugus and throughout Essex County;

(6) partnerships between the private and public sectors have been created and additional partnerships will be encouraged to preserve the rich cultural heritage of the region, which will stimulate cultural awareness and preservation and economic development through tourism; and

(7) the resident and business communities of the region have formed the Essex Heritage Ad Hoc Commission for the preservation, interpretation, promotion, and development of the historic, cultural, and natural resources of the area and are investing significant private funds and energy to develop a plan to preserve the nationally significant resources of Essex County.

(b) PURPOSES.—The purposes of this section are—

(1) to designate the Essex American Heritage Area in order to recognize, preserve, promote, interpret, and make available for the benefit of the public the historic, cultural, and natural resources of the North Shore and lower Merrimack River valley in Essex County, Massachusetts, which encompass the 3 primary themes of the Salem Maritime National Historic Site and Saugus Iron Works National Historic Site (the histories of early settlement and industry, maritime trade, and textile and leather manufacturing); and

(2) to provide a management framework to assist the Commonwealth of Massachusetts and its units of local government in the development and implementation of an integrated cultural, historical, and land resource management program in order to retain, enhance, and interpret the significant values of the lands, waters, and structures located in the district.

(c) DESIGNATION.—Upon publication by the Secretary in the Federal Register of notice that a compact regarding the Heritage Area and meeting the requirements for a compact under section 106(a)(2) has been approved by the Secretary under the procedures referred to in section 106(b), there is hereby designated the Essex American Heritage Area (hereinafter in this section referred to as the "Heritage Area"), within the county of Essex in the Commonwealth of Massachusetts.

(d) BOUNDARIES.—The Heritage Area shall be comprised of the lands generally depicted on the map numbered NAR-51-80,000 and dated August 1994. The map shall be on file and available for public inspection in the office of the Director of the National Park Service.

(e) ADMINISTRATION.—The Heritage Area shall be considered to be part of the American Heritage Areas Partnership Program and shall be considered for all purposes, including but not limited to the management plan submission requirement of section 107(c)(1) and the provisions of section 108, to have been designated an American Heritage Area under section 105(d) on the date on which the Heritage Area is designated under subsection (c) of this section.

SEC. 205. HUDSON RIVER VALLEY AMERICAN HERITAGE AREA.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the Hudson River Valley between Yonkers, New York, and Troy, New York, possesses important historical, cultural, and natural resources, representing themes of settlement and migration, transportation, and commerce;

(2) the Hudson River Valley played an important role in the military history of the American Revolution;

(3) the Hudson River Valley gave birth to important movements in American art and architecture through the works of Andrew Jackson Downing, Alexander Jackson Davis, Thomas Cole, and their associates, and played a central role in the recognition of the esthetic values of landscape and the development of an American esthetic ideal;

(4) the Hudson River Valley played an important role in the development of the iron, textile, and collar and cuff industries in the 19th century, exemplified in surviving structures such as the Harmony Mills complex at Cohoes, and in the development of early men's and women's labor and cooperative organizations, and is home of the first women's labor union in the United States and the first women's secondary school in the United States;

(5) the Hudson River Valley, in its cities and towns and its rural landscapes—

(A) displays exceptional surviving physical resources illustrating these themes and the social, industrial, and cultural history of the 19th and early 20th centuries; and

(B) includes numerous national historic sites and landmarks;

(6) the Hudson River Valley is the home of the traditions associated with Dutch and Huguenot settlements dating to the 17th and 18th centuries, was the locus of characteristic American stories such as "Rip Van Winkle" and the "Legend of Sleepy Hollow", and retains physical, social, and cultural evidence of these traditions and the traditions of other more recent ethnic and social groups;

(7) the State of New York has established a structure, in the Hudson River Greenway Communities Council and the Greenway Conservancy, for the Hudson River Valley communities to join together to preserve, conserve, and manage these resources and to link them through trails and other means; and

(8) the Heritage Area Committee jointly established by the Hudson River Valley Greenway Communities Council and the Greenway Conservancy (agencies established by the State of New York in its Hudson River Greenway Act of 1991) is expected to be the management entity for an American Heritage Area established in the Hudson River Valley.

(b) STATEMENT OF PURPOSE.—The purposes of this section are—

(1) to recognize the importance of the history and resources of the Hudson River Valley to the Nation;

(2) to assist the State of New York and the communities of the Hudson River Valley in preserving and interpreting these resources for the benefit of the Nation;

(3) to maintain agricultural viability and productivity in the region; and

(4) to authorize Federal financial and technical assistance to serve these purposes.

(c) DESIGNATION.—Upon publication by the Secretary in the Federal Register of notice that a compact regarding the Heritage Area and meeting the requirements for a compact under section 106(a)(2) has been approved by the Secretary under the procedures referred to in section 106(b), there is hereby designated the Hudson River Valley American Heritage Area (hereinafter in this section referred to as the "Heritage Area").

(d) BOUNDARIES.—

(1) IN GENERAL.—Except as otherwise provided in paragraph (2), the Heritage Area shall be comprised of the lands generally depicted on the map entitled "Hudson River Valley National Heritage Area", numbered P50-8002, and dated August 1994. The map shall be on file and available for public inspection in the office of the Director of the National Park Service.

(2) LOCAL AGREEMENT TO INCLUSION.—Each of the following counties, cities, and towns in the State of New York shall not be included within the boundaries of the Heritage Area unless the government of such county, city, or town agrees to be so included and submits notification of such agreement to the Secretary:

(A) The counties of Greene and Columbia.

(B) Any city or town within the county of Greene or Columbia.

(C) The counties of Rensselaer and Dutchess.

(D) Any city or town (except the town of Hyde Park) within the county of Rensselaer or Dutchess and located entirely within the 22d Congressional District of New York.

(e) ADMINISTRATION.—The Heritage Area shall be considered to be part of the American Heritage Areas Partnership Program and shall be considered for all purposes, including but not limited to the management plan submission requirement of section 107(c)(1) and the provisions of section 108, to have been designated an American Heritage Area under section 105(d) on the date on which the Heritage Area is designated under subsection (c) of this section.

SEC. 206. OHIO & ERIE CANAL AMERICAN HERITAGE AREA.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the Ohio & Erie Canal, which opened for commercial navigation in 1832, was the first inland waterway to connect the Great Lakes at Lake Erie with the Gulf of Mexico via the Ohio and Mississippi Rivers and was a part of a canal network in Ohio that was one of the most extensive and successful systems in America during a period in history when canals were essential to the growth of the Nation;

(2) the Ohio & Erie Canal spurred economic growth in the State of Ohio that took the State from near bankruptcy to a position as the third most economically prosperous State in the Union in just 20 years;

(3) a 4-mile section of the Ohio & Erie Canal was designated a National Historic Landmark in 1966 and other portions of the Ohio & Erie Canal and many associated structures have been placed on the National Register of Historic Places;

(4) in 1974, 19 miles of the Ohio & Erie Canal were declared nationally significant, under National Park Service new area criteria, in the designation of the Cuyahoga Valley National Recreation Area;

(5) the National Park Service found the Ohio & Erie Canal nationally significant in a 1975 study entitled "Suitability/Feasibility Study, Proposed Ohio & Erie Canal"; and

(6) a 1993 Special Resource Study of the Ohio & Erie Canal Corridor, conducted by the National Park Service and entitled "A Route to Prosperity", has concluded that the corridor is eligible to become a National Heritage Corridor, an affiliated unit of the National Park System.

(b) STATEMENT OF PURPOSE.—The purposes of this section are—

(1) to preserve and interpret for the educational and inspirational benefit of present and future generations the unique and significant contributions to the national heritage of certain historic and cultural lands, waterways, and structures within the 87-mile Ohio & Erie Canal Corridor between Cleveland and Zoar; and

(2) to provide a management framework to assist the State of Ohio and its political subdivisions in developing and implementing a management plan for the area and developing policies and programs that will preserve, enhance, and interpret the cultural, historical, natural, recreational, and scenic resources of the corridor.

(c) DESIGNATION.—Upon publication by the Secretary in the Federal Register of notice that a compact regarding the Heritage Area and meeting the requirements for a compact under section 106(a)(2) has been approved by the Secretary under the procedures referred to in section 106(b), there is hereby designated the Ohio & Erie Canal American Heritage Area (hereinafter in this Act referred to as the "Heritage Area").

(d) BOUNDARIES.—The Heritage Area shall be composed of the lands that are generally the route of the Ohio & Erie Canal from Cleveland to Zoar, Ohio, as depicted in the 1993 National Park Service Special Resources Study, "A Route to Prosperity". The specific boundaries shall be those specified in the management plan submitted under subsection (e). The Secretary shall prepare a map of the area which shall be on file and available for public inspection in the office of the Director of the National Park Service.

(e) ADMINISTRATION.—The Heritage Area shall be considered to be part of the American Heritage Areas Partnership Program and shall be considered for all purposes, including but not limited to the management plan submission requirement of section 107(c)(1) and the provisions of section 108, to have been designated an American Heritage Area under section 105(d) on the date on which the Heritage Area is designated under subsection (c) of this section.

(f) MANAGEMENT ENTITY.—Upon petition, the Secretary is authorized to recognize a coalition consisting of the following persons as the management entity, for purposes of title I, for the Ohio & Erie Canal American Heritage Area:

(1) The Superintendent of the Cuyahoga Valley National Recreational Area.

(2) 2 individuals submitted by the Governor of Ohio, who shall be representatives of the Directors of the Ohio Department of Natural Resources and the Ohio Historical Society.

(3) 8 individuals submitted by the county commissioners or county chief executive of the Ohio counties of Cuyahoga, Summit, Stark, and Tuscarawas, including—

(A) from each county, 1 representative of the planning offices of the county; and

(B) from each county, 1 representative of a municipality in the county.

(4) 3 individuals submitted by the county or metropolitan park boards of the Ohio counties of Cuyahoga, Summit, and Stark.

(5) 1 individual with knowledge and experience in the field of historic preservation, submitted by the Director of the National Park Service.

(6) 1 individual with knowledge and experience in the field of historic preservation, submitted by the Ohio Historic Preservation Officer.

(7) 1 individual who is a director of a convention and tourism bureau within the area, submitted by the Director of the Ohio Department of Travel and Tourism.

(8) 4 individuals, who shall include 1 representative of business and industry from each of the counties of Cuyahoga, Summit, Stark, and Tuscarawas, submitted by the Greater Cleveland Growth Association, the Akron Regional Development Board, the Stark Development Board, and the Tuscarawas County Chamber of Commerce.

(g) ASSISTANCE.—The Secretary may provide to public and private entities within the Heritage Area (including the management entity for the Heritage Area) technical, financial, development, and operational assistance. Assistance provided under this subsection shall be provided on a reimbursable basis through the Cuyahoga Valley National Recreation Area.

SEC. 207. SHENANDOAH VALLEY BATTLEFIELDS AMERICAN HERITAGE AREA.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) there are situated in the Shenandoah Valley in the Commonwealth of Virginia the sites of several key Civil War battles;

(2) certain sites, battlefields, structures, and districts in the Shenandoah Valley are collectively of national significance in the history of the Civil War;

(3) in 1990 the Congress enacted legislation directing the Secretary of the Interior to prepare a comprehensive study of significant sites and structures associated with Civil War battles in the Shenandoah Valley;

(4) the study, which was completed in 1992, found that many of the sites within the

Shenandoah Valley possess national significance and retain a high degree of historical integrity;

(5) the preservation and interpretation of these sites will make an important contribution to the understanding of the heritage of the United States;

(6) the preservation of Civil War sites within a regional framework requires cooperation among local property owners and Federal, State, and local government entities; and

(7) partnerships between Federal, State, and local governments and their regional entities, and the private sector, offer the most effective opportunities for the enhancement and management of the Civil War battlefields and related sites in the Shenandoah Valley.

(b) STATEMENT OF PURPOSE.—The purposes of this section are—

(1) to preserve, conserve, and interpret the legacy of the Civil War in the Shenandoah Valley;

(2) to recognize and interpret important events and geographic locations representing key Civil War battles in the Shenandoah Valley, including those battlefields associated with the Thomas J. (Stonewall) Jackson campaign of 1862 and the decisive campaigns of 1864;

(3) to recognize and interpret the effect of the Civil War on the civilian population of the Shenandoah Valley during the war and postwar reconstruction period; and

(4) to create partnerships among Federal, State, and local governments and their regional entities, and the private sector, to preserve, conserve, enhance, and interpret the nationally significant battlefields and related sites associated with the Civil War in the Shenandoah Valley.

(c) DESIGNATION.—Upon publication by the Secretary in the Federal Register of notice that a compact regarding the Heritage Area and meeting the requirements for a compact under section 106(a)(2) has been approved by the Secretary under the procedures referred to in section 106(b), there is hereby designated the Shenandoah Valley Battlefield American Heritage Area (hereinafter in this section referred to as the "Heritage Area").

(d) BOUNDARIES.—The Heritage Area shall be composed of the areas of the Commonwealth of Virginia generally depicted on the map entitled "Shenandoah Valley National Heritage Area", numbered SVNHA-80,006, and dated August 1994. The map shall be on file and available for public inspection in the office of the Director of the National Park Service

(e) ADMINISTRATION.—The Heritage Area shall be considered to be part of the American Heritage Areas Partnership Program and shall be considered for all purposes, including but not limited to the management plan submission requirement of section 107(c)(1) and the provisions of section 108, to have been designated an American Heritage Area under section 105(d) on the date on which the Heritage Area is designated under subsection (c) of this section.

SEC. 208. STEEL INDUSTRY AMERICAN HERITAGE AREA.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the industrial and cultural heritage of southwestern Pennsylvania, including the city of Pittsburgh and the counties of Allegheny, Beaver, Fayette, Greene, Washington, and Westmoreland, related directly to steel and steel-related industries, is nationally significant;

(2) these industries include steel-making, iron-making, aluminum, specialty metals, glass, coal mining, coke production, machining and foundries, transportation, and electrical industries;

(3) the industrial and cultural heritage of the steel and related industries in this region includes the social history and living cultural traditions of the people of the region;

(4) the labor movement of the region played a significant role in the development of the Nation, including both the formation of many key unions, such as the Congress of Industrial Organizations (CIO) and the United Steel Workers of America (USWA), and crucial struggles to improve wages and working conditions, such as the Rail Strike of 1877, the Homestead Strike of 1892, and the Great Steel Strike of 1919;

(5) there are significant examples of cultural and historic resources within this 6-county region that merit the involvement of the Federal Government to develop programs and projects, in cooperation with the Steel Industry Heritage Task Force, the Commonwealth of Pennsylvania, and other local and governmental bodies, to adequately conserve, protect, and interpret this heritage for future generations while providing opportunities for education and revitalization; and

(6) the Steel Industry Heritage Task Force would be an appropriate management entity for a Heritage Area established in the region.

(b) STATEMENT OF PURPOSE.—The purposes of this section are—

(1) to foster a close working relationship between all levels of government, the private sector, and the local communities in the steel industry region of southwestern Pennsylvania and empower the communities to conserve their heritage while continuing to pursue economic opportunities; and

(2) to conserve, interpret, and develop the historical, cultural, natural, and recreational resources related to the industrial and cultural heritage of the 6-county steel industry region of southwestern Pennsylvania.

(c) DESIGNATION.—Upon publication by the Secretary in the Federal Register of notice that a compact regarding the Heritage Area and meeting the requirements for a compact under section 106(a)(2) has been approved by the Secretary under the procedures referred to in section 106(b), there is hereby designated the Steel Industry American Heritage Area (hereinafter in this section referred to as the "Heritage Area").

(d) BOUNDARIES.—The Heritage Area shall be composed of the lands generally depicted on the map entitled "The Steel Industry American Heritage Area", numbered SINHA-80,007, and dated August 1994. The map shall be on file and available for public inspection in the office of the Director of the National Park Service.

(e) ADMINISTRATION.—The Heritage Area shall be considered to be part of the American Heritage Areas Partnership Program and shall be considered for all purposes, including but not limited to the management plan submission requirement of section 107(c)(1) and the provisions of section 108, to have been designated an American Heritage Area under section 105(d) on the date on which the Heritage Area is designated under subsection (c) of this section.

SEC. 209. VANCOUVER AMERICAN HERITAGE AREA.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the lower Columbia River basin and Vancouver, Washington, have been the focal point of a number of important periods, themes, and events in American history and prehistory, including native settlements, westward expansion of the British colonies and the United States from 1763 to 1898, political and military affairs from 1865 to 1939, and military affairs from 1914 to 1941;

(2) the Columbia River is the central feature around which the history of the proposed Vancouver National Heritage Area and the entire Pacific Northwest revolves;

(3) the proposed Vancouver National Heritage Area is located on the shores of the Columbia River, 78 miles from the Pacific Ocean, and the Columbia River has been an artery for communication and trade since prehistoric times;

(4) Fort Vancouver National Historic Site, a unit of the National Park System, was founded in 1825 by the Hudson Bay Company and its development from 1825 to 1860 was seminal to Euro-American settlement of the Northwest;

(5) the Vancouver barracks served as the principal administrative outpost of the United States Army in the Pacific Northwest from 1849 until World War I, served as a command post during the Native American Wars of the mid- to late-19th century, and provided major facilities for support of United States military ventures throughout the Pacific during the Spanish American War and the 2 World Wars;

(6) Pearson Airfield was the site of significant events in the history of aviation in the Pacific Northwest, was particularly prominent during the interwar period between 1923 and 1941, and today continues to be an important home to historic aircraft and historic aviation;

(7) the proposed Vancouver American Heritage Area contains a number of discovered and unrecovered archaeological sites significant to the history of North America and the growth of the United States;

(8) the proposed Vancouver American Heritage Area is located close to major metropolitan areas, including Portland, Tacoma, and Seattle, and is immediately adjacent to Interstate 5, the major north-south interstate of the Pacific Northwest; and

(9) many Federal, State, and local government entities, as well as numerous private organizations and individuals—

(A) have expressed a desire to join forces and work together in a cooperative spirit in order to preserve, interpret, and enhance the cultural, recreational, and educational potential of the proposed American Heritage Area;

(B) have already demonstrated their ability to effectively cooperate in the course of preparing the "Vancouver National Historical Reserve Feasibility Study and Environmental Assessment", as required by Public Law 101-523 (104 Stat. 2297); and

(C) are capable of forming the continued cooperative alliances needed to enter into a compact, identify a management entity, and establish an appropriate management plan for the proposed Vancouver American Heritage Area.

(b) STATEMENT OF PURPOSE.—The purposes of this section are—

(1) to preserve, enhance, and interpret the significant aspects of the lands, water, structures, and history of the proposed Vancouver American Heritage Area; and

(2) to provide a partnership that will develop and implement an integrated cultural, historical, recreational, and educational land resource management program in order to achieve these purposes.

(c) DESIGNATION.—Upon publication by the Secretary in the Federal Register of notice that a compact regarding the Heritage Area and meeting the requirements for a compact

under section 106(a)(2) has been approved by the Secretary under the procedures referred to in section 106(b), there is hereby designated the Vancouver American Heritage Area (hereinafter in this section referred to as the "Heritage Area").

(d) BOUNDARIES.—The Heritage Area shall be composed of the lands generally depicted on the map entitled "Vancouver American Heritage Area", numbered VAAM-80,001, and dated August 1994. The map shall be on file and available for public inspection in the office of the Director of the National Park Service.

(e) ADMINISTRATION.—The Heritage Area shall be considered to be part of the American Heritage Areas Partnership Program and shall be considered for all purposes, including but not limited to the management plan submission requirement of section 107(c)(1) and the provisions of section 108, to have been designated an American Heritage Area under section 105(d) on the date on which the Heritage Area is designated under subsection (c) of this section, except that the responsibilities of the management entity for the Heritage Area shall not extend to those lands under the control of the Department of the Interior or the Department of the Army. The management entity may enter into cooperative agreements and partnerships with these and other entities as appropriate to further the purposes of this Act.

(f) PEARSON AIRPARK.—

(1) TRANSITION.—(A) General aviation shall cease at Pearson Airpark not later than April 3, 2022, unless a continuation of general aviation is expressly authorized by an Act of Congress.

(B) Not later than January 30, 2010, the management entity for the Heritage Area shall submit to the Secretary a plan regarding general aviation at Pearson Airpark that is consistent with this section.

(C) Not later than June 30, 2010, the Secretary shall—

(i) approve such a plan and transmit the plan to the Congress; or

(ii) notify the Congress that no acceptable plan has been submitted under subparagraph (B).

(D) If the management entity fails to submit a plan acceptable to the Secretary under subparagraph (B) before June 30, 2010—

(i) the Secretary may not provide further assistance to the Heritage Area under this Act; and

(ii) the Secretary shall prepare such a plan for submittal to the Congress not later than June 30, 2011.

(2) HISTORIC AIRCRAFT DEFINED.—For purposes of this section, the term "historic aircraft" means any aircraft representing aviation in World War II or earlier.

(3) VIABILITY AND MITIGATION PLAN.—Any management plan submitted to the Secretary pursuant to section 107(c)(1) and subsection (e) of this section regarding the Heritage Area shall include a Pearson Airpark Viability and Mitigation Plan that accomplishes the following:

(A) Identifies incentives and proposes regulations to facilitate a transition from the use of Pearson Airpark from predominantly general aviation to use for historic aircraft.

(B) Establishes a program to mitigate any conflicts related to the operation of Pearson Airpark and to other activities within the Heritage Area. The program shall, in coordination with the Federal Aviation Administration and other agencies as appropriate, address, but not be limited to, considerations of noise, safety, visual intrusion, and the location of new facilities. Mitigation measures shall include limitations on the number of air-worthy aircraft that may be based at the Airpark.

(4) PEARSON AIRPARK MUSEUM PLAN.—The management plan submitted pursuant to section 107(c)(1) and subsection (e) of this section regarding the Heritage Area shall include a Pearson Airpark Museum Plan, which shall include budgetary strategies by which proceeds from general aviation and other sources will fund the Pearson Airpark Museum and other aviation curation activities.

(5) MITIGATION MEASURES AND CONDITIONS REGARDING GENERAL AVIATION.—The management plan submitted pursuant to section 107(c)(1) and subsection (e) of this section regarding the Heritage Area shall permit general aviation at Pearson Airpark to continue until April 3, 2022, subject to the following conditions:

(A) Pearson Airpark and Pearson Airpark Museum shall be operated by the city of Vancouver or its designated entity. Beginning on June 30, 2002, the Secretary shall require payment at fair market value for any National Park Service lands leased within the boundaries of the Heritage Area, except as otherwise provided in this subparagraph. The Secretary may enter into agreements that provide that specific work performed or expenses paid by the city of Vancouver may be used, fairly valued, to reduce or offset the amount of the obligation of the city to pay rent pursuant to this subsection, *unless the city is obligated to perform the work or pay the expenses under a statute other than this Act.*

(B) Not later than June 30, 2003, the city of Vancouver shall remove from National Park Service property in the Heritage Area all nonhistoric aviation-related buildings and devices, including T-hangers and associated taxiways, except buildings and devices necessary for navigation and safety.

(C) The city of Vancouver shall not be compensated for historic buildings remaining on National Park Service property, but shall continue to bear liability and responsibility for continued use and maintenance of these structures.

(D) No structural improvements or structural additions to any structure or facility of the Pearson Airpark Museum located on property of the National Park Service may be made without the approval of the Secretary.

(E) Helicopters shall not use Pearson Airpark except in cases of emergency, disaster, or national security needs.

SEC. 210. WHEELING AMERICAN HERITAGE AREA.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) Wheeling, West Virginia, and its vicinity possess important historical, cultural, and natural resources, representing major heritage themes of transportation, commerce, industry, and Victorian culture in the United States;

(2) the city of Wheeling played an important part in the settlement of the Nation by serving as the western terminus of the National Road in the early 1800's, by serving as the Crossroads of America throughout the 19th century, by serving as one of the few major inland ports in the United States in the 19th century, and by hosting the establishment of the Restored State of Virginia, and later the State of West Virginia during the Civil War years;

(3) the city of Wheeling was the first capital of the new State of West Virginia, during the development and maintenance of many industries crucial to the expansion of the Nation, including iron, steel, and textile manufacturing, boat building, glass manufacturing, and stogie and chewing tobacco manufacturing, many of which are industries that continue to play an important role in the Nation's economy;

(4) the city of Wheeling has retained its national heritage themes with the designations of the old custom house, now Independence Hall, as a National Historic Landmark, with the designation of the historic suspension bridge as a National Historic Landmark, with 5 historic districts, and with many individual properties in the Wheeling area listed on or eligible for nomination to the National Register of Historic Places; and

(5) the heritage themes and number and diversity of the remaining resources of Wheeling should be appropriately retained, enhanced, and interpreted for the education, benefit, and inspiration of the people of the United States.

(b) STATEMENT OF PURPOSE.—The purposes of this section are—

(1) to recognize the special importance of the history and development of the Wheeling, West Virginia, area in the cultural heritage of the Nation;

(2) to provide a framework to assist the city of Wheeling and other public and private entities and individuals in the appropriate preservation, enhancement, and interpretation of resources in the Wheeling area that are emblematic of the contributions of Wheeling to the cultural heritage of the Nation; and

(3) to allow for limited Federal, State, and local capital contributions for planning and infrastructure investments to create the Wheeling American Heritage Area, in partnership with the State of West Virginia, the city of Wheeling, West Virginia, and their designees, and to provide for an economically self-sustaining American Heritage Area that will not be dependent on Federal assistance beyond the initial years necessary to establish the American Heritage Area.

(c) DESIGNATION.—Upon publication by the Secretary in the Federal Register of notice that a compact regarding the Heritage Area and meeting the requirements for a compact under section 106(a)(2) has been approved by the Secretary under the procedures referred to in section 106(b), there is hereby designated the Wheeling American Heritage Area (hereinafter in this Act referred to as the "Heritage Area") in the State of West Virginia.

(d) BOUNDARIES.—The Heritage Area shall be composed of the lands generally depicted on the map entitled "Boundary Map, Wheeling American Heritage Area, West Virginia", numbered WHNA-80,005, and dated August 1994. The map shall be on file and available for public inspection in the office of the Director of the National Park Service.

(e) ADMINISTRATION.—The Heritage Area shall be considered to be part of the American Heritage Areas Partnership Program and shall be considered for all purposes, including but not limited to the management plan submission requirement of section 107(c)(1) and the provisions of section 108, to have been designated an American Heritage Area under section 105(d) on the date on which the Heritage Area is designated under subsection (c) of this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section not more than—

(A) $5,000,000 for capital projects;

(B) $1,000,000 for planning and studies; and

(C) $500,000 for technical assistance.

(2) LIMITATIONS.—(A) Funds made available pursuant to subparagraph (A) or (B) of paragraph (1) for a capital project or for planning and studies regarding a project shall not exceed 50 percent of the total costs of the capital project or project, respectively.

(B) Funds made available under this section or any other Federal law for the Heritage Area or the Wheeling National Heritage Area (including the Wheeling project) may not exceed $6,500,000 in the aggregate.

(3) NOT ELIGIBLE FOR FUNDS UNDER TITLE I.—No funds may be appropriated under title I for purposes of the Heritage Area.

TITLE III—STUDIES REGARDING POTENTIAL AMERICAN HERITAGE AREAS

SEC. 301. OHIO RIVER CORRIDOR.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the amenities and resources of the Ohio River, which flows through 6 States from its headwaters in the Commonwealth of Pennsylvania to its confluence with the Mississippi River and comprises a chain of commercial, industrial, historical, archaeological, natural, recreational, scenic, wildlife, urban, rural, cultural, and economic areas, are of major significance and importance to the Nation;

(2) the national interest is served by—

(A) preserving, protecting, and improving such amenities and resources for the benefit of the people of the United States; and

(B) improving the coordination between all levels of government in the Ohio River Corridor;

(3) the preservation, protection, and improvement of such amenities and resources are failing to be fully realized despite efforts by the States through which the Ohio flows, political subdivisions of such States, and volunteer associations and private businesses in such States;

(4) existing Federal agency programs are offering insufficient coordination to State and local planning and regulatory authorities to provide for resource management and economic development in a manner that is consistent with the protection and public use of the amenities and resources of the Corridor; and

(5) the Federal Government should assist in the coordination, preservation, and interpretation activities of public and private entities with respect to the significant amenities and resources associated with the Ohio River.

(b) STUDY OF OHIO RIVER CORRIDOR.—

(1) IN GENERAL.—Not later than 2 years after the date on which funds are made available to carry out this section, the Secretary shall complete a study on the suitability and feasibility of designating the Ohio River corridor, from its headwaters in the Commonwealth of Pennsylvania to its confluence with the Mississippi River, as an American Heritage Area.

(2) REPORT TO CONGRESS.—On completion of the study required by subsection (a), the Secretary shall submit a report describing the results of the study to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

SEC. 302. FOX AND LOWER WISCONSIN RIVER CORRIDORS.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the Fox-Wisconsin waterway is famous as the discovery route of Marquette and Joliet;

(2) as the connecting route between the Great Lakes and the Mississippi River, the waterway was critical to the opening of the Northwest Territory and served as a major artery in bringing commerce to the interior of the United States and providing a vital communication link for early explorers, missionaries, and fur traders;

(3) within the Fox and Lower Wisconsin River corridors are an abundance of historic and archaeological sites and structures representing early Native Americans, European exploration, and 19th-century transportation and settlement; and

(4) the unique aspects of the waterway, from the heavily developed portions of the Fox River to the pristine expanses of the Lower Wisconsin River, should be studied to determine the suitability and feasibility of the waterway for designation as an American Heritage Area.

(b) STUDY OF FOX-WISCONSIN RIVER CORRIDORS.—

(1) IN GENERAL.—Not later than 2 years after the date on which funds are made available to carry out this section, the Secretary shall complete a study on the suitability and feasibility of designating the Fox and Lower Wisconsin River corridors in the State of Wisconsin as an American Heritage Area.

(2) REPORT TO CONGRESS.—On completion of the study referred to in subsection (a), the Secretary shall submit a report describing the results of the study to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

SEC. 303. SOUTH CAROLINA CORRIDOR.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the counties of Oconee, Pickens, Anderson, Abbeville, Greenwood, McCormick, Edgefield, Aiken, Barnwell, Orangeburg, Bamberg, Dorchester, Colleton, and Charleston, in the State of South Carolina, form a corridor, more than 250 miles in length, which possesses a wide diversity of significant rare plants, animals, and ecosystems, agricultural and timber lands, shellfish harvesting areas, historic sites and structures, and cultural and multicultural landscapes related to the past and current commerce, transportation, maritime, textile, agricultural, mining, cattle, pottery, and national defense industries of the region, which provide significant ecological, natural, tourism, recreational, timber management, educational, and economic benefits;

(2) there is a national interest in protecting, conserving, restoring, promoting, and interpreting the benefits of the region for the residents of, and visitors to, the corridor area;

(3) a primary responsibility for conserving, preserving, protecting, and promoting the benefits of the region resides with the State of South Carolina and the various local units of government having jurisdiction over the corridor area; and

(4) in view of the longstanding Federal practice of assisting the States in creating, protecting, conserving, preserving, and interpreting areas of significant natural and cultural importance, and in view of the national significance of the corridor, the Federal Government has an interest in assisting the State of South Carolina, its units of local government, and the private sector in fulfilling their responsibilities.

(b) STUDY OF SOUTH CAROLINA CORRIDOR.—Not later than 2 years after the date of the enactment of this Act, the Secretary, acting through the National Park Service, shall cooperate with the South Carolina Department of Parks, Recreation, and Tourism in preparing a study on the suitability and feasibility of designating the corridor formed by the counties of Oconee, Pickens, Anderson, Abbeville, Greenwood, McCormick, Edgefield, Aiken, Barnwell, Orangeburg, Bamberg, Dorchester, Colleton, and Charleston, in the State of South Carolina, as an American Heritage Area.

SEC. 304. NORTHERN FRONTIER.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the area comprising Tryon County, in the Mohawk Valley of the State of New York, and the Country of the Six Nations (Iroquois Confederacy), known during the American Revolutionary War period as the "Northern Frontier", offers excellent opportunities to study a little known or understood aspect of the American Revolution—the frontier experience;

(2) the Northern Frontier territory was extremely valuable to both sides of the American Revolutionary War and was contested because of its geopolitical, military, agricultural, transportation, and commercial attributes;

(3) because a complex social, economic, and political society was emerging on the Northern Frontier, the Continental Congress established the Northern Indian Department to conduct affairs there, and the English made the area, and its Indian population, the centerpiece of the English strategy to split the colonies;

(4) due to the struggle to control the Northern Frontier, privation and hardship were inflicted upon nearly all who lived there, a diverse mix of ethnic and racial groups willingly and unwillingly thrust into the struggle for independence, leaving many dead, homeless, orphaned, or dislocated by the end of the hostilities;

(5) the tensions on the Northern Frontier reached such a pitch that hostilities erupted, pitting neighbors, families, tribes, and clans against each other, and led to a bloody, savage, and destructive battle;

(6) new interpretations and interdisciplinary studies of this human drama are not only necessary, but timely because of the abundant supply of assets in the area, including sites, buildings, celebrations, folklore, and collections, many safely preserved and many at risk; and

(7) if these Northern Frontier assets can be thematically related and portrayed for the education and enjoyment of Americans and foreign visitors, an important and often overlooked chapter in the heritage of the Nation will be displayed for the benefit and edification of all peoples.

(b) STUDY.—

(1) IN GENERAL.—Not later than 2 years after the date on which funds are made available to carry out this section, the Secretary shall complete a study on the suitability and feasibility of designating Tryon County, in the Mohawk Valley of the State of New York, and the Country of the Six Nations (Iroquois Confederacy) as an American Heritage Area.

(2) REPORT TO CONGRESS.—On completion of the study referred to in subsection (a), the Secretary shall submit a report describing the results of the study to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

TITLE IV—BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR AMENDMENTS

SEC. 401. BOUNDARIES, COMMISSION, AND REVISION OF PLAN.

(a) BOUNDARIES.—Section 2(a) of the Act entitled "An Act to establish the Blackstone River Valley National Heritage Corridor in

Massachusetts and Rhode Island", approved November 10, 1986 (Public Law 99-647; 100 Stat. 3625), is amended by striking the first sentence and inserting the following new sentence: "The boundaries shall include the lands and waters generally depicted on the map entitled 'Blackstone River Valley National Heritage Corridor Boundary Map', numbered BRV-80-80,011, and dated May 2, 1993.".

(b) COMMISSION MEMBERSHIP.—(1) Section 3 of the Act entitled "An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island", approved November 10, 1986 (Public Law 99-647; 100 Stat. 3625), is amended—

(A) by amending subsection (b) to read as follows:

"(b) MEMBERSHIP.—(1) The Commission shall be composed of 19 members, appointed as follows:

"(A) the Director of the National Park Service, or a designee, ex officio;

"(B) 5 individuals appointed by the Secretary after consideration of recommendations from the Governor of Rhode Island;

"(C) 5 individuals appointed by the Secretary after consideration of recommendations from the Governor of Massachusetts;

"(D) 4 individuals appointed by the Secretary to represent the interests of local government in the State of Rhode Island; and

"(E) 4 individuals appointed by the Secretary to represent the interests of local government in the State of Massachusetts.

"(2) A vacancy in the Commission shall be filled in the manner in which the original appointment was made."; and

(B) in subsection (c), by inserting immediately before the period at the end the following: ", but may continue to serve until a successor has been appointed".

(2) Paragraph (1) shall take effect upon the expiration of the 90-day period beginning on the date of the enactment of this Act.

(c) REVISION OF PLAN.—Section 6 of the Act entitled "An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island", approved November 10, 1986 (Public Law 99-647; 100 Stat. 3625), is amended by adding at the end the following new subsection:

"(d) REVISION OF PLAN.—(1) Not later than 1 year after the date of the enactment of this subsection, the Commission shall revise the Cultural Heritage and Land Management Plan submitted under subsection (a) and shall submit the revised plan to the Secretary and the Governors of Massachusetts and Rhode Island for approval under the procedures referred to in subsection (b). The revision shall address any change in the boundaries of the Corridor that occurs after the submission of the plan required by subsection (a) and shall include a natural resource inventory of areas or features that should be protected, restored, or managed because of the natural and cultural significance of the areas or features.

"(2) No changes other than minor boundary revisions may be made in the plan approved under subsection (b) and revised under paragraph (1) of this subsection, unless the Secretary approves such changes. The Secretary shall approve or disapprove any proposed change in the plan, except minor revisions, in accordance with subsection (b).".

(d) TERMINATION OF COMMISSION.—Section 7 of the Act entitled "An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island", approved November 10, 1986 (Public Law 99-647; 100 Stat. 3630), is amended to read as follows:

"TERMINATION OF COMMISSION

"SEC. 7. The Commission shall terminate on December 31, 2003.".

SEC. 402. IMPLEMENTATION OF PLAN.

Section 8(c) of the Act entitled "An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island", approved November 10, 1986 (Public Law 99-647; 100 Stat. 3630), is amended to read as follows:

"(c) IMPLEMENTATION.—(1) To assist in the implementation of the Cultural Heritage and Land Management Plan, submitted and revised under section 6, in a manner consistent with the purposes of this Act, and to assist in the preservation and restoration of structures on or eligible for inclusion on the National Register of Historic Places, the Secretary is authorized to provide funds for projects in the Corridor that exhibit national significance or provide a wide spectrum of historic, recreational, environmental, educational, or interpretive opportunities, without regard to whether the projects are in public or private ownership. Applications for funds under this section shall be made to the Secretary through the Commission. Each such application shall include the recommendation of the Commission and its findings regarding the manner in which the project proposed to be funded will further the purposes of this Act.

"(2) The Commission shall not be eligible for funds under this section unless it submits to the Secretary an application that includes—

"(A) a 10-year development plan including the resource protection needs and projects critical to maintaining or interpreting the distinctive character of the Corridor; and

"(B) specific descriptions of any projects that have been identified and of the participating parties, roles, cost estimates, cost-sharing, or cooperative agreements necessary to carry out the development plan.

"(3) Funds made available pursuant to this subsection for any project shall not exceed 50 percent of the total cost of such project.

"(4) In making funds available under this subsection, the Secretary shall give priority to projects that attract greater non-Federal than Federal funding.

"(5) Any payment made under this subsection for the purposes of conservation or restoration of real property or of any structure shall be subject to an agreement—

"(A) to convey a conservation or preservation easement to the Department of Environmental Management or to the Historic Preservation Commission, as appropriate, of the State in which the real property or structure is located; or

"(B) that upon conversion, use, or disposal of the real property or structure for purposes contrary to the purposes of this Act, the recipient of the payment, or the successors or assigns of the recipient, shall pay to the United States the greater of—

"(i) the total of all Federal funds made available for conservation or restoration of the real property or structure, reduced pro rata over the useful life of the improvements funded; and

"(ii) the increased value attributable to such funds, as determined at the time of the conversion, use, or disposal.

"(6) The determination that, for purposes of paragraph (5)(B), a conversion, use, or disposal has been carried out contrary to the purposes of this Act shall be solely within the discretion of the Secretary.".

SEC. 403. AUTHORIZATION OF APPROPRIATIONS.

Section 10 of the Act entitled "An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island", approved November 10, 1986 (Public Law 99-647; 100 Stat. 3630), is amended—

(1) in subsection (a), by striking "$350,000" and inserting "$500,000"; and

(2) by amending subsection (b) to read as follows:

"(b) DEVELOPMENT FUNDS.—There is authorized to be appropriated to carry out section 8 for fiscal years beginning after September 30, 1994, not more than $5,000,000 in the aggregate, to remain available until expended.".

TITLE V—BRAMWELL NATIONAL HISTORIC DISTRICT

SEC. 501. BRAMWELL NATIONAL HISTORIC DISTRICT.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) the coal mining heritage of southern West Virginia is of historical and cultural significance;

(2) the town of Bramwell, West Virginia, possesses remarkable and outstanding historical, cultural, and architectural values relating to the coal mining heritage of southern West Virginia; and

(3) it is in the national interest to preserve the unique character of the town of Bramwell, West Virginia, and to enhance the historical, cultural, and architectural values associated with its coal mining heritage.

(b) STATEMENT OF PURPOSE.—The purpose of this section is to encourage the preservation, restoration, and interpretation of the historical, cultural, and architectural values of the town of Bramwell, West Virginia.

(c) DESIGNATION.—In order to preserve, protect, restore, and interpret the unique historical, cultural, and architectural values of Bramwell, West Virginia, there is hereby designated the Bramwell National Historic District (hereinafter in this section referred to as the "Historic District"). The Historic District shall consist of the lands and interest therein within the corporate limits of the town of Bramwell, West Virginia.

(d) COOPERATIVE AGREEMENTS.—

(1) IN GENERAL.—The Secretary is authorized to enter into cooperative agreements with the State of West Virginia, or any political subdivision thereof, to further the purposes of the Historic District.

(2) RATIO OF NON-FEDERAL FUNDS.—Funds authorized to be appropriated to the Secretary for the purposes of this subsection shall be expended in the ratio of 1 dollar of Federal funds for each dollar contributed by non-Federal sources. With the approval of the Secretary, any donation of land, services, or goods from a non-Federal source, fairly valued, may be considered as a contribution of dollars from a non-Federal source for the purposes of this subsection.

(3) AGREEMENTS REGARDING PAYMENTS.—Any payment made by the Secretary pursuant to a cooperative agreement under this subsection shall be subject to an agreement that conversion, use, or disposal of the project so assisted for any purpose contrary to the purpose of this section, as determined by the Secretary, shall result in a right of the United States to the greater of—

(A) reimbursement of all funds made available to such project; or

(B) the proportion of the increased value of the project attributable to such funds, as determined at the time of the conversion, use, or disposal.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,000,000 to carry out this section.

TITLE VI—SOUTHWESTERN PENNSYLVANIA AMERICAN HERITAGE AREA AMENDMENTS

SEC. 601. SHORT TITLE.

This title may be cited as the "Southwestern Pennsylvania American Heritage Area Amendments Act".

SEC. 602. DESIGNATION OF SOUTHWESTERN PENNSYLVANIA AMERICAN HERITAGE AREA.

The Act entitled "An Act to establish in the Department of the Interior the Southwestern Pennsylvania Heritage Preservation Commission, and for other purposes", approved November 19, 1988 (102 Stat. 4618), is amended by adding at the end the following new title:

"TITLE III—SOUTHWESTERN PENNSYLVANIA AMERICAN HERITAGE AREA

"SEC. 301. DESIGNATION.

"There is hereby designated the Southwestern Pennsylvania American Heritage Area, which shall be comprised of the region in southwestern Pennsylvania described in section 101(a).

"SEC. 302. CLASSIFICATION.

"The Southwestern Pennsylvania American Heritage Area shall not be considered to be an American Heritage Area for purposes of the American Heritage Areas Partnership Program Act of 1994 or the American Heritage Areas Partnership Program established by section 105(a) of such Act.".

SEC. 603. POWERS OF COMMISSION.

Section 103(h)(3) of the Act entitled "An Act to establish in the Department of the Interior the Southwestern Pennsylvania Heritage Preservation Commission, and for other purposes", approved November 19, 1988 (102 Stat. 4618), is amended by inserting "or an appropriate private nonprofit organization exempt from income taxes under section 501(c)(3) of the Internal Revenue Code of 1986," after "public agency,".

SEC. 604. FEDERAL PARTICIPATION.

Section 105 of the Act entitled "An Act to establish in the Department of the Interior the Southwestern Pennsylvania Heritage Preservation Commission, and for other purposes", approved November 19, 1988 (102 Stat. 4618), is amended to read as follows:

"SEC. 105. PROCEDURES FOR FEDERAL PARTICIPATION.

"(a) REVISION OF COMPREHENSIVE MANAGEMENT PLAN AND SCOPE AND COST DOCUMENT.—(1) The Commission shall revise, to carry out this title in a manner that provides for limited Federal involvement, the management plan developed before the date of the enactment of this section. The Commission shall also revise the scope and cost document developed before the date of the enactment of this section to reflect the total cost of each project proposed for approval under this section and the Federal portion of such cost. Both the management plan and the scope and cost document shall be submitted to the Secretary for approval.

"(2) The Secretary shall approve or disapprove any management plan or scope and cost document submitted under paragraph (1) not later than 90 days after receiving such plan or document. If the Secretary disapproves the submitted management plan or scope and cost document, the Secretary shall advise the Commission in writing of the reasons therefor and shall make recommendations for revisions in the plan or document. The Secretary shall approve or disapprove a proposed revision to such a plan or document within 90 days after the date on which the proposed revision is submitted to the Secretary.

"(b) LOANS, GRANTS, AND TECHNICAL ASSISTANCE USING FEDERAL FUNDS.—The Commission may not make loans or grants involving Federal funds under section 104 except as provided in this subsection. The Secretary may provide a loan, a grant, or technical assistance, for the purpose described in section 104, pursuant to an application made to the Secretary through the Commission in accordance with procedures required by the Secretary. Each such application shall include the findings of the Commission regarding the manner in which the proposed loan, grant, or technical assistance will further the purpose of this Act. Each such application shall also include the recommendations of the Commission regarding the proposed loan, grant, or technical assistance. The Secretary may approve such an application only if the Federal funds provided pursuant to the application will be used in a manner that is generally consistent with Federal law relating to the type of project or activity to be funded, as determined by the Secretary. Federal funds made available for loans or grants pursuant to section 104 or this subsection may be used to provide for the preservation or restoration of historic properties in an amount not to exceed $100,000 for each project so assisted.

"(c) USE OF FEDERAL FUNDS.—(1) Federal funds made available under this Act with respect to projects may be made available only for projects that are consistent with the Standards and Guidelines for Historic Properties promulgated by the Secretary.

"(2) Federal funds made available under this Act after the date of the enactment of this section with respect to a project may be used only for planning and design with respect to the project, except that such funds may be used to complete construction commenced before such date regarding Saltsburg Canal Park or West Overton Village.

"(3) The total amount of Federal assistance provided under this section for a project in any fiscal year may not exceed 20 percent of the total amount of Federal funds made available for that fiscal year for the Southwestern Pennsylvania National Heritage Area.

"(4) Federal funds made available under this title with respect to a project may not exceed 50 percent of the total costs of the project. In making such funds available, the Secretary shall give consideration to projects that provide a greater leverage of Federal funds. Any payment made under section 104 or 105 shall be subject to an agreement that conversion, use, or disposal of the project so assisted for any purpose contrary to the purpose of this Act, as determined by the Secretary, shall result in a right of the United States to the greater of—

"(A) compensation for all funds made available with respect to such project; and

"(B) the proportion of the increased value of the project attributable to such funds, as determined at the time of such conversion, use, or disposal.

"(5) No Federal funds made available to carry out this Act for fiscal years beginning after September 30, 1995, may be used to provide operational or maintenance support with respect to any building, site, or structure that is not owned by the Federal Government, except the Railroaders Memorial Museum, Saltsburg Canal Park, and West Overton Village. Such funds for the Railroaders Memorial Museum, Saltsburg Canal Park, and West Overton Village may not exceed $200,000 annually, in the aggregate.

"(6) No Federal funds made available to carry out this Act may be used for the construction of any visitor center, interpretive center, or museum, except West Overton Village.

"(7) The Secretary shall approve or disapprove the use of Federal funds made available pursuant to this title within 30 days after application for such funds by the Commission.".

SEC. 605. CONGRESSIONAL OVERSIGHT.

Section 104(b) of the Act entitled "An Act to establish in the Department of the Interior the Southwestern Pennsylvania Heritage Preservation Commission, and for other purposes", approved November 19, 1988 (102 Stat. 4618), is amended—

(1) in the first sentence, by inserting "and to the Congress" after "Secretary"; and

(2) by inserting after the first sentence the following: "Funds made available for a fiscal year to carry out this Act may not be obligated for that fiscal year until the report required for the preceding fiscal year by the preceding sentence is submitted to the Congress.".

SEC. 606. AUTHORIZATION OF APPROPRIATIONS.

Title I of the Act entitled "An Act to establish in the Department of the Interior the Southwestern Pennsylvania Heritage Preservation Commission, and for other purposes", approved November 19, 1988 (102 Stat. 4618), is amended by adding at the end the following new section:

"SEC. 106. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to the Secretary to carry out this Act the following:

"(1) For each of the fiscal years 1996, 1997, and 1998, $1,000,000 for planning and design, $1,600,000 for construction, $600,000 for grants and loans, and $400,000 for the operations of the Commission.

"(2) For that portion of fiscal year 1999 that occurs before the Commission ceases to exist under section 104(e), $250,000 for planning and design, $400,000 for construction, $150,000 for grants and loans, and $100,000 for the operations of the Commission.".

SEC. 607. PATH OF PROGRESS.

Title II of the Act entitled "An Act to establish in the Department of the Interior the Southwestern Pennsylvania Heritage Preservation Commission, and for other purposes", approved November 19, 1988 (102 Stat. 4618), is amended as follows:

(1) By amending the heading of the title to read as follows:

"TITLE II—PATH OF PROGRESS".

(2) By amending section 201 to read as follows:

"SEC. 201. IDENTIFICATION OF ROUTE.

"In order to provide for public appreciation, education, understanding, and enjoyment of certain nationally and regionally significant sites in Southwestern Pennsylvania which are accessible by public roads, the Secretary, with the concurrence of the agency having jurisdiction over such roads, may provide signs, interpretive materials, and other informational devices for a vehicular tour route, commonly known as the 'Path of Progress Heritage Route'.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Utah [Mr. HANSEN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may

have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration before us.

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

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, the bill before us is a bill for 1994 in reform and a proper initiative for Park Service activities today. It is a new idea to conserve natural and cultural resources and try to respond to the needs of today.

First of all, it reinvents the idea of a National Park Service designation, building upon the concept of national landmarks or historic register recognition, this provides for the opportunity to do an actual designation on the part of Congress for important natural and cultural resources. It is not a massive new Federal program; if anything, it is an attempt to try to empower the State and local governments to protect that which is within their areas.

Second, its funding, the American Heritage Partnership Act, is funded from existing authorized funds. Of course in a very modest manner. The fact is there is $150 million each year authorized. This authorizes but $22.5 million of that amount specifically for its purposes and some additional operation and maintenance funding.

It is a new use of exiting authorized funds. It preserves and protects property rights. I want to repeat that because there has been a lot of misunderstanding about this point. What we do not do is we do not superimpose the new wish list of property rights in this bill, as some have sponsored and sought.

Third, it is a true partnership, establishing State and local government compacts. They make agreements and match the funds on a 1-to-1 basis in most instances. In 10 years, when that 10-year window availability is over, the National Park Service and Federal support concludes.

Fourth, this is a good process bill. There has been a hearing on every one of the bills that are in the American Heritage Areas Partnership Act, they have been subject to a hearing, as has the basic act. The basic act was marked up and has bipartisan support.

Finally, Mr. Speaker, this provides that Federal Departments and Agencies will act together, it provides for consultation so that Federal entities will work together.

Mr. Speaker, the consultation does not indicate dictation. The fact is these agencies can go ahead and perform their assigned roles. We just want some communication between them and the American heritage areas, the units designated in this and future measures.

It is a good bill. It affects many areas, but small areas, in our Nation. You would have to have a magnifying lens to find them. Indeed I will show them to the Members as we go through this debate. I urge Members to support this program. It is good work product, it affects many Members, it is a good bill.

Mr. Speaker, H.R. 5044, the omnibus heritage areas legislation, established the American Heritage Areas Partnership Program, provides for individual American heritage area designations pursuant to that program, directs the National Park Service to study certain specific areas for inclusion in the program, and makes modifications to several laws that designated certain heritage corridors or areas in the 1980's. This legislation represents a consensus among the administration, a bipartisan group of members of the Committee on Natural Resources and other interested parties, that innovative ways must be found to extend national preservation efforts in a new cost-effective manner.

AMERICAN HERITAGE AREAS PARTNERSHIP PROGRAM

H.R. 5044 incorporates the provisions of H.R. 3707, which I introduced in November 1993, and which establishes the American Heritage Areas Partnership Program within the Department of the Interior. The bill was reported favorably to the House by the Committee on Natural Resources on May 25, 1994, and has the strong support of the administration and members on both sides of the aisle who are committed to developing this partnership between the Federal Government and State and local officials to assure the preservation and conservation of some of our most valuable resources.

These provisions have continued to evolve through discussions with the minority, with the administration, and with other interested parties, and I believe the version we are bringing to the floor today is a better bill because of this input.

I would like to commend my colleague on the committee, Mr. HINCHEY, for his efforts with regard to heritage area legislation. After introducing his own version, he has graciously agreed to work with me on my draft and has provided substantial insight into the process from his own experience in dealing with this type of legislation as a State legislator in New York. I appreciate his input.

As my colleagues know, I have advocated for some time the establishment of a more effective process by which to recognize the important resources contained in so-called heritage areas while limiting Federal involvement in their development and operation. Our Nation contains many geographically and thematically unified areas, which include significant resources worthy of preservation and conservation. In many cases, these areas are connected by greenways, trails, or natural corridors which could be the focus of innovative management ideas. Such areas are important nationally, and are best managed in a true Federal partnership with State and local government and private entities.

In fact, the strong State, local, and private support these areas receive, and their diverse resources, indicate that national involvement, while welcome and necessary, should be limited. The professional expertise of the National Park Service can be useful in identifying and providing assistance for defining, establishing, and managing these important areas. However, the diversity of their resources, the ownership patterns, and the variety of uses and activities taking place, suggest that a true Federal partnership, wherein the national Government provides recognition and limited financial and technical assistance, and other entities, through the State and local governments, manage and fund the largest share of the necessary preservation and interpretation, is the most appropriate method of preserving these areas.

Proposals for heritage areas or corridors have significantly increased in the past several years; there are currently four such areas affiliated with the National Park Service. The American Heritage Areas Program under consideration today would extend national preservation efforts in a new cost-effective manner and would assure that new heritage areas or corridors will have been properly reviewed.

The text of the bill we are considering today incorporates the consensus I have reached with various parties on these issues. The bill defines an American heritage area and lists the criteria for designation. Designation will require an act of Congress after an entity requesting designation has submitted a feasibility study and compact approved by the Secretary. Proposed areas may qualify for limited technical and financial assistance before designation, and after established, heritage areas may receive technical and financial assistance for the purposes of developing and implementing a comprehensive management plan. The bill also provides for the withdrawal of designation if the Secretary determines that the area no longer meets the criteria.

The legislation states minimum criteria for recognition of a management entity to administer an individual heritage area, prohibits the use of Federal funds received through this act for the acquisition of property, and limits a management entity's eligibility to receive Federal funds for 10 years, with an additional 5 authorized if the Secretary approves. Other Federal agencies are required to coordinate their activities within a designated heritage area to the extent possible.

Authorization for specified activities within an area are limited as follows:

A maximum of $100,000 for feasibility studies, $150,000 for compacts, $150,000 for management plans, and $250,000 for early actions. All of the preceding must receive a 25-percent match, and the total annual funding for all such assistance is limited to $8 million.

Management entities may receive up to $250,000 annually, but must provide a 50-percent match for Federal funding for this purpose.

For grants to assist in implementing management plans, the bill provides $14.5 million annually, with no one area eligible to receive more than 10 percent of the annual appropriation for this purpose, and with the conditions that the area must provide a 50-percent match, and that no area may receive more than $10 million for this purpose in total.

Technical assistance provided by the National Park Service is limited to $150,000 annually for each American heritage area. Such assistance is defined as guidance, advice, help, or aid, other than financial aid. Services

procured from the private sector by a management entity using funds provided under the American Heritage Areas Partnership Program are not considered technical assistance. Only that assistance provided by the employees of the Department of the Interior will be counted as technical assistance for the purposes of this program.

H.R. 5044, authorizes the program for 25 years, and states that this act does not affect existing authorities for established heritage areas.

Questions were raised during our discussions on heritage areas about certain provisions, and I would like to take this opportunity to set the record straight on a few issues.

This is not a Federal land grab. These areas will be established as the result of local initiative; heritage area designation will require initial nomination by local groups and a demonstration of strong commitment by local and State entities. Furthermore, the bill expressly forbids the use of Federal funds to acquire property. Finally, section 9 underscores the fact that nothing in this act shall be construed to enlarge, diminish or modify any current authority under Federal, State, and local law to regulate land use. Land use plans for a designated area may be adopted and implemented by local governments or those entities authorized by State law to exercise such authorities concerning private property use. While State and local governments may choose to adopt land use plans and regulations in support of American heritage areas, nothing in this bill requires such action, nor does this bill grant such authority to management entities. Zoning regulations are not affected by this act and remain under the jurisdiction of State and local governments. No new authorities, including the authority to impose or enforce new Federal regulations, are included or anticipated.

After discussion with interested parties on this issue, I have amended the legislation further to state that nothing in the American Heritage Areas Act requires the Secretary to consider land use regulations as a condition of approval of a management plan or compact. Further changes include a requirement that a feasibility study include an inventory of the amount of land in the proposed area owned by public, private, and private nonprofit entities respectively. I believe these amendments underscore the fact that the legislation in no way creates a system of Federal land use regulation nor does it purport to impose such regulation on appropriate State and local authorities.

The bill does direct other Federal entities to consult with the Secretary and to coordinate their activities within an American heritage area to the extent practicable. Such agencies are to conduct activities within a designated American heritage area consistent with the management plan unless the Federal entity determines that there is no practicable alternative.

This requirement does not subordinate other Federal agencies to the Secretary of the Interior. The affected Federal entities may take such actions as they deem necessary regardless of the Secretary's views. This provision merely requires appropriate coordination to eliminate wasteful duplication of efforts and to minimize the impacts of actions which may adversely affect the resources contained in the American heritage area. This language was suggested by OMB, which coordinated discussions with other Federal agencies, and is supported by the administration.

Finally, the funding levels prescribed by the bill as introduced were those suggested by the administration. This is a program designed to minimize the Federal Government's direct involvement in American heritage areas. Matches are required for each category of Federal funding, and there are conditions placed upon the future uses of projects completed with Federal funds. There is an overall cap on spending for each American heritage area, and Federal funding is limited to 10 years for each area, with a 5-year renewal subject to certain conditions.

As Members know, there have been many requests for funding through the appropriations process, and we are seeing more and more Members seeking park designation for such areas which are not really appropriate for inclusion in the National Park System. This program, and the level of funding associated with it, are designed to encourage this limited approach instead of continuing the earmarks and park designations now consuming so much of the National Park Service budget. I believe the funding contained in this bill provides an appropriate incentive for areas which seek Federal funding while limiting Federal involvement in these initiatives.

Mr. Speaker, Americans are increasingly interested in conserving and preserving natural areas and cultural symbols. There is also an increased understanding that resource preservation and economic viability are not mutually exclusive but compatible and mutually enhancing. Obviously, the national Government can neither own nor manage each property or area worthy of preservation. In these active communities containing a variety of resources, multiple management and funding sources would be the most appropriate method of preserving and interpreting the nationally important resources and themes.

I believe H.R. 5044 provides national encouragement for protecting these assets without instituting a massive new Federal bureaucracy or providing significant Federal funding. The Federal Government will neither own nor manage the resources assembled in these areas. These are dynamic, thriving communities, which with the assistance of the National Park Service, will maintain an appropriate balance between preservation and growth.

INDIVIDUAL DESIGNATIONS

While H.R. 5044 establishes an American Heritage Areas Partnership Program, and specifically a process by which heritage areas could be nominated and designated American heritage areas, we are providing for the designation in this bill of certain areas as American heritage areas.

Many local groups have already begun working to complete studies and nominations pending the enactment of generic heritage area legislation. Some of these attempts have been underway for some time and there have been concerns expressed by supporters that delays may endanger the resources contained in the proposed areas and disrupt the coalitions formed to assist these projects. To avoid uncertainty and unnecessary delays, I have agreed to consider several of these proposals. These proposals have all been heard by the Subcommittee on National Parks, Forests and Public Lands and have been tailored to the provisions of the generic legislation to the extent possible.

AMERICAN COAL HERITAGE AREA

The section designating the American Coal Heritage Area includes provisions of two bills: H.R. 3988, the West Virginia National Coal Heritage Act of 1994, introduced by Representative RAHALL on March 9, 1994, and H.R. 4692, the Appalachian Coal Heritage Act of 1994, introduced by Representative BOUCHER on June 30, 1994. These bills concern contiguous coal mining communities in southern West Virginia and in southwestern Virginia, including Pocahontas, VA, and Bramwell, WV, towns on either side of the State line that grew up around the Pocahontas coal mine. The Subcommittee on National Parks, Forests and Public Lands held a hearing on the Rahall and Boucher measures on July 28, 1994.

The Pocahontas coal mine opened in 1882, changing forever the corner of Appalachia at the Virginia-West Virginia State line. Local architecture reflects the migration to this area of Hungarian, German, and Welsh workers, along with others, near the turn of the century.

The West Virginia mining conflicts of the first decades of this century pitted workers and their families against not only mine owners, but also against the U.S. Army, providing a significant, if dark, chapter in the history of the labor movement and Appalachia. The best known of these incidents are the Battle of Matewan and the Battle of Blair Mountain.

Section 201 of H.R. 5044 authorizes the establishment of the American Coal Heritage Area upon publication in the Federal Register that the Secretary of the Interior has approved the compact. The area will be managed pursuant to the provisions of title I.

AUGUSTA CANAL AMERICAN HERITAGE AREA

The section designating the Augusta Canal American Heritage Area incorporates many of the provisions of H.R. 2949, introduced by Representative JOHNSON of Georgia on August 6, 1993. The subcommittee on National Parks, Forests and Public Lands held a hearing on H.R. 2949 on June 28, 1994.

The Augusta Canal in Augusta, GA was constructed in 1845 to transport cotton from its source to downtown Augusta, prompting the construction of several textile mills in the city, and the subsequent rise of the area as a center of cotton manufacturing in the South. In 1875, the canal was expanded, bringing new economic and social vitality to the city. The canal, a national historic landmark, remains intact along with much of its associated historic, cultural, and natural setting in the adjacent industrial area, an example of 19th century Southern Industrial development.

The Augusta Canal Authority, established by the general assembly of Georgia in 1989, has prepared the Augusta Canal master plan with funding from the State of Georgia, the city of Augusta, Columbia County, and the U.S. Department of Transportation and Interior. The plan identifies actions to preserve and interpret the canal and related resources, while

also proposing strategies to extend the influence of the canal and its setting to enhance the natural and urban environment of Augusta.

Section 202 of H.R. 5044 authorizes the establishment of the Augusta Canal American Heritage Area upon publication in the Federal Register that the Secretary of the Interior has approved the compact. The Augusta Canal Authority is identified as an appropriate management entity, and the area will be managed pursuant to the provisions of title I.

CANE RIVER AMERICAN HERITAGE AREA

The section designating the Cane River American Heritage Area incorporates many of the provisions of S. 1980, introduced by Senator JOHNSTON on March 24, 1993. The Subcommittee on National Parks, Forests and Public Lands held a hearing on S. 1980 on July 28, 1994.

The town of Natchitoches, LA is the oldest permanent settlement within the Louisiana Purchase Territory, and was the site of the westernmost fort of the French Empire, Fort St. Jean Baptiste. In 1767, this part of the French Empire was ceded to Spain. The subsequent conversion of the frontier economy to an agricultural economy led to the development of a plantation economy based on slave labor. In 1803, this area was ceded back to France, and shortly thereafter the Louisiana Purchase gave jurisdiction over the area to the United States.

The early years of French and Spanish domination, and the relative isolation of the area, left a lasting legacy in Natchitoches Parish. One aspect of this multicultural history was the development and nurturing of a unique culture on Isle Brevelle, the Cane River Creoles of color, a distinct community which exists today. Nearby Cloutierville retains its French small village flavor, and the life and folkways of the town were the basis for many of the fictional writings of Kate Chopin, who lived there between 1879 and 1884.

A congressionally directed National Park Service special resource study completed in 1993 found several resources within the Cane River study area nationally significant, and recommended an approach which would combine National Park Service management of certain specified properties with a heritage partnership framework for the larger area. Section 203 of H.R. 5044 authorizes the establishment of the Cane River American Heritage Area upon publication of a notice in the Federal Register that the Secretary has approved the compact. The Secretary is authorized to designate a coalition of listed representatives as the management entity for the area, which will be managed pursuant to title I.

ESSEX AMERICAN HERITAGE AREA

The section designating the Essex American Heritage Area incorporates many of the provisions of H.R. 1685, introduced by Representative TORKILDSEN on April 2, 1993. The Subcommittee on National Parks, Forests and Public Lands held a hearing on H.R. 1685 on June 28, 1994.

Essex County in Massachusetts contains historic, cultural, and natural resources reflecting the themes associated with Salem Maritime National Historic Site, including the history of early settlement, maritime trade, and textile and leather industries. In 1987, the city of Salem, MA, contracted for the development of a heritage park plan to link the Salem Maritime National Historic Site more closely with the surrounding communities. The resulting Salem partnership, including representatives from the National Park Service, local government and the private sector produced an action plan to promote rehabilitation and expansion of the Salem Maritime National Historic Site and Improvements in the city's other historic resources and visitor services.

In 1990, the National Park Service produced a study of alternatives ranging from rehabilitation of Salem Maritime NHS to a countywide system of historic sites with several adjunct visitor centers and countywide interpretive themes. The Essex Heritage Ad Hoc Commission, consisting of mayors of the towns in Essex County, representatives of private interests, and residents, was formed, and along with the Salem partnership is proceeding with implementation of the countywide preservation and promotion aspects pending legislation authorizing the Essex American Heritage Area.

Section 204 of H.R. 5044 authorizes the establishment of the Essex American Heritage Area upon publication in the Federal Register that the Secretary of the Interior has approved the compact. The area will be managed pursuant to the provisions of title I.

Because the proposed Essex American Heritage Area contains two national Park System units, Saugus Iron Works National Historic Site and Salem Maritime National Historic Site, it is expected that park operations and heritage operations will be closely coordinated. In particular, Salem Maritime National Historic Site will play an important role in visitor orientation and interpretation of the related themes in the surrounding heritage area.

HUDSON RIVER VALLEY AMERICAN HERITAGE AREA

The section designating the Hudson River Valley American Heritage Area incorporates many of the provisions of H.R. 4720, introduced by Representative HINCHEY on June 30, 1994. The Subcommittee on National Parks, Forests and Public Lands held a hearing on H.R. 4720 on July 28, 1994.

The Hudson River Valley embraces natural, historic, cultural, and recreation resources between Troy, NY, and the border of New York City representing themes of settlement and migration, transportation, and commerce. The Hudson River Valley greenway, created by the State of New York, creates a framework for voluntary regional cooperation in the 10 counties of New York's Hudson River Valley, emphasizing both environmental protection and economic development. The State of New York has established a structure in which the communities in the Hudson River Valley may join together to preserve, conserve, and manage these resources, and to link them through trails. The national importance of the resources contained in the valley, as well as the scope of the greenway project, indicate that Federal participation in development and preserving the resources could be appropriate.

Section 205 of H.R. 5044 authorizes the establishment of the Hudson River Valley American Heritage Area upon publication in the Federal Register that the Secretary of the Interior has approved the compact. The Hudson River Valley Greenway Communities Council and the Greenway Conservancy are identified as appropriate management entities, and the area will be managed pursuant to the provisions of title I.

Because of concerns raised by members and residents in certain areas of the proposed heritage area, the bill provides that political subdivisions within the counties of Greene and Columbia, and in certain parks of the counties of Rensselaer and Dutchess, must agree to be included in order to participate in the program.

OHIO & ERIE CANAL AMERICAN HERITAGE AREA

The section designating the Ohio & Eric Canal American Heritage Area incorporates many of the provisions of H.R. 3593, introduced by Representative REGULA on November 20, 1993. The Subcommittee on National Parks, Forests and Public Lands held a hearing on H.R. 3593 on April 26, 1994.

In fiscal year 1991, Congress appropriated funds for a National Park Service study of the Ohio & Erie Canal Corridor. That study, released in September 1993, found the area suitable for designation as an affiliated area of the National Park System. Its purpose would be to preserve the canal, the first inland waterway link between the Great Lakes and the Gulf of Mexico, and to chronicle the evolution of transportation systems in America.

Section 206 of H.R. 5044 authorizes the establishment of the Ohio & Erie Canal American Heritage Area upon publication in the Federal Register that the Secretary of the Interior has approved the compact. The Secretary is authorized to recognize a coalition of specified representatives as the management entity, and the area will be managed pursuant to the provisions of title I.

SHENANDOAH VALLEY BATTLEFIELDS AMERICAN HERITAGE AREA

This section authorizes the establishment of a Shenandoah Valley Battlefields American Heritage Area, which incorporates some of the provisions of H.R. 746, the Shenandoah Valley National Battlefields Partnership Act of 1993, introduced February 2, 1993 by Congressman WOLF, and its companion, S. 1033, which was passed by the Senate on June 8, 1994.

The Shenandoah Valley of Virginia, was the site of 326 armed conflicts during the Civil War, 15 of which were battles of major significance. The valley's position enhanced its strategic significance in the war; it is defined at its northern end by the first range of the Allegheny Mountains, separated from the Virginia Piedmont by the Blue Ridge Mountains and divided in the middle by the large and complex ridge of Massanutten Mountain.

Two significant Civil war campaigns took place in the Shenandoah Valley. In 1862 Stonewall Jackson brought 17,000 Confederate troops into the valley and, using his detailed knowledge of the valley's topography, rivers and road, bested three Union armies of twice the manpower, forcing the Union to divert troops from the Confederate capital at Richmond, which had been at risk from the growing Union presence outside of town.

In 1864, Union General Sheridan Attacked from the North, devastating the Confederate troops commanded by Jubal Early, and burning the valley's farms and mills along the way, disrupted the food supply. The campaign concluded with a decisive Union victory at Cedar Creek that served to build public confidence in

the White House in the month before Lincoln's re-election.

In 1990, Congress authorized a National Park Service study of the Civil War battlefields of the Shenandoah Valley. The report identifying the resources was issued in September 1992. In September 1993, the National Park Service issued a followup report recommending the creation of a heritage area to protect and interpret these resources.

Section 207 of H.R. 5044 authorizes the establishment of the Shenandoah Valley Battlefield American Heritage Area upon publication in the Federal Register that the Secretary of the Interior has approved the compact. The area will be managed pursuant to the provisions of title I.

STEEL INDUSTRY AMERICAN HERITAGE AREA

This section authorizes the establishment of the Steel Industry American Heritage Area in southwestern Pennsylvania centered around the city of Pittsburgh. It contains elements of H.R. 3144, the Steel Industry Heritage project, introduced by Representative COYNE on September 28, 1993.

Southwestern Pennsylvania was a center of activity during the industrial revolution and the steel industry of that region played a key role in the establishment in the 1920's of the preeminence of the United States in mass production industries. It also gave occasion for a new chapter in the history of the labor movement, spawning such labor organizations as the Congress of Industrial Workers and the United Steel Workers of America. It attracted immigrants whose culture became a part of the region's heritage, and shaped settlement patterns across six counties, including the city of Pittsburgh.

In 1988, as a part of the southwestern Pennsylvania Industrial Heritage Preservation Commission's enabling legislation, Public Law 100–698), Congress authorized the Commission to conduct a study of the Greater Allegheny and Washington Counties/Mon Valley Area, in coordination with the Pittsburgh Area Steel Industry Heritage Task Force. The study, which was completed in March 1993, recommends the establishment of a steel heritage area, to be carried out under cooperative management.

Section 208 of H.R. 5044 authorizes the establishment of the Steel Industry American Heritage Area upon publication in the Federal Register that the Secretary of the Secretary of the Interior has approved the compact. The area will be managed pursuant to the provisions of title I.

VANCOUVER AMERICAN HERITAGE AREA

This section authorizes the establishment of the Vancouver American Heritage Area in Washington State, incorporating aspects of H.R. 4607, the Vancouver National Heritage Area Partnership Act of 1994, introduced on June 21, 1994, by Congresswoman UNSOELD.

Vancouver, Washington's location on the Columbia River, has played a part in several chapters of U.S. history. Fort Vancouver, established in 1825, was the regional headquarters of the Hudson's Bay Co. Vancouver barracks has served the U.S. Army from the mid-1800's. Officer's Row, an avenue of historic homes, housed top military leaders for over 100 years. Pearson Airpark, now a general aviation airport, played a role in the development of aviation.

Congress passed a law in 1948 to establish the Fort Vancouver National Monument, and in 1961 redesignated it the Fort Vancouver National Historic Site. Because nearly all of the Fort's structures were destroyed within 6 years of this abandonment by the Hudson's Bay Co. in 1860, the site comprises reconstructed structures based on archaeological data.

Next to Fort Vancouver is Pearson Airpark, including an aircraft museum. In 1972 the National Park Service paid over $500,000 to acquire from the city of Vancouver a portion of the runway and other land serving Pearson Airpark. The general management plan for the fort provides for the acquired lands to eventually be open space with plantings compatible with the fort. Use of this land for airport operation has been an ongoing matter of concern and discussion and is one of the aspects the bill seeks to address.

In November 1990, Congress established the Vancouver Historical Study Commission to study the feasibility of establishing a historical reserve to preserve and protect the area's special resources—Public Law 101–523. The study was completed in April 1993, and found the establishment of a partnership to preserve Vancouver's resources both feasible and suitable.

Section 209 of H.R. 5044 authorizes the establishment of the Vancouver American Heritage Area upon publication in the Federal Register that the Secretary of the Interior has approved the compact. The area will be managed pursuant to the provisions of title I. In addition, the bill provides for the phasing out of general aviation at Pearson Airpark by 2022.

WHEELING AMERICAN HERITAGE AREA

The section designating the Wheeling American Heritage Area incorporates many of the provisions of H.R. 2843, introduced by Representative MOLLOHAN on August 3, 1993. The Subcommittee on National Parks, Forests and Public Lands held a hearing on H.R. 2843 November 16, 1993.

Wheeling, WV, became a center for transportation and industry in the first half of the 19th century. Serving as the western terminus of the national road in the early 1800's as well as one of the few major inland ports, Wheeling was home to developing industries such as coal, iron and steel, tobacco, glass, china, and tile and boat building. The resources remaining in Wheeling illustrate and interpret transportation and industrial themes in America's development.

Since enactment of Public Law 100–121, the fiscal year 1990 Interior and Related Agencies Appropriations Act, which appropriated funds for a study, the National Park Service has been working with the city of Wheeling and the State of West Virginia to evaluate the city's resources and develop a plan for the preservation, promotion, interpretation, and development of these resources. In August 1992, all parties approved a plan which calls for the establishment of the Wheeling National Heritage Area.

Section 210 of H.R. 5044 authorizes the establishment of the Wheeling American Heritage Area upon publication in the Federal Register that the Secretary of the Interior has approved the compact. The area will be managed pursuant to the provisions of title I, and funding for the Wheeling American Heritage Area will be limited to $5 million for capital projects, $1 million for planning, and $500,000 for technical assistance. Both capital projects and planning require a 50-percent match for Federal funds.

OHIO RIVER STUDY

The section directing a study of the Ohio River corridor incorporates many of the provisions of H.R. 2095, introduced by Representative HAMILTON on May 12, 1993.

The Ohio River flows through six States from its headwaters in the commonwealth of Pennsylvania to its confluence with the Mississippi River and comprises a chain of commercial, industrial, historical, archeological, natural, recreational, scenic, wildlife, urban, rural, cultural, and economic areas. Section 301 of title III directs the Secretary of the Interior to complete within 2 years a study of the feasibility and suitability of designating this section of the Ohio River as an American heritage area.

FOX AND LOWER WISCONSIN RIVER STUDY

The section directing a study of the Fox and Lower Wisconsin River corridor incorporates many of the provisions of S. 344, introduced by Senator KOHL on February 4, 1993, and approved by the Senate on March 17, 1993.

The Fox-Wisconsin Waterway, the discovery route of Marquette and Joliet, connects the Great Lakes and the Mississippi River, was critical to the opening of the Northwest Territory and served as a major artery in bringing commerce to the interior of the United States and in providing a vital communication link for early explorers, missionaries, and fur traders. Section 302 of title III directs the Secretary of the Interior to complete within 2 years a study of the feasibility and suitability of designating the Fox and Lower Wisconsin River corridors as an American heritage area.

SOUTH CAROLINA CORRIDOR STUDY

The section directing the National Park Service to cooperate in a study of the South Carolina corridor incorporates many of the provisions of H.R. 4330, introduced by Representative DERRICK on May 3, 1994.

More than 250 miles in length, a corridor stretching from Charleston, SC, to Oconee County in the upcountry possesses a diversity of significant natural, historic, and cultural resources related to past and current commerce, transportation, mining, cattle, pottery, and national defense industries in the region providing significant ecological, natural, tourism, recreational, timber, management, educational, and economic benefits. Section 303 of title III directs the Secretary to cooperate with the South Carolina Department of Parks, Recreation, and Tourism in preparing a study on the feasibility and suitability of designating the South Carolina corridor as an American heritage area.

NORTHERN FRONTIER STUDY

The section directing a study of the struggle for American independence within the Northern Frontier incorporates many of the provisions of H.R. 79, introduced by Representative BOEHLERT on January 5, 1993.

The Northern Frontier, comprising the Mohawk Valley in the State of New York and the country of the Six Nations—Iroquis Confederacy—was extremely valuable to both sides

of the American Revolutionary War, as well as for the establishment of the Northern Indian Department there. Section 304 of title III directs the Secretary to complete within 2 years a study of the suitability and feasibility of designating the Northern Frontier as an American heritage area.

BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR

The title amending the Blackstone River Valley National Heritage Corridor establishment incorporates many of the provisions of H.R. 2633, introduced by Representative NEAL of Massachusetts on July 14, 1993. The Subcommittee on National Parks, Forests and Public Lands held a hearing on H.R. 2633 on April 26, 1994.

The Blackstone River Valley National Heritage Corridor was established by Public Law 99–647 in 1986 to preserve and interpret the nationally significant resources of the corridor associated with the American Industrial Revolution. The corridor consists of the 46-mile segment of the Blackstone River running from Worcester, MA, to Providence, RI, and includes 20 communities in two States. The 19-member Blackstone River Valley National Heritage Corridor Commission was established by Public Law 99–647 to develop and implement a plan for preserving and interpreting the corridor's resources. The Blackstone River Valley cultural heritage and land management plan was approved by the Secretary of the Interior in June 1990, and the Commission is slated to terminate in 1996. The establishing act authorized $250,000 annually for the Commission with the Federal contribution not to exceed 50 percent of the costs of the Commission's operation.

Public Law 101–441, enacted in 1990, authorized the Secretary to provide limited financial assistance for qualified projects within the corridor. The Federal contribution for such projects was limited to 50 percent, and the Secretary was required to give consideration to projects providing a greater leverage of Federal funds. Public Law 101–441 also authorized $350,000 annually for the Commission's operations and $1 million annually for fiscal year 1991–93 for the financial assistance authorized by the act.

Title IV of H.R. 5044 revises the boundaries of the Blackstone River Valley National Heritage Corridor to include five additional communities—Worcester and Leicester in Massachusetts, and Burrillville, Glocester, and Smithfield in Rhode Island, and specifies the revision of the cultural heritage and land management plan accordingly. The bill extends the Commission for an additional 7 years, and increases the authorization for funding for the Commission's operation to $500,000 annually. This title also authorizes an additional $5 million for development and interpretive materials and programs in the corridor.

BRAMWELL NATIONAL HISTORIC DISTRICT

The section directing the establishment of the Bramwell National Historic District accomplishes many of the purposes of H.R. 793, the Bramwell National Historical Park Act of 1993, introduced by Representative RAHALL on February 3, 1993, in recognition of the importance of preserving, restoring, and interpreting the historical, cultural, and architectural values of the town of Bramwell, WV.

SOUTHWESTERN PENNSYLVANIA AMERICAN HERITAGE AREA

The provisions regarding the southwestern Pennsylvania Heritage Area modify the original 1988 law dealing with this area to provide more accountability and control on the use of Federal funds in the area, as Federal participation in the project draws to a close over the next several years. These changes will allow work on the project to continue but limits the overall scope and involvement of the Federal Government to the minimum necessary to complete the work underway in the area.

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

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

Mr. Speaker, H.R. 5044, the American Heritage Areas Program will create a generic approach for establishment of new Federal Heritage Areas. In the past 10 years, local support for these areas has grown tremendously. There are currently over 100 heritage areas under various stages of consideration nationwide. The difficulty that Chairman VENTO and I face is that all of these groups and Members are coming to us asking for various types of designation and assistance. Thus, congressional consideration of every new heritage area is becoming overburdensome and inconsistent. It is important that Congress adopt a consistent, programmatic approach to address these proposals which could affect tens of millions of acres in over 40 States. Moreover, with appropriate limitations on this program, heritage area designation could be a cost-effective alternative to new Federal parks.

H.R. 5044 is far from perfect legislation and I have continuing concerns: First, is the protection of private property rights and second, is cost. Chairman VENTO has agreed to insert new language which should provide some limitation on the Federal Government's ability to force land use controls on local governments.

H.R. 5044 also authorizes over $22.5 million per year in new funding. Although this amount is more than double the amounts I initially recommended to the committee, it does represent a $12.5 million reduction from the original text of the bill. Due to the accommodations made by Chairman VENTO, I will support H.R. 5044.

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

Mr. VENTO. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina [Mr. DERRICK].

Mr. DERRICK. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise today in support of H.R. 5044, the American Heritage Areas Partnership Program. The heritage areas outlined in this legislation are very unique because they have been conceived and initiated at the grass roots level.

These heritage areas tie individual kernels of the past together and provide an understanding of each area's history through development of its natural, cultural, and historic assets.

The local folks in these regions have formed partnerships with the private sector, local resources, State government and the Federal Government to establish these areas. They have formed elaborate structures of organization to ensure that these areas are developed and managed in the best possible way. In South Carolina the Governor placed special emphasis on developing the heritage area through an Executive order requiring that agencies and departments in South Carolina work together to guarantee designation and successful management.

Rather, than being a Federal mandate, this is truly a local initiative. Each of these areas has been organized by committees made up of local citizens who have built this concept from the ground up.

Moreover, this measure limits Federal funding and could result in a savings of up to 66 percent. And, it limits Federal involvement.

Our citizens have asked us to assist them in establishing these areas of history, culture and preservation so that future generations will have a greater understanding of our country's rich culture and historical treasures.

Those undertaking the planning for these heritage corridors have done their part. Now it's our turn. I ask you to support H.R. 5044.

Mr. HANSEN. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. REGULA].

Mr. REGULA. Mr. Speaker and my colleagues, this is a good bill. It is a way of people helping themselves to establish areas that are needed. This morning we had a contract with America on the front steps, and one of the things that contract said, "It can be the beginning of a Congress that respects the values and shares the faith of the American family."

That is what this bill does exactly.

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First, Mr. Speaker, I want to address the question of private property rights. There have been a lot of calls and conversations on this. This bill clearly does not provide any right of taking by the Federal Government. It says, and I quote, "nothing in this title shall be construed to modify, enlarge, any authority of the Federal, State and local governments to regulate any use of lands provided by current law; two, nothing in this title shall be construed to grant powers of zoning or land use to any management entity for an American heritage area. It is a prohibition of acquisition of real property; there cannot be a taking. A management entity," and I am quoting directly from the law, "a management entity for an American heritage area may not use Federal funds received under this title

to acquire real property or an interest in real property," and lastly, and this is a provision the gentleman from Utah put in, "no provision of this title shall be construed to require any change in land use regulation as a condition of approval by a management plan or a management plan by the secretary." Clearly it does not invade in any way private property rights, and it is spelled out in the law.

Why is this important? Because it enables people to help themselves. We cannot afford new parks. The gentleman from Utah said this is cost effective, and he is absolutely correct. We still have a need. The increase last year in the national parks in usage was 10 percent. Yosemite was rationing people. They had to wait outside the gate and get a number to get in, and, with the increased population it faces in the United States, we need these open areas, particularly in the east, and, if we look at this map over here where the heritage corridors are, they are in the eastern States, and that means that people can get to them on a daily basis to take a walk with their family.

Talk about family values. This is where the family value can go out daily and weekly and take a hike, where Boy Scout troops, Girl Scout troops, 4-H Clubs, can get together and use these corridors for recreational purposes, and more importantly they can be involved in the preservation. I know in my own community we have Kiwanis Clubs, Rotary Clubs, garden clubs all involved in the 87 miles of the heritage corridor following the high end Erie Canal, and they are already starting to clean the brush and get the hiking paths ready, and we are saying as a Federal Government, "We want to help you, but only on a matching basis, dollar for dollar."

I think this bill represents a vision that we can be proud of, that we are conserving something for the future of this Nation.

Mr. VENTO. Mr. Speaker, I yield 1 minute to the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Mr. Speaker, I rise in support of H.R. 5044, legislation to provide for the long-term preservation and interpretation of significant historical resources across the Nation. This is a noble objective and I commend the chairman of the subcommittee for his efforts to bring this bill to the floor today.

I am particularly pleased that section 209 of the bill incorporates much of my legislation to establish a heritage area in Vancouver, WA.

Vancouver, which is located just across the Columbia River from Portland, OR, was at the center of the settlement and development of the Northwest during the 19th and early 20th centuries. In one 360-acre area, five historic gems chronicle the sweep of Northwest history since Lewis and Clark explored the area between 1805 and 1806.

For the past five years I have been working with the mayor of Vancouver, the Park Service and many others to establish a Federal-State-local partnership to preserve, restore, and coordinate the management of the historic area in Vancouver.

In 1990 Congress adopted my legislation to establish a Commission to analyze various management options for these historic properties. The Commission was composed of representatives of the major entities interested in the area, including the National Park Service, the Army Corps of Engineers, the City of Vancouver, and the State of Washington. The Commission completed its work in April 1993 by recommending that a partnership be established to ensure effective, coordinated, management of the area. The members of the Commission agreed that management of the area needed to be coordinated by a federally established management framework based on partnership between the interested government entities.

To implement the recommendations of the Commission I introduced H.R. 4607 to protect all of the key areas and the equally significant historic periods and events they represent. Most importantly, by unifying and coordinating the management of all these historical assets, the bill proposes a partnership to develop the full educational, recreational, and historical potential of area.

Mr. Speaker, it is no secret that resolution of the Pearson Airpark controversy—what the appropriate role of the airport should be after 2002—is crucial to an overall cooperative management agreement for the area. While there is now an appreciation that Pearson's aviation history is of national significance and should be preserved, there has been disagreement over whether it should remain an operating general aviation airport.

My own view is that it would be unconscionable to eliminate the aviation history represented by Pearson Airpark and its young but flourishing aviation museum. I am also convinced that some general aviation activity at Pearson is necessary to help underwrite the costs of maintaining the airfield, which is essential to the historic aviation mission. Both my legislation and the bill before us today follow the recommendation of the Commission that general aviation continue through the year 2022. Beyond that time it would take an act of Congress to allow general aviation to continue—a decision left to another generation.

Mr. Speaker, H.R. 5044 is about partnership and it is about protecting historically significant public resources so that our children can understand the past and connect it to the future. For people and communities in southwest Washington, this means unifying and coordinating the management of the area's historic assets; this means developing the full educational, recreational, and historical potential of the area; and it means making Vancouver the premier showcase of Northwest history.

I urge my colleagues to support this legislation.

Mr. HANSEN. Mr. Speaker, I yield 3 minutes to the gentleman from Oregon [Mr. SMITH].

Mr. SMITH of Oregon. Mr. Speaker, I thank the gentleman from Utah [Mr. HANSEN] for yielding this time to me. Mr. Speaker, Members, let us rein in this enthusiasm a tad for this bill. This bill is not exactly as it has been purported to be, although those people advocating the passage of this measure are certainly well intentioned, and yet this bill is a benign coverup for a huge land use taking program for the Federal Government.

Now my colleagues have heard a statement made that this in no way affects zoning or land use planning, and I want my colleagues to look, if they would like, at page 30 of the bill which provides that these heritage programs must be cleared with the Secretary of the Interior. They must cooperate, they must consult, they must conduct and support with his agreement.

Now, Mr. Speaker, the point is that, if this bill had been anything other than a forthright proposition, we would have brought it here with a rule, and we would have debated the bill, and there would have been an amendment to provide for private property protection. That is the reason it is here on suspension, and the other reason it is here on suspension is because it is going to cost $20 million. Now I have some cause of concern because I have lived with this kind of legislation. As my colleagues know, I have been here for 12 years, on my way back to Oregon, but my colleagues all complimented me in 1985 with a bill on the Columbia River Gorge programs which I opposed, and I suggested at the time that it would downgrade private property and it would abuse private property, and it has, and it does, and by the way, Mr. Speaker, the restrictions in that bill provided for decreased property values, loss of local control, and increased litigation. One person lost $150,000 because he could not develop his property.

Now this idea of going around the national parks system is not new. For 10 years I have been sitting with those people in the Committee on the Interior, and now the Committee on Natural Resources, who have added millions and millions of acres and responsibilities to the national parks, and now we are all worrying about what is happened to the national parks. They are $9 billion in backlog. We owe $9 billion

more than we can pay for, and the parks department budget is about a billion. We are never going to catch up. We keep loading up the national parks program, and now, when we have loaded it to this extent, we are going to do the Hail Mary. We are going around end. We are going to call this new program the Heritage Program for America because there is no money left anywhere else, and then we are going to spend $20 million, more money, out of the national parks budget for the heritage program.

Now I am not against these ideas, but why in the world do we not let local government do it? What is wrong with the States and local communities?

I tell my colleagues to vote against this. This is against private property rights. Please vote against this bill.

Mr. VENTO. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. MCNULTY], a strong supporter of the bill.

Mr. MCNULTY. Mr. Speaker, I thank the gentleman from Minnesota [Mr. VENTO] and the ranking member, the gentleman from Utah [Mr. HANSEN] for their leadership and bringing this bill to the floor.

But most of all today I want to commend my colleague from New York [Mr. HINCHEY], Former Assemblyman MAURICE HINCHEY, during his years with that title, was the leader on conservation issues in the State of New York.

MAURICE, I was with some of your friends in Albany yesterday to discuss this bill: Commissioner John Davidson and local officials from my area, Albany Mayor Jerry Jennings, Green Island Mayor McNulty, Colonie Supervisor Fred Field, Schenectady County Legislator Don Ackerman. Some of your former colleagues from the assembly were also present: Assemblyman John McEneny, Assemblyman Paul Tonko, along with one of your colleagues from the assembly who was the first chairman of the first urban cultural park in the State of New York—Assemblyman Ron Canestrari.

So, today, as we talk about all the different areas across the country and all of the meaningful developments that this bill would bring for various Members of Congress and their regions, I want to particularly salute and pay tribute to former Assemblyman MAURICE HINCHEY, now Congressman MAURICE HINCHEY, who was the father of the urban cultural park system in the State of New York.

□ 1550

Mr. HANSEN. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. DOOLITTLE].

Mr. DOOLITTLE. Mr. Speaker, I rise in opposition, strong opposition, to this bill, which I believe is going to prove to be a very costly bill to establish a massive new program of Federal land use control across the country.

Mr. Speaker, this 100-plus-page bill to establish an American Heritage Area partnership was just recently introduced last week and has never been considered, as I understand it, by the Committee on Natural Resources.

Mr. Speaker, this map over here, which has been referred to before, illustrates the areas of the country that will be considered for these American Heritage Areas. You can see, they are quite extensive. Perhaps there are some Members who want to cede this level of authority to the Secretary of the Interior. I think, though, in light of the history of what has gone on with these Federal regulatory acts and what has been happening, we should all be very concerned about this type of activity.

I represent a district that is going through all of these monumental battles under these broad and vague statutes, such as the Endangered Species Act and the Forest Land Management Practices Act, et cetera, where we are suffering some real economic hardship.

Reference has been made to the Contract for America, which the Republicans met on the steps and talked about earlier today. Well, a key part of that is that we subject everything to a cost-benefit analysis. A key part of that is reducing regulation. A key part of that is restoring the power to the people and the belief in private property rights. What concerns me about this bill, and I do not wish to impugn the intent of the author, because the author sincerely believes in this and I think promotes effectively his point of view. But I simply want to observe here that we have got to get back to the basics. We know what happens when the bureaucrats take a little authority and run with it and cause enormous problems to the private property owner.

This bill, it seems to me, goes in completely the opposite direction that this Congress has been moving in, where we seek to have more authority over the bureaucrats, we seek to tighten our standards, we seek to validate the rights of private property owners. Instead, this is more Federal control.

If you have a piece of property as a private owner in any of these orange areas, once this bill takes effect, and once your area becomes a heritage area, if you want to do anything on your property that in any way relates to some Federal activity of some type, you are going to have to ultimately have that approved by the Secretary of the Interior or you cannot do it.

Mr. Speaker, I would submit, this is big Government. This is not reduced regulation. This is not local government. This is the top Federal bureaucrat in the Department of the Interior having to specifically approve every activity that occurs on your property.

I urge defeat of this bill.

Mr. VENTO. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. HINCHEY].

Mr. HINCHEY. Mr. Speaker, this chart is important, because it illustrates quite clearly not only where these American Heritage Areas are located in our country, but it also further indicates the size of these American Heritage Areas.

There are in fact four American Heritage Areas that are currently designated, and they exist for the most part in the eastern portion of the United States. This bill will designate 10 additional American Heritage Areas, and they are located, for the most part, in the Northeast, in the Central section of the United States, but also in the South, and, of course, over in the Far West.

It is important to note, Mr. Speaker, the size of these areas. They are in fact very small. Relative, obviously, to the size of the Continental United States, they take in relatively small parts of the country, but they are important parts of the country.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. HINCHEY. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, I think the gentleman makes a very, very important point, that these are really areas that Congress must designate in terms of recognition, first of all, as heritage areas. I would point out they are relatively small areas that are impacted.

Now, as far as local or State governments making agreements with the Federal Government, there are no new powers extended to the Federal Government, no new powers extended to the State or local government. So any power they have today to make such agreements, they could make the agreements under existing law. We are trying to in fact channel that authority for the purposes of the bill. So the new powers here, in other words, all local and zoning authorities that exist today, exist under this bill. All Federal powers already are in place.

I command the gentleman from New York [Mr. HINCHEY]. The gentleman has been a leader in this policy. He introduced important legislation on this topic. We very much appreciate the support and the expertise the gentleman [Mr. HINCHEY] has provided in terms of helping craft this bill, and, of course, the Hudson Valley designation which is so important to the gentleman. I appreciate the gentleman yielding, and commend him for the statement he is presenting.

Mr. HINCHEY. Mr. Speaker, I want to respond by saying how much I appreciate of the work of the gentleman from Minnesota [Mr. VENTO]. His leadership on the Committee on Natural Resources and particularly as chairman of the Subcommittee on National Parks, Forests, and Public Lands, is invaluable to this House and the people

of our country. The gentleman has done an extraordinary job in putting this bill together. He has exercised I think incredible patience and fortitude. He has spoken to practically every Member of the House, and certainly all those affected even marginally by the provisions in this bill.

The fact that we have such a comprehensive measure, that has strong bipartisan support, supported by Members on both sides of the aisle, is a tribute to the leadership of my colleague from Minnesota [Mr. VENTO], and I very much appreciate his work.

Mr. VENTO. If the gentleman would yield further, I would point out every Member of the House affected by this favors this bill. The Members that may not favor it, I do not know they are affected.

Mr. HINCHEY. Mr. Speaker, I just wanted to make a couple of points, to try to make them very briefly. First of all, there are no new land use controls in this measure. None whatsoever. All the existing land use controls are kept. None are expanded, none are changed.

This bill provides us with extraordinary educational opportunities. This country is now more than 200 years old. At an earlier time we recognized the importance of preserving places like Yellowstone and Yosemite. People today pay tribute to those people, the leaders of the country at that time, who had the foresight to do so.

This is precisely what is being done here today. And in the 200 years of this country, much has been done here that needs to be protected and enhanced and talked about. These American Heritage areas are in fact educational laboratories for this and future generations. The Blackstone River Valley, for example, in Massachusetts and Rhode Island, talks about the development of commerce in this country and industry in this country, and the first way it came here. It is very important to preserve that.

The American Coal Heritage Area in West Virginia also talks about the way we developed energy in this country. All of these areas across the country need to be preserved, need to be enhanced. This bill will do it. It does it in a comprehensive way that protects existing controls, puts no additional controls on any land, and simply allows for us to celebrate this as history in a reasonable way.

Mr. HANSEN. Mr. Speaker, I yield 1 minute to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. Mr. Speaker, I rise today in opposition to H.R. 5044 the American Heritage Areas Partnership Program Act. The stated purpose of this legislation is to foster public/private partnerships to protect areas of significance to our American heritage. This is indeed a noble goal, but we have seen time and time again that the Federal Government's idea of a partnership is, "You own it, we tell you how you can use it." I fear that approval of this bill would seriously threaten the private property rights in areas designated under the act.

As disturbing as the substance of the bill, is the process. This bill was introduced just 2 weeks ago and has not been the subject of hearings or markup in the Natural Resources Committee. It comes to the floor under suspension of the rules so that debate is limited and members who are concerned about property rights are not allowed to offer amendments, despite the fact that the House has supported the cause of private property rights on numerous amendments this session of Congress.

I encourage my colleagues to reject both the substance and the process.

□ 1600

Mr. VENTO. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. NEAL], the sponsor of the measure dealing with Blackstone River.

Mr. NEAL of Massachusetts. Mr. Speaker, I rise in strong support of H.R. 5044, the American Heritage Areas Act of 1994. Through its partnership program, this legislation provides a unique opportunity to preserve and protect important historical and cultural sites of national significance, without straining the budget of our already overburdened National Park System. The Federal Government does not own or manage the land in a national heritage corridor, as it does in a traditional National Park and Federal funds cannot be used to acquire land for heritage areas.

Local communities and businesses, along with historic and environmental groups work together with the National Park Service through a unifying commission to manage, develop and preserve the unique characteristics of an American heritage area. The legislation requires a 1 to 1 match of Federal dollars with non-Federal dollars. This type of partnership between the Federal Government and local entities not only makes national heritage areas more cost-effective, but also brings successful results.

The Blackstone River Valley national heritage corridor, part of which is located in my district in Massachusetts, is a fine example of how successfully the Heritage Program works.

Running along 46 miles of the Blackstone River from Worcester to Providence, the corridor is the birthplace of the American industrial revolution. To appreciate the importance of this event, you have to understand that in the 1790's, even after we had won the Revolutionary War, America was still dependent on England for clothing. This began to change in 1793, when Samuel Slater built the first mill that successfully used water-power from the Blackstone River to spin cotton. This revolutionary method of using water-power spread quickly throughout the valley and the rest of New England, changing our economy and society forever. If you go there today, you can feel our Nation changing from the prerevolutionary farming-based economy to the industrial society that is still the basis of our economy.

The Blackstone corridor is a model for heritage areas. Its success is due to the solid support and enthusiasm it receives from local groups. For every Federal dollar spend on the Blackstone corridor, $3 non-Federal are attracted.

Despite its remarkable accomplishments, there remains much to be done in the Blackstone corridor to secure its future as an integral part of our American history.

This legislation will expand the Blackstone corridor and extend the authority of the Blackstone Commission. Over the past few years, areas of the Blackstone Valley have been considered for landfill dumps and other potentially damaging uses. Expansion and more preservation is needed to protect the corridor. Time and economics have moved the economic engine of America elsewhere. But the Blackstone today provides a unique and irreplaceable way for generations of Americans to see how it all began. To let this resource slip away would be a great tragedy.

There are numerous historical, cultural, and recreational areas in this county of national significance. Unfortunately, due to budgetary constraints, the National Park Service cannot include all these worthwhile areas in its system.

The American Heritage Areas Act provides a cost-effective and proven way to promote historical preservation and environmental conservation of such nationally significant sites. Without this legislation, these sites could be irreparably destroyed and their importance to our American history and culture lost forever.

I strongly urge you to support this legislation, H.R. 5044.

Mr. HANSEN. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Speaker, I rise in opposition to the consideration of this bill under suspension. It is being considered under suspension of the rules for one reason: to avoid the offering and the adoption of any amendments on this floor.

What kind of amendments? Let me suggest to my colleagues the amendments that we would like to offer and we are being denied the right to offer.

One that would say that the Secretary, as a condition of granting any money under this program, would not require the modification or addition of land use regulations. They do not want that amendment on this bill.

One that would say that property owners have the right to consent to the

listing of their property, which is going to get listed just like endangered rats in California under this bill, to say the landowners would have a right to consent to that listing. They do not want that amendment on this bill.

Most importantly, the provision that would say that in effect the entity that manages property under this bill would have to compensate landowners if the management of that property, the listing of that property has the effect of taking away the value of that property. They do not want that in the bill.

What is in the bill? A provision that says the Federal Government cannot pay a landowner when it regulates his land and takes away its value.

What is in the bill? What is in the bill is procedures by which, with the grant of moneys, local governments will be encouraged to put in areas of heritage management and protection without compensation, areas as big as Pugh and six counties wide, as long as the Mississippi is, over 1,200 miles, little tiny areas, two and six counties wide.

This bill ought to be on the floor so we can offer amendments to it. We ought to have property rights protections in this bill, and we do not. This bill requires land use regulation. If Members do not believe it, read the section that says that top priority shall be encouraging local governments to adopt land use policies consistent with the protections of this bill.

Some of the protections of this bill are laudatory and good. But we ought to have one protection that is not in this bill, and that is to say that landowners have a right to consent to be so managed and they have a right to compensation if the government takes their property from them and refuses to pay them.

I urge the rejection of this bill on suspension.

Mr. VENTO. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. COYNE], who has an excellent proposal in here dealing with steel heritage.

Mr. COYNE. Mr. Speaker, I rise today in strong support of H.R. 5044, the American Heritage Areas Act.

I want to begin by commending Chairman VENTO and the members of the House Committee on Natural Resources for their efforts to preserve America's nationally distinctive natural, historic, and cultural resources through the American Heritage Areas Act. I also want to thank Chairman VENTO for his leadership in providing for a clear and well-considered approach to addressing the issue of heritage areas through the authorization process.

H.R. 5044 is a bipartisan effort to help preserve our Nation's heritage. This legislation also provides a strict criteria for judging the historical significance of projects worthy of support by the U.S. National Park Service.

Finally, this bill leaves to States and local communities the authority to initiate heritage area proposals. No Federal funds may be used to acquire local property and all decisions on zoning and land management are left to the local governments and communities initiating heritage area proposals.

H.R. 5044 includes authorization for the Steel Industry American Heritage Area which is a locally controlled effort to document and conserve the industrial and cultural heritage of southwestern Pennsylvania. The focus of this work is the Pittsburgh industrial district which emerged in the 19th century as a distinct industrial center for the production of iron and steel. The development of new industrial techniques in southwestern Pennsylvania's steel and steel-related industries resulted in Pittsburgh being known around the world as the center of U.S. industrial might.

Mr. Speaker, H.R. 5044 deserves the support of the House. This bill helps to preserve America's past for future generations to study and enjoy. I urge my colleagues to support this legislation.

Mr. VENTO. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. Mr. Speaker, in my capacity as chairman of the Surface Transportation Subcommittee, last May I brought a highway and transit bill to the floor that contained 2 billion dollars' worth of projects.

It passed this body by a vote of 412 to 12.

Today, I think that the pending legislation should enjoy the same level of support.

I say this because just as we must ensure that our transportation systems are properly maintained, and improved, so too must we place the same kind of emphasis on the preservation and restoration our most significant historic and cultural resources.

The pending legislation would do just that.

It would preserve, and advance, the historic and cultural infrastructure of this country.

It is not enough to simply address our public works infrastructure.

Our history, and our culture, represents the very soul of the Nation.

Cold steel and concrete alone does not make a Nation whole.

So I would say to my colleagues, this legislation, this fiscally responsible legislation I might add, deserves all of our support.

If there was any area of this bill with which I would quarrel, it is with its extremely stingy authorizations and stringent matching requirements.

For the most part, this legislation requires a 50-percent non-Federal match for projects relating to historic and cultural resources.

Now, when we provide Federal assistance for a road—even those off the Interstate System I might add—we only require a 20-percent non-Federal match.

Yet in this bill, to preserve some very important historic resources of national significance, we will be limited to a 50-percent contribution.

I, personally, do not find this to be appropriate. I recognize the tremendous concessions and fairness Mr. VENTO has exercised, against my counsel and urgings.

However, the gentleman from Minnesota, the distinguished subcommittee chairman, has chosen to take this approach in an attempt, I would suspect, to meet the concerns of some of our colleagues.

So with this reservation, I support this bill. And again, I would urge this body to approve it overwhelmingly.

Mr. HANSEN. Mr. Speaker, I yield 1½ minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, as a cosponsor of this legislation, I rise to congratulate its authors and in strong support of H.R. 5044, the American Heritage Areas Partnership Programs. The key word in this legislation is "partnership." This bill is a financial "partnership" between State, local, and Federal governments to make possible worthwhile capital projects and improvements in areas of historical, cultural, and recreational importance. The value of the legislation and the important point that there is no Federal taking has been covered by Mr. DERRICK and Mr. REGULA. The beautiful Hudson River Valley of New York, which I represent, is one of the heritage areas.

□ 1610

Mr. Speaker, it is rich in history of early English and Dutch settlements, as well as home to two of our Presidents. The credit this afternoon properly has been given to the gentleman from New York [Mr. HINCHEY] for his work in establishing our heritage areas. However, Mr. Speaker, the Hudson Valley is also in the midst of economic hard times. This legislation would assist districts such as mine by combining the forces of economic growth and conservation to bring increased tourism and revitalization to towns and cities throughout the designated heritage areas.

I urge my colleagues to join in supporting H.R. 5044, which helps preserve and develop areas of national significance, without Federal land acquisition or an expensive price tag.

Mr. VENTO. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. JOHNSON], sponsor of the Augusta, GA, canal heritage area.

Mr. JOHNSON of Georgia. Mr. Speaker, I rise today to support this bill which would establish the American Heritage Area Partnership Program within the Department of the Interior.

One of the heritage areas authorized in this bill is located in the 10th District of Georgia. It is the Augusta Canal, one of this country's most treasured natural resources. The canal which dates back to 1845 has played an instrumental role in Georgia's history—from production of black powder during the Civil War, to development of Georgia's cotton textile industry.

Over the years, the canal has faced tremendous pressure from developers even though the National Park Service designated it a national historic landmark in 1978. In addition, establishing the corridor as a heritage area is of great importance to both the State of Georgia and the citizens of Richmond and Columbia Counties. In fact in 1993, the Georgia Department of Community Affairs designated the canal as one of four regionally important resources within the State. Local citizens have consistently indicated the importance of this legislation in continuing the preservation efforts currently underway at the canal.

Mr. Speaker, the opponents of this bill claim that this is a Federal land grab program and will cost too much. In fact, this bill clearly states that no Federal money can be used to acquire property, nor does the bill give the Department of the Interior or any Federal agency the ability to control local land use regulations. Let us keep in mind that heritage areas are voluntary, initiated locally, and managed locally.

Finally, this bill puts a lid on the amount of spending currently being appropriated to five existing heritage areas. Enactment of this legislation could ultimately result in savings of up to 66 percent in Federal spending on heritage areas. If Members are really concerned about the deficit, you will vote for this bill to cap spending on unauthorized projects. Do the fiscally responsible thing. Vote for H.R. 5044.

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

Mr. JOHNSON of Georgia. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, I have yet to see a Member rise who has a designated area opposing the bill. They favor the bill. Members that are affected favor the bill before the House today.

Mr. HANSEN. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. BLUTE], one of the cosponsors of the Blackstone River Valley National Heritage Area.

Mr. BLUTE. Mr. Speaker, I would first like to commend the gentleman from Minnesota [Mr. VENTO], the chairman of the committee, and the ranking member, the gentleman from Utah [Mr. HANSEN] for their fine work on this legislation.

Mr. Speaker, as a cosponsor of the Blackstone River Valley National Heritage corridor bill, with my friend and colleague, the gentleman from Massachusetts [Mr. NEAL], I rise in strong support of the American Heritage Areas Partnership Program Act, which includes the Blackstone and a handful of other small Park Service proposals.

Representing some of the area that is included in the Blackstone corridor, I know, from first-hand knowledge, that the concept of heritage areas is a sound one.

In 1986, the Congress enacted legislation that established the Blackstone corridor, and in so doing created a public/private partnership that has turned out to be an extremely cost-effective way of restoring and highlighting our Nation's historical natural resources.

For a very small investment, these cooperatives are able to achieve excellent leverage against the Federal dollars they receive. In the case of the Blackstone, the partnership finds $4 for every $1 it gets from the Federal Government. I am sure anyone would agree that this constitutes an excellent return on investment.

Beyond sheer efficiency, however, are the good things that partnerships like the Blackstone coalition are able to accomplish with some modest assistance from the Federal Government. The level of restoration and preservation that have been achieved in the corridor are remarkable.

For those of you who don't know, the Blackstone Valley is the birthplace of the industrial revolution. The mills that line the Blackstone River and powered the Nation into the industrial age during the 17th and 18th century also turned the beautiful Blackstone into one of the most polluted waterways in the entire country.

Now, though, thanks to the Blackstone partnership, the river has been restored for the enjoyment of Kayakers, fishermen, and swimmers—A truly remarkable accomplishment.

This is the kind of community involvement and commitment involved in these heritage areas that we will vote on here today. You can take my word for it, as one who has seen one in action. They are a good idea, they work and, in my opinion, they are something that we cannot afford to do without.

I urge all of my colleagues to support this important legislation.

Mr. VENTO. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. MAZZOLI], a friend and colleague who is a sponsor of the Ohio Heritage corridor study.

Mr. MAZZOLI. Mr. Speaker, I want to thank the gentleman from Minnesota [Mr. VENTO], the chairman of the committee, for yielding me the time, and congratulate him and my friend, the gentleman from Utah [Mr. HANSEN], for putting this bill on the floor.

As the gentleman from Minnesota says, I rise in support of the bill, but especially to call some attention to title III of the bill, which deals with the Ohio River corridor. Mr. Speaker, I am a son of the Ohio River, born alongside its shores in the city of Louisville, and always will, and the Ohio River has been very important to our heritage as a city.

Mr. Speaker, the Ohio River starts in the State of Pennsylvania and goes on down through six States, into its confluence with the Mississippi River. It drains an area in which millions of Americans work and live and recreate. It has some of the most spectacular scenery and some of the most important industrial areas in this Nation.

Mr. Speaker, under title III of the bill, as put together by the gentleman from Minnesota [Mr. VENTO] and his counterpart from Utah, there has been a study of the Ohio River corridor to see that it might possibly be designated an American heritage area. I hope that designation is actually the fruit of this bill, because I think no other river than the Ohio deserves that designation.

Mr. Speaker, it has served this Nation in its historical sense, it has served this Nation in its industrial sense, and it has served this Nation in its recreational and scenic sense. Particularly in Louisville, when we are redeveloping our Belvedere, our waterfront, I think the Ohio River has been a very important element for our heritage and for our development and for our future. I hope that this bill passes. I would like to see title III implemented. I thank the gentleman for yielding time to me, and rise in support of the bill.

Mr. HANSEN. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. GRAMS].

Mr. GRAMS. Mr. Speaker, I thank the gentleman from Utah for yielding time to me.

Mr. Speaker, I rise in strong opposition to H.R. 5044, the American Heritage Area Partnership Program Act.

This bill may be well-intentioned, but in its current form will only hurt American taxpayers, further overburden our park system, and threaten private property rights.

Let us take a look at how it punishes the taxpayers. Since the introduction of the American Heritage Areas Program, its cost has skyrocketed.

As introduced, this legislation provided over $10 million per year for the program. Under the bill we are considering today, not only is $10 million provided for planning grants, but the bill authorizes an additional $25 million for development and $250,000 for annual operating funds. This amounts to an increase of over 350 percent—all at taxpayer expense.

This legislation not only punishes the taxpayers, but it also places additional financial burdens on our already-underfunded existing park system. At a time when the National Park

Service faces a 37-year backlog in construction and a 25-year backlog in land acquisition, how can Congress even think about placing an added burden on our national parks?

To make matters worse, the bill's current language raises serious questions about the protection of private property rights. While H.R. 5044 rightly prohibits Federal land acquisition, it fails to give proper assurances that the Federal Government cannot impose land and water use restrictions on local entities.

In fact, the bill authorizes the Secretary of the Interior to approve a Federal land use and development plan which must be followed by residents and local governments. In addition, the Interior Secretary can unilaterally block any Federal or federally assisted construction project which directly affects the heritage area. In essence, some local control would be removed and Federal control would be imposed.

Mr. Speaker, in 1988 Congress approved a similar Federal land grab along the Mississippi River and through the heart of the twin cities of Minneapolis and St. Paul that will continue to adversely affect many of Minnesota's local governments, small businesses, farmers, barge operators, and homeowners. Unfortunately, Congress ignored their concerns and passed that measure as suspension.

Today, Congress has been given a second chance to listen to the groups affected by this bill. This time, let us put the people first.

By voting "no" on this bad bill, we can stand up for our existing national parks, the American taxpayers, and the Constitution.

□ 1620

Mr. VENTO. Mr. Speaker, I ask unanimous consent that the gentleman from Utah [Mr. HANSEN] have 5 additional minutes and that I have 5 additional minutes to grant and to yield.

The SPEAKER pro tempore (Mr. FIELDS of Louisiana). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, notwithstanding the protestations about the bill, the Members that are affected by the bill favor the bill. Each designation that is made under this legislation would have to be acted upon by Congress. This does not expand or diminish the local and State powers with regard to zoning and regulation, nor does it expand or diminish the powers of the Department of the Interior of the Federal Government. They can make agreements. These areas designated are not proposed to be units of the National Park System.

This is a reform bill that substantially saves money. The money that is in the American Heritage Partnership Act is already authorized money under the Heritage Preservation Fund. There is a lack of understanding on the part of Members, it is understandable, because they do not work in detail on some of these issues. Private property rights are maintained under this particular bill. What we do not do is to superimpose some radical new definition of what constitutes private property rights. There are sponsors of bills in the House that propose to do that. It has been the debate on many land use and environmental bills this session, but it is not a part and should not be superimposed on the American Heritage Partnership Act legislation.

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

Mr. HANSEN. Mr. Speaker, I yield 1 minute to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Speaker, I thank the gentleman from Utah [Mr. HANSEN] for yielding me the time.

Mr. Speaker, with this bill we are talking about an area which needs to be addressed. I originally addressed it in a bill that is going to follow. Then we broke that out and put it into this separate bill. I have no designations in this bill so I have no dog in this fight from that standpoint. I have supported every piece of private property legislation that has come before this House of Congress and frankly I think we could have strengthened some of those private property sections in this bill. Maybe it will be strengthened as it goes through the process.

I think we could have done it without doing damage to either the wishes of the gentleman from Minnesota [Mr. VENTO] or the gentleman from Louisiana [Mr. TAUZIN]. But the facts are that heritage areas are happening and have been an issue for some time. One way or another, many of them are being created with little or no guidance or control over what they are or how they are supposed to be operated, and this bill seems to give some of that kind of guidance. There have been millions of dollars appropriated for these things without this kind of guidance. This bill makes an attempt to do that.

Finally I think an effort has been made by the gentleman to deal with the private property issue. If we are going to put Federal dollars into heritage areas, it should be done in a logical process and the process should include local governments. This bill does that.

Mr. Speaker, I am inclined to go ahead and support this bill, let it go through the process and let us see if we cannot work out a logical process for these heritage areas.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair announces that any rollcall vote ordered on this motion will be taken immediately following the conclusion of debate and not postponed.

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

Mr. HANSEN. Mr. Speaker, I yield 1½ minutes to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Speaker, today, we are helping communities help themselves.

On common ground, a responsible blueprint for local communities interested in protecting their valuable cultural and historic resources has been produced by the committee.

In central New York, this help is welcomed. There, heritage inspires creativity and a united effort among all citizens to protect and enhance it. Community pride, new economic opportunities, and an appreciation for the sacrifices of our ancestors has resulted.

This legislation includes a study of the northern frontier region of central New York to ascertain its future suitability as an American heritage area. The Nation must know more about the mostly Indian and poor European population on the frontier that sacrificed life and property for our independence.

This coordinated help from the Federal Government is responsible, and protects the interest of the taxpayer, the landowner, and the integrity of the park system. It authorizes matching assistance for locally initiated and managed American heritage areas; limits Federal funding to each proposal; protects property rights by authorizing no Federal land purchases and no federally mandated zoning rules; and draws its funding from the already authorized Historic Preservation Fund.

This is responsible bipartisan government in action. Local communities hold authority and power to attain a better quality of life with an option for modest Federal assistance and Park Service expertise.

If we fail to act, and incorporate these accountability measures, the National Park Service will continue to create heritage areas that exceed the funding limitations agreed to by the committee.

I want to thank Chairman VENTO and ranking minority member, Mr. HANSEN, for developing this bill and a bipartisan commitment to help our communities.

Mr. VENTO. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. TORKILDSEN], who is a cosponsor of the Essex Heritage Partnership provision in this bill.

Mr. TORKILDSEN. Mr. Speaker, I thank the gentleman from Minnesota, the distinguished subcommittee chairman, for yielding me the time.

Mr. Speaker, I rise in strong support of H.R. 5044, the American Heritage Area Partnership Act, and applaud Mr. VENTO and Mr. HANSEN for their leadership role.

This legislation creates a framework for heritage areas to be created and designated throughout the country.

One area, Essex County, MA, has a great history to tell. The National

Park Service has identified three significant historical themes which contributed to the settlement and development of our Nation. Essex County has the highest concentration of first-period homes in our country, and also contributed enormously to the early maritime trade and industrial revolution. But, we in Essex County do not have a monopoly on history.

Under this bill, newly designated heritage areas will be initiated by and managed at the local level, rather than created by Washington to be run by the Park Service.

And with a cap on Federal spending on heritage areas, they will not become a burden on the taxpayers. Under the partnership provision of this bill, local communities will be required to raise matching funds.

As a strong and consistent supporter of the rights of people to own private property, I would not support this bill if its passage would result in a land grab by the Federal Government.

In fact, quite the opposite is true. H.R. 5044 states explicitly that a heritage area may not use Federal funds to acquire real property, and that heritage area management entities do not have zoning power. The bill also states explicitly that current laws granting local and State authority to regulate land use will not be changed.

H.R. 5044 is a bipartisan bill that will help protect historic resources, protect people's right to private property, cap Federal spending, and keep management locally based. I urge my colleagues to support H.R. 5044 to protect our Nation's history.

Mr. HANSEN. Mr. Speaker, I yield the balance of the time on our side to the gentleman from California [Mr. HERGER].

The SPEAKER pro tempore. The gentleman from California [Mr. HERGER] is recognized for the balance of the time, not to exceed 3 minutes.

Mr. HERGER. Mr. Speaker, I rise in strong opposition to this legislation, which I fear represents one more effort by the Federal Government to undermine private property rights.

Here we have a proposal that would allow the Secretary of the Interior to impose land use restrictions on private property within these designated heritage areas without providing any compensation to the affected property owners. In effect, I fear that this is yet another massive land grab by the Federal Government.

While I am a supporter of preserving truly historic sites, I believe that some of the more radical environmentalists are using our historic preservation laws as a trojan horse for locking up more private land.

In my own congressional district, this tactic is being used to declare an entire mountain a historic district. Based on claims that it is of religious significance to American Indian tribes, the keeper of the National Register of Historic Places has decided to designate 235 square miles as an historic district. One-third of this area is private property.

This is an area where there is no physical evidence of the activities that are being designated as historic. The reason for the designation, I believe, is primarily to stop economic development in the community of Mount Shasta. This is a clear abuse of the historic preservation process.

Mr. Speaker, this perversion of the process will become more prevalent under the legislation we're considering today. Let us not let that happen. Let us defeat this bill.

□ 1630

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

Mr. HERGER. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Speaker, I want to point out that if we defeat this bill under suspension of the rules, the authors can bring it up under a rule and allow us to offer proper amendments. We ought to defeat this under suspension to give us an opportunity to correct those errors in the bill.

Mr. HERGER. I thank the gentleman from Louisiana. That is absolutely correct.

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

Mr. Speaker, the gentleman is in error. He is concerned about the historic districts. The previous gentleman who spoke, the gentleman from California [Mr. HERGER], was concerned about historic district designation which is today being accomplished administratively. That is being done under existing law, under existing procedures.

This law provides for the Congress to designate these areas. All of the fears that have been expressed on the floor really are easily answerable. There is no reason to amend this bill. It has been worked on a bipartisan basis.

This bill is a reform bill. It reforms the ad hoc heritage funding procedure and process which is running amok. The concerns the gentlemen have expressed about the Historic Preservation Act are dealt with in this bill, by Congress doing oversight and designating specifically the areas of interest in this bill. It has no new spending for such new areas. It saves money in the sense that the Historic Preservation Act that is in it reform the dollars in that they are going to be designated in a different way. This does not grant any new powers to the Department of the Interior in the sense that they are going to impose land use controls.

It does provide an opportunity for agreement between local governments to exercise their land use controls and zoning to in fact come to an agreement how about the dollars are going to be spent.

This finally puts some dollars and some impetus in terms of programs that before had not had resources. This is a new effort to try to deal with some of the problems that the gentleman and others are fearing and concerned about, and at the same time preserve some of what is our natural and cultural environment, the heritage of this country, the legacy of future generations.

The Members who are affected by this bill have looked at it. They are all in favor of it. The fears that are being raised here today simply are not justified and have been resolved with regard to numerous amendments to this bill and are not being raised by Members affected.

I urge the Members to support this bill. It is a good bill. It deserves our support. It is a good piece of bipartisan policy. It reforms the Park Service. It deals with the problems the way they exist, it should receive the affirmative action of this House today, and I urge Members to support it.

Mr. REED. Mr. Speaker, I rise in strong support of H.R. 5044, legislation which establishes an American Heritage Area Partnership Program within the Department of Interior.

The bill before us today establishes a new method of designating and managing nationally important heritage areas. Specifically, H.R. 5044 creates a partnership with State and local governments, as well as private entities, to preserve these historical regions by allowing communities to develop and implement operation and management plans. This new partnership will go a long way in preserving valuable historical areas while limiting the Federal Government's role and future financial obligations.

I am especially pleased that this legislation includes reauthorization for the Blackstone River Valley National Heritage Corridor. H.R. 5044 includes $500,000 for administrative costs, as well as $1 million per year for development for this precious heritage area. The bill also includes three new towns, Glocester, Smithfield, and Burriville, into the corridor. Most importantly, the bill extends the Blackstone Valley Commission for 7 additional years. This will allow the Commission to continue enhancing the distinctive character and nationally significant resources of the corridor.

The Blackstone River Valley National Heritage Corridor is the largest national park in New England, and is widely recognized as the birthplace of the American Industrial Revolution. It was here, at Slater Mill, where the first successful water-powered cotton spinning mill was used in 1790. This rich area best exemplifies the entire history of the American Industrial Revolution and the complex economic and social relationships of the people who lived and worked there.

The Blackstone Valley Heritage Corridor has become an example of how surrounding communities can work together toward a common theme of protecting and promoting their area. This rich and historic national resource needs to be protected so that the history of the industrial revolution can be preserved for all generations.

Mr. Speaker, I strongly urge Members to vote for passage of this bill.

Mr. FINGERHUT. Mr. Speaker, I rise today in support of H.R. 5044, legislation to create a process for designating American heritage areas. The legislation designates 10 specified areas as American heritage areas.

This bill came to my attention in the context of my support for the Ohio and Erie Canal Heritage Area which is located in my home State of Ohio.

A number of communities in the 19th District of Ohio border the Cuyahoga Valley National Recreation Area and have demonstrated to me the critical importance of preserving our natural resources. A national heritage corridor designation would provide an important focus for a unified planning effort within the Cuyahoga Valley to ensure the best possible approach to developing a mixed-use, public access-oriented natural attraction.

The diversity of support among the many communities that border on the proposed corridor is the best example of cooperation among State, county, and local municipalities. Financial commitments from both the private and public sector toward development, and responsible stewardship of the resource are found throughout. It is projected that the corridor will attract an additional $41 million in visitors and tourists to participate in the many recreational and historical opportunities. Educational opportunities also abound with heavy use from the local and visiting school districts expected.

Mr. Speaker, I would like to express my gratitude to Congressman RALPH REGULA for his exceptional efforts to guide the corridor initiative through the legislative process. His untiring advocacy to make this project a reality has energized all of us in the Ohio delegation in our support of the national heritage corridor designation for the Ohio and Erie Canal.

Mr. SANTORUM. Mr. Speaker, I rise in support of H.R. 5044, the American Heritage Act. This legislation authorizes the establishment of the Steel Industry Heritage Area which I strongly support.

H.R. 5044 is the end result of a great deal of hard work in my district. For more than 5 years, the Steel Industry Heritage project has been working to create a heritage area throughout much of southwestern Pennsylvania to commemorate the contributions of the steel industry, and I have worked with them at every step in this process.

The Monongahela River Valley was once the center of the world's steel production and the vast economic engine that powered the United States into the 20th century. The valley's history is also important because it was the early battleground of the labor movement in the United States, a struggle which exploded into violence more than 100 years ago in the town of Homestead, PA.

The smoke and fire of the mills have largely left the Mon Valley, but the memory of the steel industry and the workers who fired the furnaces remains. In recognition of this pivotal time in our Nation's history, many people and communities along the Monongahela River have been striving to preserve the heritage of steel industry. I commend them for their commitment to this important effort.

Nevertheless, Mr. Speaker, I have serious reservations about the impact of H.R. 5044 on the rights of private property owners in other heritage areas, and I am disappointed that my colleagues could not resolve their differences over this issue prior to today's consideration. I consider the right to own property to be among the most important rights conferred by our Constitution; and, if not for my work with the Steel Industry Heritage project and my pledge to support the hard work of many people to see that the legacy of the steel industry is preserved in the Mon Valley, it is likely that I would have opposed H.R. 5044.

Therefore, I strongly urge the sponsors of H.R. 5044 to take great pains to see that private property rights are protected before this measure is brought back from conference.

Mr. VENTO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. FIELDS of Louisiana). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 5044, as amended.

The question was taken.

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 273, nays 150, not voting 11, as follows:

[Roll No. 442]

YEAS—273

Abercrombie
Ackerman
Andrews (ME)
Andrews (TX)
Applegate
Bacchus (FL)
Baesler
Barca
Barlow
Barrett (WI)
Bateman
Becerra
Beilenson
Bereuter
Berman
Bevill
Bilbray
Bishop
Blackwell
Blute
Boehlert
Bonior
Borski
Boucher
Brooks
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Byrne
Cantwell
Cardin
Castle
Clay
Clayton
Clement
Clinger
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Coppersmith
Costello
Coyne
Darden
Deal
DeFazio
DeLauro
Dellums
Derrick
Deutsch
Diaz-Balart
Dingell
Dixon
Dooley
Durbin
Edwards (CA)
Engel
English
Eshoo
Evans
Farr
Fawell
Fields (LA)
Filner
Fingerhut
Fish
Flake
Foglietta
Ford (MI)
Frank (MA)
Franks (CT)
Franks (NJ)
Furse
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Greenwood
Gutierrez
Hall (OH)
Hamburg
Hamilton
Hansen
Harman
Hastings
Hefley
Hefner
Hinchey
Hoagland
Hobson
Hochbrueckner
Hoke
Holden
Horn
Hoyer
Hughes
Hutto
Hyde
Inslee
Jacobs
Jefferson
Johnson (CT)
Johnson (GA)
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klein
Klink
Kolbe
Kopetski
Kreidler
LaFalce
Lambert
Lantos
LaRocco
Lazio
Levin
Levy
Lewis (CA)
Lewis (GA)
Lipinski
Livingston
Lloyd
Long
Lowey
Machtley
Maloney
Mann
Manton
Margolies-Mezvinsky
Markey
Martinez
Matsui
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McDade
McDermott
McHale
McInnis
McKinney
McMillan
McNulty
Meehan
Meek
Menendez
Meyers
Mfume
Michel
Miller (CA)
Mineta
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Morella
Murphy
Murtha
Myers
Nadler
Neal (MA)
Neal (NC)
Oberstar
Obey
Olver
Owens
Oxley
Packard
Pallone
Pastor
Payne (NJ)
Pelosi
Penny
Peterson (MN)
Pickle
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quillen
Rahall
Rangel
Ravenel
Reed
Regula
Reynolds
Richardson
Roemer
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Rowland
Roybal-Allard
Rush
Sabo
Sanders
Sangmeister
Santorum
Sawyer
Schenk
Schroeder
Schumer
Scott
Serrano
Sharp
Shaw
Shays
Shepherd
Shuster
Skaggs
Skeen
Slaughter
Smith (NJ)
Spence
Spratt
Stark
Stokes
Strickland
Studds
Swett
Swift
Synar
Tanner
Thompson
Thornton
Torkildsen
Torres
Torricelli
Towns
Traficant
Tucker
Unsoeld
Valentine
Velazquez
Vento
Visclosky
Vucanovich
Walsh
Waters
Watt
Waxman
Whitten
Williams
Wise
Wolf
Woolsey
Wyden
Wynn
Yates
Young (FL)
Zimmer

NAYS—150

Allard
Andrews (NJ)
Archer
Bachus (AL)
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barrett (NE)
Bartlett
Barton
Bentley
Bilirakis
Bliley
Boehner
Bonilla
Brewster
Browder
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Canady
Chapman
Coble
Collins (GA)
Combest
Cooper
Cox
Cramer
Crane
Crapo
Cunningham
Danner
de la Garza
DeLay
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Edwards (TX)
Ehlers
Emerson
Everett
Ewing
Fields (TX)
Fowler
Frost
Gallegly
Gekas
Geren
Gingrich
Goodlatte
Goodling
Goss
Grams
Grandy
Green
Gunderson
Hall (TX)
Hancock
Hastert
Hayes
Herger
Hilliard
Hoekstra
Houghton
Huffington
Hunter
Hutchinson
Inglis
Istook
Johnson, Sam
Kim
King
Kingston
Klug
Knollenberg
Kyl
Lancaster
Laughlin
Leach
Lehman
Lewis (FL)
Lewis (KY)
Lightfoot
Linder
Lucas
Manzullo
McCurdy
McHugh
McKeon
Mica
Miller (FL)
Molinari
Moorhead
Nussle
Ortiz
Orton
Parker
Paxon
Payne (VA)
Peterson (FL)
Petri
Pickett
Pombo
Quinn
Ramstad
Ridge
Roberts
Rogers
Rohrabacher
Roth
Royce
Sarpalius
Saxton
Schaefer
Schiff
Sensenbrenner
Sisisky
Skelton
Smith (IA)
Smith (MI)
Smith (OR)
Smith (TX)
Snowe
Solomon
Stearns
Stenholm
Stump
Stupak
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas (CA)
Thomas (WY)
Thurman
Upton
Volkmer
Walker
Weldon
Wilson
Young (AK)
Zeliff

NOT VOTING—11

Armey	Ford (TN)	Sundquist
Carr	Gallo	Washington
Dicks	Inhofe	Wheat
Fazio	Slattery	

□ 1658

The Clerk announced the following pairs:

On this vote:

Mr. Dicks and Mr. Fazio for, with Mr. Armey against.

Mr. DE LA GARZA, Mr. LEHMAN, Mrs. THURMAN, Mr. HILLIARD, and Mr. CUNNINGHAM changed their vote from "yea" to "nay."

Mr. QUILLEN, Mr. LIPINSKI, Mrs. VUCANOVICH, and Messrs. SKEEN, LIVINGSTON, COSTELLO, POSHARD, SWETT, MYERS of Indiana, ROSE, and POMEROY changed their vote from "nay" to "yea."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

Mr. FIELDS of Louisiana. Pursuant to the provision of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on the remaining 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 on Wednesday, September 28, 1994.

ANNOUNCEMENT OF INTENTION TO OFFER A MOTION TO INSTRUCT CONFEREES ON H.R. 820, NATIONAL COMPETITIVENESS ACT OF 1993

Mr. WALKER. Mr. Speaker, pursuant to clause 1(c), rule XXVIII, I am announcing that tomorrow I intend to offer a motion to instruct conferees on the bill (H.R. 820) to amend the Stevenson-Wydler Technology Innovation Act of 1980 to enhance manufacturing technology development and transfer, to authorize appropriations for the Technology Administration of the Department of Commerce, including the National Institute of Standards and Technology, and for other purposes:

MR. WALKER moves that the managers on the part of the House at the conference on the disagreeing votes of the 2 Houses on the Senate amendment to the bill, H.R. 820, be instructed to insist on a provision that requires a regulatory impact analysis and unfunded mandate estimate for each bill or joint resolution reported by any committee of the House of Representatives or the Senate, or considered on the floor of either House, and for every Federal department or executive branch agency regulatory action.

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RHINOCEROS AND TIGER CONSERVATION ACT OF 1994

Mr. STUDDS. Mr. Speaker, I ask unanimous consent to call up from the Speaker's table the bill (H.R. 4924) to assist in the conservation of rhinoceros and tigers by supporting and providing financial resources for the conservation programs of nations whose activities directly or indirectly affect rhinoceros and tiger populations, and of the CITES Secretariat, and ask for its immediate consideration.

The Clerk read the title of the bill.

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

Mr. FIELDS of Texas. Mr. Speaker, reserving the right to object, this is an extremely important piece of legislation, and I rise in support of H.R. 4924, the Rhinoceros and Tiger Conservation Act of 1994. I am pleased to have been joined by Chairman STUDDS and my good friend, TONY BEILENSON, in introducing this bill.

I was prompted to introduce this legislation because the populations of rhinos and tigers continue to plummet despite their protected status under the Convention on International trade in Endangered Species of Wild Flora and Fauna [CITES]. For example, approximately 1 million rhinos existed at the turn of the century. In 1991, the population had dwindled to 11,000, or half of the number that experts consider necessary for the species to survive. The status of tigers is not any better. At the beginning of this century, there may have been as many as 100,000 tigers in the wild; today, the total is probably fewer than 6,000.

Habitat destruction is partially responsible for the decline, but the predominant cause is the senseless slaughter of the animals by unscrupulous international poachers. Although agricultural activities and commercial logging are destroying large blocks of tiger habitat, poaching is by far having the most dramatic impact. Tigers are killed for their fur and certain body parts are used in medicines. In China, Korea, and Taiwan, rhino horn is used as a fever-reducing agent, and in Yemen it is used to make decorative handles for ceremonial daggers. The trade in rhino and tiger parts is so lucrative that outlaws will go to extraordinary lengths to kill the animals.

It has also been brought to my attention that one reason for the sharp decline in the population of the black rhino in Africa is due in principal measure to unlawful cross-border commercial poaching. In a large number of instances, poaching has been carried out by nationals of Zambia who cross into Zimbabwe to kill rhinos. The Zambian authorities have consistently declined to provide meaningful cooperation with Zimbabwe's antipoaching units stationed along the border. Thus, Zambian poachers units stationed along the border. Thus, Zambian poachers who kill rhinos escape back into their country and remain free because their government authorities choose not to extradite them.

Unless immediate steps are taken, these magnificent animals will cease to exist throughout most, if not all, of their range. That would be a monumental tragedy.

I am encouraged by President Clinton's announcement on April 11, that for the first time in history, trade sanctions under the Pelly amendment would be imposed on wildlife products from Taiwan. This action should send a clear message to Taiwan and other nations that the United States will not tolerate the wanton annihilation of these species.

While the People's Republic of China [PRC] was also certified under the Pelly amendment, I am pleased that the administration did not place any sanctions on that country. I am aware that they are continuing to make significant progress to stop any illegal trade of rhino and tiger products. I am sure this will be factored into any further certification actions.

Part of the problem in the conservation of these species is that range states do not have sufficient money or manpower to stop poachers. In recognition of this problem, our bill authorizes $10 million per year for a Rhinoceros and Tiger Conservation Fund. The Secretary of the Interior would be tasked with administering the fund and providing financial assistance for rhino and tiger conservation projects. The committee amendment provides the Administrator of the Agency for International Development an opportunity to comment on project proposals.

Based on the experiences of the African Elephant Conservation Fund, it is clear that these funds can be extremely helpful in assisting nations to obtain accurate species population data, to enhance antipoaching efforts, and to implement conservation programs.

While H.R. 4924 does not contain mandatory sanctions, I want to make it clear to representatives of consumer countries that the deletion of these provisions should not be viewed as a step back in our leadership position.

Mr. Speaker, you have appointed Chairman STUDDS and myself as members of the U.S. delegation for the upcoming CITES meeting in Fort Lauderdale, FL. The conservation of rhinos and tigers continues to be one of the highest priorities for the United States and I will do everything within my power to assist in this effort.

Mr. Speaker, time is of the essence if we are to save these endangered wildlife species. I urge my colleagues to support this important legislation.

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

Mr. FIELDS of Texas. I yield to the gentleman from Massachusetts.

Mr. STUDDS. Mr. Speaker, H.R. 4924, was introduced by Representatives FIELDS of Texas, BEILENSON, and myself out of concern over the senseless slaughter of these magnificent creatures by poachers to satisfy the demand for rhino and tiger parts in oriental medicines. This needless killing has resulted in the near extinction of both species: less than 11,000 rhinos and 6,000 tigers are believed to exist in the wild.

Last fall, the administration certified that China and Taiwan were diminishing the effectiveness of the Convention on International Trade in Endangered Species. As a result, President Clinton imposed trade sanctions on wildlife products from Taiwan for that nation's failure to implement measures to end the illegal trade in these animals. Although sanctions were not placed on China, President Clinton indicated that the administration would continue to monitor China's progress.

H.R. 4924 will assist efforts to save these critters by establishing the Rhinoceros and Tiger Conservation Fund. It authorizes $10 million per year for 5 years, starting in fiscal year 1996, for projects to conserve rhinoceros and tigers. The bill also addresses concerns raised by the House Foreign Affairs Committee, by giving the Administrator of the Agency for International Development an opportunity to review and consult with the Secretary of the Interior on final project proposals. Included with my statement is an exchange of letters between Chairman HAMILTON of the Foreign Affairs Committee and me on this point.

Mr. Speaker, I strongly urge Members to support this effort to conserve these awesome beasts and their place in the wild and not consign them to a future that only exists in zoos.

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, September 27, 1994.

Hon. GERRY STUDDS,
Chairman, Committee on Merchant Marine and Fisheries, Washington, DC.

DEAR GERRY: I write regarding H.R. 4924, the Rhinoceros and Tiger Conservation Act of 1994.

First, let me thank you for your willingness to address my concerns about the bill. I am pleased that we could reach an agreement that preserves the important purpose of H.R. 4924, while ensuring that the program is managed, and resources are, used effectively.

With the understanding that amendments agreed to by our two committees are included in the version of H.R. 4924 taken to the Floor, I will not seek sequential referral of the bill, without prejudice to the jurisdiction of the Committee on Foreign Affairs.

I look forward to continuing to work with you on this and other issues of mutual concern to our committees.

With best regards,
Sincerely,

LEE H. HAMILTON,
Chairman.

COMMITTEE ON
MERCHANT MARINE AND FISHERIES,
Washington, DC, September 27, 1994.

Hon. LEE H. HAMILTON,
Chairman, Committee on Foreign Affairs, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of today on H.R. 4924, the Rhinoceros and Tiger Conservation Act of 1994.

I would thank you for your cooperation on this legislation. The amendments to the bill agreed to by our two committees have been incorporated in an amendment in the nature of a substitute that I will offer in the motion to suspend the rules. I believe that the bill will be on the Suspension Calendar later today.

With these amendments, it is my understanding that the Committee on Foreign Affairs is satisfied that its concerns have been addressed and that you will not seek a sequential referral of the bill, without prejudice to the jurisdiction of your committee.

I am pleased that we have been able to address the issues that you have raised and that we will be able to proceed to the floor today. I will attach a copy of our exchange of letters to my floor statement on H.R. 4924.

With kind regards.
Sincerely,

GERRY E. STUDDS,
Chairman.

Mr. FIELDS of Texas. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 4924

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 "Rhinoceros and Tiger Conservation Act of 1994".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The world's rhinoceros population is declining at an alarming rate, a 90 percent decline since 1970.

(2) All 5 subspecies of tiger are currently threatened with extinction in the wild, with approximately 5,000 to 6,000 tigers remaining worldwide.

(3) All rhinoceros species have been listed on Appendix I of CITES since 1977.

(4) All tiger subspecies have been listed on Appendix I of CITES since 1987.

(5) The tiger and all rhinoceros species, except the southern subspecies of white rhinoceros, are listed as endangered species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

(6) In 1987, the parties to CITES adopted a resolution that urged all parties to establish a moratorium on the sale and trade in rhinoceros products (other than legally taken trophies), to destroy government stockpiles of rhinoceros horn, and to exert pressure on countries continuing to allow trade in rhinoceros products.

(7) On September 7, 1993, under section 8 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978) the Secretary certified that the People's Republic of China and Taiwan were engaged in trade of rhinoceros parts and tiger parts that diminished the effectiveness of an international conservation program for that endangered species.

(8) On September 9, 1993, the Standing Committee of CITES, in debating the continuing problem of trade in rhinoceros horn and tiger parts, adopted a resolution urging parties to CITES to implement stricter domestic measures, up to and including an immediate prohibition in trade in wildlife species.

(9) On November 8, 1993, under section 8 of the Fisherman's Protection Act of 1967 (22 U.S.C. 1978), the President announced that the United States would impose trade sanctions against China and Taiwan unless substantial progress was made by March 1994 towards ending trade in rhinoceros and tiger products.

(10) On April 11, 1994, under section 8 of the Fisherman's Protective Act of 1967 (22 U.S.C. 1978), the President—

(A) directed that imports of wildlife specimens and products from Taiwan be prohibited, in response to Taiwan's failure to undertake sufficient actions to stop illegal rhinoceros and tiger trade; and

(B) indicated that the certification of China would remain in effect and directed that additional monitoring of China's progress be undertaken.

SEC. 3. PURPOSES.

The purposes of this Act are the following:

(1) To assist in the conservation of rhinoceros and tigers by supporting the conservation programs of nations whose activities directly or indirectly affect rhinoceros and tiger populations, and the CITES Secretariat.

(2) To provide financial resources for those programs.

SEC. 4. DEFINITIONS.

In this Act—

(1) "CITES" means the Convention on International Trade in Endangered Species of Wild Fauna and Flora, signed on March 3, 1973, and its appendices;

(2) "conservation" means the use of all methods and procedures necessary to bring rhinoceros and tigers to the point at which there are sufficient populations to ensure that those species do not become extinct, including all activities associated with scientific resource management, such as research, census, law enforcement, habitat protection, acquisition, and management, propagation, live trapping, and transportation;

(3) "Fund" means the Rhinoceros and Tiger Conservation Fund established under section 6(a); and

(4) "Secretary" means the Secretary of the Interior.

SEC. 5. RHINOCEROS AND TIGER CONSERVATION ASSISTANCE.

(a) IN GENERAL.—The Secretary, subject to the availability of appropriations, shall use amounts in the Fund to provide financial assistance for projects for the conservation of rhinoceros and tigers.

(b) PROJECT PROPOSAL.—A country whose activities directly or indirectly affect rhinoceros or tiger populations, the CITES Secretariat, or any other person may submit to the Secretary a project proposal under this section. Each proposal shall—

(1) name the individual responsible for conducting the project;

(2) state the purposes of the project succinctly;

(3) describe the qualifications of the individuals who will conduct the project;

(4) estimate the funds and time required to complete the project;

(5) provide evidence of support of the project by appropriate governmental entities of countries in which the project will be conducted, if the Secretary determines that the support is required for the success of the project; and

(6) provide any other information the Secretary considers to be necessary for evaluating the eligibility of the project for funding under this Act.

(c) PROJECT REVIEW AND APPROVAL.—The Secretary shall review each project proposal to determine if meets the criterion set forth in subsection (d). No later than 6 months after receiving a final project proposal, and subject to the availability of funds, the Secretary shall approve or disapprove the proposal and provide written notification to the person who submitted the proposal and to each country within which the project is to be conducted.

(d) CRITERION FOR APPROVAL.—The Secretary may approve a project under this section if the project will enhance programs for conservation of rhinoceros or tigers by—

(1) assisting efforts—

(A) to implement conservation programs; and

(B) to enhance compliance with provisions of CITES and laws of the United States or a foreign country that prohibit or regulate the taking or trade of rhinoceros or tigers or the use of rhinoceros or tiger habitat; or

(2) developing sound scientific information on that species' habitat condition and carrying capacity, total numbers and population trends, or annual reproduction and mortality.

(e) PROJECT REPORTING.—Each person that receives assistance under this section for a project shall provide periodic reports to the Secretary as the Secretary considers necessary. Each report shall include all information requested by the Secretary for evaluating the progress and success of the project.

SEC. 6. RHINOCEROS AND TIGER CONSERVATION FUND.

(a) ESTABLISHMENT.—There is established in the general fund of the Treasury a separate account to be known as the "Rhinoceros and Tiger Conservation Fund", which shall consist of amounts deposited into the Fund by the Secretary of the Treasury under subsection (b).

(b) DEPOSITS INTO THE FUND.—The Secretary of the Treasury shall deposit into the Fund—

(1) all amounts received by the Secretary in the form of donations under subsection (d); and

(2) other amounts appropriated to the Fund.

(c) USE.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary may use amounts in the Fund without further appropriation to provide assistance under section 5.

(2) ADMINISTRATION.—Of amounts in the Fund available for each fiscal year, the Secretary may use not more than 3 percent to administer the Fund.

(d) ACCEPTANCE AND USE OF DONATIONS.—The Secretary may accept and use donations to provide assistance under section 5. Amounts received by the Secretary in the form of donations shall be transferred to the Secretary of the Treasury for deposit into the Fund.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Fund $10,000,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000 to carry out this Act, to remain available until expended.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. STUDDS

Mr. STUDDS. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. STUDDS: Strike out all after the enacting clause and insert in lieu thereof the following:

H.R. 4924

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 "Rhinoceros and Tiger Conservation Act of 1994".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The world's rhinoceros population is declining at an alarming rate, a 90 percent decline since 1970.

(2) All 5 subspecies of tiger are currently threatened with extinction in the wild, with approximately 5,000 to 6,000 tigers remaining worldwide.

(3) All rhinoceros species have been listed on Appendix I of CITES since 1977.

(4) All tiger subspecies have been listed on Appendix I of CITES since 1987.

(5) The tiger and all rhinoceros species, except the southern subspecies of white rhinoceros, are listed as endangered species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

(6) In 1987, the parties of CITES adopted a resolution that urged all parties to establish a moratorium on the sale and trade in rhinoceros products (other than legally taken trophies), to destroy government stockpiles of rhinoceros horn, and to exert pressure on countries continuing to allow trade in rhinoceros products.

(7) On September 7, 1993, under section 8 of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978) the Secretary certified that the People's Republic of China and Taiwan were engaged in trade of rhinoceros parts and tiger parts that diminished the effectiveness of an international conservation program for that endangered species.

(8) On September 9, 1993, the Standing Committee of CITES, in debating the continuing problem of trade in rhinoceros horn and tiger parts, adopted a resolution urging parties to CITES to implement stricter domestic measures, up to and including an immediate prohibition in trade in wildlife species.

(9) On November 8, 1993, under section 8 of the Fisherman's Protection Act of 1967 (22 U.S.C. 1978), the President announced that the United States would impose trade sanctions against China and Taiwan unless substantial progress was made by March 1994 towards ending trade in rhinoceros and tiger products.

(10) On April 11, 1994, under section 8 of the Fisherman's Protective Act of 1967 (22 U.S.C. 1978), the President—

(A) directed that imports of wildlife specimens and products from Taiwan be prohibited, in response to Taiwan's failure to undertake sufficient actions to stop illegal rhinoceros and tiger trade; and

(B) indicated that the certification of China would remain in effect and directed that additional monitoring of China's progress be undertaken.

SEC. 3. PURPOSES.

The purposes of this Act are the following:

(1) To assist in the conservation of rhinoceros and tigers by supporting the conservation programs of nations whose activities directly or indirectly affect rhinoceros and tiger populations, and the CITES Secretariat.

(2) To provide financial resources for those programs.

SEC. 4. DEFINITIONS.

In this Act—

(1) "CITES" means the Convention on International Trade in Endangered Species of Wild Fauna and Flora, signed on March 3, 1973, and its appendices;

(2) "conservation" means the use of all methods and procedures necessary to bring rhinoceros and tigers to the point at which there are sufficient populations to ensure that those species do not become extinct, including all activities associated with scientific resource management, such as research, census, law enforcement, habitat protection, acquisition, and management, propagation, live trapping, and transportation;

(3) "Fund" means the Rhinoceros and Tiger Conservation Fund established under section 6(a);

(4) "Secretary" means the Secretary of the Interior; and

(5) "Administrator" means the Administrator of the Agency for International Development.

SEC. 5. RHINOCEROS AND TIGER CONSERVATION ASSISTANCE.

(a) IN GENERAL.—The Secretary, subject to the availability of appropriations and in consultation with the Administrator, shall use amounts in the Fund to provide financial assistance for projects for the conservation of rhinoceros and tigers.

(b) PROJECT PROPOSAL.—A country whose activities directly or indirectly affect rhinoceros or tiger populations, the CITES Secretariat, or any other person may submit to the Secretary a project proposal under this section. Each proposal shall—

(1) name the individual responsible for conducting the project;

(2) state the purposes of the project succinctly;

(3) describe the qualifications of the individuals who will conduct the project;

(4) estimate the funds and time required to complete the project;

(5) provide evidence of support of the project by appropriate governmental entities of countries in which the project will be conducted, if the Secretary determines that the support is required for the success of the project; and

(6) provide any other information the Secretary considers to be necessary for evaluating the eligibility of the project for funding under this Act.

(c) PROJECT REVIEW AND APPROVAL.—Within 30 days of receiving a final project proposal, the Secretary shall provide a copy of the proposal to the Administrator. The Secretary shall review each final project proposal to determine if it meets the criteria set forth in subsection (d). Not later than 6 months after receiving a final project proposal, and subject to the availability of funds, the Secretary, after consulting with the Administrator, shall approve or disapprove the proposal and provide written notification to the person who submitted the proposal, to the Administrator, and to each country within which the project is to be conducted.

(d) CRITERIA FOR APPROVAL.—The Secretary may approve a project under this section if the project will enhance programs for conservation of rhinoceros or tigers by assisting efforts to—

(1) implement conservation programs;

(2) enhance compliance with provisions of CITES and laws of the United States or a foreign country that prohibit or regulate the taking or trade of rhinoceros or tigers or the use of rhinoceros or tiger habitat; or

(3) develop sound scientific information on that species' habitat condition and carrying

capacity, total numbers and population trends, or annual reproduction and mortality.

(e) PROJECT SUSTAINABILITY.—To the maximum extent practical, the Secretary should give consideration to projects which will enhance sustainable development programs to ensure effective, long-term conservation of rhinoceros and tigers.

(f) PROJECT REPORTING.—Each person that receives assistance under this section for a project shall provide periodic reports, as the Secretary considers necessary, to the Secretary and the Administrator. Each report shall include all information requested by the Secretary, after consulting with the Administrator, for evaluating the progress and success of the project.

SEC. 6. RHINOCEROS AND TIGER CONSERVATION FUND.

(a) ESTABLISHMENT.—There is established in the general fund of the Treasury a separate account to be known as the "Rhinoceros and Tiger Conservation Fund", which shall consist of amounts deposited into the Fund by the Secretary of the Treasury under subsection (b).

(b) DEPOSITS INTO THE FUND.—The Secretary of the Treasury shall deposit into the Fund—

(1) all amounts received by the Secretary in the form of donations under subsection (d); and

(2) other amounts appropriated to the Fund.

(c) USE.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary may use amounts in the Fund without further appropriation to provide assistance under section 5.

(2) ADMINISTRATION.—Of amounts in the Fund available for each fiscal year, the Secretary may use not more than 3 percent to administer the Fund.

(d) ACCEPTANCE AND USE OF DONATIONS.—The Secretary may accept and use donations to provide assistance under section 5. Amounts received by the Secretary in the form of donations shall be transferred to the Secretary of the Treasury for deposit into the Fund.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Fund $10,000,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000 to carry out this Act, to remain available until expended.

Mr. STUDDS (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Massachusetts [Mr. STUDDS].

The amendment in the nature of a substitute was agreed to.

Mr. BEILENSON. Mr. Speaker, I rise in support of the Rhinoceros and Tiger Conservation Act, a measure which may be our only hope for saving from extinction two of the world's most venerated creatures.

I want to commend the gentleman from Massachusetts, [Mr. STUDDS], and the gentleman from Texas, [Mr. FIELDS], for their leadership on this issue. They deserve our gratitude and appreciation for the difficult work they have been doing to save the world's endangered animals, including the two which are the subject of this bill.

There are, sadly, fewer than 11,000 rhinos and 5,000 tigers left in the wild today. Their numbers have declined rapidly in recent decades because of the demand for their parts and the poachers who supply that demand.

Although all tiger subspecies and all rhinoceros species have been listed on Appendix I of the Convention on International Trade in Endangered Species [CITES] for many years, the prohibition on trade of those animals has not been well enforced in some Asian countries, where their parts are believed by many to have medicinal value. Because of the strong cultural belief in the rhino's and tiger's curative powers, it has been a far more difficult and complex task to eliminate trade in these species than to save similarly situated animals, such as elephants, whose products are simply a luxury item.

As the plight of the tiger and rhino has grown increasingly serious, so too has our response. In April, President Clinton imposed trade sanctions on wildlife products from Taiwan, which was the first time the United States has ever imposed such sanctions for trade in endangered species. This action followed the recommendation of the standing committee of CITES, which last September recommended that CITES parties prohibit trade in wildlife species from China and Taiwan for failing to control the illegal trade in rhinoceros horn and tiger parts, but later noted that China was making progress in implementing agreed-upon actions.

The imposition of sanctions against countries which are not adequately enforcing CITES is a critically important tool in arresting the rapid decline of species, and we are encouraged that President Clinton is using it. But we also know from our successful experience in slowing the decline of the African elephant that a carrot as well as stick is needed. In addition to imposing or threatening to impose sanctions, we need to help others countries conserve populations of rhinos and tigers—and that is what this legislation provides for.

This bill authorizes $10 million per year for 5 years for a Rhinoceros and Tiger Conservation Fund under the Department of Interior. Under the program, grants would be provided to foreign governments and nonprofit groups that develop rhinoceros and tiger conservation projects. Private donations could be accepted and used for approved projects.

The bill intentionally defines conservation broadly in order to allow the Secretary of Interior to consider a wide range of methods and procedures necessary to bring rhinoceros and tigers to the point at which there are sufficient populations to ensure the long-term survival of the species, and to select projects that are best able to promote recovery of these animals.

As an example, with the rhinoceros, there has been some success in efforts to form new herds from scattered individual rhinos and remaining members of herds that have been decimated. If they are brought together in suitable habitat with greatly increased security, in time group bonds form and a new herd can be established. Unfortunately, rhinos are all located in developing nations which simply do not have the resources to undertake this kind of preservation effort on a sufficiently large scale to ensure the recovery of the species.

The conservation program in this bill is modeled on the successful program establish by the African Elephant Conservation Act of 1988. Under that program, with a relatively modest amount of funding—less than $1.2 million the United States is currently helping to fund 34 conservation projects in 13 African countries. And, our efforts have served as a catalyst in generating major contribution and technical assistance from other donor nations and from nongovernmental organizations.

In this case, too, our leadership in helping other nations conserve the remaining populations of tiger and rhinoceros will inspire other nations to join this important effort.

Mr. Speaker, it would be unspeakably tragic, in my opinion, if two of the most wondrous creatures on earth—creatures we have always thought of as a part of our world—were no longer in existence. It is absolutely incumbent upon us to do what we can to ensure that that never happens. I urge my colleagues to support this modest, but extremely important, legislation.

Mr. HAMILTON. Mr. Speaker, I rise in support of H.R. 4924, as amended, to assist in the conservation of rhinoceros and tigers by supporting and providing financial resources for the conservation programs of nations whose activities directly or indirectly affect rhinoceros and tiger populations, and of the CITES Secretariat.

At the outset, I would like to commend the chief sponsors of the bill, Mr. FIELDS and Mr. STUDDS of the Committee on Merchant Marine and Fisheries, and Mr. BEILENSON for their leadership on this conservation measure to protect rhinos and tigers.

The bill establishes a fund, subject to appropriations from the Department of the Interior, of up to $10 million per year for 5 years to protect rhino and tiger species. Project financing will be reviewed and approved by the Secretary of the Interior, in consultation with the Administrator of the Agency for International Development [AID]. AID's participation will ensure that these projects are consistent with our sustainable development objectives, and are coordinated with other U.S. programs overseas.

H.R. 4924 is an important complement to on-going efforts now underway by AID. AID takes an integrated approach to conservation of rhinos and tigers, as with other biodiversity activities. Its comprehensive approach involves local communities, and helps develop their capacity to manage and protect these and other species over the long-term. Local participation is crucial for sustainable development. AID's funding of rhino and tiger conservation projects over the past 5 years has been at least $108 million.

Mr. Speaker, I urge the adoption of H.R. 4924, as amended.

Mr. SABO. Mr. Speaker, I rise today to express my support for H.R. 4924, the Rhinoceros and Tiger Conservation Act.

Rhinos and tigers are rapidly disappearing in the wild and are coming perilously close to extinction because of illegal poaching to supply the high demand for traditional medicine

products. If we hesitate to act aggressively to preserve these majestic animals, they may be lost forever. Many nations with tiger and rhino populations seek American expertise in endangered species education and law enforcement. With H.R. 4924, we can help them now, and we can save the rhinos and tigers for our future generations.

In addition to Chairman STUDDS' and Representative JACK FIELDS' efforts to enact H.R. 4924, I was able to include provisions in the fiscal year 1995 Interior appropriations conference report that encourage the U.S. Fish and Wildlife Service and the Smithsonian Institution to develop a voluntary donation program associated with the endangered species exhibits at the National Zoo in Washington, DC. H.R. 4924 also authorizes the Fish and Wildlife Service to accept donations to support Federal efforts to protect endangered tigers and rhinos.

With three million visitors each year, the National Zoo is a perfect environment to educate people about the plight of endangered species, and a voluntary donation campaign would provide concerned citizens with an immediate avenue to help those species most at-risk. I believe that the American people will welcome the creation of the Rhino and Tiger Conservation Fund, and that zoo-goers will gladly support the fund with voluntary contributions when they visit the National Zoo.

The Rhinoceros and Tiger Conservation Fund represents an important step in ensuring the survival of these grand animals. I commend the fine work of Chairman STUDDS and Representative FIELDS in bringing H.R. 4924 to the House floor. Endangered species advocates must also be congratulated for their persistent efforts to educate us all on the importance of preserving endangered species. I look forward to working with them. Our united efforts could mean the difference between survival and extinction for tigers, rhinos, and many other endangered species.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL PARK SYSTEM REFORM ACT OF 1994

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4476) to provide for the development of a plan and a management review of the National Park System and to reform the process by which areas are considered for addition to the National Park System, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4476

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 Park System Reform Act of 1994".

TITLE I—NATIONAL PARK SYSTEM PLAN

SEC. 101. PREPARATION OF NATIONAL PARK SYSTEM PLAN.

(a) PREPARATION OF PLAN.—The Secretary of the Interior (hereinafter in this Act referred to as the "Secretary"), acting through the Director of the National Park Service, shall prepare a National Park System Plan (hereinafter in this Act referred to as the "plan") to guide the direction of the National Park System into the next century. The plan shall include each of the following:

(1) A statement of goals and objectives for use in defining the mission and role of the National Park Service in preserving our national natural and cultural heritage, relative to other efforts at the Federal, State, local, and private levels.

(2) Detailed criteria to be used in determining which natural and cultural resources are appropriate for inclusion as units of the National Park System.

(3) Identification of what constitutes adequate representation of a particular resource type and which aspects of the national heritage are adequately represented in the existing National Park System or in other protected areas.

(4) Identification of appropriate aspects of the national heritage not currently represented in the National Park System.

(5) Priorities of the themes and types of resources which should be added to the National Park System in order to provide more complete representation of our Nation's heritage.

(6) A statement of the role of the National Park Service with respect to such topics as preservation of natural areas and ecosystems, preservation of industrial America, preservation of non physical cultural resources, and provision of outdoor recreation opportunities.

(7) A statement of what areas constitute units of the—National Park System and the distinction between units of the system, affiliated areas, and other areas within the system.

(b) CONSULTATION.—During the preparation of the plan under subsection (a), the Secretary shall consult with other Federal land managing agencies, State and local officials, the National Park System Advisory Board, resource management, recreation and scholarly organizations and other interested parties as the Secretary deems advisable. These consultations shall also include appropriate opportunities for public review and comment.

(c) TRANSMITTAL TO CONGRESS.—Prior to the end of the third complete fiscal year commencing after the date of enactment of this Act, the Secretary shall transmit the plan developed under this section to the Committee on Natural Resources of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate.

SEC. 102. MANAGEMENT REVIEW OF NATIONAL PARK SYSTEM.

(a) REVIEW.—(1) Using the National Park System Plan prepared pursuant to section 101 as a guide, the Secretary shall review the existing National Park System to determine whether there are more appropriate alternatives for managing specific units or portions of units within the system, including partnerships or direct management by States, local governments, other agencies and the private sector. The Secretary shall develop a report which contains a list of areas within the National Park System where National Park Service management should be modified or terminated.

(2) In developing the list under paragraph (1), the Secretary shall consider such factors as duplication within the National Park System, better representation of a particular resource type under management of another entity, lack of significance, lack of management feasibility, cost, lack of visitor accessibility, modifications that change the character of the resource, lack of collaboration to protect resources, suitability for management by another agency, and the compatibility of the resource with the present mission role of the National Park Service.

(3) For any areas for which termination of National Park Service management is recommended, the Secretary shall make recommendations regarding management by an entity or entities other than the National Park Service. For any area determined to have national significance, prior to including such area on the list under paragraph (1) the Secretary shall identify feasible alternatives to National Park Service management which will protect the resources thereof and assure continued public access thereto.

(b) CONSULTATION.—In developing the list referred to in subsection (a), the Secretary shall consult with other Federal land managing agencies, State and local officials, the National Park System Advisory Board, resource management, recreation and scholarly organizations and other interested parties as the Secretary deems advisable. These consultations shall also include appropriate opportunities for public review and comment.

(c) TRANSMITTAL TO CONGRESS.—Not later than 1 year after the Secretary completes the plan referred to in section 101 of this Act, the Secretary shall transmit the report developed under this section simultaneously to the Natural Resources Committee of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. The report shall contain the recommendations of the Secretary concerning modifications or termination of National Park Service management for any areas within the National Park System and the recommendations regarding alternative management by an entity or entities other than the National Park Service.

SEC. 103. NATIONAL PARK SYSTEM REVIEW COMMISSION.

(a) ESTABLISHMENT OF COMMISSION.—If the Secretary fails to transmit the report developed under section 102 within the 1-year period specified in section 102, a National Park System Review Commission shall be established to review existing National Park System units to determine whether there are more appropriate alternatives for managing specific units or portions thereof. Within one year after the date of its establishment, the Commission shall prepare and transmit to the Natural Resources Committee of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate a report containing a list of National Park System units or portions thereof where National Park Service management should be modified or terminated. In developing the list, the Commission shall consider the factors referred to in section 102(a)(2). For any listed areas, the Commission shall suggest alternative management by an entity or entities other than the National Park Service, and for any area determined to have national significance, prior to including such area on the list the Commission shall identify feasible alternatives to National Park Service management which will protect the resources of the area and assure continued public access thereto. In developing the list, the Commission shall consult with other Federal land managing agencies, State and local officials, the National Park System Advisory Board,

resource management, recreation and scholarly organizations and other interested parties as the Secretary deems advisable. These consultations shall also include appropriate opportunities for public review and comment.

(b) MEMBERSHIP AND APPOINTMENT.—The Commission shall consist of 7 members each of whom shall have substantial familiarity with, and understanding of, the National Park System. Three members of the Commission, one of whom shall be the Director of the National Park Service, shall be appointed by the Secretary. Two members shall be appointed by the Speaker of the United States House of Representatives and two shall be appointed by the President Pro Tem of the United States Senate. Each member shall be appointed within 3 months after the expiration of the 1-year period specified in section 102(c).

(c) CHAIR.—The Commission shall elect a chair from among its members.

(d) VACANCIES.—Vacancies occurring on the Commission shall not affect the authority of the remaining members of the Commission to carry out the functions of the Commission. Any vacancy in the Commission shall be promptly filled in the same manner in which the original appointment was made.

(e) QUORUM.—A simple majority of Commission members shall constitute a quorum.

(f) MEETINGS.—The Commission shall meet at least quarterly or upon the call of the chair or a majority of the members of the Commission.

(g) COMPENSATION.—Members of the Commission shall serve without compensation as such. Members of the Commission, when engaged in official Commission business, shall be entitled to travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in government service under section 5703 of title 5, United States Code.

(h) TERMINATION.—The Commission established pursuant to this section shall terminate 90 days after the transmittal of the report to Congress as provided in subsection (a).

(i) LIMITATION ON NATIONAL PARK SERVICE STAFF.—The Commission may hire staff to carry out its assigned responsibilities. Not more than one-half of the professional staff of the Commission shall be made up of current employees of the National Park Service.

(j) STAFF OF OTHER AGENCIES.—Upon the request of the Commission, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission.

(k) EXPERTS AND CONSULTANTS.—Subject to such rules as may be adopted by the Commission, the Commission may procure temporary and intermittent services to the same extent as authorized by section 3109(b) of title 5, United States Code, but at rates determined by the Commission to be advisable.

(l) POWERS OF THE COMMISSION.—(1) The Commission shall for the purpose of carrying out this title hold such public hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission deems advisable.

(2) The Commission may make such bylaws, rules, and regulations, consistent with this title, as it considers necessary to carry out its functions under this title.

(3) When so authorized by the Commission any member or agent of the Commission may take any action which the Commission is authorized to take by this section.

(4) The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(5) The Secretary shall provide to the Commission any information available to the Secretary and requested by the Commission regarding the plan referred to in section 101 and any other information requested by the Commission which is relevant to the duties of the Commission and available to the Secretary.

TITLE II—NEW AREA ESTABLISHMENT

SEC. 201. STUDY OF NEW PARK SYSTEM AREAS.

Section 8 of the Act of August 18, 1970, entitled "An Act to improve the administration of the national park system by the Secretary of the Interior, and to clarify the authorities applicable to the system, and for other purposes" (16 U.S.C. 1a-1 and following) is amended as follows:

(1) By inserting "GENERAL AUTHORITY.—" after "(a)".

(2) By striking the second through the seventh sentences of subsection (a).

(3) By redesignating the last sentence of subsection (a) as subsection (e) and inserting in such sentence before the words "For the purposes of carrying" the following: "(e) AUTHORIZATION OF APPROPRIATIONS.—".

(4) By striking subsection (b).

(5) By inserting the following after subsection (a):

"(b) STUDIES OF AREAS FOR POTENTIAL ADDITION.—(1) At the beginning of each calendar year, along with the annual budget submission, the Secretary shall submit to the Committee on Natural Resources of the House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate a list of areas recommended for study for potential inclusion in the National Park System.

"(2) In developing the list to be submitted under this subsection, the Secretary shall give consideration to those areas that have the greatest potential to meet the established criteria of national significance, suitability, and feasibility. The Secretary shall give special consideration to themes, sites, and resources not already adequately represented in the National Park System as identified in the National Park System Plan to be developed under section 101 of the National Park System Reform Act of 1994. No study of the potential of an area for inclusion in the National Park System may be initiated after the date of enactment of this section, except as provided by specific authorization of an Act of Congress. Nothing in this Act shall limit the authority of the National Park Service to conduct preliminary resource assessments, gather data on potential study areas, provide technical and planning assistance, prepare or process nominations for administrative designations, update previous studies, or complete reconnaissance surveys of individual areas requiring a total expenditure of less than $25,000. Nothing in this section shall be construed to apply to or to affect or alter the study of any river segment for potential addition to the national wild and scenic rivers system or to apply to or to affect or alter the study of any trail for potential addition to the national trails system.

"(c) REPORT.—The Secretary shall complete the study for each area for potential inclusion into the National Park System within 3 complete fiscal years following the date of enactment of specific legislation providing for the study of such area. Each study under this section shall be prepared with appropriate opportunity for public involvement, including at least one public meeting in the vicinity of the area under study, and reasonable efforts to notify potentially affected landowners and State and local governments. In conducting the study, the Secretary shall consider whether the area under study—

"(1) possesses nationally significant natural or cultural resources, or outstanding recreational opportunities, and that it represents one of the most important examples of a particular resource type in the country; and

"(2) is a suitable and feasible addition to the system.

Each study shall consider the following factors with regard to the area being studied: the rarity and integrity of the resources, the threats to those resources, whether similar resources are already protected in the National Park System or in other Federal, state or private ownership, the public use potential, the interpretive and educational potential, costs associated with acquisition, development and operation, the socioeconomic impacts of any designation, the level of local and general public support and whether the unit is of appropriate configuration to ensure long term resource protection and visitor use. Each such study shall also consider whether direct National Park Service management or alternative protection by other agencies or the private sector is appropriate for the area. Each such study shall identify what alternative or combination of alternatives would in the professional judgment of the Director of the National Park Service, be most effective and efficient in protecting significant resources and providing for public enjoyment. The letter transmitting each completed study to Congress shall contain a recommendation regarding the Administration's preferred management option for the area.

"(d) LIST OF AREAS.—At the beginning of each calendar year, along with the annual budget submission, the Secretary shall submit to the Committee on Natural Resources of the House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate a list of areas which have been previously studied which contain primarily cultural or historical resources and a list of areas which have been previously studied which contain primarily natural resources in numerical order of priority for addition to the National Park System. In developing the list, the Secretary should consider threats to resource values, cost escalation factors and other factors listed in subsection (c) of this section.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Colorado [Mr. HEFLEY] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks in the RECORD on the measure before us.

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

There was no objection.

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

Mr. Speaker, H.R. 4476 is a measure designed to maintain the integrity of the National Park System through various improvements in the process of planning and establishing National Park System units.

I am pleased that we have been able to come to the floor on a bipartisan basis with a compromise which takes the best elements of the H.R. 1508, introduced by Representative HEFLEY, and H.R. 3709, which I introduced.

Mr. Speaker, the National Park Service is charged with the management of many of the Nation's most precious natural, cultural, and historical resources. The 367 areas which make up the National Park System are known throughout the world for their natural wonders, scenic beauty, and historical significance. Considering the exceptional quality of our national parks, it is our obligation to ensure that only outstanding resources are added to the National Park System. This is especially true in an era of fiscal constraint and large demands on the existing National Park System.

In our National Park System, several important land forms and themes of American history are underrepresented or not represented at all. The National Park System needs the ability to expand in order to reflect the progression of history and to respond to a rapidly growing population. In expanding the system, however, great caution must be exercised in order to make sure that only high-quality resources are included. This concern is bipartisan, and it is shared by Congress, the administration, and the American people.

H.R. 4476 addresses these concerns by providing for the following:

It directs the Secretary of the Interior to prepare a plan to guide the direction of the National Park System into the next century. The plan would be submitted to Congress and would define the role of the National Park System in preserving our national heritage, relative to other efforts at the Federal, State, local, and private levels; it would identify aspects of our American heritage which are adequately and inadequately represented in the National Park System and would list priorities of the types of resources which should be added to the National Park System.

There currently is no overall plan for the expansion of the National Park System. The only documents which can be considered plans are the thematic frameworks. These documents are not strategies or plans. Instead, they are documents which list major natural and historical themes of the United States and then describe how the themes are represented by existing NPS units and landmarks. These are not particularly helpful in telling Congress or anyone else the short- or long-term direction of the National Park System. This type of strategic planning is done by other Federal agencies and large organizations.

The bill directs the Secretary to conduct a management review of the existing National Park System to determine if National Park Service management at any area should be modified or terminated. This review would be conducted using the direction provided by the National Park System plan. In developing the list of areas where NPS management would be proposed to be modified or terminated, the National Park Service would consult with other Federal agencies, State and local officials, resource management, recreation and scholarly organizations, and other interested parties. The list would be transmitted to Congress within 1 year after the completion of the National Park System plan. It would require the National Park Service to recommend alternative entities to manage sites which would be proposed to no longer be managed by the National Park Service.

The determination of what areas no longer deserve to be units of the National Park System is a highly sensitive task which appropriately should be done by the National Park Service with advice and consultation from outside organizations. I do not believe it is appropriate for this task to be undertaken by a Commission which is accountable to no one. This provision would allow us to take a hard look at the National Park System and see if any corrections or changes are needed. It will also allow us to improve management efficiency and cost-effectiveness in certain areas where termination is not recommended but some modification such as increased use of cooperative agreements is utilized.

However, in the event that the Secretary does not submit the list of areas for termination or modification to Congress in the specified 1-year time period, the bill calls for the establishment of a seven member Commission to carry out this task. The Commission would use the plan and any preliminary work done by the National Park Service to prepare the list. The list would be submitted to Congress and the Commission would expire. The bill does not contain any automatic closure procedures as proposed in H.R. 1508. The authority to designate National Park System units rests with Congress, and Congress should retain that authority with regard to deauthorizing units as well.

The bill contains most of the provisions of my bill H.R. 3709, the National Park System New Area Study Reform Act. It would require all new area studies to be authorized by Congress after receiving a list of new area study priorities from the National Park Service. Studies would have to be completed in 3 years and would have to contain the management alternative preferred by the National Park Service. This provision does not cover technical assistance to State or local governments, wild and scenic rivers, national trails system units, or wilderness areas. The purpose of these reforms is to provide Congress with the professional opinion of the National Park Service earlier on in the process of considering areas for addition to the National Park System. This provision would also eliminate the confusion surrounding the multiple sources of new area study requests which result in delays, starts and stops, and other problems.

Finally, the bill requires the Secretary to submit annually a list of previously studied areas in order of priority for addition to the National Park System. In accordance with an amendment adopted in the subcommittee, the National Park Service will submit two priority rankings, one for areas which are primarily cultural in nature and one for areas which contain primarily natural resources.

Mr. Speaker, the bill before us (H.R. 4476) is a carefully crafted measure which will help to maintain a high level of integrity for the National Park System. I urge Members to support it today.

□ 1710

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

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

Mr. Speaker, I cannot tell you how pleased I am we are getting the chance to discuss this bill and vote on it today. The bill that you have before you is an important measure. It is the product of a truly bipartisan effort to bring order and direction to the National Park System.

In the 4 years I have been a member of the Committee on Natural Resources, we have repeatedly discussed the Park Service's backlog in construction, maintenance, and acquisition. Despite a backlog that runs into the billions, we have repeatedly added new parks that further sap the resources of the Park Service. Sometimes, Mr. Speaker, I think we have added rhinestones when we should have been taking care of the Nation's crown jewels.

This bill is our attempt to do something about that. H.R. 4476 will establish a process in which proposals for new parks will have to be studied and recommended by the Park Service, then authorized by the Committee on Natural Resources in Congress, before any money is appropriated. It will direct the Park Service to stack a set of priorities for designating parks so that Congress will have a clear idea of what is necessary, and so that important ideas will not be pushed to a back burner by every new proposal or political trend. It will require the Director to review the existing park system to see that all of its units meet the high

standards this process will establish and examine possible future options for management.

There are also a number of things this bill will not do. This bill will not sell off the Grand Canyon, it will not turn the Park Service over to Disney, and it will not attempt to turn every unit into a profitmaking machine to the detriment of the resources.

The full effects of the legislation will not be seen tomorrow or next year, but I believe that this bill will provide Congress and the Park Service with the blueprints and tools necessary to meet the challenges of the next century.

In closing, I would like to emphasize the truly bipartisan nature of this legislation. It had its genesis in the thinking of our former Member and colleague, Robert Lagomarsino, more than 5 years ago. Today's bill is the product of working sessions between the majority and minority staffs and the National Park Service, the majority and minority Members of Congress. It would take some study to figure out who was with responsible for what portions of this final bill.

I would like to commend the gentleman from Minnesota [Mr. VENTO], and his staff for the work they have done on this issue. I would especially like to commend the Park Service representatives who worked on this bill. Their expertise was invaluable in preparing this legislation.

This bill proves that Members of both parties can work together in a spirit of comity to solve important issues. After all the shouting and politicking is done, I think we all got into this line of work to do something for our country, to leave a mark, a legacy for future generations. I believe this bill can be that kind of legacy, and, therefore, I heartily endorse its adoption.

Mr. Speaker, I yield 4 minutes to the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, I rise in strong support of H.R. 4476, the appropriately titled "National Park Service Reform Act." Mr. Chairman, this is an important, bipartisan bill which should help refine the mission of the National Park Service for the 21st century.

Mr. Speaker, it seems hardly a week goes by in the House during which we are not considering some legislation to expand the mission of the National Park Service. It also seems that I spend a lot of time on the floor of this House opposing many of these bills, because of my concerns about the impact of these expansions on the greatest park system in the world.

I am very concerned about both the fiscal impact of these proposals and their impact on the integrity of the park system. Mr. Speaker, with enactment of this bill there is hope we may spend less time in the future on the floor of the House opposing unnecessary park expansion bills.

This is true because this measure requires the National Park Service to develop a vision of where to take the agency, instead of the current piecemeal approach to expansion of the park system. The agency will be required to prioritize future expansion proposals. Further, Congress can be assured that adequate information will be available each time a proposal for expansion of the park system is presented.

Finally, this bill will help us redirect the limited financial resources of the agency by identifying areas where future National Park Service involvement is unnecessary or inappropriate and freeing up funds for other park areas managed by the agency.

Mr. Speaker, I wish to commend the gentleman from Colorado for developing this measure. We have had many discussions about the problems which this bill is designed to address, but Mr. HEFLEY has devoted the time and energy to develop this measure and see it through. Also, I want to thank the chairman, Mr. VENTO, for agreeing to work with the minority on this important measure and report Mr. HEFLEY's bill. Unfortunately, I often find myself in disagreement with the chairman on matters before our committee, but I have no less respect for him as a result of our disagreements. Few Members of this body take their chairmanship as studiously, or work any harder than this chairman, and I believe that both the products of our committee and the land management policies of this Nation are generally better off as a result of his efforts.

Mr. Speaker, I note that the other body is also moving a similar bill, and I commend this bill to all of my colleagues as one of the most important things we can do for the National Park Service during this Congress.

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

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

Mr. Speaker, I thank the ranking member, the gentleman from Utah [Mr. HANSEN], for his kind comments. I would return them in kind. I know that the gentleman has worked hard on these bills. There have been numerous hearings on almost everything we have done. It has gone through the process very carefully.

But in the end, Mr. Speaker, I do not think it is proper to rely upon one or two Members to make the judgments about what is appropriate with regard to the National Park Service policy, or, for that matter, whether we are dealing with the Forest Service or the BLM. But all too often I find myself referencing and using as benchmarks for the policy guidance that my colleagues look to me for really on some precedent that existed in the past, rather than on a sound review of what the proper policy path has been.

I think during this session, I felt that there has been to some extent a loss of focus with regards to parks, and I think there is an amount of concern that has gripped me, and has gripped others. I have seen the same thing.

I see an article that will come out this next month in the National Geographic magazine talking about the problems and the stresses that our parks face. It is time that we charge this administration and other administrations with the proper evaluation and study to put in place the type of framework that we need in terms of making sound public policy as it affects the National Park System.

□ 1720

I fear today that that has, as I said, the focus has not been as sharp as it should and could be. We need that today because of the types of problems we face in terms of fiscal responsibility, because of the increasing backlogs and problems with maintenance that exist. The maintenance backlogs and the backlogs in terms of construction have been referred to as soaring as high as $5 billion.

I might remind my colleagues that that is almost four times more than the entire Park Service budget in a given year. That sort of, I think, epitomizes what we are up against in terms of this problem. Yet we have in just 10 years nearly doubled the number of people that visit our national parks. The projections into the future are that they will continue to increase. Our national parks are one of the leading attractions of people that visit this country from abroad. And as Members look at this, it is clear that we need to expand the park system in order to accommodate this, to try to disperse the use of the park system away from some of the areas that are heavily used in other areas that are equally important and can serve the needs of Americans and tourists on a broad basis.

But in order to do that, we need to have the proper study and background. We need to charge the park service to reevaluate and to evaluate their mission and the designations, the work that we do in Congress.

Congress has been instrumental throughout its history, throughout the park service history, in terms of designating these areas and establishing them. By and large, I think if we say the park system is a good system, I think a lot of the credit has to go back to the legislative bodies which have managed these lands in such a way as to, in fact, preserve these values and this fabric, this natural and cultural fabric.

Today I think we are in the forefront again. Again, it has been Congress that has been in the forefront of laying forth the policy that is set forth in this bill. We have pushed the administration. And I might say that this administration, like those of the past, has not put forth a comprehensive policy

plan, a comprehensive agenda to deal with the National Park System.

The fact is that given no agenda, given no direction, I think that we have done a remarkably good job, I might say, in a bipartisan basis, in the House and in the Senate, in terms of trying to keep to a policy path with regards to parks that is logical, that is consistent. But it is increasingly difficult. So we are reaching out in this legislation and directing in this legislation and asking for some help of this administration and those in the future to get their act together so that we can do a better job in this body.

It is pretty hard, Mr. Speaker, to work in this area without having the other hand working with you and wandering off in different directions. We need the focus, the expertise, the professionalism of the National Park Service, which characterizes the National Park Service, I might say, the professionalism to deal with that. We need to deal with the topics like the veil agenda and the professionalism of the Park Service.

They are trying to reorganize themselves one more time to deal with the concerns in terms of how they are organized, but one place they need to organize, and that is their legislative program on this floor and their administrative structure throughout this Nation.

That being said, let me thank my colleagues again.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BILBRAY). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO], that the House suspend the rules and pass the bill, H.R. 4476.

The question was taken.

Mr. VENTO. 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.

NOTIFICATION OF INTENTION TO OFFER A PRIVILEGED RESOLUTION ON THE U.S. OCCUPATION OF HAITI ON WEDNESDAY, SEPTEMBER 28, 1994

Mr. COX. Mr. Speaker, I ask unanimous consent that the notice of intentions to offer a privileged resolution that I announced on Friday, September 23, 1994, titled House Resolution Calling For Congressional Debate and Authorization for the U.S. Occupation of Haiti, be deemed sufficient under rule IX to permit this Member to bring up this privileged resolution on Wednesday, September 28, 1994.

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

There was no objection.

PRESIDENT JOHN F. KENNEDY ASSASSINATION RECORDS COLLECTION EXTENSION ACT OF 1994

Mr. CONYERS. Mr. Speaker, I move to suspend the rules and concur in the Senate amendments to the bill (H.R. 4569) to extend and make amendments to the President John F. Kennedy Assassination Records Collection Act of 1992.

The Clerk read as follows:

Senate amendments:

Page 2, strike out lines 1 to 3 and insert:

(1) by striking "2 years after the date of enactment of this Act" and inserting "September 30, 1996"; and

(2) by striking "2-year".

Page 2, line 6, strike out "Section 8(j)(1)" and insert: "Section (7)(j)(1)."

Page 3, lines 7 and 8 strike out "offered the position" and insert: "employed conditionally in accordance with subsection (b)3)(B)."

Page 4, after line 8, insert:

(d) CONDITIONAL EMPLOYMENT OF STAFF.—Section 8(b)(3)(B) of the President John F. Kennedy Assassination Records Collection Act of 1992 (44 U.S.C. 2107 note) is amended to read as follows:

"(B)(i) The Review Board may offer conditional employment to a candidate for a staff position pending the completion of security clearance background investigations. During the pendency of such investigations, the Review Board shall ensure that any such employee does not have access to, or responsibility involving, classified or otherwise restricted assassination record materials.

"(ii) If a person hired on a conditional basis under clause (i) is denied or otherwise does not qualify for all security clearances necessary to carry out the responsibilities of the position for which conditional employment has been offered, the Review Board shall immediately terminate the person's employment.".

(e) COMPENSATION OF STAFF.—Section 8(c) of the President John F. Kennedy Assassination Records Collection Act of 1992 (21 U.S.C. 2107 note) is amended to read as follows:

"(c) COMPENSATION.—Subject to such rules as may be adopted by the Review Board, the chairperson, 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 that title relating to classification and General Schedule pay rates, may—

"(1) appoint an Executive Director, who shall be paid at a rate not to exceed the rate of basic pay for level V of the Executive Schedule; and

"(2) appoint and fix compensation of such other personnel as may be necessary to carry out this Act.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan [Mr. CONYERS] is recognized for 20 minutes, and the gentleman from California [Mr. MCCANDLESS], is recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. CONYERS].

GENERAL LEAVE

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on H.R. 4569.

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

There was no objection.

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

Mr. Speaker, on July 29, the House passed H.R. 4569, as amended by the Committee on Government Operations, to make mostly technical changes to the original Assassination Record Act passed during the 102d Congress. The act would simply extend the duration of the Board established by the original act for an additional year due to the delay in appointing Board members. It would also allow the Board to more easily hire staff, and to use the Federal Supply Service and the U.S. mail as do other Federal agencies.

The Senate further amended H.R. 4569 to clarify the dates of the extension and the other provisions. The changes are purely technical in nature, and I urge my colleagues to once again pass the bill.

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

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

Mr. Speaker, I stand with the chairman of the Government Operations Committee in support of H.R. 4569 and call for its immediate enactment. This noncontroversial bill will amend the President John F. Kennedy Assassination Records Collection Act of 1992 by extending its life for 1 additional year and makes several administrative changes to make it easier for the Review Board to hire staff and function more efficiently.

The House passed this bill last July under a unanimous voice vote. The Senate made some minor, almost administrative, changes which have little impact on the original House-passed bill. I am asking my colleagues to lend their support to this bill again today.

Specifically, the JFK Records Extension Act: extends the life of the Review Board by an additional year while authorizing no additional appropriations; authorizes the Review Board to use General Services Administration resources to purchase goods and services; authorizes the Review Board to use the U.S. Postal Service as though they are any other Government agency; allows the Review Board to offer a job to potential staff before they obtain proper security clearances; allows current Government employees to be hired by the Review Board, but only if they perform administrative functions; and allows the Review Board to avoid Office of Personnel Management regulations.

These changes are required because the Review Board was late in getting organized due to the changes of administration in 1993. The amendments would allow the Board to continue its

work for an additional year while spending no additional moneys.

This legislation was drafted with full cooperation between the minority and majority of the Government Operations Committee and is supported unanimously by the committee Republicans.

Mr. STOKES. Mr. Speaker, I rise in strong support of H.R. 4569, the John F. Kennedy Assassination Records Collection Extension Act of 1994, offered by my good friend and the distinguished chairman, Mr. CONYERS, to extend the terms and clarify the responsibilities of the John F. Kennedy Assassinations Review Board. Let me commend Mr. CONYERS for his leadership on this issue and for his commitment to ensuring that the important work of the Board is accomplished.

Mr. Speaker, Public Law 102-526, the John F. Kennedy Assassination Records Collection Extension Act was enacted by Congress in 1992. I authored this legislation, in my capacity as former chairman of the House Select Committee on Assassinations, to release all executive, congressional, and judicial documents related to President Kennedy's assassination. This law, in my opinion, demonstrated to the American people our commitment to provide them an opportunity to ascertain the truth concerning President Kennedy's assassination.

Part of this critical legislation includes the establishment of a Review Board. The Review Board has the crucial responsibility of overseeing the release of files relating to the assassination. It will determine whether requests by Federal agencies to postpone disclosure of certain assassination materials is valid as outlined by criteria set forth in the law. I was firmly committed to the establishment of this independent Review Board.

Unfortunately, Mr. Speaker, the Board appointments were somewhat delayed. As a consequence, precious time has been lost for the Board to undertake its work. There are also some operational enhancements in H.R. 4569 with respect to the Board. The Board's work remains a priority to me, to many other members, and most importantly to the American people. It is therefore imperative that we support their important and continued work.

Mr. Speaker, I urge my colleagues to join me in support of this bill to show we are willing to provide the leadership the American people have demanded.

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

Mr. CONYERS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. CONYERS] that the House suspend the rules and concur in the Senate amendments to the bill, H.R. 4569.

The question was taken and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXPANDING ELIGIBILITY FOR FEDERAL SURPLUS PROPERTY

Mr. CONYERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2461) to amend the Federal Property and Administrative Services Act of 1949 to authorize the transfer to States of surplus personal property for donation to nonprofit providers of necessaries to impoverished families and individuals.

The Clerk read as follows:

H.R. 2461

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

SECTION 1. TRANSFER OF SURPLUS PERSONAL PROPERTY FOR DONATION TO PROVIDERS OF NECESSARIES TO IMPOVERISHED FAMILIES AND INDIVIDUALS.

Section 203(j)(3)(B) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(j)(3)(B)) is amended by inserting after "homeless individuals" the following: ", providers of assistance to families or individuals whose annual incomes are below the poverty line (as that term is defined in section 673 of the Community Services Block Grant Act),".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan [Mr. CONYERS] will be recognized for 20 minutes, and the gentleman from California [Mr. MCCANDLESS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. CONYERS].

GENERAL LEAVE

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on H.R. 2461.

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

There was no objection.

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

(Mr. CONYERS asked and was given permission to revise and extend his remarks.)

Mr. CONYERS. Mr. Speaker, the purpose of H.R. 2461 is to widen the current availability of Federal surplus personal property, that is, supplies and equipment, for donation to nonprofit, tax-exempt organizations that serve the poor.

In 1976, Congress enacted legislation, Public Law 94-519, that gave a broad charter to the General Services Administration to transfer surplus personal property to States so that it could be donated for public purposes. Each State was required to establish a State surplus property agency to serve as the central collection and distribution point for eligible recipients, namely, public bodies and certain nonprofit, tax exempt organizations like schools and hospitals.

Through this Federal-State partnership, the program in fiscal year 1993 resulted in donations to eligible recipients of property that originally cost the Government $654 million. So far in fiscal year 1994, the figures are running at a similar level. The property includes items like tools, office machines and supplies, furniture, appliances, medical supplies, clothing, construction equipment, communications equipment, vehicles, and airplanes.

The author of H.R. 2461, the gentleman from Indiana [Mr. HAMILTON] has rightly called attention to a significant gap in the ability of the present donation program to help providers of assistance to the poor. Providers for the homeless were added in 1988. But now seeing to enter the program are providers of food and of other services to needy families and individuals who may not be homeless. Organizations like Habitat for Humanity and local food banks help to alleviate such needs. H.R. 2461 would make nonprofit organizations serving these purposes eligible for surplus property under the Federal donation program. The new eligibles, of course, would not enjoy a preference over any other group of eligibles.

H.R. 2461, therefore, merely adds to the donation program one more category of eligible nonprofit organizations, those that provide assistance to families or individuals whose annual incomes are below the poverty line as defined in the Community Services Block Grant. The pertinent income levels are calculated by the Census Bureau and are available in the current edition of the "Statistical Abstract of the United States."

Mr. Speaker, the General Services Administration, which administers this program, has advised the Government Operations Committee that it has no objection to the bill. Also, the president of the National Association of State Agencies for Surplus Property, which represents all of the State surplus property agencies, has informed the committee that his organization has no objection to the bill. In fact, no objection from any source has been heard.

The added authority of H.R. 2461 would be broad enough, GSA advises, to cover the intended beneficiaries of a related bill, H.R. 4392, by the gentleman from Oklahoma [Mr. MCCURDY]. That bill would authorize the distribution of Federal surplus property to nonprofit organizations providing assistance to the hungry and the indigent.

The Congressional Budget Office has advised the committee that the bill is not expected to affect the Federal budget.

Mr. Speaker, I strongly urge my colleagues to pass H.R. 2461.

□ 1730

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

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

Mr. Speaker, as the ranking Republican on the Government Operations Subcommittee on Legislation and National Security, I am pleased to provide my support to H.R. 2461. H.R. 2461 is a bill that will allow organizations, such as the Habitat for Humanity, food banks and organizations that recycle building materials for the poor, to qualify as donee organizations for surplus Federal property under the Federal Property and Administrative Services Act.

Office supplies, desks, chairs, and other surplus furniture, are examples of the types of personal property that would be involved. Currently, only nonprofit educational or public health institutions, or homeless providers qualify as donee's for this type of surplus property. However, organizations such as the Habitat for Humanity and food banks do not qualify.

H.R. 2461 would allow these organizations that assist people whose income is below the poverty line to qualify as donee's for personal property the Federal Government no longer needs. These organizations provide valuable assistance to needy individuals. This bill would help these organizations to continue their worthwhile service.

We would take advantage of this opportunity to recycle Government property that might otherwise either collect dust or be thrown away. H.R. 2461 is legislation that makes abundant economic and humanitarian good sense. I commend my distinguished colleague from Indiana [Mr. HAMILTON] for crafting such a sensible, bipartisan bill.

Accordingly, I urge all of my colleagues to give H.R. 2461 strong bipartisan support—it is a bill that helps eliminate waste while helping those in need.

Mr. HAMILTON. Mr. Speaker, I rise today to express my strong support for H.R. 2461, a bill I introduced that would amend the Federal Property Act to make certain nonprofit organizations that help the needy—such as Habitat for Humanity and food banks—eligible for Federal surplus property. Under current law, these organizations are not eligible.

I want to thank Chairman CONYERS and the members of the House Committee on Government Operations for reporting this bill to the House floor. I greatly appreciate their cooperation and support in moving this bill forward.

The Federal Property and Administrative Services Act authorizes GSA to dispose of surplus Federal property. Surplus property is property not needed by any Federal agency; it may be made available by GSA to State or local governments or nonprofit agencies and may be transferred without cost for specified public purposes, including education, recreation, economic development, health care, services for homeless people, or prisons.

However, under current law, surplus property cannot be made available to certain nonprofit organizations. Habitat for Humanity and food banks, for example, do provide services to the homeless, but this is not their exclusive mission. They also provide services to needy individuals who are not homeless, and, consequently, are ineligible for surplus property.

Making Federal surplus property available to these organizations would greatly assist them in aiding the poor in Indiana and around the country. It would help the food banks that provide food to shelters, soup kitchens, and food pantries; groups that recycle building materials for use in the repair of housing for the poor; and other organizations that repair and build homes for low-income families.

H.R. 2461 would amend current law to make such organizations eligible for the Federal Surplus Program. The proposed change in law would not give these organizations preference, but just make them one of many eligible nonprofit entities. H.R. 2461 is not controversial. GSA has not raised any objections to this proposal.

Federal, State, and local governments have been looking to nonprofits to assume more responsibility for providing needed services to the poor, particularly in an era of declining budgets. H.R. 2461 will help nonprofits provide those services more effectively by granting them access to Federal surplus property.

I think this promises to be a worthwhile use of Federal surplus resources. I urge my colleagues to support H.R. 2461.

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

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

The SPEAKER pro tempore (Mr. BILBRAY). The question is on the motion offered by the gentleman from Michigan [Mr. CONYERS] that the House suspend the rules and pass the bill, H.R. 2461.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

ANNOUNCEMENT OF INTENTION TO OFFER MOTION TO INSTRUCT CONFEREES ON H.R. 820, NATIONAL COMPETITIVENESS ACT OF 1994

Mr. ROHRABACHER. Mr. Speaker, pursuant to clause 1(c), rule 28, I am announcing that tomorrow I intend to offer a motion to instruct conferees on the bill (H.R. 820) to amend the Stevenson-Wydler Technology Innovation Act of 1980 to enhance manufacturing technology development and transfer, to authorize appropriations for the Technology Administration of the Department of Commerce, including the National Institute of Standards and Technology, and for other purposes. To insist on the provisions contained in section 506 of the House bill, entitled "Prohibitions."

The form of the motion is as follows:

Mr. ROHRABACHER moves that the managers on the part of the House at the conference on the disagreeing votes of the 2 Houses on the Senate amendment to the bill, H.R. 820, be instructed to insist on the provisions contained in section 506 of the House bill, entitled "Prohibitions", the text of which is as follows: "None of the funds made available in this Act may be used to provide any direct Federal financial benefit to any person who is not (1) a citizen or national of the United States; (2) an alien lawfully admitted for permanent residence; or (3) an alien granted legal status as a parolee, asylee, or refugee.".

U.S. PATENT SYSTEM SET FOR DESTRUCTION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 5 minutes.

Mrs. BENTLEY. Mr. Speaker, recently negotiated intellectual property agreements with Japan have telegraphed the future for the American patent system. The Assistant Secretary and Commissioner of the Patent and Trademark Office recently signed an agreement with Japan to reduce the life term of a patent.

Mr. Lehman is pushing to change the patent term to 20 years from date of filing an application for a patent. The GATT has a minimum of 20 years from the date of filing, but the Lehman/Japan agreement would reduce the life of a patent.

For example, the Genetic Engineering News reports that under the Lehman proposal, the average biotech patent could lose 3 to 4 year's protection. That means research will be cut back and a $7 billion industry will be struggling to be competitive.

America is the world leader in software but under this new term the United States will be a has been in world software markets because the lifespan of a patent will be shortened. Although software has a comparatively short lifespan, the concepts do not. Spreadsheets are one example of an invention still generating billions of dollars in annual revenue.

Changing the patent term is not the only issue Japan is pushing. Secretary of Commerce Ron Brown recently signed an agreement with the Japanese Ambassador to publish our patent applications 18 months after filing. For decades that information has been secret until the patent is published under the American system. Now after 18 months that information will be made public, even before an invention may be completed or a patent issued.

With this early pre-grant publication, Japan will be able to learn about our most advanced technology, even

vital information left out in filing a foreign patent. It also will make it difficult to capitalize an invention.

Why is our Government doing this to the American patent system when it is a well known fact that it is the basis for the industrial might of America?

The answer. Japan has been very critical of our patent laws because our system is different from theirs. Japan has focused on our first-to-invent system, our so-called submarine patents, and our section 104 which limit proofs of invention to those generated in the United States or those generated by certain United States citizens while serving abroad.

With this GATT agreement, Japan is winning—getting what it wants. If the patent term is 20 years measured from filing date, publication 18 months from filing—and international proof of invention—not limited to proofs arising in the United States—then the American system no longer is unique.

A foreign competitor also will be able to file interferences based on evidence filed abroad and tie up our patents. In short, American inventors are getting the short end of the stick in the GATT and in the Lehman-Brown-Japan agreements.

Why should American citizens be concerned about the patent system?

This 20-year term from filing is the most devastating inclusion in GATT. It is a serious threat to the economic well being of the United States. We literally are giving up our technological lead for the next 100 years if we allow this term to be changed in the GATT.

We must fight for our patent system and not allow the Government to change it without public hearings. I can tell you from first-hand knowledge that American small business and inventors will shut down these changes. It is only a few multinationals and Japan who are pushing the changes.

We have led the world in innovation and creativity. In 1993, the United States had 59,588 influential patents, which is almost twice as many as Japan, Italy, the United Kingdom, France, and Germany combined. This was achieved under the 17-year patent system with everything secret until issuance. Even the Patent Commissioner admitted in testimony that the "process under the old system—inventors—have the benefit of the greater term. It is as simple as that."

Mr. Speaker, we are rapidly pushing American inventors over a cliff in a second American Pearl Harbor with these changes in the patent system.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

□ 1740

REPUBLICAN CONTRACT WITH AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. HOEKSTRA] is recognized for 5 minutes.

Mr. HOEKSTRA. Mr. Speaker, to my colleagues, today was a historic day. The Republican candidates for the House of Representatives for the 104th Congress laid out a contract with the American people. I came to this body about 21 months ago with the hope and the expectation that we could significantly alter the way that the people's house worked. In many ways, I have been disappointed by what we have been able to accomplish or what more importantly we have not been able to accomplish in this Congress, in making the people's house nmore responsive to the American people, bringing forth and debating and voting on and enhancing many of the ideas that were an element of our campaigns 2 years ago. What we did today is we outlined a contract with America that gives a vision for what the people's House can and should again become.

I talked about many of these ideas over the last 18 months. Eighteen months ago I proposed a piece of legislation that would allow the American people to become more involved in the process of setting the agenda for this country, a process that said we are going to let you help set an agenda because we are going to allow on a national and Federal level the initiative and referendum process. That legislation never made it out of committee.

Six months ago, we introduced a second piece of legislation that built off this first piece of legislation. We said if we cannot bring in its purest form initiative and referendum to this national body, let us experiment with the idea of letting the American people more directly set and influence the agenda here in Washington. We introduced the concept of an advisory referendum, an advisory referendum that said we are going to allow you, the American people, to instruct us on term limits, to instruct us on a balanced budget amendment, and to instruct us on a line item veto. Again, that legislation has stayed bottled up in committee. Now, however, we have outlined an opportunity for the American people to judge this Congress and have a referendum on this Congress and to help influence the agenda of this next Congress in January 1995. Highlights of how and what is included in this referendum include things like on the opening day, we would change the tenor and the character of this body:

First, we would require all laws that apply to the rest of the country to also apply equally to Congress, an innovative idea that I think will bring radical change to decisionmaking in this body.

Second, we will select a major independent auditing firm to conduct a comprehensive audit of Congress for waste, fraud, or abuse.

Third, we will cut the number of committees, and we will cut committee staff by one-third.

Fourth, we will limit the terms of all committee chairs. Committee chairs will now have to rotate. They will not be able to stay in place for an extended period of time.

Fifth, we will ban the casting for proxy votes in committees. When we debated and worked on the health care bill in the Committee on Education and Labor, over 50 percent of the votes cast were proxy votes.

Sixth, we will require committee meetings to be open to the public. When this Congress had the debate on the largest tax increase in American history, the debate was held behind closed doors. In the next Congress, that would not happen.

Seventh, we would require a three-fifth majority to pass a tax increase. We would no longer again see a tax increase passed by only a single vote.

Eighth, we would guarantee an honest accounting of our Federal budget by implementing a zero-based line budgeting versus the budgeting we see today where when we talk about cutting future spending, we are talking about decreasing an increasing an increase so we will still be increasing. It is a convoluted way to run a budgeting process.

These are the changes we will be talking about on opening day. We have also outlined a series of 10 bills that I will be talking about later this week that we will debate and consider within the first 100 days, 10 bills that will significantly and radically change the way that this government does business, a government that is too big and that spends too much.

WORDS OF WISDOM

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, in this job we are asked to do a lot of reading and generally want to. It amazes me how often the written word in our country has degraded us as a people as opposed to uplifting us, particularly so often in the written press, including many of our newspapers. Thus it was with a great deal of satisfaction, as I passed through the Pittsburgh airport on my weekly trip back to Ohio, that I discovered an article on the editorial page I thought of such worth that I wanted to read it into the RECORD. It was written by Samuel Hazo, the State poet of Pennsylvania, director of the International Poetry Forum and a professor of English at Duquesne.

□ 1750

The title of this particular guest editorial was "The Tyranny of Violence." He says, "Thornton Wilder once remarked that violence results from a breakdown of the imagination." That certainly caught my eye, and I kept reading. It said, "This has always implied for me," the author, "that violence occurs when we shirk what visionary thinking demands or when we don't think at all."

THE TYRANNY OF VIOLENCE

(By Samuel Hazo)

If we involved in a dispute, for example, and suddenly stop thinking and begin to shout or even fight, then violence has won. When manners and civil respect are replaced by the brashness of turf claims and gang rights, violence has won. Similarly when nations abandon or ignore diplomacy to resolve disputes and revert to war, violence has won. In all instances where violence in word or deed becomes the dominant force in human relations, the power of the imagination has been ignored.

To say that violence is the option of first resort when people stop imagining or thinking is really to say that violence is the language of the stupid. And any society that permits itself to be tyrannized by the stupid or by conditions created by stupidity is a society whose creativity, civility and idealism can never be released.

The reactionary reflex of relying only on the use of force against the white whale of violence does not tap our creative resources. On the contrary, it prevents our arriving at those strategies and emancipations that are victories of intellect, and these, as Shelley and Thomas Jefferson have shown, originate exclusively in the imagination.

A classic example of surrendering to a defensive reflex is the widespread possession of handguns in domestic residences. Stripped of the monotonous arguments of the National Rifle Association and its incorrect interpretation of the Second Amendment (which originally stipulated one month of militia training every year for all gun owners), the possession of handguns for self-defense is a concession to fear. However understandable such a fear may be in our present circumstances, handguns can only provide a limited amount of protection against those who operate by stealth (thieves or muggers) and none at all against drive-by murderers.

Moreover, an armed citizenry can easily develop an Alamo-or-fortress mentality, turtling up against a real or imagined danger. This actually permits the danger to flourish at will and prevents the rebirth of a social climate where lawbreakers are answerable to society's standards and not vice-versa.

Another example of the tyranny of violence is the curious attraction that the insanity of drugs has over the young. Forget for a moment the nonsense that life can be enhanced by "chemical highs," as the drug culturalists would have everyone believe. Forget, if you can, the criminal underworld that drugs enrich. Think only of what a leading plastic surgeon for nose reconstruction said in Pittsburgh recently on the subject of "the cocaine nose." He began by saying to his fellow plastic surgeons in convention here that the ingesting of cocaine (snorting) can be fatal at first snort, as it was to a promising young basketball player several years ago. If death does not occur, the snorter can look forward to the rotting of the inner membranes of the nose, then the nostril flesh, then the nose bone, then the facial sinuses and ultimately the brain. By then the boneless nose will have collapsed flush into the face itself. Anyone who thinks of these consequences in advance and still pursues his addiction has simply turned off his imagination and opted for violence against his very self.

Can violence be separated from the subject of abortion? Put aside, if possible, the political, sexual and theological dimensions of the abortion issue for a moment. Put aside as well the fact, as everyone knows, that decriminalization does not render a previously criminalized act moral, only legal; it is a truism that the immoral can be legal, and vice-versa.

But all such disquisition becomes moot when abortions are performed, and these terminations (as proponents and opponents admit) are by nature violent to the unborn. They literally end life at its source, assuming, of course, that life begins at the moment of conception. This assumption, by the way, is not a theological or political fact but a medical one. If life does not begin then, when does it?

With regard to sexual diseases, do we not do violence to our sense of ethical justice by ascribing moral equivalence between those who are involuntarily or accidentally infected and those who voluntarily risk or court infection? This does not mean that cures should not be supported and pursued. But reducing sexual relations to a matter of mutual consent and hygiene certainly does not say all there is to say about the nature of sex and human personality, to say nothing of sexuality's spiritual dimension. In fact, it tends to separate sex from personality, which, according to anthropologist Margaret Mead, is the very essence of pornography.

Assuming that hygiene is the ultimate sexual norm is reminiscent of the standard military practice of showing VD films to recruits as a means of having them avoid venereal infection.

The aforementioned violent short cuts—physiological and psychological—have already done serious damage to the national fabric. The question is whether the damage is repairable so that we can again be the law-respecting and imaginative democracy we were intended to be. But can we correct the social consequences that arise when children are taught, not manners, but self-defense as the first law of social life?

Can we still uphold the dignity of the individual when countless social, political, military and economic pressures insist that Americans are made for the system and not the other way around?

Have the rudeness and illiteracy of talk shows on television or radio, which have given gossip a bad name and dignified mere blab as free speech, done such violence to genuine conservation that people can go for months on end without having a crucial talk with anyone?

We shall see.

THE UNITED STATES SHOULD NOT BE IN HAITI

The SPEAKER pro tempore. (Mr. BILBRAY). Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, I rise to once again express my great concern about the United States presence in Haiti. I do not think there is any threat to our national security in Haiti. There is no vital U.S. interest there. I believe that the majority of the American people do not want us to be there. And on top of that, and especially I believe that the overwhelming majority of the American people do not want us to spend several billion dollars there, which is what we will spend before everything is through.

The Pentagon has recently estimated that it will cost some $500 million just for our short-term initial military obligations. That is of great concern to me, and I know to so many others.

I think that President Kennedy put it best in 1961 when he said:

> We must face the fact that the United States is neither omnipotent nor omniscient—that we are only 6 percent of the world's population—that we cannot impose our will upon the other 94 percent—that we cannot right every wrong or reverse each adversity—and that therefore there cannot be an American solution to every world problem.

The only change in that quote in my opinion is that now we have less than 5 percent of the world's population, and yet the world is still looking to us to solve every problem and each adversity that goes on around the world. It is just impossible for us to do that.

I think in these international tragedies in the future, whether they be in Rwanda, or Somalia, or Haiti, or Cuba, or wherever that we should convene a meeting of all of the nations in the world who are willing to contribute, and we need to say to them, "What are you willing to do, Japan? What are you willing to do, Germany?"

The liberals are fond of telling us how good everything is in Sweden, and France, and Germany, and some of these other places. But the truth is that none of these other countries are helping in the situation in Haiti and so many of these other international tragedies. They are doing nothing or either next to nothing, and I think it is totally unfair for the rest of the world to sit back and expect the United States to foot the entire bill in Haiti or in any place else, and that is basically what we are doing.

Listen to this Associated Press story that has recently come out concerning the situation in Haiti. It states:

> For example, the United States is paying $900 per month, per soldier, to each foreign government—the salary amount set by the United Nations for peacekeeping forces.

We are not only footing the bill for the American soldiers, we are paying $900 per month to these small foreign countries that have agreed to participate at our insistence or at our encouragement in Haiti. This is not an international expedition in Haiti as it is frequently referred to. It is a United States expedition, plain and simple.

This Associated Press story says this:

> The United States has agreed to put $20 million into an international effort to pay

off Haiti's past-due payments to international lenders such as the World Bank and the Inter-American Development Bank. Haiti is now some $75 million in arrears and bringing the accounts current would free new loan money.

I do not think the American people want us to be paying off Haiti's debts to the international lenders, some $20 million according to this. Of course, that is just a drop in the bucket compared to all of the other money that we are spending, but still it is of concern to me.

I think it should be of concern to the American people as to why President Aristide and his supporters have been able to pay some $55,000 per month to the lobbying firm of former Democratic Congressman Michael Barnes, as was reported in the Washington Post, for lobbying and public relations efforts during the time that he has been in Washington to orchestrate this campaign of support, $55,000 per month for a lobbying effort. I wonder how much of that has come from the United States taxpayers?

This same Associated Press story that I have referred to says this further:

Administration officials said they planned a U.S. contribution of some $100 million in 1995 toward a 4-year, $2 billion aid program that would include World Bank lending and contributions from other donor nations.

□ 1800

A $2 billion aid program over and above our military efforts. I think this is totally ridiculous.

B.J. Cutler, the chief foreign affairs columnist for the Scripps-Howard newspaper chain, wrote a column a few days ago, and he said this:

HAITIANS NOT ALONE IN NEEDING OUR HELP

President Clinton tells us that Haiti's military junta is a vile abuser of human rights, and that is a main reason he is ready to invade the miserable place.

The president is right, of course, the Cedras regime is bloodthirsty. But if guarding people from the savagery of their rulers is America's duty, it would be fighting all over the world, squandering lives and bankrupting itself.

If we go everyplace in the world where something bad is happening, we will turn this Nation into some type of Third World nation if we are not careful.

THE REPUBLICAN CONTRACT AND THE NATIONAL DEBT

The SPEAKER pro tempore (Mr. BILBRAY). Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 5 minutes.

Mr. HOYER. Mr. Speaker, our national debt is a disgraceful legacy. That is why I support the balanced-budget amendment.

But that is also why I must speak out today. Republican Party bosses have commanded their candidates to come to Washington to sign a so-called contract to try and buy an election and send a trillion-dollar bill to our grandchildren. Their premise is this: tax cuts for the wealthiest few, tax breaks for large corporations, and somehow, someday, someway, a promise of a balanced budget.

We have been down the borrow-and-spend road before. During the Reagan and Bush era, the burden placed on every American, every American under 18, quadrupled from $15,000 to over $60,000. I have a grandchild 7 years of age. We quadrupled the debt on her head.

We are thankfully finally on the right track. Three years of declining deficits; that is the first time since Harry Truman that that has occurred.

But tough choices must be made before America is truly economically secure.

I know that my constituents in southern Maryland, Mr. Speaker, demand and deserve real results, not a public-relations gimmick that mocks their priorities. My advice to those candidates on the steps today is this: Defy your party's bosses, forget their bankrupt ideas, do not sign on to supply side II. Supply side I, which was adopted in 1981, promised a balanced budget. As a matter of fact, when Ronald Reagan signed the tax bill that was associated with supply-side economics in August 1981, he said to the American people, by signing this legislation, we will get a balanced budget by October 1, 1983. How sad, how very sad that that premise was not achieved.

Lest anybody think that it was the Congress spending more money than Reagan asked for, in point of fact, President Reagan asked that Congress to spend more money than this Congress, in his 8 years, authorized to be spent.

Defy, my friends in the Republican party, candidates who come to Washington to make a contract on the steps and then go the special-interest lobbyists to make another contract tonight in a fundraiser. Forget this bankrupt contract and the bankrupt ideas that it incorporates. Go home. Go home and listen to your neighbors instead.

Our country and our grandchildren will be better off.

TRANSMISSION OF LEGISLATION AND RELATED DOCUMENTS TO IMPLEMENT AGREEMENTS RESULTING FROM GATT URUGUAY ROUND—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 103-316)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means, the Committee on Agriculture, the Committee on Education and Labor, the Committee on Foreign Affairs, the Committee on Government Operations, the Committee on the Judiciary, the Committee on Rules, and the Committee on Energy and Commerce, and ordered to be printed:

To the Congress of the United States:

I am pleased to transmit legislation and a number of related documents to implement agreements resulting from the General Agreement on Tariffs and Trade (GATT) Uruguay round of multilateral trade negotiations. The Uruguay round agreements are the broadest, most comprehensive trade agreements in history. They are vital to our national interest and to economic growth, job creation, and an improved standard of living for all Americans.

When fully implemented, the Uruguay round agreements will add $100–$200 billion to the U.S. economy each year and create hundreds of thousands of new, well-paying American jobs. They provide for a reduction in worldwide tariffs of $744 billion, the largest global tax cut in history.

The United States will be the biggest winner from the Uruguay round agreements. We are the world's largest trading nation with the world's most dynamic economy. In 1993, the United States exported $660 billion in goods and services, accounting for more than 10 percent of the U.S. GDP.

These agreements are the result of bipartisan cooperation and reflect the consensus supporting market-opening trade policies that the United States has enjoyed for decades. The Uruguay round was launched by President Reagan, continued by President Bush, and concluded by this administration. Each administration consulted with the Congress and welcomed congressional participation and guidance throughout the negotiations. Similarly, this administration has worked closely with the Congress to ensure that the implementing legislation that I am now forwarding enjoys broad bipartisan support.

The United States has led the world on a path of open markets, freer trade, and economic growth. Now we must lead the way in implementing these agreements. The leaders of every major industrialized nation have pledged to take action so that the Uruguay round agreements can be implemented by January 1, 1995. Any delay on our part would send a negative signal to our trading partners at a time when their economies are just beginning to recover.

Our economic recovery is now fully underway. As the economies in Europe and Japan begin again to grow, we must be positioned to reap the benefits of their expansion. As a result of the Uruguay round agreements, our major trading partners in Europe and Asia will cut their tariffs to historic lows.

The Asian Pacific economies are the fastest growing economies in the world and are currently the largest market for U.S. exports. United States exports to Latin America, the second fastest growing region in the world, have grown 60 percent since 1989. The Uruguay round agreements will ensure that these fast-growing markets will be open to international competition and that all of our trading partners will play by international trading rules.

The Uruguay round agreements enjoy very broad and deep support in the United States. Forty of our Nation's governors, numerous eminent economists, and the vast majority of U.S. industrial, agricultural, and service firms support the agreements, as do an array of former Presidents, Secretaries of State, Secretaries of the Treasury, and U.S. Trade Representatives.

Americans are at their best when they face the challenges of their time. Our predecessors did so after World War II when they created a new international trading system that guided global growth for 50 years. Now we must do the same to foster sustained prosperity for the decades to come.

The end of the cold war and the rise of the global economy have created new challenges and new opportunities. Implementation of the Uruguay round agreements will ensure that we rise to the challenges of this new era and lead the world on a path of prosperity.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *September 27, 1994.*

RECESS

The SPEAKER pro tempore. Pursuant to clause 12, rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 6 o'clock and 9 minutes p.m.) the House stood in recess subject to the call of the Chair.

□ 1844

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. BONIOR] at 6 o'clock and 44 minutes p.m.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON S. 349, LOBBYING DISCLOSURE ACT OF 1993

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 103–755) on the resolution (H. Res. 550) waiving points of order against the conference report to accompany the bill (S. 349) to provide for the disclosure of lobbying activities to influence the Federal Government, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4779, LOCAL GOVERNMENT INTERSTATE WASTE CONTROL ACT

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 103–756) on the resolution (H. Res. 551) providing for consideration of the bill (H.R. 4779) to amend the Solid Waste Disposal Act to authorize local governments and Governors to restrict receipt of out-of-State municipal solid waste, and for other purpose, which was referred to the House Calendar and ordered to be printed.

REPORT OF RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4683, FLOW CONTROL ACT OF 1994

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 103–757) on the resolution (H. Res. 552) providing for consideration of the bill (H.R. 4683) to amend the Solid Waste Disposal Act to provide congressional authorization of State control over transportation of municipal solid waste, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT OF RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 4556, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1995

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 103–758) on the resolution (H. Res. 553) waiving points of order against the conference report on the bill (H.R. 4556) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1995, and for other purposes, which was referred to the House Calendar and ordered to be printed.

CONFERENCE REPORT ON H.R. 4299

Mr. GLICKMAN submitted the following conference report and statement on the bill (H.R. 4299), to authorize appropriations for fiscal year 1995 for intelligence and intelligence-related activities of the U.S. Government, the community management account, and the Central Intelligence Agency retirement and disability system, and for other purposes:

CONFERENCE REPORT (H. REPT. 103–753)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4299), to authorize appropriations for fiscal year 1995 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Intelligence Authorization Act for Fiscal Year 1995".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.

TITLE I—INTELLIGENCE ACTIVITIES

Sec. 101. Authorization of appropriations.
Sec. 102. Classified schedule of authorizations.
Sec. 103. Community management account.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

Sec. 201. Authorization of appropriations.

TITLE III—GENERAL PROVISIONS

Sec. 301. Increase in employee compensation and benefits authorized by law.
Sec. 302. Restriction on conduct of intelligence activities.
Sec. 303. Intelligence community contracting.
Sec. 304. Repeal of restriction on intelligence cooperation with South Africa.
Sec. 305. Report regarding mandatory retirement for expiration of time in class.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

Sec. 401. Illness or injury requiring hospitalization.
Sec. 402. Inspector General of the Central Intelligence Agency.
Sec. 403. Advanced information presentation project.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

Sec. 501. Central Imagery Office.
Sec. 502. Exception to public availability of certain Department of Defense maps, charts, and geodetic data.
Sec. 503. Disclosure of governmental affiliation by Department of Defense intelligence personnel outside of the United States.
Sec. 504. Exception from authority for obligation of certain unauthorized fiscal year 1994 Defense appropriations.

TITLE VI—CONSTRUCTION OF FACILITIES FOR THE INTELLIGENCE COMMUNITY

Sec. 601. Limitations on funding of the National Reconnaissance Office.
Sec. 602. Limitation on construction of facilities to be used primarily by the intelligence community.
Sec. 603. Identification of constituent components of base intelligence budget.
Sec. 604. Definitions.

TITLE VII—CLASSIFICATION MANAGEMENT

Sec. 701. Classification and declassification of information.
Sec. 702. Declassification plan.

TITLE VIII—COUNTERINTELLIGENCE AND SECURITY

Sec. 801. Short title.

Sec. 802. Access to classified information.
Sec. 803. Rewards for information concerning espionage.
Sec. 804. Criminal forfeiture for violation of certain espionage laws.
Sec. 805. Denial of annuities or retired pay to persons convicted of espionage in foreign courts involving United States information.
Sec. 806. Postemployment assistance for certain terminated intelligence employees of the Department of Defense.
Sec. 807. Providing a court order process for physical searches undertaken for foreign intelligence purposes.
Sec. 808. Lesser criminal offense for unauthorized removal of classified documents.
Sec. 809. Reports on foreign industrial espionage.
Sec. 810. Counternarcotics targets funding.
Sec. 811. Coordination of counterintelligence activities.

TITLE IX—COMMISSION ON THE ROLES AND CAPABILITIES OF THE UNITED STATES INTELLIGENCE COMMUNITY

Sec. 901. Establishment.
Sec. 902. Composition and qualifications.
Sec. 903. Duties of the Commission.
Sec. 904. Reports.
Sec. 905. Powers.
Sec. 906. Personnel matters.
Sec. 907. Payment of Commission expenses.
Sec. 908. Termination of the Commission.
Sec. 909. Definitions.

TITLE I—INTELLIGENCE ACTIVITIES

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1995 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.
(2) The Department of Defense.
(3) The Defense Intelligence Agency.
(4) The National Security Agency.
(5) The National Reconnaissance Office.
(6) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
(7) The Department of State.
(8) The Department of the Treasury.
(9) The Department of Energy.
(10) The Federal Bureau of Investigation.
(11) The Drug Enforcement Administration.
(12) The Central Imagery Office.

SEC. 102. CLASSIFIED SCHEDULE OF AUTHORIZATIONS.

(a) SPECIFICATIONS OF AMOUNTS AND PERSONNEL CEILINGS.—The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1995, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared to accompany the conference report on the bill H.R. 4299 of the One Hundred Third Congress.

(b) AVAILABILITY OF CLASSIFIED SCHEDULE OF AUTHORIZATIONS.—The Schedule of Authorizations shall be made available to the Committees on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the executive branch.

SEC. 103. COMMUNITY MANAGEMENT ACCOUNT.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Community Management Account of the Director of Central Intelligence for fiscal year 1995 the sum of $86,900,000. Within such amounts authorized, funds identified in the classified Schedule of Authorizations referred to in section 102(a) for the Advanced Research and Development Committee and the Environmental Task Force shall remain available until September 30, 1996.

(b) AUTHORIZED PERSONNEL LEVELS.—The Community Management Account of the Director of Central Intelligence is authorized 241 full-time personnel as of September 30, 1995. Such personnel of the Community Management Account may be permanent employees of the Community Management Account or personnel detailed from other elements of the United States Government.

(c) REIMBURSEMENT.—During fiscal year 1995, any officer or employee of the United States or a member of the Armed Forces who is detailed to the Community Management Staff from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1995 the sum of $198,000,000.

TITLE III—GENERAL PROVISIONS

SEC. 301. INCREASE IN EMPLOYEE COMPENSATION AND BENEFITS AUTHORIZED BY LAW.

Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such compensation or benefits authorized by law.

SEC. 302. RESTRICTION ON CONDUCT OF INTELLIGENCE ACTIVITIES.

The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or laws of the United States.

SEC. 303. INTELLIGENCE COMMUNITY CONTRACTING.

It is the sense of Congress that the Director of Central Intelligence should continue to direct that elements of the intelligence community, whenever compatible with the national security interests of the United States and consistent with the operational and security concerns related to the conduct of intelligence activities, and where fiscally sound, should award contracts in a manner that would maximize the procurement of products properly designated as having been made in the United States.

SEC. 304. REPEAL OF RESTRICTION ON INTELLIGENCE COOPERATION WITH SOUTH AFRICA.

Section 107 of the Intelligence Authorization Act for Fiscal Year 1987 (Public Law 99-569) is repealed.

SEC. 305. REPORT REGARDING MANDATORY RETIREMENT FOR EXPIRATION OF TIME IN CLASS.

(a) REPORT REQUIRED.—Not later than December 1, 1994, the Director of Central Intelligence shall submit a report to the committees of Congress specified in subsection (d) on the advisability of providing for mandatory retirement for expiration of time in class in a manner comparable to that established by the applicable provisions of section 607 of the Foreign Service Act of 1980 (22 U.S.C. 4007) for all civilian employees of the Central Intelligence Agency, the National Security Agency, the Defense Intelligence Agency, the National Reconnaissance Office, the Central Imagery Office, and the intelligence elements of the Army, Navy, Air Force, and Marine Corps.

(b) REQUIRED CONTENTS.—The report required by subsection (a) shall include—

(1) an assessment of the feasibility of instituting such a mandatory retirement policy and of alternative means to achieve the objectives of such a mandatory retirement policy;

(2) an assessment which the Secretary of Defense shall conduct of the impact of such a mandatory retirement policy for intelligence community civilian employees on all other Department of Defense civilian employees; and

(3) any appropriate legislative recommendations.

(c) COORDINATION.—The report required by subsection (a) shall be coordinated as appropriate with elements of the intelligence community (as defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401(4)).

(d) COMMITTEES OF CONGRESS.—The committees of Congress referred to in subsection (a) are the Committees on Armed Services of the Senate and House of Representatives, the Defense Subcommittees of the Committees on Appropriations of the Senate and House of Representatives, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SEC. 401. ILLNESS OR INJURY REQUIRING HOSPITALIZATION.

Section 4(a)(5) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403(e)(a)) is amended—

(1) in subparagraph (A)—

(A) by striking ", not the result of vicious habits, intemperance, or misconduct on his part,";

(B) by striking "he shall deem" and inserting "the Director deems";

(C) by striking "section 10 of the Act of March 3, 1933 (47 Stat. 1516; 5 U.S.C. 73b)" and inserting "section 5731 of title 5, United States Code";

(D) by striking "his recovery" and inserting "the recovery of such officer or employee"; and

(E) by striking "his return to his post" and inserting "the return to the post of duty of such officer or employee";

(2) in subparagraph (B), by striking "his opinion" both places it appears and inserting "the opinion of the Director"; and

(3) in subparagraph (C), by striking ", not the result of vicious habits, intemperance, or misconduct on his part,".

SEC. 402. INSPECTOR GENERAL OF THE CENTRAL INTELLIGENCE AGENCY.

Section 17 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403q) is amended—

(1) in subsection (b)(1)—

(A) by striking "or" after "analysis,"; and

(B) by striking the period at the end thereof and inserting ", or auditing.";

(2) in subsection (c)(1), by striking "to conduct" and inserting "to plan, conduct";

(3) in subsection (d)(1)—

(A) by striking "June 30 and December 31" and inserting "January 31 and July 31";

(B) by striking "period." at the end of the first sentence and inserting "periods ending December 31 (of the preceding year) and June 30, respectively."; and

(C) by inserting "of receipt of such reports" after "thirty days";

(4) in subsection (d)(3)(C), by inserting "inspection, or audit," after "investigation,";

(5) in subsection (d)(4), by inserting "or findings and recommendations" after "report"; and

(6) in subsection (e)(6)—

(A) by striking "it is the sense of Congress that"; and

(B) by striking "should" and inserting "shall".

SEC. 403. ADVANCED INFORMATION PRESENTATION PROJECT.

Of the funds made available under this Act, the Director of Central Intelligence is authorized during fiscal year 1995 to expend not more than $3,000,000 to develop products to demonstrate multimedia and graphical data interface techniques on topics of general interest to policy makers and the public. The products shall utilize unclassified government information, augmented if appropriate by commercially available information, and the project shall be limited to the development of not more than six products. In carrying out this section, the Director may acquire commercially available technology. Not later than August 1, 1995, the Director shall submit the products developed under this section to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

SEC. 501. CENTRAL IMAGERY OFFICE.

(a) AMENDMENTS OF THE NATIONAL SECURITY ACT OF 1947.—(1) Section 3(4)(E) of the National Security Act of 1947 (50 U.S.C. 401a(4)(E)) is amended by striking out "the central imagery authority within the Department of Defense" and inserting in lieu thereof "the Central Imagery Office".

(2) Section 105(b)(2) of such Act (50 U.S.C. 403-5(b)(2)) is amended by striking out "a central imagery authority" and inserting in lieu thereof "the Central Imagery Office".

(3) Section 106(b) of such Act (50 U.S.C. 403-6(b)) is amended—

(A) in the subsection caption, by striking out "CENTRAL IMAGERY AUTHORITY" and inserting in lieu thereof "CENTRAL IMAGERY OFFICE"; and

(B) by striking out "central imagery authority" and inserting in lieu thereof "Central Imagery Office".

(b) TITLE 10, UNITED STATES CODE.—(1) Chapter 83 of title 10, United States Code, is amended as follows:

(A) By amending the heading of the chapter to read as follows:

"CHAPTER 83—DEFENSE INTELLIGENCE AGENCY AND CENTRAL IMAGERY OFFICE CIVILIAN PERSONNEL".

(B) In section 1601—

(i) by inserting "and the Central Imagery Office" after "Defense Intelligence Agency" in subsection (a);

(ii) by inserting "or the Central Imagery Office" after "outside the Defense Intelligence Agency" and inserting ", the Central Imagery Office," after "to the Defense Intelligence Agency" in subsection (d); and

(iii) by inserting "and the Central Imagery Office" after "Defense Intelligence Agency" in subsection (e).

(C) In section 1602, by inserting "and Central Imagery Office" after "Defense Intelligence Agency".

(D) In section 1604—

(i) by inserting "and the Central Imagery Office," after "Defense Intelligence Agency" in subsection (a)(1);

(ii) by inserting "or the Central Imagery Office" after "Defense Intelligence Agency" in both places it occurs in the second sentence of subsection (b);

(iii) by inserting "or the Central Imagery Office" after "Defense Intelligence Agency" in subsection (c);

(iv) by inserting "and the Central Imagery Office" after "Defense Intelligence Agency" in subsection (d);

(v) by inserting "or the Central Imagery Office" after "Defense Intelligence Agency" in subsection (e)(1); and

(vi) in subsection (e)(3)—

(I) by amending the first sentence to read as follows: "The Secretary of Defense may delegate authority under this subsection only to the Deputy Secretary of Defense, the Director of the Defense Intelligence Agency, the Director of the Central Imagery Office, or all three."; and

(II) by striking "either" and inserting "any".

(2) The items relating to chapter 83 in the tables of chapters at the beginning of subtitle A, and at the beginning of part II of subtitle A, of title 10, United States Code, are amended to read as follows:

"83. Defense Intelligence Agency and Central Imagery Office Civilian Personnel ..... 1601".

(c) CHAPTER 23 OF TITLE 5.—Section 2302(a)(2)(C)(ii) of title 5, United States Code, is amended by inserting "the Central Imagery Office," after "Defense Intelligence Agency,".

(d) CHAPTER 31 OF TITLE 5.—Section 3132(a)(1)(B) of title 5, United States Code, is amended by inserting "the Central Imagery Office," after "Defense Intelligence Agency,".

(e) CHAPTER 43 OF TITLE 5.—Section 4301(1)(B)(ii) of title 5, United States Code, is amended by inserting "the Central Imagery Office," after "Defense Intelligence Agency,".

(f) CHAPTER 47 OF TITLE 5.—Section 4701(a)(1)(B) of title 5, United States Code, is amended by inserting "the Central Imagery Office," after "Defense Intelligence Agency,".

(g) CHAPTER 51 OF TITLE 5.—Section 5102(a)(1) of title 5, United States Code, is amended—

(1) by striking "or" at the end of clause (ix);

(2) by striking the period at the end of clause (x) and inserting "; or"; and

(3) by adding at the end the following:

"(xi) the Central Imagery Office, Department of Defense.".

(h) CHAPTER 51 OF TITLE 5.—Section 5342(a)(1) of title 5, United States Code, is amended—

(1) by striking "or" at the end of subparagraph (J);

(2) by inserting "or" after the semicolon at the end of subparagraph (K); and

(3) by adding at the end the following:

"(L) the Central Imagery Office, Department of Defense;".

(i) ADDITIONAL LEAVE TRANSFER PROGRAMS.—(1) Section 6339(a)(1) of title 5, United States Code, is amended—

(A) by striking "and" at the end of subparagraph (D);

(B) by redesignating subparagraph (E) as subparagraph (F); and

(C) by inserting after subparagraph (D) the following new subparagraph (E):

"(E) the Central Imagery Office; and".

(2) Section 6339(a)(2) of such title is amended—

(A) by striking "and" at the end of subparagraph (D);

(B) by redesignating subparagraph (E) as subparagraph (F);

(C) by inserting after subparagraph (D) the following new subparagraph (E):

"(E) with respect to the Central Imagery Office, the Director of the Central Imagery Office; and"; and

(D) in subparagraph (F), as redesignated by subparagraph (B) of this paragraph, by striking "paragraph (1)(E)" and inserting "paragraph (1)(F)" both places it appears.

(j) CHAPTER 71 OF TITLE 5.—Section 7103(a)(3) of title 5, United States Code, is amended—

(1) by striking "or" at the end of subparagraph (F);

(2) by inserting "or" at the end of subparagraph (G); and

(3) by adding at the end the following:

"(H) the Central Imagery Office;".

(k) CHAPTER 73 OF TITLE 5.—Section 7323(b)(2)(B)(i) of title 5, United States Code, is amended—

(1) by striking "or" at the end of subclause (XI); and

(2) by adding at the end the following:

"(XIII) the Central Imagery Office; or".

(l) CHAPTER 75 OF TITLE 5.—Section 7511(b)(8) of title 5, United States Code, is amended by inserting "the Central Imagery Office," after "Defense Intelligence Agency,".

(m) ETHICS IN GOVERNMENT ACT OF 1978.—Section 105(a)(1) of the Ethics in Government Act of 1978 (5 U.S.C. App.) is amended by inserting "the Central Imagery Office," after "Defense Intelligence Agency,".

(n) EMPLOYEE POLYGRAPH PROTECTION ACT OF 1988.—Section 7(b)(2)(A)(i) of the Employee Polygraph Protection Act of 1988 (29 U.S.C. 2006(b)(2)(A)(i)) is amended by inserting "the Central Imagery Office," after "Defense Intelligence Agency,".

SEC. 502. EXCEPTION TO PUBLIC AVAILABILITY OF CERTAIN DEPARTMENT OF DEFENSE MAPS, CHARTS, AND GEODETIC DATA.

Section 2796(b)(1) of title 10, United States Code is amended by inserting "jeopardize or interfere with ongoing military or intelligence operations or" in subparagraph (C) after "disclosed,".

SEC. 503. DISCLOSURE OF GOVERNMENTAL AFFILIATION BY DEPARTMENT OF DEFENSE INTELLIGENCE PERSONNEL OUTSIDE OF THE UNITED STATES.

(a) IN GENERAL.—Notwithstanding section 552a(e)(3) of title 5, United States Code, intelligence personnel of the Department of Defense who are authorized by the Secretary of Defense to collect intelligence from human sources shall not be required, when making an initial assessment contact outside the United States, to give notice of governmental affiliation to potential sources who are United States persons.

(b) RECORDS.—Records concerning such contacts shall be maintained by the Department of Defense and made available upon request to the appropriate committees of the Congress in accordance with applicable security procedures. Such records shall include for each such contact an explanation of why notice of government affiliation could not reasonably be provided, the nature of the information obtained from the United States person as a result of the contact, and whether additional contacts resulted with the person concerned.

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

(1) the term "United States" includes the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and any territory or possession of the United States; and

(2) the term "United States person" means any citizen, national, or permanent resident alien of the United States.

SEC. 504. EXCEPTION FROM AUTHORITY FOR OBLIGATION OF CERTAIN UNAUTHORIZED FISCAL YEAR 1994 DEFENSE APPROPRIATIONS.

Section 1006 of the National Defense Authorization Act for Fiscal Year 1995 shall not apply to amounts which remain available for obligation on the date of the enactment of this Act for national foreign intelligence programs, projects, and activities.

TITLE VI—CONSTRUCTION OF FACILITIES FOR THE INTELLIGENCE COMMUNITY

SEC. 601. LIMITATIONS ON FUNDING OF THE NATIONAL RECONNAISSANCE OFFICE.

(a) REVIEW OF PROJECT; COMPLIANCE WITH DOD PROCUREMENT AND CONTRACTING PROCEDURES.—

(1) IN GENERAL.—Of the funds authorized to be made available by this Act for the National Reconnaissance Office under the classified Schedule of Authorizations referred to in section 102—

(A) $50,000,000 out of the Miscellaneous Support account of the Mission Support Consolidated Expenditure Center may not be obligated or expended until the Director of Central Intelligence and the Secretary of Defense have completed a review of the National Reconnaissance Office Headquarters Building project and the results of such review have been disclosed to the intelligence committees; and

(B) no such funds authorized to be made available by this Act may be obligated or expended for the purchase of any real property, or to contract for any construction or acquisition, in connection with the construction of buildings or facilities, unless (and to the extent that)—

(i) such purchase or contract is made or entered into in accordance with the policies and procedures applicable to other elements of the Department of Defense; or

(ii) the President determines that the national security interest of the United States requires that such policies and procedures shall not apply to a particular purchase or contract and reports such determination in accordance with subsection (b).

(2) APPLICATION OF PROVISIONS.—Paragraph (1)(B) shall not apply to contracts made or entered into for the purchase of real property, or for construction or acquisition, before the date of enactment of this Act.

(b) WAIVER PROCEDURES.—Not later than 30 days after making a determination under subsection (a)(1)(B)(ii), the President shall report in writing the determination to the intelligence committees.

(c) SPECIFIC AUTHORIZATION AND APPROPRIATIONS REQUIRED.—Except to the extent and in the amounts specifically provided in an Act authorizing appropriations, in an appropriation Act, or in accordance with established reprogramming procedures, no funds made available under any provision of law may be obligated or expended for the construction of the National Reconnaissance Office Headquarters Building project if such funds would cause the total amount obligated or expended for such project to exceed $310,000,000.

(d) DEFINITION.—As used in this section, the term "National Reconnaissance Office Headquarters Building project" means the project for the headquarters buildings of the National Reconnaissance Office, situated at the so-called Westfields site, and includes all construction and improvement of facilities (including "fit up") and all actions related to the acquisition of land, communications, computers, furniture and other building furnishings, and vehicle parking facilities.

SEC. 602. LIMITATION ON CONSTRUCTION OF FACILITIES TO BE USED PRIMARILY BY THE INTELLIGENCE COMMUNITY.

(a) IN GENERAL.—

(1) IN GENERAL.—Except as provided in subsection (b), no project for the construction of any facility to be used primarily by personnel of any component of the intelligence community which has an estimated Federal cost in excess of $750,000 may be undertaken in any fiscal year unless such project is specifically identified as a separate item in the President's annual fiscal year budget request and is specifically authorized by the Congress.

(2) NOTIFICATION.—In the case of a project for the construction of any facility to be used primarily by personnel of any component of the intelligence community which has an estimated Federal cost greater than $500,000 but less than $750,000, or where any improvement project to such a facility has an estimated Federal cost greater than $500,000, the Director of Central Intelligence shall submit a notification to the intelligence committees specifically identifying such project.

(b) EXCEPTION.—

(1) IN GENERAL.—Notwithstanding subsection (a) but subject to paragraphs (2) and (3), a project for the construction of a facility to be used primarily by personnel of any component of the intelligence community may be carried out if the Secretary of Defense and the Director of Central Intelligence jointly determine—

(A) that the project is vital to the national security or to the protection of health, safety, or the quality of the environment, and

(B) that the requirement for the project is so urgent that deferral of the project for inclusion in the next Act authorizing appropriations for the intelligence community would be inconsistent with national security or the protection of health, safety, or environmental quality, as the case may be.

(2) REPORT.—When a decision is made to carry out a construction project under this subsection, the Secretary of Defense and the Director of Central Intelligence jointly shall submit a report in writing to the appropriate committees of Congress on that decision. Each such report shall include (A) the justification for the project and the current estimate of the cost of the project, (B) the justification for carrying out the project under this subsection, and (C) a statement of the source of the funds to be used to carry out the project. The project may then be carried out only after the end of the 21-day period beginning on the date the notification is received by such committees.

(3) PROJECTS PRIMARILY FOR CIA.—If a project referred to in paragraph (1) is primarily for the Central Intelligence Agency, the Director of Central Intelligence shall make the determination and submit the report required by paragraphs (1) and (2).

(4) LIMITATION.—A project carried out under this subsection shall be carried out within the total amount of funds appropriated for intelligence and intelligence-related activities that have not been obligated.

(c) APPLICATION.—This section shall not apply to any project which is subject to subsection (a)(1)(A) or (c) of section 601.

SEC. 603. IDENTIFICATION OF CONSTITUENT COMPONENTS OF BASE INTELLIGENCE BUDGET.

The Director of Central Intelligence shall include the same level of budgetary detail for the Base Budget that is provided for Ongoing Initiatives and New Initiatives to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate in the congressional justification materials for the annual submission of the National Foreign Intelligence Program of each fiscal year.

SEC. 604. DEFINITIONS.

As used in this title:

(1) INTELLIGENCE COMMITTEES.—The term "intelligence committees" means the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate.

(2) INTELLIGENCE COMMUNITY.—The term "intelligence community" has the same meaning given that term in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).

TITLE VII—CLASSIFICATION MANAGEMENT

SEC. 701. CLASSIFICATION AND DECLASSIFICATION OF INFORMATION.

(a) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the President shall, by executive order, provide for the classification and declassification of information. It is the sense of Congress that the executive order should provide for the following:

(1) The qualification of information for classification only when its public disclosure would cause identifiable damage to the national security.

(2) The declassification of information if the appropriate authority within the Executive branch determines that the Government's interest in continuing to protect such information is outweighed by the public's interest in having the information made available.

(3) The automatic declassification of information that is more than 25 years old unless such information is within a category designated by the President as requiring document-by-document review to identify that information whose disclosure to unauthorized persons would clearly damage the national security.

(b) SUBMISSION TO CONGRESS; EFFECTIVE DATE.—The executive order referred to in subsection (a) may not take effect until after 30 days after the date on which such proposed executive order is submitted to the Permanent Select Committee on Intelligence and the Committee on Government Operations of the House of Representatives and the Select Committee on Intelligence and the Committee on Governmental Affairs of the Senate.

SEC. 702. DECLASSIFICATION PLAN.

Each agency of the National Foreign Intelligence Program to which is appropriated more than $1,000,000 in the security, countermeasures, and related activities structural category for fiscal year 1995 shall allocate at least two percent of its total expenditure in this structural category for fiscal year 1995 to the classification management consolidated expenditure center, to be used for the following activities:

(1) Development of a phased plan to implement declassification guidelines contained in the executive order which replaces Executive Order 12356. Each such agency shall provide the plan to Congress within 90 days after the beginning of fiscal year 1995 or 90 days after the publication of such replacement executive order, whichever is later. This plan shall include an accounting of the amount of archived material, levels of classification, types of storage media and locations, review methods to be employed, and estimated costs of the declassification activity itself; as well as an assessment by the agency of the appropriate types and amounts of information to be maintained in the future, how it will be stored, safeguarded, and reviewed, and the projected costs of these classification management activities for the succeeding five years.

(2) Commencement of the process of declassification and reduction of the amount of archived classified documents maintained by each agency.

(3) Submission of a report to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate within 90 days after the end of fiscal year 1995 on the progress made in carrying out paragraph (2), with reference to the plan required by paragraph (1).

TITLE VIII—COUNTERINTELLIGENCE AND SECURITY

SEC. 801. SHORT TITLE.

This title may be cited as the "Counterintelligence and Security Enhancements Act of 1994".

SEC. 802. ACCESS TO CLASSIFIED INFORMATION.

(a) AMENDMENT OF THE NATIONAL SECURITY ACT OF 1947.—The National Security Act of 1947 (50 U.S.C. 401 et seq.) is amended by adding at the end the following new title:

"TITLE VIII—ACCESS TO CLASSIFIED INFORMATION

"PROCEDURES

"SEC. 801. (a) Not later than 180 days after the date of enactment of this title, the President shall, by Executive order or regulation, establish

procedures to govern access to classified information which shall be binding upon all departments, agencies, and offices of the executive branch of Government. Such procedures shall, at a minimum—

"(1) provide that, except as may be permitted by the President, no employee in the executive branch of Government may be given access to classified information by any department, agency, or office of the executive branch of Government unless, based upon an appropriate background investigation, such access is determined to be clearly consistent with the national security interests of the United States;

"(2) establish uniform minimum requirements governing the scope and frequency of background investigations and reinvestigations for all employees in the executive branch of Government who require access to classified information as part of their official responsibilities;

"(3) provide that all employees in the executive branch of Government who require access to classified information shall be required as a condition of such access to provide to the employing department or agency written consent which permits access by an authorized investigative agency to relevant financial records, other financial information, consumer reports, and travel records, as determined by the President, in accordance with section 802 of this title, during the period of access to classified information and for a period of three years thereafter;

"(4) provide that all employees in the executive branch of Government who require access to particularly sensitive classified information, as determined by the President, shall be required, as a condition of maintaining access to such information, to submit to the employing department or agency, during the period of such access, relevant information concerning their financial condition and foreign travel, as determined by the President, as may be necessary to ensure appropriate security; and

"(5) establish uniform minimum standards to ensure that employees in the executive branch of Government whose access to classified information is being denied or terminated under this title are appropriately advised of the reasons for such denial or termination and are provided an adequate opportunity to respond to all adverse information which forms the basis for such denial or termination before final action by the department or agency concerned.

"(b)(1) Subsection (a) shall not be deemed to limit or affect the responsibility and power of an agency head pursuant to other law or Executive order to deny or terminate access to classified information if the national security so requires. Such responsibility and power may be exercised only when the agency head determines that the procedures prescribed by subsection (a) cannot be invoked in a manner that is consistent with the national security.

"(2) Upon the exercise of such responsibility, the agency head shall submit a report to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate.

"REQUESTS BY AUTHORIZED INVESTIGATIVE AGENCIES

"SEC. 802. (a)(1) Any authorized investigative agency may request from any financial agency, financial institution, or holding company, or from any consumer reporting agency, such financial records, other financial information, and consumer reports as may be necessary in order to conduct any authorized law enforcement investigation, counterintelligence inquiry, or security determination. Any authorized investigative agency may also request records maintained by any commercial entity within the United States pertaining to travel by an employee in the executive branch of Government outside the United States.

"(2) Requests may be made under this section where—

"(A) the records sought pertain to a person who is or was an employee in the executive branch of Government required by the President in an Executive order or regulation, as a condition of access to classified information, to provide consent, during a background investigation and for such time as access to the information is maintained, and for a period of not more than three years thereafter, permitting access to financial records, other financial information, consumer reports, and travel records; and

"(B)(i) there are reasonable grounds to believe, based on credible information, that the person is, or may be, disclosing classified information in an unauthorized manner to a foreign power or agent of a foreign power;

"(ii) information the employing agency deems credible indicates the person has incurred excessive indebtedness or has acquired a level of affluence which cannot be explained by other information known to the agency; or

"(iii) circumstances indicate the person had the capability and opportunity to disclose classified information which is known to have been lost or compromised to a foreign power or an agent of a foreign power.

"(3) Each such request—

"(A) shall be accompanied by a written certification signed by the department or agency head or deputy department or agency head concerned, or by a senior official designated for this purpose by the department or agency head concerned (whose rank shall be no lower than Assistant Secretary or Assistant Director), and shall certify that—

"(i) the person concerned is or was an employee within the meaning of paragraph (2)(A);

"(ii) the request is being made pursuant to an authorized inquiry or investigation and is authorized under this section; and

"(iii) the records or information to be reviewed are records or information which the employee has previously agreed to make available to the authorized investigative agency for review;

"(B) shall contain a copy of the agreement referred to in subparagraph (A)(iii);

"(C) shall identify specifically or by category the records or information to be reviewed; and

"(D) shall inform the recipient of the request of the prohibition described in subsection (b).

"(b) Notwithstanding any other provision of law, no governmental or private entity, or officer, employee, or agent of such entity, may disclose to any person, other than those officers, employees, or agents of such entity necessary to satisfy a request made under this section, that such entity has received or satisfied a request made by an authorized investigative agency under this section.

"(c)(1) Notwithstanding any other provision of law (other than section 6103 of the Internal Revenue Code of 1986), an entity receiving a request for records or information under subsection (a) shall, if the request satisfies the requirements of this section, make available such records or information within 30 days for inspection or copying, as may be appropriate, by the agency requesting such records or information.

"(2) Any entity (including any officer, employee, or agent thereof) that discloses records or information for inspection or copying pursuant to this section in good faith reliance upon the certifications made by an agency pursuant to this section shall not be liable for any such disclosure to any person under this title, the constitution of any State, or any law or regulation of any State or any political subdivision of any State.

"(d) Any agency requesting records or information under this section may, subject to the availability of appropriations, reimburse a private entity for any cost reasonably incurred by such entity in responding to such request, including the cost of identifying, reproducing, or transporting records or other data.

"(e) An agency receiving records or information pursuant to a request under this section may disseminate the records or information obtained pursuant to such request outside the agency only—

"(1) to the agency employing the employee who is the subject of the records or information;

"(2) to the Department of Justice for law enforcement or counterintelligence purposes; or

"(3) with respect to dissemination to an agency of the United States, if such information is clearly relevant to the authorized responsibilities of such agency.

"(f) Nothing in this section may be construed to affect the authority of an investigative agency to obtain information pursuant to the Right to Financial Privacy Act (12 U.S.C. 3401 et seq.) or the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.).

"EXCEPTIONS

"SEC. 803. Except as otherwise specifically provided, the provisions of this title shall not apply to the President and Vice President, Members of the Congress, Justices of the Supreme Court, and Federal judges appointed by the President.

"DEFINITIONS

"SEC. 804. For purposes of this title—

"(1) the term 'authorized investigative agency' means an agency authorized by law or regulation to conduct a counterintelligence investigation or investigations of persons who are proposed for access to classified information to ascertain whether such persons satisfy the criteria for obtaining and retaining access to such information;

"(2) the term 'classified information' means any information that has been determined pursuant to Executive Order No. 12356 of April 2, 1982, or successor orders, or the Atomic Energy Act of 1954, to require protection against unauthorized disclosure and that is so designated;

"(3) the term 'consumer reporting agency' has the meaning given such term in section 603 of the Consumer Credit Protection Act (15 U.S.C. 1681a);

"(4) the term 'employee' includes any person who receives a salary or compensation of any kind from the United States Government, is a contractor of the United States Government or an employee thereof, is an unpaid consultant of the United States Government, or otherwise acts for or on behalf of the United States Government, except as otherwise determined by the President;

"(5) the terms 'financial agency' and 'financial institution' have the meanings given to such terms in section 5312(a) of title 31, United States Code, and the term 'holding company' has the meaning given to such term in section 1101(6) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401);

"(6) the terms 'foreign power' and 'agent of a foreign power' have the same meanings as set forth in sections 101 (a) and (b), respectively, of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801); and

"(7) the term 'State' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the United States Virgin Islands, Guam, American Samoa, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau, and any other possession of the United States.".

(b) CLERICAL AMENDMENT.—The table of contents of the National Security Act of 1947 is amended by adding at the end the following:

"TITLE VIII—ACCESS TO CLASSIFIED INFORMATION

"Sec. 801. Procedures.

"Sec. 802. Requests by authorized investigative agencies.

"Sec. 803. Exceptions.

"Sec. 804. Definitions.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect 180 days after the date of enactment of this Act.

SEC. 803. REWARDS FOR INFORMATION CONCERNING ESPIONAGE.

(a) REWARDS.—Section 3071 of title 18, United States Code, is amended—

(1) by inserting "(a)" before "With respect to"; and

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

"(b) With respect to acts of espionage involving or directed at the United States, the Attorney General may reward any individual who furnishes information—

"(1) leading to the arrest or conviction, in any country, of any individual or individuals for commission of an act of espionage against the United States;

"(2) leading to the arrest or conviction, in any country, of any individual or individuals for conspiring or attempting to commit an act of espionage against the United States; or

"(3) leading to the prevention or frustration of an act of espionage against the United States.".

(b) DEFINITIONS.—Section 3077 of such title is amended—

(1) by striking "and" at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and inserting "; and"; and

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

"(8) 'act of espionage' means an activity that is a violation of—

"(A) section 793, 794, or 798 of title 18, United States Code; or

"(B) section 4 of the Subversive Activities Control Act of 1950.".

(c) CLERICAL AMENDMENTS.—(1) The item relating to chapter 204 in the table of chapters for part II of such title is amended to read as follows:

"204. Rewards for information concerning terrorist acts and espionage ..... 3071".

(2) The heading for chapter 204 of such title is amended to read as follows:

"CHAPTER 204—REWARDS FOR INFORMATION CONCERNING TERRORIST ACTS AND ESPIONAGE".

SEC. 804. CRIMINAL FORFEITURE FOR VIOLATION OF CERTAIN ESPIONAGE LAWS.

(a) IN GENERAL.—Section 798 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) Any person convicted of a violation of this section shall forfeit to the United States irrespective of any provision of State law—

"(A) any property constituting, or derived from, any proceeds the person obtained, directly or indirectly, as the result of such violation; and

"(B) any of the person's property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of, such violation.

"(2) The court, in imposing sentence on a defendant for a conviction of a violation of this section, shall order that the defendant forfeit to the United States all property described in paragraph (1).

"(3) Except as provided in paragraph (4), the provisions of subsections (b), (c), and (e) through (p) of section 413 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853(b), (c), and (e)–(p)), shall apply to—

"(A) property subject to forfeiture under this subsection;

"(B) any seizure or disposition of such property; and

"(C) any administrative or judicial proceeding in relation to such property,

if not inconsistent with this subsection.

"(4) Notwithstanding section 524(c) of title 28, there shall be deposited in the Crime Victims Fund established under section 1402 of the Victims of Crime Act of 1984 (42 U.S.C. 10601) all amounts from the forfeiture of property under this subsection remaining after the payment of expenses for forfeiture and sale authorized by law.

"(5) As used in this subsection, the term 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Trust Territory of the Pacific Islands, and any territory or possession of the United States.".

(b) AMENDMENTS FOR CONSISTENCY IN APPLICATION OF FORFEITURE UNDER TITLE 18.—(1) Section 793(h)(3) of such title is amended in the matter preceding subparagraph (A) by striking out "(o)" each place it appears and inserting in lieu thereof "(p)".

(2) Section 794(d)(3) of such title is amended in the matter preceding subparagraph (A) by striking out "(o)" each place it appears and inserting in lieu thereof "(p)".

(c) SUBVERSIVE ACTIVITIES CONTROL ACT.—Section 4 of the Subversive Activities Control Act of 1950 (50 U.S.C. 783) is amended by adding at the end the following new subsection:

"(e)(1) Any person convicted of a violation of this section shall forfeit to the United States irrespective of any provision of State law—

"(A) any property constituting, or derived from, any proceeds the person obtained, directly or indirectly, as the result of such violation; and

"(B) any of the person's property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of, such violation.

"(2) The court, in imposing sentence on a defendant for a conviction of a violation of this section, shall order that the defendant forfeit to the United States all property described in paragraph (1).

"(3) Except as provided in paragraph (4), the provisions of subsections (b), (c), and (e) through (p) of section 413 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853(b), (c), and (e)–(p)) shall apply to—

"(A) property subject to forfeiture under this subsection;

"(B) any seizure or disposition of such property; and

"(C) any administrative or judicial proceeding in relation to such property,

if not inconsistent with this subsection.

"(4) Notwithstanding section 524(c) of title 28, there shall be deposited in the Crime Victims Fund established under section 1402 of the Victims of Crime Act of 1984 (42 U.S.C. 10601) all amounts from the forfeiture of property under this subsection remaining after the payment of expenses for forfeiture and sale authorized by law.

"(5) As used in this subsection, the term 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Trust Territory of the Pacific Islands, and any territory or possession of the United States.".

SEC. 805. DENIAL OF ANNUITIES OR RETIRED PAY TO PERSONS CONVICTED OF ESPIONAGE IN FOREIGN COURTS INVOLVING UNITED STATES INFORMATION.

Section 8312 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(d)(1) For purposes of subsections (b)(1) and (c)(1), an offense within the meaning of such subsections is established if the Attorney General of the United States certifies to the agency administering the annuity or retired pay concerned—

"(A) that an individual subject to this chapter has been convicted by an impartial court of appropriate jurisdiction within a foreign country in circumstances in which the conduct violates the provisions of law enumerated in subsections (b)(1) and (c)(1), or would violate such provisions had such conduct taken place within the United States, and that such conviction is not being appealed or that final action has been taken on such appeal;

"(B) that such conviction was obtained in accordance with procedures that provided the defendant due process rights comparable to such rights provided by the United States Constitution, and such conviction was based upon evidence which would have been admissible in the courts of the United States; and

"(C) that such conviction occurred after the date of enactment of this subsection.

"(2) Any certification made pursuant to this subsection shall be subject to review by the United States Court of Claims based upon the application of the individual concerned, or his or her attorney, alleging that any of the conditions set forth in subparagraphs (A), (B), or (C) of paragraph (1), as certified by the Attorney General, have not been satisfied in his or her particular circumstances. Should the court determine that any of these conditions has not been satisfied in such case, the court shall order any annuity or retirement benefit to which the person concerned is entitled to be restored and shall order that any payments which may have been previously denied or withheld to be paid by the department or agency concerned.".

SEC. 806. POSTEMPLOYMENT ASSISTANCE FOR CERTAIN TERMINATED INTELLIGENCE EMPLOYEES OF THE DEPARTMENT OF DEFENSE.

(a) CONSOLIDATION AND EXTENSION OF AUTHORITY.—

(1) IN GENERAL.—Chapter 81 of title 10, United States Code, is amended by adding at the end the following new section:

"§1599. Postemployment assistance: certain terminated intelligence employees

"(a) AUTHORITY.—Subject to subsection (c), the Secretary of Defense may, in the case of any individual who is a qualified former intelligence employee, use appropriated funds—

"(1) to assist that individual in finding and qualifying for employment other than in an intelligence component of the Department of Defense;

"(2) to assist that individual in meeting the expenses of treatment of medical or psychological disabilities of that individual; and

"(3) to provide financial support to that individual during periods of unemployment.

"(b) QUALIFIED FORMER INTELLIGENCE EMPLOYEES.—For purposes of this section, a qualified former intelligence employee is an individual who was employed as a civilian employee of the Department of Defense in a sensitive position in an intelligence component of the Department of Defense—

"(1) who has been found to be ineligible for continued access to information designated as 'Sensitive Compartmented Information' and employment with the intelligence component; or

"(2) whose employment with the intelligence component has been terminated.

"(c) CONDITIONS.—Assistance may be provided to a qualified former intelligence employee under subsection (a) only if the Secretary determines that such assistance is essential to—

"(1) maintain the judgment and emotional stability of the qualified former intelligence employee; and

"(2) avoid circumstances that might lead to the unlawful disclosure of classified information to which the qualified former intelligence employee had access.

"(d) DURATION OF ASSISTANCE.—Assistance may not be provided under this section in the case of any individual after the end of the five-year period beginning on the date of the termination of the employment of the individual with an intelligence component of the Department of Defense.

"(e) ANNUAL REPORT.—(1) The Secretary of Defense shall submit to the congressional committees specified in paragraph (2) an annual report with respect to any expenditure made under this section.

"(2) The committees referred to in paragraph (1) are the following:

"(A) The Committees on Armed Services and Appropriations and the Permanent Select Committee on Intelligence of the House of Representatives.

"(B) The Committees on Armed Services and Appropriations and the Select Committee on Intelligence of the Senate.

"(f) DEFINITION.—In this section, the term 'intelligence component of the Department of Defense' means any of the following:

"(1) The National Security Agency.

"(2) The Defense Intelligence Agency.

"(3) The National Reconnaissance Office.

"(4) The Central Imagery Office.

"(5) The intelligence components of any of the military departments.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1599. Postemployment assistance: certain terminated intelligence employees.".

(b) REPEAL OF PREDECESSOR AUTHORITY.—

(1) DEFENSE INTELLIGENCE AGENCY.—Paragraph (4) of section 1604(e) of title 10, United States Code, is repealed.

(2) NATIONAL SECURITY AGENCY.—Section 17 of the National Security Agency Act of 1959 (50 U.S.C. 402 note) is repealed.

SEC. 807. PROVIDING A COURT ORDER PROCESS FOR PHYSICAL SEARCHES UNDERTAKEN FOR FOREIGN INTELLIGENCE PURPOSES.

(a) AMENDMENT OF THE FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978.—The Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801 et seq.) is amended—

(1) by redesignating title III as title IV and section 301 as section 401, respectively;

(2) in section 401 (as so redesignated) by inserting "(other than title III)" after "provisions of this Act"; and

(3) by inserting after title II the following new title:

"TITLE III—PHYSICAL SEARCHES WITHIN THE UNITED STATES FOR FOREIGN INTELLIGENCE PURPOSES

"DEFINITIONS

"SEC. 301. As used in this title:

"(1) The terms 'foreign power', 'agent of a foreign power', 'international terrorism', 'sabotage', 'foreign intelligence information', 'Attorney General', 'United States person', 'United States', 'person', and 'State' shall have the same meanings as in section 101 of this Act, except as specifically provided by this title.

"(2) 'Aggrieved person' means a person whose premises, property, information, or material is the target of physical search or any other person whose premises, property, information, or material was subject to physical search.

"(3) 'Foreign Intelligence Surveillance Court' means the court established by section 103(a) of this Act.

"(4) 'Minimization procedures' with respect to physical search, means—

"(A) specific procedures, which shall be adopted by the Attorney General, that are reasonably designed in light of the purposes and technique of the particular physical search, to minimize the acquisition and retention, and prohibit the dissemination, of nonpublicly available information concerning unconsenting United States persons consistent with the need of the United States to obtain, produce, and disseminate foreign intelligence information;

"(B) procedures that require that nonpublicly available information, which is not foreign intelligence information, as defined in section 101(e)(1) of this Act, shall not be disseminated in a manner that identifies any United States person, without such person's consent, unless such person's identity is necessary to understand such foreign intelligence information or assess its importance;

"(C) notwithstanding subparagraphs (A) and (B), procedures that allow for the retention and dissemination of information that is evidence of a crime which has been, is being, or is about to be committed and that is to be retained or disseminated for law enforcement purposes; and

"(D) notwithstanding subparagraphs (A), (B), and (C), with respect to any physical search approved pursuant to section 302(a), procedures that require that no information, material, or property of a United States person shall be disclosed, disseminated, or used for any purpose or retained for longer than 24 hours unless a court order under section 304 is obtained or unless the Attorney General determines that the information indicates a threat of death or serious bodily harm to any person.

"(5) 'Physical search' means any physical intrusion within the United States into premises or property (including examination of the interior of property by technical means) that is intended to result in a seizure, reproduction, inspection, or alteration of information, material, or property, under circumstances in which a person has a reasonable expectation of privacy and a warrant would be required for law enforcement purposes, but does not include (A) 'electronic surveillance', as defined in section 101(f) of this Act, or (B) the acquisition by the United States Government of foreign intelligence information from international or foreign communications, or foreign intelligence activities conducted in accordance with otherwise applicable Federal law involving a foreign electronic communications system, utilizing a means other than electronic surveillance as defined in section 101(f) of this Act.

"AUTHORIZATION OF PHYSICAL SEARCHES FOR FOREIGN INTELLIGENCE PURPOSES

"SEC. 302. (a)(1) Notwithstanding any other provision of law, the President, acting through the Attorney General, may authorize physical searches without a court order under this title to acquire foreign intelligence information for periods of up to one year if—

"(A) the Attorney General certifies in writing under oath that—

"(i) the physical search is solely directed at premises, information, material, or property used exclusively by, or under the open and exclusive control of, a foreign power or powers (as defined in section 101(a)(1), (2), or (3));

"(ii) there is no substantial likelihood that the physical search will involve the premises, information, material, or property of a United States person; and

"(iii) the proposed minimization procedures with respect to such physical search meet the definition of minimization procedures under paragraphs (1) through (4) of section 301(4); and

"(B) the Attorney General reports such minimization procedures and any changes thereto to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate at least 30 days before their effective date, unless the Attorney General determines that immediate action is required and notifies the committees immediately of such minimization procedures and the reason for their becoming effective immediately.

"(2) A physical search authorized by this subsection may be conducted only in accordance with the certification and minimization procedures adopted by the Attorney General. The Attorney General shall assess compliance with such procedures and shall report such assessments to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate under the provisions of section 306.

"(3) The Attorney General shall immediately transmit under seal to the Foreign Intelligence Surveillance Court a copy of the certification. Such certification shall be maintained under security measures established by the Chief Justice of the United States with the concurrence of the Attorney General, in consultation with the Director of Central Intelligence, and shall remain sealed unless—

"(A) an application for a court order with respect to the physical search is made under section 301(4) and section 303; or

"(B) the certification is necessary to determine the legality of the physical search under section 305(g).

"(4)(A) With respect to physical searches authorized by this subsection, the Attorney General may direct a specified landlord, custodian, or other specified person to—

"(i) furnish all information, facilities, or assistance necessary to accomplish the physical search in such a manner as will protect its secrecy and produce a minimum of interference with the services that such landlord, custodian, or other person is providing the target of the physical search; and

"(ii) maintain under security procedures approved by the Attorney General and the Director of Central Intelligence any records concerning the search or the aid furnished that such person wishes to retain.

"(B) The Government shall compensate, at the prevailing rate, such landlord, custodian, or other person for furnishing such aid.

"(b) Applications for a court order under this title are authorized if the President has, by written authorization, empowered the Attorney General to approve applications to the Foreign Intelligence Surveillance Court. Notwithstanding any other provision of law, a judge of the court to whom application is made may grant an order in accordance with section 304 approving a physical search in the United States of the premises, property, information, or material of a foreign power or an agent of a foreign power for the purpose of collecting foreign intelligence information.

"(c) The Foreign Intelligence Surveillance Court shall have jurisdiction to hear applications for and grant orders approving a physical search for the purpose of obtaining foreign intelligence information anywhere within the United States under the procedures set forth in this title, except that no judge shall hear the same application which has been denied previously by another judge designated under section 103(a) of this Act. If any judge so designated denies an application for an order authorizing a physical search under this title, such judge shall provide immediately for the record a written statement of each reason for such decision and, on motion of the United States, the record shall be transmitted, under seal, to the court of review established under section 103(b).

"(d) The court of review established under section 103(b) shall have jurisdiction to review the denial of any application made under this

title. If such court determines that the application was properly denied, the court shall immediately provide for the record a written statement of each reason for its decision and, on petition of the United States for a writ of certiorari, the record shall be transmitted under seal to the Supreme Court, which shall have jurisdiction to review such decision.

"(e) Judicial proceedings under this title shall be concluded as expeditiously as possible. The record of proceedings under this title, including applications made and orders granted, shall be maintained under security measures established by the Chief Justice of the United States in consultation with the Attorney General and the Director of Central Intelligence.

"APPLICATION FOR AN ORDER

"SEC. 303. (a) Each application for an order approving a physical search under this title shall be made by a Federal officer in writing upon oath or affirmation to a judge of the Foreign Intelligence Surveillance Court. Each application shall require the approval of the Attorney General based upon the Attorney General's finding that it satisfies the criteria and requirements for such application as set forth in this title. Each application shall include—

"(1) the identity of the Federal officer making the application;

"(2) the authority conferred on the Attorney General by the President and the approval of the Attorney General to make the application;

"(3) the identity, if known, or a description of the target of the search, and a detailed description of the premises or property to be searched and of the information, material, or property to be seized, reproduced, or altered;

"(4) a statement of the facts and circumstances relied upon by the applicant to justify the applicant's belief that—

"(A) the target of the physical search is a foreign power or an agent of a foreign power;

"(B) the premises or property to be searched contains foreign intelligence information; and

"(C) the premises or property to be searched is owned, used, possessed by, or is in transit to or from a foreign power or an agent of a foreign power;

"(5) a statement of the proposed minimization procedures;

"(6) a statement of the nature of the foreign intelligence sought and the manner in which the physical search is to be conducted;

"(7) a certification or certifications by the Assistant to the President for National Security Affairs or an executive branch official or officials designated by the President from among those executive branch officers employed in the area of national security or defense and appointed by the President, by and with the advice and consent of the Senate—

"(A) that the certifying official deems the information sought to be foreign intelligence information;

"(B) that the purpose of the search is to obtain foreign intelligence information;

"(C) that such information cannot reasonably be obtained by normal investigative techniques;

"(D) that designates the type of foreign intelligence information being sought according to the categories described in section 101(e); and

"(E) includes a statement explaining the basis for the certifications required by subparagraphs (C) and (D);

"(8) where the physical search involves a search of the residence of a United States person, the Attorney General shall state what investigative techniques have previously been utilized to obtain the foreign intelligence information concerned and the degree to which these techniques resulted in acquiring such information; and

"(9) a statement of the facts concerning all previous applications that have been made to any judge under this title involving any of the persons, premises, or property specified in the application, and the action taken on each previous application.

"(b) The Attorney General may require any other affidavit or certification from any other officer in connection with the application.

"(c) The judge may require the applicant to furnish such other information as may be necessary to make the determinations required by section 304.

"ISSUANCE OF AN ORDER

"SEC. 304. (a) Upon an application made pursuant to section 303, the judge shall enter an ex parte order as requested or as modified approving the physical search if the judge finds that—

"(1) the President has authorized the Attorney General to approve applications for physical searches for foreign intelligence purposes;

"(2) the application has been made by a Federal officer and approved by the Attorney General;

"(3) on the basis of the facts submitted by the applicant there is probable cause to believe that—

"(A) the target of the physical search is a foreign power or an agent of a foreign power, except that no United States person may be considered an agent of a foreign power solely upon the basis of activities protected by the first amendment to the Constitution of the United States; and

"(B) the premises or property to be searched is owned, used, possessed by, or is in transit to or from an agent of a foreign power or a foreign power;

"(4) the proposed minimization procedures meet the definition of minimization contained in this title; and

"(5) the application which has been filed contains all statements and certifications required by section 303, and, if the target is a United States person, the certification or certifications are not clearly erroneous on the basis of the statement made under section 303(a)(7)(E) and any other information furnished under section 303(c).

"(b) An order approving a physical search under this section shall—

"(1) specify—

"(A) the identity, if known, or a description of the target of the physical search;

"(B) the nature and location of each of the premises or property to be searched;

"(C) the type of information, material, or property to be seized, altered, or reproduced;

"(D) a statement of the manner in which the physical search is to be conducted and, whenever more than one physical search is authorized under the order, the authorized scope of each search and what minimization procedures shall apply to the information acquired by each search; and

"(E) the period of time during which physical searches are approved; and

"(2) direct—

"(A) that the minimization procedures be followed;

"(B) that, upon the request of the applicant, a specified landlord, custodian, or other specified person furnish the applicant forthwith all information, facilities, or assistance necessary to accomplish the physical search in such a manner as will protect its secrecy and produce a minimum of interference with the services that such landlord, custodian, or other person is providing the target of the physical search;

"(C) that such landlord, custodian or other person maintain under security procedures approved by the Attorney General and the Director of Central Intelligence any records concerning the search or the aid furnished that such person wishes to retain;

"(D) that the applicant compensate, at the prevailing rate, such landlord, custodian, or other person for furnishing such aid; and

"(E) that the Federal officer conducting the physical search promptly report to the court the circumstances and results of the physical search.

"(c)(1) An order issued under this section may approve a physical search for the period necessary to achieve its purpose, or for forty-five days, whichever is less, except that an order under this section shall approve a physical search targeted against a foreign power, as defined in paragraph (1), (2), or (3) of section 101(a), for the period specified in the application or for one year, whichever is less.

"(2) Extensions of an order issued under this title may be granted on the same basis as the original order upon an application for an extension and new findings made in the same manner as required for the original order, except that an extension of an order under this Act for a physical search targeted against a foreign power, as defined in section 101(a) (5) or (6), or against a foreign power, as defined in section 101(a)(4), that is not a United States person, may be for a period not to exceed one year if the judge finds probable cause to believe that no property of any individual United States person will be acquired during the period.

"(3) At or before the end of the period of time for which a physical search is approved by an order or an extension, or at any time after a physical search is carried out, the judge may assess compliance with the minimization procedures by reviewing the circumstances under which information concerning United States persons was acquired, retained, or disseminated.

"(d)(1)(A) Notwithstanding any other provision of this title, whenever the Attorney General reasonably makes the determination specified in subparagraph (B), the Attorney General may authorize the execution of an emergency physical search if—

"(i) a judge having jurisdiction under section 103 is informed by the Attorney General or the Attorney General's designee at the time of such authorization that the decision has been made to execute an emergency search, and

"(ii) an application in accordance with this title is made to that judge as soon as practicable but not more than 24 hours after the Attorney General authorizes such search.

"(B) The determination referred to in subparagraph (A) is a determination that—

"(i) an emergency situation exists with respect to the execution of a physical search to obtain foreign intelligence information before an order authorizing such search can with due diligence be obtained, and

"(ii) the factual basis for issuance of an order under this title to approve such a search exists.

"(2) If the Attorney General authorizes an emergency search under paragraph (1), the Attorney General shall require that the minimization procedures required by this title for the issuance of a judicial order be followed.

"(3) In the absence of a judicial order approving such a physical search, the search shall terminate the earlier of—

"(A) the date on which the information sought is obtained;

"(B) the date on which the application for the order is denied; or

"(C) the expiration of 24 hours from the time of authorization by the Attorney General.

"(4) In the event that such application for approval is denied, or in any other case where the physical search is terminated and no order is issued approving the search, no information obtained or evidence derived from such search shall be received in evidence or otherwise disclosed in any trial, hearing, or other proceeding in or before any court, grand jury, department, office, agency, regulatory body, legislative committee, or other authority of the United States, a State, or political subdivision thereof, and no

information concerning any United States person acquired from such search shall subsequently be used or disclosed in any other manner by Federal officers or employees without the consent of such person, except with the approval of the Attorney General, if the information indicates a threat of death or serious bodily harm to any person. A denial of the application made under this subsection may be reviewed as provided in section 302.

"(e) Applications made and orders granted under this title shall be retained for a period of at least 10 years from the date of the application.

"USE OF INFORMATION

"SEC. 305. (a) Information acquired from a physical search conducted pursuant to this title concerning any United States person may be used and disclosed by Federal officers and employees without the consent of the United States person only in accordance with the minimization procedures required by this title. No information acquired from a physical search pursuant to this title may be used or disclosed by Federal officers or employees except for lawful purposes.

"(b) Where a physical search authorized and conducted pursuant to section 304 involves the residence of a United States person, and, at any time after the search the Attorney General determines there is no national security interest in continuing to maintain the secrecy of the search, the Attorney General shall provide notice to the United States person whose residence was searched of the fact of the search conducted pursuant to this Act and shall identify any property of such person seized, altered, or reproduced during such search.

"(c) No information acquired pursuant to this title shall be disclosed for law enforcement purposes unless such disclosure is accompanied by a statement that such information, or any information derived therefrom, may only be used in a criminal proceeding with the advance authorization of the Attorney General.

"(d) Whenever the United States intends to enter into evidence or otherwise use or disclose in any trial, hearing, or other proceeding in or before any court, department, officer, agency, regulatory body, or other authority of the United States, against an aggrieved person, any information obtained or derived from a physical search pursuant to the authority of this title, the United States shall, prior to the trial, hearing, or the other proceeding or at a reasonable time prior to an effort to so disclose or so use that information or submit it in evidence, notify the aggrieved person and the court or other authority in which the information is to be disclosed or used that the United States intends to so disclose or so use such information.

"(e) Whenever any State or political subdivision thereof intends to enter into evidence or otherwise use or disclose in any trial, hearing, or other proceeding in or before any court, department, officer, agency, regulatory body, or other authority of a State or a political subdivision thereof against an aggrieved person any information obtained or derived from a physical search pursuant to the authority of this title, the State or political subdivision thereof shall notify the aggrieved person, the court or other authority in which the information is to be disclosed or used, and the Attorney General that the State or political subdivision thereof intends to so disclose or so use such information.

"(f)(1) Any person against whom evidence obtained or derived from a physical search to which he is an aggrieved person is to be, or has been, introduced or otherwise used or disclosed in any trial, hearing, or other proceeding in or before any court, department, officer, agency, regulatory body, or other authority of the United States, a State, or a political subdivision thereof, may move to suppress the evidence obtained or derived from such search on the grounds that—

"(A) the information was unlawfully acquired; or

"(B) the physical search was not made in conformity with an order of authorization or approval.

"(2) Such a motion shall be made before the trial, hearing, or other proceeding unless there was no opportunity to make such a motion or the person was not aware of the grounds of the motion.

"(g) Whenever a court or other authority is notified pursuant to subsection (d) or (e), or whenever a motion is made pursuant to subsection (f), or whenever any motion or request is made by an aggrieved person pursuant to any other statute or rule of the United States or any State before any court or other authority of the United States or any State to discover or obtain applications or orders or other materials relating to a physical search authorized by this title or to discover, obtain, or suppress evidence or information obtained or derived from a physical search authorized by this title, the United States district court or, where the motion is made before another authority, the United States district court in the same district as the authority shall, notwithstanding any other provision of law, if the Attorney General files an affidavit under oath that disclosure or any adversary hearing would harm the national security of the United States, review in camera and ex parte the application, order, and such other materials relating to the physical search as may be necessary to determine whether the physical search of the aggrieved person was lawfully authorized and conducted. In making this determination, the court may disclose to the aggrieved person, under appropriate security procedures and protective orders, portions of the application, order, or other materials relating to the physical search, or may require the Attorney General to provide to the aggrieved person a summary of such materials, only where such disclosure is necessary to make an accurate determination of the legality of the physical search.

"(h) If the United States district court pursuant to subsection (g) determines that the physical search was not lawfully authorized or conducted, it shall, in accordance with the requirements of law, suppress the evidence which was unlawfully obtained or derived from the physical search of the aggrieved person or otherwise grant the motion of the aggrieved person. If the court determines that the physical search was lawfully authorized or conducted, it shall deny the motion of the aggrieved person except to the extent that due process requires discovery or disclosure.

"(i) Orders granting motions or requests under subsection (h), decisions under this section that a physical search was not lawfully authorized or conducted, and orders of the United States district court requiring review or granting disclosure of applications, orders, or other materials relating to the physical search shall be final orders and binding upon all courts of the United States and the several States except a United States Court of Appeals or the Supreme Court.

"(j)(1) If an emergency execution of a physical search is authorized under section 304(d) and a subsequent order approving the search is not obtained, the judge shall cause to be served on any United States person named in the application and on such other United States persons subject to the search as the judge may determine in his discretion it is in the interests of justice to serve, notice of—

"(A) the fact of the application;

"(B) the period of the search; and

"(C) the fact that during the period information was or was not obtained.

"(2) On an ex parte showing of good cause to the judge, the serving of the notice required by this subsection may be postponed or suspended for a period not to exceed 90 days. Thereafter, on a further ex parte showing of good cause, the court shall forego ordering the serving of the notice required under this subsection.

"CONGRESSIONAL OVERSIGHT

"SEC. 306. On a semiannual basis the Attorney General shall fully inform the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate concerning all physical searches conducted pursuant to this title. On a semiannual basis the Attorney General shall also provide to those committees and the Committees on the Judiciary of the House of Representatives and the Senate a report setting forth with respect to the preceding six-month period—

"(1) the total number of applications made for orders approving physical searches under this title;

"(2) the total number of such orders either granted, modified, or denied; and

"(3) the number of physical searches which involved searches of the residences, offices, or personal property of United States persons, and the number of occasions, if any, where the Attorney General provided notice pursuant to section 305(b).

"PENALTIES

"SEC. 307. (a) A person is guilty of an offense if he intentionally—

"(1) under color of law for the purpose of obtaining foreign intelligence information, executes a physical search within the United States except as authorized by statute; or

"(2) discloses or uses information obtained under color of law by physical search within the United States, knowing or having reason to know that the information was obtained through physical search not authorized by statute, for the purpose of obtaining intelligence information.

"(b) It is a defense to a prosecution under subsection (a) that the defendant was a law enforcement or investigative officer engaged in the course of his official duties and the physical search was authorized by and conducted pursuant to a search warrant or court order of a court of competent jurisdiction.

"(c) An offense described in this section is punishable by a fine of not more than $10,000 or imprisonment for not more than five years, or both.

"(d) There is Federal jurisdiction over an offense under this section if the person committing the offense was an officer or employee of the United States at the time the offense was committed.

"CIVIL LIABILITY

"SEC. 308. An aggrieved person, other than a foreign power or an agent of a foreign power, as defined in section 101 (a) or (b)(1)(A), respectively, of this Act, whose premises, property, information, or material has been subjected to a physical search within the United States or about whom information obtained by such a physical search has been disclosed or used in violation of section 307 shall have a cause of action against any person who committed such violation and shall be entitled to recover—

"(1) actual damages, but not less than liquidated damages of $1,000 or $100 per day for each day of violation, whichever is greater;

"(2) punitive damages; and

"(3) reasonable attorney's fees and other investigative and litigation costs reasonably incurred.

"AUTHORIZATION DURING TIME OF WAR

"SEC. 309. Notwithstanding any other provision of law, the President, through the Attorney

General, may authorize physical searches without a court order under this title to acquire foreign intelligence information for a period not to exceed 15 calendar days following a declaration of war by the Congress.".

(b) CLERICAL AMENDMENT.—The table of contents in the first section of the Foreign Intelligence Surveillance Act of 1978 is amended by striking the items relating to title III and inserting the following:

"TITLE III—PHYSICAL SEARCHES WITHIN THE UNITED STATES FOR FOREIGN INTELLIGENCE PURPOSES

"Sec. 301. Definitions.
"Sec. 302. Authorization of physical searches for foreign intelligence purposes.
"Sec. 303. Application for an order.
"Sec. 304. Issuance of an order.
"Sec. 305. Use of information.
"Sec. 306. Congressional oversight.
"Sec. 307. Penalties.
"Sec. 308. Civil liability.
"Sec. 309. Authorization during time of war.

"TITLE IV—EFFECTIVE DATE

"Sec. 401. Effective Date.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect 90 days after the date of enactment of this Act, except that any physical search approved by the Attorney General of the United States to gather foreign intelligence information shall not be deemed unlawful for failure to follow the procedures of title III of the Foreign Intelligence Surveillance Act of 1978 (as added by this Act), if that search is conducted within 180 days after the date of enactment of this Act pursuant to regulations issued by the Attorney General, which were in the possession of the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives before the date of enactment of this Act.

SEC. 808. LESSER CRIMINAL OFFENSE FOR UNAUTHORIZED REMOVAL OF CLASSIFIED DOCUMENTS.

(a) IN GENERAL.—Chapter 93 of title 18, United States Code, is amended by adding at the end the following new section:

"§1924. Unauthorized removal and retention of classified documents or material

"(a) Whoever, being an officer, employee, contractor, or consultant of the United States, and, by virtue of his office, employment, position, or contract, becomes possessed of documents or materials containing classified information of the United States, knowingly removes such documents or materials without authority and with the intent to retain such documents or materials at an unauthorized location shall be fined not more than $1,000, or imprisoned for not more than one year, or both.

"(b) For purposes of this section, the provision of documents and materials to the Congress shall not constitute an offense under subsection (a).

"(c) In this section, the term 'classified information of the United States' means information originated, owned, or possessed by the United States Government concerning the national defense or foreign relations of the United States that has been determined pursuant to law or Executive order to require protection against unauthorized disclosure in the interests of national security.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following:

"1924. Unauthorized removal and retention of classified documents or material.".

SEC. 809. REPORTS ON FOREIGN INDUSTRIAL ESPIONAGE.

(a) IN GENERAL.—

(1) SUBMISSION AND CONTENTS.—In order to assist Congress in its oversight functions with respect to this Act and to improve the awareness of United States industry of foreign industrial espionage and the ability of such industry to protect against such espionage, the President shall submit to Congress a report that describes, as of the time of the report, the following:

(A) The respective policy functions and operational roles of the agencies of the executive branch of the Federal Government in identifying and countering threats to United States industry of foreign industrial espionage, including the manner in which such functions and roles are coordinated.

(B) The means by which the Federal Government communicates information on such threats, and on methods to protect against such threats, to United States industry in general and to United States companies known to be targets of foreign industrial espionage.

(C) The specific measures that are being or could be undertaken in order to improve the activities referred to in subparagraphs (A) and (B), including proposals for any modifications of law necessary to facilitate the undertaking of such activities.

(D) The threat to United States industry of foreign industrial espionage and any trends in that threat, including—

(i) the number and identity of the foreign governments conducting foreign industrial espionage;

(ii) the industrial sectors and types of information and technology targeted by such espionage; and

(iii) the methods used to conduct such espionage.

(2) DATE OF SUBMISSION.—The President shall submit the report required under this subsection not later than six months after the date of the enactment of this Act.

(b) ANNUAL UPDATE.—Not later than one year after the date referred to in paragraph (2) of subsection (a), and on the expiration of each year thereafter, the President shall submit to Congress a report updating the information referred to in paragraph (1)(D) of that subsection.

(c) FORM OF REPORTS.—To the maximum extent practicable, the reports referred to in subsections (a) and (b) shall be submitted in an unclassified form, but may be accompanied by a classified appendix.

(d) REPORT UNDER DEFENSE PRODUCTION ACT.—Section 721(k)(1)(B) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(k)(1)(B)) is amended by inserting "or directly assisted" after "directed".

(e) DEFINITION.—For the purposes of this section, "foreign industrial espionage" means industrial espionage conducted by a foreign government or by a foreign company with direct assistance of a foreign government against a private United States company and aimed at obtaining commercial secrets.

SEC. 810. COUNTERNARCOTICS TARGETS FUNDING.

Not less than $5,000,000 from the base budget for the National Security Agency shall be transferred to United States Army signals intelligence activities directed at counternarcotics targets. A detailed operations plan with special emphasis on the United States/Mexico border and including the participation of the National Security Agency, the Drug Enforcement Administration, the Federal Bureau of Investigation, and the United States Customs Service, shall be provided to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives no later than November 15, 1994. This plan shall include a detailed description of the planned targets and the type of intelligence collection, dissemination, analysis and tasking that will be included in these operations.

SEC. 811. COORDINATION OF COUNTERINTELLIGENCE ACTIVITIES.

(a) ESTABLISHMENT OF COUNTERINTELLIGENCE POLICY BOARD.—There is established within the executive branch of Government a National Counterintelligence Policy Board (in this section referred to as the "Board"). The Board shall report to the President through the National Security Council.

(b) FUNCTION OF THE BOARD.—The Board shall serve as the principal mechanism for—

(1) developing policies and procedures for the approval of the President to govern the conduct of counterintelligence activities; and

(2) resolving conflicts, as directed by the President, which may arise between elements of the Government which carry out such activities.

(c) COORDINATION OF COUNTERINTELLIGENCE MATTERS WITH THE FEDERAL BUREAU OF INVESTIGATION.—(1) Except as provided in paragraph (3), the head of each department or agency within the executive branch shall ensure that—

(A) the Federal Bureau of Investigation is advised immediately of any information, regardless of its origin, which indicates that classified information is being, or may have been, disclosed in an unauthorized manner to a foreign power or an agent of a foreign power;

(B) following a report made pursuant to subparagraph (A), the Federal Bureau of Investigation is consulted with respect to all subsequent actions which may be undertaken by the department or agency concerned to determine the source of such loss or compromise; and

(C) where, after appropriate consultation with the department or agency concerned, the Federal Bureau of Investigation undertakes investigative activities to determine the source of the loss or compromise, the Federal Bureau of Investigation is given complete and timely access to the employees and records of the department or agency concerned for purposes of such investigative activities.

(2) Except as provided in paragraph (3), the Director of the Federal Bureau of Investigation shall ensure that espionage information obtained by the Federal Bureau of Investigation pertaining to the personnel, operations, or information of departments or agencies of the executive branch, is provided through appropriate channels to the department or agency concerned, and that such departments or agencies are consulted with respect to espionage investigations undertaken by the Federal Bureau of Investigation which involve the personnel, operations, or information of such department or agency after a report has been provided pursuant to paragraph (1)(A).

(3) Where essential to meet extraordinary circumstances affecting vital national security interests of the United States, the President may on a case-by-case basis waive the requirements of paragraph (1) or (2), as they apply to the head of a particular department or agency, or the Director of the Federal Bureau of Investigation. Such waiver shall be in writing and shall fully state the justification for such waiver. Within thirty days, the President shall notify the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives that such waiver has been issued, and at that time or as soon as national security considerations permit, provide these committees with a complete explanation of the circumstances which necessitated such waiver.

(4) The Director of the Federal Bureau of Investigation shall, in consultation with the Director of Central Intelligence and the Secretary of Defense, report annually, beginning on February 1, 1995, and continuing each year thereafter, to the Select Committee on Intelligence of the Senate and to the Permanent Select Committee on Intelligence of the House of Representatives and, in accordance with applicable security procedures, the Committees on the Judiciary

of the House of Representatives and the Senate with respect to compliance with paragraphs (1) and (2) during the previous calendar year.

(5) Nothing in this section may be construed to alter the existing jurisdictional arrangements between the Federal Bureau of Investigation and the Department of Defense with respect to investigations of persons subject to the Uniform Code of Military Justice, nor to impose additional reporting requirements upon the Department of Defense with respect to such investigations beyond those required by existing law and executive branch policy.

(6) As used in this section, the terms "foreign power" and "agent of a foreign power" have the same meanings as set forth in sections 101(a) and (b), respectively, of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801).

TITLE IX—COMMISSION ON THE ROLES AND CAPABILITIES OF THE UNITED STATES INTELLIGENCE COMMUNITY

SEC. 901. ESTABLISHMENT.

There is established a commission to be known as the Commission on the Roles and Capabilities of the United States Intelligence Community (hereafter in this title referred to as the "Commission").

SEC. 902. COMPOSITION AND QUALIFICATIONS.

(a) MEMBERSHIP.—(1) The Commission shall be composed of 17 members, as follows:

(A) Nine members shall be appointed by the President from private life, no more than four of whom shall have previously held senior leadership positions in the intelligence community and no more than five of whom shall be members of the same political party.

(B) Two members shall be appointed by the majority leader of the Senate, of whom one shall be a Member of the Senate and one shall be from private life.

(C) Two members shall be appointed by the minority leader of the Senate, of whom one shall be a Member of the Senate and one shall be from private life.

(D) Two members shall be appointed by the Speaker of the House of Representatives, of whom one shall be a Member of the House and one shall be from private life.

(E) Two members shall be appointed by the Minority Leader of the House of Representatives, of whom one shall be a Member of the House and one shall be from private life.

(2) The members of the Commission appointed from private life under paragraph (1) shall be persons of demonstrated ability and accomplishment in government, business, law, academe, journalism, or other profession, who have a substantial background in national security matters.

(b) CHAIRMAN AND VICE CHAIRMAN.—The President shall designate two of the members appointed from private life to serve as Chairman and Vice Chairman, respectively, of the Commission.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers but shall be filled in the same manner as the original appointment.

(d) DEADLINE FOR APPOINTMENTS.—The appointments required by subsection (a) shall be made within 45 days after the date of enactment of this Act.

(e) MEETINGS.—(1) The Commission shall meet at the call of the Chairman.

(2) The Commission shall hold its first meeting not later than four months after the date of enactment of this Act.

(f) QUORUM.—Nine members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings, take testimony, or receive evidence.

(g) SECURITY CLEARANCES.—Appropriate security clearances shall be required for members of the Commission who are private United States citizens. Such clearances shall be processed and completed on an expedited basis by appropriate elements of the executive branch of Government and shall, in any case, be completed within 90 days of the date such members are appointed.

(h) APPLICATION OF CERTAIN PROVISIONS OF LAW.—In light of the extraordinary and sensitive nature of its deliberations, the provisions of the Federal Advisory Committee Act (5 U.S.C. App.), and the regulations prescribed by the Administrator of General Services pursuant to that Act, shall not apply to the Commission. Further, the provisions of section 552 of title 5, United States Code (commonly known as the "Freedom of Information Act") shall not apply to the Commission; however, records of the Commission shall be subject to the Federal Records Act and, when transferred to the National Archives and Records Agency, shall no longer be exempt from the provisions of such section 552.

SEC. 903. DUTIES OF THE COMMISSION.

(a) IN GENERAL.—It shall be the duty of the Commission—

(1) to review the efficacy and appropriateness of the activities of the United States intelligence community in the post-cold war global environment; and

(2) to prepare and transmit the reports described in section 904.

(b) IMPLEMENTATION.—In carrying out subsection (a), the Commission shall specifically consider the following:

(1) What should be the roles and missions of the intelligence community in terms of providing support to the defense and foreign policy establishments and how should these relate to tactical intelligence activities.

(2) Whether the roles and missions of the intelligence community should extend beyond the traditional areas of providing support to the defense and foreign policy establishments, and, if so, what areas should be considered legitimate for intelligence collection and analysis, and whether such areas should include for example, economic issues, environmental issues, and health issues.

(3) What functions, if any, should continue to be assigned to the organizations of the intelligence community, including the Central Intelligence Agency, and what capabilities should these organizations retain for the future.

(4) Whether the existing organization and management framework of the organizations of the intelligence community, including the Central Intelligence Agency, provide the optimal structure for the accomplishment of their missions.

(5) Whether existing principles and strategies governing the acquisition and maintenance of intelligence collection capabilities should be retained and what collection capabilities should the Government retain to meet future contingencies.

(6) Whether intelligence analysis, as it is currently structured and executed, adds sufficient value to information otherwise available to the Government to justify its continuation, and, if so, at what level of resources.

(7) Whether the existing decentralized system of intelligence analysis results in significant waste or duplication, and, if so, what can be done to correct these deficiencies.

(8) Whether the existing arrangements for allocating available resources to accomplish the roles and missions assigned to intelligence agencies are adequate.

(9) Whether the existing framework for coordinating among intelligence agencies with respect to intelligence collection and analysis and other activities, including training and operational activities, provides an optimal structure for such coordination.

(10) Whether current personnel policies and practices of intelligence agencies provide an optimal work force to satisfy the needs of intelligence consumers.

(11) Whether resources for intelligence activities should continue to be allocated as part of the defense budget or be treated by the President and Congress as a separate budgetary program.

(12) Whether the existing levels of resources allocated for intelligence collection or intelligence analysis, or to provide a capability to conduct covert actions, are seriously at variance with United States needs.

(13) Whether there are areas of redundant or overlapping activity or areas where there is evidence of serious waste, duplication, or mismanagement.

(14) To what extent, if any, should the budget for United States intelligence activities be publicly disclosed.

(15) To what extent, if any, should the United States intelligence community collect information bearing upon private commercial activity and the manner in which such information should be controlled and disseminated.

(16) Whether counterintelligence policies and practices are adequate to ensure that employees of intelligence agencies are sensitive to security problems, and whether intelligence agencies themselves have adequate authority and capability to address perceived security problems.

(17) The manner in which the size, missions, capabilities, and resources of the United States intelligence community compare to those of other countries.

(18) Whether existing collaborative arrangements between the United States and other countries in the area of intelligence cooperation should be maintained and whether such arrangements should be expanded to provide for increased burdensharing.

(19) Whether existing arrangements for sharing intelligence with multinational organizations in support of mutually shared objectives are adequate.

SEC. 904. REPORTS.

(a) INITIAL REPORT.—Not later than two months after the first meeting of the Commission, the Commission shall transmit to the congressional intelligence committees a report setting forth its plan for the work of the Commission.

(b) INTERIM REPORTS.—Prior to the submission of the report required by subsection (c), the Commission may issue such interim reports as it finds necessary and desirable.

(c) FINAL REPORT.—No later than March 1, 1996, the Commission shall submit to the President and to the congressional intelligence committees a report setting forth the activities, findings, and recommendations of the Commission, including any recommendations for the enactment of legislation that the Commission considers advisable. To the extent feasible, such report shall be unclassified and made available to the public. Such report shall be supplemented as necessary by a classified report or annex, which shall be provided separately to the President and the congressional intelligence committees.

SEC. 905. POWERS.

(a) HEARINGS.—The Commission or, at its direction, any panel or member of the Commission, may, for the purpose of carrying out the provisions of this title, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any intelligence agency or from any other Federal department or agency any information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this section. Upon request of the Chairman of the Commission, the head of any such

department or agency shall furnish such information expeditiously to the Commission.

(c) POSTAL, PRINTING AND BINDING SERVICES.—The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(d) SUBCOMMITTEES.—The Commission may establish panels composed of less than the full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of each such panel shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(e) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this title.

SEC. 906. PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission who is a private United States citizen shall be paid, if requested, at a rate equal to the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Commission. All members of the Commission who are Members of Congress shall serve without compensation in addition to that received for their services as Members of Congress.

(b) TRAVEL EXPENSES.—Each member of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Chairman of the Commission may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, appoint a staff director and such additional personnel as may be necessary to enable the Commission to perform its duties. The staff director of the Commission shall be appointed from private life, and such appointment shall be subject to the approval of the Commission as a whole. No member of the professional staff may be a current officer or employee of an intelligence agency, except that up to three current employees of intelligence agencies who are on rotational assignment to the Executive Office of the President may serve on the Commission staff, subject to the approval of the Commission as a whole.

(2) COMPENSATION.—The Chairman of the Commission may fix the pay of the staff director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay fixed under this paragraph for the staff director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title and the rate of pay for other personnel may not exceed the maximum rate payable for grade GS-15 of the General Schedule.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Upon request of the Chairman of the Commission, the head of any Federal department or agency may detail, on a nonreimbursable basis, any personnel of that department or agency to the Commission to assist it in carrying out its administrative and clerical functions.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of such title.

(f) ADMINISTRATIVE AND SUPPORT SERVICES.—The Director of Central Intelligence shall furnish the Commission, on a non-reimbursable basis, any administrative and support services requested by the Commission consistent with this title.

SEC. 907. PAYMENT OF COMMISSION EXPENSES.

The compensation, travel expenses, per diem allowances of members and employees of the Commission, and other expenses of the Commission shall be paid out of funds available to the Director of Central Intelligence for the payment of compensation, travel allowances, and per diem allowances, respectively, of employees of the Central Intelligence Agency.

SEC. 908. TERMINATION OF THE COMMISSION.

The Commission shall terminate one month after the date of the submission of the report required by section 904(c).

SEC. 909. DEFINITIONS.

For purposes of this title—

(1) the term "intelligence agency" means any agency, office, or element of the intelligence community;

(2) the term "intelligence community" shall have the same meaning as set forth in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)); and

(3) the term "congressional intelligence committees" refers to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

And the Senate agree to the same.

From the Permanent Select Committee on Intelligence, for consideration of the House bill, and the Senate amendment, and modifications committed to conference:

DAN GLICKMAN,
BILL RICHARDSON,
NORMAN D. DICKS,
JULIAN C. DIXON,
ROBERT TORRICELLI,
RONALD COLEMAN,
DAVID E. SKAGGS,
JAMES H. BILBRAY,
NANCY PELOSI,
GREG LAUGHLIN,
BUD CRAMER,
JACK REED,
LARRY COMBEST,
DOUG BEREUTER,
ROBERT K. DORNAN,
BILL YOUNG,
GEORGE W. GEKAS,
JAMES V. HANSEN,
JERRY LEWIS.

As additional conferees from the Committee on Banking, Finance and Urban Affairs, for consideration of sections 601 and 704 of the Senate amendment, and modifications committed to conference:

HENRY GONZALEZ,
JOE KENNEDY,
LARRY LAROCCO,
AL MCCANDLESS,
MICHAEL N. CASTLE.

As additional conferees from the Committee on Government Operations, for consideration of section 601 of the House bill, and modifications committed to conference:

JOHN CONYERS, Jr.,
EDOLPHUS TOWNS,
BILL CLINGER.

As additional conferees from the Committee on the Judiciary, for consideration of sections 802-804 of the House bill and sections 601, 703-707, and 709-712 of the Senate amendment, and modifications committed to conference:

HENRY HYDE,
Managers on the Part of the House.

DENNIS DECONCINI,
JOHN GLENN,
BOB KERREY,
RICHARD H. BRYAN,
BOB GRAHAM,
JOHN F. KERRY,
MAX BAUCUS,
J. BENNETT JOHNSTON,
JOHN WARNER,
ALFONSE D'AMATO,
JOHN C. DANFORTH,
JOHN H. CHAFEE,
TED STEVENS,
RICHARD G. LUGAR,
MALCOLM WALLOP,

From the Committee on Armed Services:

SAM NUNN,
STROM THURMOND,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4299), to authorize appropriations for fiscal year 1995 for intelligence and intelligence related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

TITLE I—INTELLIGENCE ACTIVITIES

Due to the classified nature of intelligence and intelligence-related activities, a classified annex to this joint explanatory statement serves as a guide to the classified Schedule of Authorizations by providing a detailed description of program and budget authority contained therein as reported by the Committee of Conference.

The actions of the conferees on all matters at difference between the two Houses are shown below or in the classified annex to this joint statement.

A special conference group resolved differences between the House and Senate regarding DoD intelligence related activities, referred to as Tactical Intelligence and Related Activities (TIARA). This special conference group was necessitated by the differing committee jurisdictions of the intelligence committees of the House and the Senate, and consisted of members of the House and Senate Committees on Armed Services and the House Permanent Select Committee on Intelligence.

The amounts listed for TIARA programs represent the funding levels jointly agreed to by the TIARA conferees and the House and Senate conferees for the National Defense

Authorization Act for Fiscal Year 1995. In addition, the TIARA conferees have agreed on the authorization level, as listed in the classified Schedule of Authorizations, the joint statement, and its classified annex, for TIARA programs which fall into the appropriations category of Military Pay.

SECTIONS 101 AND 102

Sections 101 and 102 of the conference report authorize appropriations for the intelligence and intelligence-related activities of the United States Government for fiscal year 1995 and establish personnel ceilings applicable to such activities.

SECTION 103

Section 103 of the conference report authorizes appropriations and personnel end-strengths for fiscal year 1995 for the Community Management Account. The Community Management Account consists of the Community Management Staff, the Center for Security Evaluation, the National Intelligence Council, the Advanced Research and Development Committee, the National Counterintelligence Center, the Foreign Language Committee, and the Environmental Task Force. The conference report authorizes $86,900,000 and 241 personnel for the Community Management Account, to be used in connection with the performance of some of the tasks associated with the responsibilities the Director of Central Intelligence (DCI) has for the management of the intelligence community. As part of the Office of the Director of Central Intelligence, the Community Management Account is administered in a manner consistent with the provisions of the National Security Act of 1947 and the Central Intelligence Agency Act of 1949.

TITLE II—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

SECTION 201

Section 201 of the conference report authorizes appropriations for fiscal year 1995 of $198,000,000 for the Central Intelligence Agency Retirement and Disability Fund, the amount contained in both the House bill and the Senate amendment.

TITLE III—GENERAL PROVISIONS

SECTION 301

Section 301 of the conference report provides that appropriations authorized by the conference report for salary, pay, retirement and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in compensation or benefits authorized by law. A provision identical to section 301 was contained in the House bill and a similar provision was contained in the Senate amendment.

SECTION 302

Section 302 of the conference report provides that the authorization of appropriations by the conference report shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or laws of the United States. Section 302 is identical to section 302 of the House bill and similar to section 302 of the Senate amendment.

SECTION 303

Section 303 of the conference report expresses the sense of Congress that the Director of Central Intelligence should continue to direct that elements of the intelligence community should award contracts in a manner that would maximize the procurement of products produced in the United States, when such action is compatible with the national security interests of the United States, consistent with operational and security concerns, and fiscally sound. A provision similar to section 303 has been contained in previous intelligence authorization acts. Section 303 is similar in intent to section 303 of the House bill. The Senate amendment did not contain a similar provision.

SECTION 304

Section 304 of the conference report repeals section 107 of the Intelligence Authorization Act for Fiscal Year 1987 (Public Law 99-569), which limited U.S. intelligence cooperation with the government of South Africa. Section 304 is identical to section 303 of the Senate amendment. The House bill did not contain a similar provision.

The limitation contained in Public Law 99-569 reflected a concern that the intelligence services of South Africa were playing an important role in the government's efforts to maintain the system of apartheid in the face of the activities of internal opposition forces.

Apartheid is no more. The people of South Africa have freely elected a new government and inaugurated a new president. Virtually all of the restrictions imposed upon South Africa by the Comprehensive Anti-Apartheid Act of 1986 have been lifted. Attention is now being focused on fostering the development of democratic institutions and processes. The establishment of internal management and administrative systems to improve accountability in, and oversight of, the intelligence and security services should be a part of these activities. The conferees are convinced the United States intelligence agencies can play a helpful role in this effort, as well as in other undertakings with the South African government, and therefore believe that the current limitation on cooperation should be removed.

SECTION 305

Section 305 of the conference report requires the Director of Central Intelligence to submit a report to the congressional intelligence committees, armed services committees, and defense appropriations subcommittees no later than December 1, 1994 on the advisability of providing for mandatory retirement for expiration of time in class in a manner comparable to the applicable provisions of section 607 of the Foreign Service Act of 1980 (22 U.S.C. 4007) for all civilian employees of the Central Intelligence Agency, the National Security Agency, the Defense Intelligence Agency, the National Reconnaissance Office, the Central Imagery Office, and the intelligence elements of the Army, Navy, Air Force and Marine Corps. The report shall contain an assessment of the feasibility of instituting a mandatory retirement policy and alternative means of achieving the objectives of such a policy, as well as an assessment by the Secretary of Defense of the impact of a mandatory retirement policy for civilian employees of the intelligence community on all other Department of Defense civilian employees. The report shall also include appropriate legislative recommendations.

Section 305 is similar to section 304 of the Senate amendment. The House bill did not contain a similar provision.

TITLE IV—CENTRAL INTELLIGENCE AGENCY

SECTION 401

Section 401 of the conference report deletes the provisions in section 4(a) of the Central Intelligence Agency Act of 1949 which provide that medical treatment for illness or injury overseas, or the cost of transporting employees to a suitable hospital or clinic for such treatment, is not compensable by the Director of Central Intelligence if the condition resulted from "vicious habits, intemperance, or misconduct." The conferees note that deletion of this language will not mandate compensation for such illness or injuries but would permit the Director to pay expenses if appropriate under regulations issued pursuant to the statute. The conferees believe that deletion of the existing language will eliminate the possibility that the CIA's alcohol rehabilitation program could be seen as inconsistent with the Agency's statutory authorities.

Section 401 also corrects a statutory citation to section 10 of the Act of March 3, 1933, with a reference to section 5731 of title 5, United States Code and strike gender-specific language.

Section 401 is identical to section 401 of the House bill and similar to section 401 of the Senate amendment.

SECTION 402

Section 402 reflects the conferees' resolution of the issues pertaining to the provisions of title VI of the House bill. Title VI of the House bill would have established in statute the offices of the inspector general at the National Security Agency (NSA) and the Defense Intelligence Agency (DIA) and would have made conforming amendments to the CIA Inspector General Act, section 17 of the Central Intelligence Agency Act of 1949.

Because of concerns expressed by the Department of Defense, the conferees chose not to include subsections (a) or (b) of section 601 of the House bill, concerning the inspectors general of DIA and NSA, in the conference report at this time.

Section 402 is substantially similar to section 601(c) of the House bill except that the conferees agreed to eliminate the requirement that the Inspector General of the Central Intelligence Agency have experience in a federal office of inspector general. Although such experience is highly desirable, the conferees felt the requirement would have greatly narrowed the pool of potential inspector general appointees.

The Senate amendment contained no similar provision.

SECTION 403

Section 403 of the Senate amendment authorized the Secretary of Defense to expend $3 million to establish a National Public Information Center for the purpose of using unclassified information available in government data bases to produce multimedia presentations to be used by other government decision makers and the general public. The House bill contained no similar provision.

The conferees believe it would be worthwhile for the government to develop more innovative presentations of its unclassified data bases. The conferees further agree that policy makers and the American public should derive greater benefit from the government's information holdings. However, the conferees do not believe that the creation of an information center is necessary to address these deficiencies. They agree that it would be more appropriate to conduct a one-year project to produce a limited number of multimedia presentations from a broad range of unclassified government data, possibly augmented by commercial or private unclassified data. These presentations, which should treat topics of broad policy and general interest, would then be reviewed by the congressional intelligence committees to determine whether the project should be continued beyond fiscal year 1995. In addition, the conferees believe that the CIA's Office of

the Open Source Coordinator is best equipped to conduct such an effort. The conferees expect that in executing this project, the intelligence community will become familiar with the latest commercial multimedia and graphical data interface techniques, and that the quality of intelligence presentations to policymakers will thereby improve. The conferees further fully expect all products to be marked with copyright notices as appropriate and the intellectual property rights associated with the information and techniques utilized in this project will be respected in the preparation and subsequent use of the products.

Section 403 thus authorizes the Director of Central Intelligence to expend not more than $3 million from funds otherwise available under this Act to conduct an Advanced Information Presentation Project for the purpose of: (1) demonstrating the potential benefit to government decision makers and the general public from the presentation of unclassified U.S. government information in a multimedia format, and (2) enabling the intelligence community to develop or acquire state-of-the-art multimedia and graphical interface techniques to improve multimedia intelligence presentations.

TITLE V—DEPARTMENT OF DEFENSE INTELLIGENCE ACTIVITIES

SECTION 501

Section 501 of the conference report addresses issues pertaining to the Central Imagery Office (CIO) which were addressed by section 501 of the House bill and section 501 of the Senate amendment.

Subsection (a) amends the National Security Act of 1947 to delete the general references in current law to "a central imagery authority" and replace them with the name of the CIO. This provision is similar to section 501(a) of the Senate amendment. The House bill did not contain a similar provision.

Subsection (b) amends several provisions of titles 5 and 10, United States Code, as well as other statutes applicable to government personnel, to provide the Secretary of Defense with the same statutory authorities to manage the civilian employees of the CIO as exist for the civilian employees of the Defense Intelligence Agency (DIA). This provision is identical to Section 501 of the House bill and is similar in intent to section 501(b) of the Senate amendment.

The conferees note that the DIA currently provides personnel administrative support for the civilian employees of the CIO. Section 501 is intended to provide the CIO the same personnel authorities as the DIA. It is not intended to require that the CIO secure administrative support only from the DIA. The conferees expect that the CIO, rather than creating an internal mechanism for providing administrative support, will obtain such support from any component of the Department of Defense determined to be capable of providing it.

SECTION 502

Section 502 of the conference report amends section 2796 of title 10, United States Code, to authorize the Director of the Defense Mapping Agency to withhold from public disclosure maps, charts, and geodetic data prepared specifically to support ongoing military or intelligence operations, where such products are not themselves classified. The conferees view section 502 as a reasonable extension of the Director's authority under curent law to withhold from public disclosure products which would reveal military opeational or contingency plans.

Section 502 is substantially the same, except for technical drafting differences, as section 502 of the Senate amendment. The House bill did not contain a similar provision.

SECTION 503

Section 503 of the conference report clarifies that the Privacy Act of 1974 (5 U.S.C. 552a(e)(3)) does not apply to Department of Defense personnel authorized to collect intelligence from human sources who are conducting, outside the United States, an initial assessment contact of a United States person as a potential source of foreign intelligence.

The conferees agree the Privacy Act notice requirements as now implemented may pose a serious risk to the safety overseas of both the intelligence officer and the U.S. person being assessed.

The conferees believe these risks can be largely eliminated if DoD intelligence officers authorized to collect intelligence from human sources operating outside of the U.S. are allowed one initial assessment contact with a potential U.S. person source without being required to give notice of governmental affiliation. The conferees intend that this provision be construed in such a way as to minimize intrusion on the privacy of the potential U.S. person. The conferees intend that the initial assessment contact be no more than one face-to-face meeting or its equivalent. Telephone conversations which involve the solicitation of personal information beyond the minimum needed to set up an appointment to meet are considered by the conferees to be an initial assessment contact. The conferees also believe that no personal information solicited from the individual during the initial assessment contact should be retained in a U.S. government system of records if the individual is not informed of the intelligence officer's governmental affiliation. The conferees also expect that under no circumstances should a potential U.S. person be requested or utilized in any fashion to undertake any intelligence activity by defense intelligence officers unless the potential U.S. person is made willing that he or she is acting on behalf of the U.S. government regardless of the status of the initial assessment contact.

The conferees expect that the appropriate committees of the Congress will conduct vigorous oversight of the use of this authority and thus agreed to require that the Department of Defense maintain records concerning initial assessment contacts outside the United States during which notice of governmental affiliation was not given to a potential source who is a United States person.

The records should include for each such contact an explanation of why notice of government affiliation could not reasonably be provided, the nature of the information obtained from the United States person as a result of the contact, and whether additional contacts resulted with the person concerned.

Section 503 is similar to section 502 of the House bill. The Senate amendment did not include a similar provision.

SECTION 504

Section 504 of the conference report clarifies that section 1006 of the National Defense Authorization Act for Fiscal Year 1995 shall not apply to amounts which remain available on the date of enactment of the Intelligence Authorization Act for Fiscal Year 1995 for national foreign intelligence programs, projects, and activities. The conferees note that the aggregation of programs known as Tactical Intelligence and Related Activities (TIARA) are not covered by section 504 because of a difference in jurisdiction between the House Intelligence Committee, which shares jurisdiction over TIARA programs with the House Armed Services Committee, and the Senate Intelligence Committee which does not claim jurisdiction over TIARA. The absence of a refernce to TIARA in section 504 is not intended to reflect on the jurisdiction of the House Intelligence Committee over intelligence elements of this aggregation of programs.

Section 504 was not a part of either the House bill or the Senate amendment.

TITLE VI—CONSTRUCTION OF FACILITIES FOR THE INTELLIGENCE COMMUNITY

SECTION 601

Section 601 places certain limitations upon the funding authorized by the bill for fiscal year 1995 for the National Reconnaissance Office.

Subsection (a) provides that $50,000,000 out of the Miscellaneous Support account of the Mission Support Consolidated Expenditure Center may not be obligated or expended until the Director of Central Intelligence and the Secretary of Defense have completed a review of the National Reconnaissance Office Headquarters Building project and the results of such review have been made available to the intelligence committees. Subsection (a) also provides that no funds authorized by the bill may be obligated or expended for the purchase of any real property, or to contract for any construction or acquisition, in connection with the construction of buildings or facilities, unless and to the extent that such purchases or contracts are entered into in accordance with Department of Defense policies and procedures, or unless the President determines that these policies and procedures shall not apply. In this event, the President is required by subsection (b) to advise the intelligence committees in writing within 30 days of such waiver.

Subsection (c) provides that no funds available to the National Reconnaissance Office may be obligated or expended for the construction of the Headquarters Building if such obligation or expenditure would cause the total cost of the building to exceed $310 million, unless the authority for such obligation or expenditure has been provided in an act authorizing appropriations, an appropriations act, or in accordance with applicable reprogramming procedures.

Section 601 is similar to section 504 of the Senate amendment. The House bill did not contain a similar provision.

SECTION 602

Section 602 of the conference report establishes procedures for congressional notification and approval of certain intelligence community construction and improvement projects.

Section 602(a) specifies that no project for the construction of any facility to be used primarily by personnel of any component of the intelligence community which has an estimated Federal cost in excess of $750,000 may be undertaken unless such project is specifically identified as a separate item in the President's annual fiscal year budget request and is specifically authorized by the Congress. The conferees understand the term "estimated Federal cost" to include design construction, and fit-up costs.

Section 602(a) also specifies that, in the case of a project for the construction of any facility to be used primarily by personnel of any component of the intelligence community having an estimated Federal cost greater than $500,000 but less than $750,000 the congressional intelligence committees shall be

notified by the Director of Central Intelligence. A similar notification shall be made in the case of any improvement project for any facility to be used primarily by personnel of any component of the intelligence community which has an estimated Federal cost greater than $500,000. It is the intent of the conferees that notification occur for projects which are projected to cost more than $500,000 at their inception, not when a series of improvement projects at the same facility exceed $500,000.

An exception to the notification and approval requirements for construction projects exceeding $750,000 is provided in section 602(b) for cases in which the Secretary of Defense and the Director of Central Intelligence jointly determine that the project is vital to the national security or to the protection of health, safety, or the quality of the environment, and the requirement for the project is so urgent that it cannot be deferred until the next intelligence authorization act. For construction projects primarily for the Central Intelligence Agency, the determination that the grounds for an exception exist shall be made solely by the Director of Central Intelligence. When a determination is made that ground for an exception exist, a report indicating the justification for the project, justification for the exception and the source of funds to be used for the project must be submitted to the appropriate committees of the Congress. No work on the project may begin until twenty-one days after the report is received by the committees.

Section 602(c) specifies that section 602 does not apply to any project covered by section 601(a)(1)(A) or section 601(c) of the conference report.

The provisions of section 602 did not appear in either the House bill or the Senate amendment.

SECTION 603

Section 603 of the conference report was included to reflect the conferees' dissatisfaction with the lack of specificity in the budget category referred to as "base." Section 603 requires that those congressional justification materials submitted annually in support of the National Foreign Intelligence Program budget request shall include the same level of budgetary detail for the "base" category as is provided for the categories of "ongoing initiatives" and "new initiatives." Additional legislation will be pursued as necessary to achieve the goal of complete transparency in the "base" budget, which the conferees believe will allow for more effective internal as well as congressional oversight.

The provisions of section 603 were not included in either the House bill or the Senate amendment.

SECTION 604

Section 604 of the conference report provides definitions for certain terms used in title VI.

TITLE VII—CLASSIFICATION MANAGEMENT

SECTION 701

Section 701 of the conference report reflects the conferees' resolution of the issues contained in section 702 of the House bill. The Senate amendment did not contain a similar provision.

As agreed to by the conferees, section 701 requires the President to issue an executive order, providing for the classification and declassification of information not later than 90 days after the date of enactment of this Act. The effective date of the executive order is to be 30 days after it is submitted to the congressional intelligence committees and the Committee on Government Operations of the House of Representatives and the Committee on Governmental Affairs of the Senate. Section 701 also expresses the sense of Congress that the executive order should provide for the following:

(1) that information should be classified only when its public disclosure would cause identifiable damage to the national security. The conferees believe that government employees authorized to classify information should be able to articulate how disclosure of such information would damage the national security rather than citing vague references to the "national security" as justification for classification;

(2) that classified information should be declassified if the appropriate authority within the executive branch determines that the government's interest in continuing to protect the classified information in question is outweighed by the public's interest in having the information available; and

(3) that classified information which is more than 25 years old should be automatically declassified unless it falls within a category designated by the President for document-by-document review to identify information whose disclosure would clearly damage the national security. The conferees believe that most classified information should have lost its national security sensitivity with the passage of 25 years, but recognize there may be certain categories, e.g. the identification of intelligence sources or methods, that may require continued classification. Executive agencies should not continue the classification of such information, however, unless it is clear, given the nature of the information concerned, even after 25 years, that the national security would be damaged by its disclosure.

In including section 701 in the conference report, the conferees intend to underscore their concern that the current executive order on national security information, Executive Order 12356, is now more than twelve years old, was promulgated during the Cold War, and should be updated.

SECTION 702

Section 702 of the conference report requires each agency funded in the National Foreign Intelligence Program and receiving an appropriation for fiscal year 1995 of more than $1 million in the security, countermeasures, and related activities structural budget category to allocate at least two percent of its total expenditure in this category to the classification management consolidated expenditure center. The funds so allocated are to be used to: (1) develop a phased plan to implement declassification guidelines contained in the executive order which replaces Executive Order 12356 on national security information; (2) commence the process of declassification and reduction of the amount of archival classified documents maintained by each agency; and (3) submit a report to the congressional intelligence committees without 90 days after the end of fiscal year 1995 on the progress made in carrying out the process of declassification with reference to the phased plan. The contents of the phased plan are further specified in House Report 103-541, Part I, which accomplishes the House bill.

Section 702 is identical to section 701 of the House bill. The Senate amendment did not contain a similar provision.

TITLE VIII—COUNTERINTELLIGENCE AND SECURITY

SECTION 801

Section 801 contains the short title of title VIII, the Counterintelligence and Security Enhancements Act of 1994.

SECTION 802

Section 802 amends the National Security Act of 1947 by adding a new title VIII on access to classified information. It is similar to section 802 of the Senate amendment and section 801 of the House bill.

Section 801(a) of the new title VIII requires the President to issue, within 180 days of enactment, regulations to establish uniform procedures governing access to classified information by employees in the executive branch of the government. Like Section 702 of the Senate amendment, Section 801(a) provides that the regulations to be issued by the President shall at a minimum provide for certain things. Subsection (a)(1) specifies that, unless otherwise permitted by the President, no employee of the executive branch may be given access to classified information unless such employee has been the subject of an appropriate background investigation and such access is determined to be clearly consistent with the national security. Subsection (a)(2) provides that uniform requirements for background investigations will be established for all employees of the executive branch. Subsection (a)(3) specifies that as a condition for receiving access to classified information, executive branch employees will be required to provide written consent permitting an authorized investigative agency to obtain certain financial records and travel records during the period of the employees' access and for three years thereafter, in accordance with conditions and limitations set forth elsewhere in the Act. The conferees note that the time period was reduced from the five years contained in the Senate amendment. Subsection (a)(4) provides that employees who require access to particularly sensitive information, as determined by the President, shall be required to submit reports concerning their financial condition and travel, as may be determined by the President. Finally, subsection (a)(5) provides that uniform standards shall be established to ensure that employees whose access to classified information is being denied or terminated are appropriately advised of the reasons for such denial or termination and given an adequate opportunity to respond to the information which forms the basis for the denial or termination.

The conferees wish to make clear with respect to subsection (a)(5) that the words "appropriately advised" refer to both the manner and content of the notice. The conferees intend that employees whose access to classified information is being denied or terminated will be officially advised of the reasons for such denial or termination to the maximum extent consistent with the national security. The conferees recognize there will be rare occasions when information which forms the basis for a proposed denial or termination of access to classified information was itself derived from classified sources or by a classified method which cannot be divulged to the employee concerned. However, even in these circumstances, the department or agency concerned should make every reasonable effort to convey to the employee concerned the basis for the denial or termination of access short of disclosing classified information which reveals a sensitive source or method.

The primary purpose of this requirement is to provide a procedure that will help ensure that departments and agencies do not make security determinations on the basis of inaccurate or unreliable information. It is not uncommon for background investigations to develop information which does not relate to

the subject of the investigation or is otherwise inaccurate. Reliance upon such information by the department or agency concerned could easily have an adverse impact on the career and livelihood of the employee concerned. The conferees believe the minimal procedure required by subsection (a)(5) will go far towards preventing such results. In requiring this procedure, it is not the intent of the conferees that subsection (a)(5) affect in any way existing case law on the subject of security clearances (e.g. *Department of Navy* v. *Egan*, 484 U.S. 518 (1988)), nor is subsection (a)(5) intended to alter or affect in any way the recourse employees may have, through administrative or judicial means, to seek redress for an adverse determination made by a department or agency with regard to their security clearance.

The conferees also agreed to the addition of section 801(b) which had been in neither the Senate amendment not the House bill. This section provides that nothing in section 801(a) shall be deemed to limit the responsibility or power of an agency head pursuant to other law or executive order to deny or terminate access to classified information if the national security so requires. Specifically, by requiring the President to promulgate uniform standards to ensure due process where access to classified information is being denied or terminated, it is not the intent of the conferees to limit or affect the authority of department or agency heads, pursuant to statute or executive order, to terminate access to classified information or to terminate employment in the interests of national security, nor to affect the procedures intended to provide due process in such situations which may be provided pursuant to such statutes or executive orders.

Subsection (b)(2) was added by the conferees to require a report to the congressional intelligence committees when a department or agency head exercises the authority provided by other statutes or executive order, and referred to in subsection (b)(1), to terminate access to classified information if the national security so requires.

Section 802 is similar to section 802 of the Senate amendment and to section 804 (of the new title VIII) proposed in the House bill. The conferees agreed to the following modifications of the Senate language:

(1) Section 802(a)(2)(A) of the new title VIII was modified to reflect the reduced time period for which the employee was required to provide access to the records covered by the Act, i.e. from five years in the Senate bill to three years:

(2) Subsection (a)(2)(B), which sets forth the circumstances which must be present in order for a request for access to records to be made under the Act, was modified in several respects. Paragraph (i) was modified to provide that there must be "reasonable grounds to believe, based on credible information," that the employee concerned is, or may be, disclosing classified information in an unauthorized manner to a foreign power or agent of a foreign power. The Senate amendment had required only "information or allegations" of such conduct. Paragraph (ii) was modified to provide that the employing agency must have information which it "deems credible" of unexplained affluence or excessive indebtedness before it could seek access to records. The Senate amendment had required only that the employing agency have "information" of such affluence or indebtedness. The conferees believe these modifications provide more appropriate standards for obtaining access to records under this section.

(3) In section 804(4) of the new title VIII, the definition of the term "employee" was modified by inserting at the end of the definition, "except as otherwise determined by the President." The conferees agreed to this modification to permit the President latitude to exclude certain categories from the term "employee" where compliance with the requirements of the statute is either not feasible or not considered to be necessary.

Section 802(f) of the new title VIII states "Nothing in this section may be construed to affect the authority of an investigative agency to obtain information pursuant to the Right to Financial Privacy Act (12 U.S.C. 3401 et seq.) or the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.)." The conferees intend that nothing in this section should be construed to limit the authority of federal agencies which conduct background investigations of federal employees from continuing to conduct credit and financial checks under the Right to Financial Privacy Act or the Fair Credit Reporting Act as a routine part of assessing a person's financial responsibility for access to classified information or employment in a sensitive position.

SECTION 803

Section 803 of the conference report amends section 3071 of title 18, United States Code, to authorize the Attorney General to give rewards for information leading to the arrest or conviction of individuals for the commission of espionage, or conspiracy to commit espionage, or leading to the prevention or frustration of an act of espionage against the United States. The conferees believe that the discretionary authority conferred upon the Attorney General by section 803 should not be used to reward individuals who have a pre-existing duty to report suspected breaches of security or who are otherwise remunerated by the U.S. Government for counterintelligence information.

Section 803 is identical to section 802 of the House bill and substantially the same, except for technical drafting differences, to section 705 of the Senate amendment.

SECTION 804

Section 804 of the conference report amends 18 U.S.C. 798 and 50 U.S.C. 783 to provide for the forfeiture of the proceeds of espionage activities to the United States and the deposit of the amounts forfeited in the Crime Victims Fund established under section 1402 of the Victims of Crime Act of 1984 (42 U.S.C. 10601).

Section 804 is substantially similar, except for technical drafting differences, to section 707 of the Senate amendment and section 804 of the House bill.

SECTION 805

Section 805 of the conference report provides for the denial of annuities or retired pay to individuals convicted in an impartial foreign court of appropriate jurisdiction of conduct which would constitute a violation of U.S. espionage statutes, upon the Attorney General's certification that the individual was afforded due process and the evidence would have been admissible in a U.S. court. The Attorney General's certification would be subject to review by the United States Court of Claims.

Section 805 is identical to section 805 of the House bill and, except for the right of appeal to the Court of Claims, to section 708 of the Senate amendment.

SECTION 806

Section 806 authorizes the Secretary of Defense to provide post employment assistance to former civilian employees of intelligence components of the Department who are found to be ineligible for continued access to Sensitive Compartmented Information. Assistance may be provided for up to five years after the individual's employment is terminated, if the Secretary determines that the assistance is essential to maintain the judgment and stability of the former employee and avoid unlawful disclosure of classified information to which the former employee had access. The conferees anticipated that the Secretary of Defense may delegate the authority to provide assistance to the heads of the intelligence components as the Secretary deems appropriate. The Secretary shall submit an annual report with respect to any expenditure under this section to the appropriations, defense and intelligence committees of the Congress.

Section 806 of the conference report is similar to section 806 of the House bill. The conferees wish to clarify, however, that any post-employment assistance provided pursuant to authority contained in the conference report be limited to employees of intelligence components of the Department. A technical drafting change to section 806 of the House bill was made to accomplish that purpose. The Senate amendment contained no provision on this matter.

SECTION 807

Section 807 amends the Foreign Intelligence Surveillance Act of 1978 (FISA) (50 U.S.C. 1801 et seq.) by adding a new title III which provides in general for a court order procedure to govern the conduct of physical searches undertaken within the United States for foreign intelligence purposes. The procedure is similar to that used to authorize electronic surveillance for foreign intelligence purposes within the United States.

Section 807 is similar to section 709 of the Senate amendment. The House bill had no similar provision. (For a detailed discussion of the background of this legislation as well as a detailed section-by-section analysis of the provisions of the Senate amendment, see Senate Report 103-296, accompanying S. 2056, The Counterintelligence and Security Enhancements Act of 1994.)

Due to the complexity of section 807, the discussion below, which includes an explanation of the modifications to the Senate amendment made by the conferees, is organized using the section numbers of the new title III of FISA as found both in the Senate amendment and in the conference report.

Section 301

Section 301 contains the definitions of terms used in the new title III. This section is identical to section 309 of the Senate amendment with the exception of two modifications agreed to by the conferees.

The first modification is the addition of subsection (4)(D), which was not in the Senate amendment. The addition of this subsection is necessitated by the inclusion of section 302, discussed below, which also was not in the Senate amendment. Subsection (4)(D) provides minimization procedures to govern physical searches undertaken of certain "foreign powers" pursuant to the approval of the Attorney General under section 302. (See the explanation below.) The definition provides, in effect, that no information, material, or property of a United States person acquired during such searches shall be disclosed, disseminated or used for any purpose or retained for longer than 24 hours unless a court order is obtained under section 304 of this title or unless the Attorney General determines that the information indicates a threat of death or serious bodily

harm to any person. This provision is virtually identical to the minimization procedure contained in section 101(h)(4) of the Act which governs the acquisition of the communications of United States persons obtained during an electronic surveillance of the same categories of foreign power approved by the Attorney General pursuant to section 102 of the Act.

The second modification to the Senate amendment involves the addition of item (B) to the language of section 301(5). This provides that the term "physical search" does not include "the acquisition by the United States Government of foreign intelligence information from international or foreign communications, or foreign intelligence activities conducted in accordance with otherwise applicable Federal law involving a foreign electronic communications system, utilizing a means other than electronic surveillance as defined in section 101(f) of this Act." This language is intended to clarify that certain communications intelligence activities undertaken by the United States Government are not encompassed by the definition of "physical search." It is identical to language contained in 18 U.S.C. 2511(2)(e), pertaining to the interception of wire, oral, or electronic communications for law enforcement purposes, where it was included to clarify that the intelligence activities were not covered by 18 U.S.C. 2511.

Section 302

Section 302 did not appear in the Senate amendment and was added in its entirety by the conferees. It is very similar to section 102 of the Act which authorizes the President, through the Attorney General, to authorize electronic surveillances without a court order for periods up to a year of certain categories of foreign powers, as defined in section 101 of the Act.

Section 302 authorizes the President, through the Attorney General, to authorize physical searches without a court order for periods up to a year if the Attorney General certifies in writing and under oath that the physical search is solely directed at the premises, information, material, or property used exclusively by, or under the open and exclusive control of, a foreign power or powers as defined in section 101(a)(1), (2), or (3) of FISA; that there is no substantial likelihood that the search will involve the premises, information, material, or property of a United States person; and that the proposed minimization procedures meet the requirements imposed by the definition of "minimization procedures" contained in section 301(4). Section 302 also requires that the minimization procedures approved by the Attorney General have been reported to the intelligence committees 30 days prior to their effective date, unless the Attorney General determines that their immediate use is required and provides the reason for this determination to the intelligence committees.

Like electronic surveillance conducted under title I of the Act, section 302 requires the Attorney General to file the certifications required by this section under seal with the Foreign Intelligence Surveillance Court, established by section 103 of the Act. These certifications remain sealed unless an application is made for a court order pursuant to section 301(4) and section 303, or the certification is necessary to determine the legality of the physical search under section 305(g). The Attorney General is also authorized by section 302 to direct specific landlords, custodians, or other specified persons to provide certain assistance to such searches and to maintain appropriate secrecy, as well as to provide appropriate compensation for assistance rendered.

Similar to sections 102(b) and 103 of the Act pertaining to electronic surveillance, section 302 also provides in general terms that the Attorney General may file applications for court orders authorizing physical searches with the Foreign Intelligence Surveillance Court ("the Court") if the President has authorized the Attorney General to do so; and, in turn, authorizes the Court to grant orders in accordance with section 304 approving such physical searches. The Court is specifically authorized to hear applications and grant orders authorizing physical searches, except that no judge may hear an application for an order which has previously been denied by another judge designated under the Act. The court of review established under the Act is authorized to hear appeals from denials of applications made under this title, and provision is made for the records of all proceedings under this title to be maintained under security procedures established by the Chief Justice of the United States in consultation with the Attorney General and the Director of Central Intelligence.

The conferees agreed to the addition of section 302 in order to provide the Attorney General with the same authority with respect to physical searches that the Attorney General is currently authorized by title I of the FISA with respect to electronic surveillances.

Section 303

Section 303 sets forth the requirements for applications for a court order approving a physical search pursuant to this title. It is identical to section 302 of the Senate amendment except that a new subsection (a)(8) has been added by the conferees which provides that in addition to the other statements and certifications required by section 303 to be part of the application to the court, the Attorney General shall, where the physical search involves a search of a residence of a United States person, state what investigative techniques have been previously utilized to obtain the foreign intelligence information concerned and the degree to which these techniques resulted in acquiring such information.

In adding this requirement to the application process, the conferees recognize that the search of a residence of a United States person raises special concerns and sensitivities. While a certification must accompany all applications for physical searches that the foreign intelligence information cannot be obtained by normal investigative means, the conferees believe in the case of residential searches, the Court should be specifically apprised of the investigative efforts previously made to acquire the information in question and what the results of those efforts have been before an order is granted.

Section 304

Section 304 provides the grounds upon which a judge on the Foreign Intelligence Surveillance Court may grant an order authorizing a physical search and provides what such orders shall contain. It also provides time limits for which orders may be granted and provides for extensions of orders. It also authorizes judges on the Court to assess compliance with the statute at any time after a physical search has been approved or carried out. Similar to the provisions of section 105(e) pertaining to electronic surveillances, the Attorney General is authorized to approve emergency searches in accordance with the conditions set forth in the section. Finally, section 304 provides that applications and orders granted under this title shall remain available to the Court for a period of ten years.

Section 304 is identical to section 303 of the Senate amendment with two exceptions. Section 303(a)(3)(C) of the Senate amendment has been deleted because it appears to have been included as the result of administrative error. Section 303(c)(1) has been amended by reducing the period for which a court order may authorize a physical search pursuant to this title from 90 days to 45 days. The conferees believe a 45-day period is adequate in terms of conducting searches pursuant to this title.

Section 305

Section 305 governs the use of information obtained from physical searches authorized pursuant to this title as well as use of information about the searches themselves. It parallels the provisions of section 106 of the Act pertaining to electronic surveillances.

Section 305 provides that information concerning a United States person obtained from physical searches pursuant to this title cannot be used or disclosed by federal officers and employees except as provided in the minimization procedures set forth in section 301(4). No information obtained from such searches may be used for law enforcement purposes without the advance authorization of the Attorney General. Whenever in a federal or state criminal or civil proceeding, the U.S. Government authorizes the use of information derived from such searches, it is required to notify the person whose premises or property or information was the subject of the search. Once so advised, the person may move to suppress the use of the information derived from the search on the grounds that the information was unlawfully acquired or the search was not made in conformity with an order of authorization or approval. If such a motion is made, the court receiving the motion, or the U.S. district court in the district where the motion is received by another authority, shall, if the Attorney General files an affidavit under oath that disclosure or any adversary hearing would harm the national security of the United States, review in camera and ex parte the application, order, and other materials relating to the search necessary to determine whether the search was lawfully authorized and conducted. If the court determines the search was not lawfully authorized, the information derived from the search must be suppressed.

Section 305 is identical to section 304 of the Senate amendment except for the following modifications agreed to by the conferees:

(1) Subsection (b) was added in its entirety. This subsection provides that where a physical search authorized pursuant to this title involves the residence of a United States person, and, at any time after the search the Attorney General determines there is no national security interest in continuing to maintain the secrecy of the search, the Attorney General shall provide notice to the U.S. person whose residence was searched of the fact of the search and identify any property that was seized, altered, or reproduced during such search. While the conferees appreciate that most physical searches authorized pursuant to this title will likely remain secret for national security reasons, where those searches involve the residence of United States persons, continuing consideration should be given by the Attorney General to providing notice of the search if continued secrecy no longer becomes necessary, or in situations where a mistake is made and a search is conducted of a residence of other

than the target of the search. In such circumstances, the conferees believe notice should be provided.

(2) Subsections (d) and (e) were modified by the conferees by striking the phrase "of the premises or property of that aggrieved person" as it had appeared in subsections 304(c) and (d) of the Senate amendment. The effect of these modifications is to make these subsections consistent with the definition of "aggrieved person" which includes not only persons whose premises or property are searched, but also persons about whom information is sought by such searches (regardless of whether they own the property or premises involved).

(3) The final modification made by the conferees to the Senate amendment involves the inclusion in the last sentence of subsection (g) of the phrase: "or may require the Attorney General to provide to the aggrieved person a summary of such materials." The last sentence of subsection (g) addresses the situation referred to above, where a motion has been made by the subject of the search (i.e. "aggrieved person") to suppress information obtained from the search for purposes of a criminal, civil or administrative proceeding, and the Attorney General has filed an affidavit that disclosure to the "aggrieved person" would be harmful to the national security. At this juncture, the court is required to conduct an ex parte, in camera proceeding to determine the legality of the physical search. As part of this process, the court may determine, under subsection (g), to provide the "aggrieved person," in accordance with appropriate security procedures and protective orders, with portions of the application, order, or other materials only where necessary to make an accurate determination of the legality of the physical search. The modification agreed to by the conferees would provide the court in such circumstances with the additional option of requiring the Attorney General to provide to the aggrieved person a summary of the relevant materials, without having to divulge the highly sensitive details of the application, order or other supporting materials.

Section 306

Section 306, providing for semiannual reports to the intelligence committees, is similar to section 305 of the Senate amendment.

The conferees agreed, however, that in addition to keeping the intelligence committees "fully informed" on a semiannual basis, the Attorney General should provide semiannual reports to both the intelligence committees and the judiciary committees of the House of Representatives and the Senate with respect to physical searches pursuant to this title and particularly which involved United States persons. Accordingly, section 306 was modified to impose such a requirement, requiring that the total number of applications for searches be specified; that the number of orders either granted, modified, or denied be specified; and that the number of physical searches involving the residences, offices, or personal property of United States persons be specified, as well as the number of occasions, if any, where the Attorney General provided notice to a U.S. person whose residence was the subject of a physical search authorized by the title pursuant to section 305(b).

Section 307

Section 307 provides penalties for violations of this title and is identical to section 306 of the Senate amendment.

Section 308

Section 308 provides for civil actions arising from violations of this title and is identical to section 307 of the Senate amendment.

Section 309

Section 309 pertains to authorization of physical searches by the President, through the Attorney General, in time of war and is identical to section 308 of the Senate amendment.

SECTION 808

Section 808 of the conference report would create a new misdemeanor offense applicable to federal employees who knowingly remove classified documents or materials without authority, with the intent to retain them at an unauthorized location. Persons convicted of such offense could be fined up to $1,000 or imprisoned for up to one year, or both. The conferees agreed the provision of documents or materials to the Congress shall not constitute an offense under this section.

Section 808 is similar to section 710 of the Senate amendment. The House bill did not contain a similar provision.

SECTION 809

Section 809 of the conference report would require the President to submit a report to Congress which would:

(1) review the respective policy functions and operational roles of the executive branch agencies involved in identifying and countering threats to United States industry posed by foreign industrial espionage, including the manner in which those functions and roles are coordinated;

(2) describe the means by which information on such threats and on methods to protect against them is communicated to U.S. industries in general and specifically to U.S. companies known to be targets of foreign industrial espionage;

(3) describe specific measures which are or could be undertaken to improve the coordination and communication described above; and

(4) discuss the threat to United States industries posed by foreign industrial espionage, including foreign governments involved, industrial sectors, information and technologies targeted, and the methods by which the espionage is conducted.

The portion of the report describing the nature of the threat is to be updated annually. The existing requirement contained in the Defense Production Act for a report on foreign industrial espionage targeting critical technologies would be clarified to ensure that the report examines not only espionage directed by foreign governments but also that directly assisted by foreign governments.

Section 809 is identical to section 711 of the Senate amendment. The House bill did not contain a similar provision.

SECTION 810

Section 810 of the conference report provides that funding from the base budget for the National Security Agency shall be transferred to the United States Army signals intelligence activities directed at counternarcotics targets. Section 712 of the Senate amendment provided that not less than $10,000,000 should be transferred for this purpose. The conferees agreed that not less than $5,000,000 was the appropriate level of resources for this provision.

Section 810 is otherwise identical to section 710 of the Senate amendment except for technical drafting differences.

SECTION 811

Section 811 is similar to section 703 of the Senate amendment. The House bill had no similar provision.

Section 811 provides for the coordination of counterintelligence activities by establishing a National Counterintelligence Policy Board and charging it with certain functions, and by requiring the heads of departments and agencies of the executive branch to report certain counterintelligence information to the Federal Bureau of Investigation (FBI) and to cooperate in subsequent investigations which the FBI may undertake involving the department or agency's employees, operations, or information. A reciprocal obligation is imposed on the FBI to provide pertinent espionage information to affected departments and agencies and to consult with respect to subsequent investigative actions which involve the department or agency concerned. Both obligations may be waived by the President in extraordinary circumstances. The President must report to the intelligence committees within 30 days of the waiver that this authority has been exercised and provide the reasons for the waiver, either at that time or as soon as national security considerations permit. An annual report to the appropriate congressional committees is required of the Director of the FBI, in consultation with the Director of Central Intelligence and Secretary of Defense, with respect to compliance with the obligations imposed by section 811 during the preceding year.

The conferees made several modifications to the Senate amendment.

Section 811(a) which establishes the National Counterintelligence Policy Board was modified to eliminate specific designation of the Chairman and members of the Board. The conferees believe such designations are more appropriately left to the discretion of the President. At the same time, it is the conferees' understanding that the President will provide for participation on the Board by representatives of the CIA, FBI, the Department of Defense, State, and Justice, and the National Security Council.

Section 811(c)(1)(A), which sets forth the circumstances under which departments and agencies must report counterintelligence information to the FBI, was modified to require such reports where information is obtained "which indicates that classified information is being, or may have been, disclosed in an unauthorized manner to a foreign power or agent of a foreign power." The Senate amendment had provided that the information must indicate that classified information "is being, or may have been, deliberately disclosed (etc.)" The conferees believed that this formulation was likely to result in information not being reported to the FBI until a department or agency had determined for itself that there had been an intentional compromise by an employee. A report at this point may well prejudice the FBI's ability to pursue the case investigatively.

In requiring the heads of departments and agencies to ensure that the FBI is immediately advised of any information which indicates classified information has been, or may have been, disclosed in an unauthorized manner to a foreign power or agent of a foreign power, the conferees do not intend that the department or agency report information to the FBI which is baseless, scurrilous, or patently without foundation. Nor is it the intent of the conferees to require information to be reported to the FBI which indicates only that classified information was left vulnerable to compromise to unauthorized persons, e.g. by leaving a safe unlocked or classified documents unsecured in a hotel room, in violation of applicable security regulations; or which indicates that classified

information has been leaked without authorization to the press (and is therefore available to foreign powers and agents of foreign powers). Rather, the intent of the conferees is that when departments and agencies receive information indicating that classified information has been, or may have been, compromised to a foreign power or agent of a foreign power through clandestine activities or means, human or technical, a report to the FBI is required. If there is reasonable doubt with respect to whether a report is required by this section, departments and agencies should consult informally with appropriate representatives of the FBI to resolve the issue.

The conferees made two modifications to the Senate amendment in section 811(c)(2), which establishes reciprocal reporting requirements for the FBI. The first modification was to change the obligation to report "counterintelligence information" to "espionage information." The conferees believe this narrower term better expresses their intent. The second modification was to eliminate the requirement in the Senate amendment that the FBI consult in advance with respect to investigative activities it might undertake involving the personnel, operations, or information of the department or agency concerned. The conferees believed that this requirement to consult in advance on every aspect of an investigation could impact adversely on the FBI's ability to conduct an espionage investigation. Accordingly, the requirement to consult "in advance" was eliminated. The conferees nonetheless believe that an appropriate level of consultation is desirable on a continuing basis where an espionage investigation involves the personnel, operations, or information of another department or agency.

The conferees also amended subsection (c)(4) of the Senate amendment by including as recipients of the annual compliance report the Committees on Judiciary in the Senate and House of Representatives. Should these reports contain highly classified information pertaining to U.S. intelligence operations, the conferees anticipate that such information will be provided in an appropriately classified supplement to the intelligence committees.

TITLE IX—COMMISSION ON THE ROLES AND CAPABILITIES OF THE UNITED STATES INTELLIGENCE COMMUNITY

Title VIII of the Senate amendment established a Commission to review the roles and capabilities of the U.S. intelligence community. The House bill contained no similar provision.

The Commission would consist of seventeen members, nine appointed by the President and eight appointed by the congressional leadership. The Commission would provide a comprehensive and independent review and evaluation of the activities of the U.S. intelligence community in the aftermath of the Cold War. In order to achieve that objective, the Senate amendment contained a list of nineteen specific topics for the Commission to consider. This review would represent one of the most comprehensive assessments of the intelligence community since its inception in 1947.

Title IX is similar to title VIII of the Senate amendment but contains several modifications agreed to by the conferees.

First, the conferees specified that no more than five of the nine Commission members appointed by the President may be from the same political party. This change is intended to enhance the credibility of the Commission by ensuring that the Commission is not perceived as a partisan organization.

Second, recognizing that members of the President's Foreign Intelligence Advisory Board (PFIAB) may be appointed to the Commission, the conferees agreed to modify the language in the Senate amendment that prohibited current intelligence community employees from serving on the Commission staff. The conference agreement permits up to three intelligence community employees who are currently detailed to the Executive Office of the President to work for the Commission. However, none of these individuals are eligible to serve as the Commission's staff director. The conferees also agreed to permit the use of intelligence community employees for clerical and administrative duties.

Third, the conferees agreed to modify three of the specific topics the Commission is to consider. The topics now include what functions should continue to be assigned to the organizations of the intelligence community, including the Central Intelligence Agency (CIA); whether the organization and framework of the organizations of the intelligence community, including the CIA, provide the optimal structure; and the manner in which the U.S. intelligence community compares to the intelligence communities of other countries in general.

Finally, due to the extraordinary sensitivity of the issues to be considered by the Commission, the conferees agreed to adopt an amendment waiving the provisions of the Federal Advisory Committee Act requiring public access to advisory committee meetings. The conferees also agreed to waive the provisions of the Freedom of Information Act with regard to the Commission's records until those records are transferred to the National Archives.

The conferees expect the President and the other appointing authorities to move expeditiously in appointing Commission members. The conferees believe that Commission members must be prepared to invest a substantial amount of time in the Commission's activities given the importance and complexity of the many issues that the Commission must review.

The conferees emphasize that the primary objective of this provision is to produce a credible, independent and objective review of the intelligence community. The conferees believe that this review should be conducted in a non-partisan manner, and without preconception about the appropriateness of current levels of spending on intelligence programs and activities. The conferees urge the appointing authorities to keep these objectives, which will significantly determine the utility to a future Congress of the Commission's final report, in mind as they select Commission members.

PROVISIONS NOT INCLUDED IN THE CONFERENCE REPORT

Personnel ceiling adjustments

Section 103 of the Senate amendment authorized the Director of Central Intelligence to exceed the personnel ceilings established by the amendment in certain circumstances. The House bill did not contain a similar provision.

While the authority contained in section 103 of the Senate amendment had been a part of intelligence authorization acts for a number of years, the conferees believed that the continued inclusion of the provision was inconsistent with congressional, and other, mandates to significantly reduce the number of employees in the intelligence community. The conferees therefore agreed to exclude section 103 of the Senate amendment from the conference report.

Disclosure of classified information by Members of Congress and executive branch officers and employees

Section 304 of the House bill prohibited, during fiscal years 1995, any element of the United States Government for which funds are authorized by the Intelligence Authorization Act for Fiscal Year 1995 from providing any classified information derived from that element's intelligence or intelligence-related activities to a member of the House of Representatives until that member had signed an oath of secrecy and the oath had been published in the Congressional Record. Section 305 of the House bill would have extended the coverage of section 304 to members of the Senate and officers or employees of the executive branch. The Senate amendment did not contain similar provisions. The House recedes.

Confirmation of the General Counsel of the Central Intelligence Agency

Section 402 of the Senate amendment established the CIA General Counsel as a Senate-confirmed Presidential appointee position. The House bill contained no similar provision.

On the basis of the record developed in hearings held by the House committee on this issue, it was the judgment of a majority of the House conferees that extending a confirmation requirement to the CIA General Counsel position was not necessary. The Senate recedes.

Report concerning the cost of classification

Section 703 of the House bill required the Director of Central Intelligence, within seven days of the enactment of the Act, to submit a report, in classified and unclassified form, on classification costs to the congressional intelligence committees. The report would identify: the cost of classifying documents and keeping information classified within each agency of the intelligence community; the number of personnel within each such agency assigned to classifying documents and keeping information classified; and a plan, with specific goals, to reduce expenditures for keeping information classified for each such agency. The Senate amendment contained no similar provision.

A report which addresses the concerns embodied in section 703 of the House bill was delivered to the House Intelligence Committee on September 21, 1994. Although not entirely responsive to the request which had formed the basis for section 703, the conferees believed that the report which was provided, and the promise contained within it to devise an improved cost definition and tracking methodology, were sufficient to warrant the exclusion of the section from the conference report.

Disclosure of consumer credit reports for counterintelligence purposes

Section 704 of the Senate amendment amended the Fair Credit Reporting Act to provide the Federal Bureau of Investigation (FBI) with a means of obtaining access to consumer credit records in counterintelligence investigations. The House bill did not contain a similar provision.

The conferees were aware that a provision providing FBI access to consumer credit records was a part of H.R. 1015, a bill reported from the House Banking Committee and passed by the House in June. Although not the same as the provision in the Senate version of the intelligence authorization bill, the provision in H.R. 1015 did form the basis for negotiations between representatives of the Department of Justice and the congressional banking and judiciary committees.

Those negotiations produced an agreement satisfactory to all parties and strongly supported by the conferees. The conferees believe that it is important that the FBI be authorized to access consumer credit records for counterintelligence purposes.

In deference to the jurisdictional concerns of the banking committees, and with the assurance that every effort would be made to clear the legislation containing the agreement for the President's signature in the 103rd Congress, the conferees agreed to exclude section 704 from the conference report. However, the conferees intend to pursue similar legislation during the drafting of the fiscal year 1996 intelligence authorization bill if the banking committees' measure containing this provision is not enacted this year.

Interdiction of aerial drug trafficking

Section 901 of the House bill indicated that, while it was the policy of the United States to provide intelligence assistance to foreign governments to support their efforts to interdict aerial drug trafficking, such assistance was for purposes other than facilitating the intentional damage or destruction of aircraft in violation of international law. Section 902 of the House bill expressed the sense of Congress that executive branch interpretations of law relevant to the provision of assistance to foreign governments for aerial drug interdiction should be reviewed. The Senate amendment contained no similar provisions.

The conferees were aware that section 1012 of the National Defense Authorization Act for Fiscal Year 1995 addressed the issue of United States assistance to the aerial drug interdiction efforts of foreign governments in a broader manner than had been attempted in sections 901 and 902. Accordingly, the conferees agreed to exclude sections 901 and 902 from the conference report.

Espionage committed in any district

Section 803 of the House bill and section 707 of the Senate amendment provided that the trial for any offense involving a violation of certain espionage or related statutes which was begun or committed out of the jurisdiction of any particular state or district may be held in the District of Columbia or in any other district authorized by law.

The conferees were aware that the Violent Crimes Control and Law Enforcement Act of 1994 contains a section addressing the issue addressed by section 803 and section 707. Accordingly, the conferees agreed to exclude a provision on this matter from the conference report.

From the Permanent Select Committee on Intelligence, for consideration of the House bill, and the Senate amendment, and modifications committed to conference:

DAN GLICKMAN,
BILL RICHARDSON,
NORMAN D. DICKS,
JULIAN C. DIXON,
ROBERT TORRICELLI,
RONALD COLEMAN,
DAVID E. SKAGGS,
JAMES H. BILBRAY,
NANCY PELOSI,
GREG LAUGHLIN,
BUD CRAMER,
JACK REED,
LARRY COMBEST,
DOUG BEREUTER,
ROBERT K. DORNAN,
BILL YOUNG,
GEORGE W. GEKAS,
JAMES V. HANSEN,
JERRY LEWIS,

As additional conferees from the Committee on Banking, Finance and Urban Affairs, for consideration of sections 601 and 704 of the Senate amendment, and modifications committed to conference:

HENRY GONZALEZ,
JOE KENNEDY,
LARRY LAROCCO,
AL MCCANDLESS,
MICHAEL N. CASTLE,

As additional conferees from the Committee on Government Operations, for consideration of section 601 of the House bill, and modifications committed to conference:

JOHN CONYERS, Jr.,
EDOLPHUS TOWNS,
BILL CLINGER,

As additional conferees from the Committee on the Judiciary, for consideration of sections 802–804 of the House bill and sections 601, 703–707, and 709–712 of the Senate amendment, and modifications committee to conference:

HENRY HYDE,
Manager on the Part of the House.

DENNIS DECONCINI,
JOHN GLENN,
BOB KERREY,
RICHARD H. BRYAN,
BOB GRAHAM,
JOHN F. KERRY,
MAX BAUCUS,
J. BENNETT JOHNSTON,
JOHN WARNER,
ALFONSE D'AMATO,
JOHN C. DANFORTH,
JOHN H. CHAFEE,
TED STEVENS,
RICHARD G. LUGAR,
MALCOLM WALLOP,

From the Committee on Armed Services.

SAM NUNN,
STROM THURMOND,
Managers on the Part of the Senate.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. ROHRABACHER) to revise and extend their remarks and include extraneous material:)

Mr. HEFLEY, for 5 minutes, today.

Mrs. BENTLEY, for 5 minutes, today.

Mr. SHAYS, for 5 minutes, each day, today and September 28 and 29.

Mr. DUNCAN, for 5 minutes, today.

Mr. LEWIS of California, for 5 minutes each day, September 28, 29, and 30.

Mr. HOEKSTRA, for 5 minutes, today.

(The following Members (at the request of Mr. VENTO) to revise and extend their remarks and include extraneous material:)

Mr. HOYER, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Mr. UNDERWOOD, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. DUNCAN, for 5 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. ROHRABACHER) and to include extraneous matter:)

Mrs. ROUKEMA.
Mr. KING.
Mr. TAYLOR of North Carolina.
Mr. PETRI.
Mr. GILMAN in two instances.
Mr. OXLEY.
Mr. WELDON.
Mr. LEACH.
Mr. BUYER.
Mrs. VUCANOVICH.
Mr. KIM.
Mr. WOLF.
Mr. MOORHEAD.
Mr. HERGER.

(The following Members (at the request of Mr. VENTO) and to include extraneous matter:)

Mr. STARK.
Mr. SKELTON.
Mr. KLECZKA.
Mr. REED in two instances.
Mr. SERRANO.
Mrs. MEEK of Florida.
Mr. UNDERWOOD.
Mr. ENGEL.
Mr. STOKES.
Mr. LEVIN.
Mr. FARR of California.
Mrs. ENGLISH of Arizona.
Mr. FINGERHUT.
Mr. NEAL of Massachusetts in two instances.
Mr. FOGLIETTA in two instances.
Mr. HOCHBRUECKNER.
Mr. FAZIO.
Mr. ANDREWS of Texas.
Mr. ANDREWS of New Jersey.
Mr. ROEMER in two instances.
Mr. TRAFICANT.
Mr. TANNER.

ENROLLED BILL SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2144. An act to provide for the transfer of excess land to the Government of Guam, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2182. An act to authorize appropriations for fiscal year 1995 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

BILLS AND A JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ROSE, from the Committee on House Administration, reported that

that committee did on the following dates present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On September 21, 1994:

H.R. 3841. An act to amend the Bank Holding Company Act of 1956, the Revised Statutes of the United States, and the Federal Deposit Insurance Act to provide for interstate banking and branching.

On September 26, 1994:

H.J. Res. 363. Joint resolution to designate October 1994 as "Crime Prevention Month";

H.R. 1779. An act to designate the facility of the United States Postal Service located at 401 South Washington Street in Chillicothe, Missouri, as the "Jerry L. Litton United States Post Office Building", and to authorize travel and transportation expenses for certain Federal career appointees, and for other purposes;

H.R. 3679. An act to authorize the Secretary of the Interior to carry out a program to be known as the Junior Duck Stamp Conservation and Design Program, and for other purposes;

H.R. 4190 An act to designate the building located at 41–42 Norre Gade in Saint Thomas, Virgin Islands, for the period of time during which it houses operations of the United States Postal Service, as the Alvero De Lugo Post Office; and to amend title 39, United States Code, to make applicable with respect to the United States Postal Service certain exclusionary authority relating to the treatment of reemployed annuitants under the civil service retirement laws, and for other purposes; and

H.R. 4647. An act to direct the Secretary of the Interior to convey to the City of Imperial Beach, California, approximately 1 acre of land in the Tijuana Slough National Wildlife Refuge.

ADJOURNMENT

Mr. MOAKLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 46 minutes p.m.), the House adjourned until Wednesday, September 28, 1994, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3866. A letter from the Acting Chairman, Federal Deposit Insurance Corporation, transmitting a copy of the Corporation's annual report for calendar year 1993, pursuant to 12 U.S.C. 1827(a); to the Committee on Banking, Finance and Urban Affairs.

3867. A letter from the Inspector General of the Department of Energy, transmitting a report entitled, "Superfund Costs Claimed by the Department of Energy Under Interagency Agreements with the EPA—Fiscal Year 1993", pursuant to 31 U.S.C. 7501 note; to the Committee on Energy and Commerce.

3868. 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.

3869. A letter from the Comptroller General, General Accounting Office, transmitting the list of all reports issued or released in August 1994, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

3870. A letter from the Acting Archivist of the United States, National Archives and Records Administration, transmitting notification that the Archivist of the United States has requested the Attorney General of the United States to initiate an action to recover an improperly alienated Federal record, the record in question is a War Department record bearing an April 5, 1864, endorsement by President Abraham Lincoln, pursuant to 44 U.S.C. 2905(a); to the Committee on Government Operations.

3871. A letter from the Deputy Administrator, General Services Administration, transmitting an informational copy of a building project survey for Corpus Christi, TX, pursuant to 40 U.S.C. 606(a); to the Committee on Public Works and Transportation.

3872. A letter from the Deputy Administrator, General Services Administration, transmitting an informational copy of an amended lease prospectus for the Federal Communications Commission, Washington, DC, pursuant to 40 U.S.C. 606(a); to the Committee on Public Works and Transportation.

3873. A letter from the Secretary, Department of Energy, transmitting an interim report on the comprehensive inventory of all Government-owned uranium or uranium equivalents, pursuant to Public Law 102–486, section 1016 (106 Stat. 2949); jointly, to the Committees on Energy and Commerce and Natural Resources.

3874. A letter from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation entitled, "Native American Financial Services Organization Act of 1994"; jointly, to the Committees on Banking, Finance and Urban Affairs, Natural Resources, and the Judiciary.

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. GLICKMAN: Committee of Conference. Conference report on H.R. 4299. A bill to authorize appropriations for fiscal year 1995 for intelligence and intelligence-related activities of the U.S. Government, the community management account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes (Rept. 103–753). Ordered to be printed.

Mr. STARK: Committee on the District of Columbia. H.R. 2902. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to revise and make permanent the use of a formula based on adjusted District general fund revenues as the basis for determining the amount of the annual Federal payment to the District of Columbia, and for other purposes; with amendments (Rept. 103–754). Referred to the Committee of the Whole House on the State of the Union.

Mr. FROST: Committee on Rules. House Resolution 550. Resolution waiving points of order against the conference report to accompany the bill (S. 349) to provide for the disclosure of lobbying activities to influence the Federal Government, and for other purposes (Rept. 103–755). Referred to the House Calendar.

Mr. BONIOR: Committee on Rules. House Resolution 551. Resolution providing for consideration of the bill (H.R. 4779) to amend the Solid Waste Disposal Act to authorize local governments and Governors to restrict receipt of out-of-State municipal solid waste, and for other purposes (Rept. 103–756). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 552. Resolution providing for consideration of the bill (H.R. 4683) to amend the Solid Waste Disposal Act to provide congressional authorization of State control over transportation of municipal solid waste, and for other purposes (Rept. 103–757). Referred to the House Calendar.

Mr. BEILENSON: Committee on Rules. House Resolution 553. Resolution waiving points of order against the conference report to accompany the bill (H.R. 4556) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1995, and for other purposes (Rept. 103–758). Referred to the House Calendar.

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. HAMILTON (for himself and Mr. GILMAN):

H.R. 5108. A bill to extend the Export Administration Act of 1979; to the Committee on Foreign Affairs.

By Mr. MINGE:

H.R. 5109. A bill to amend the Internal Revenue Code of 1986 to provide that a taxpayer may elect to include in income crop insurance proceeds and disaster payments in the year of the disaster or in the following year, and for other purposes; to the Committee on Ways and Means.

By Mr. GEPHARDT (for himself and Mr. MICHEL) (by request):

H.R. 5110. A bill to approve and implement the trade agreements concluded in the Uruguay round of multilateral trade negotiations; jointly, to the following committees for a period ending not later than October 3, 1994: Ways and Means, Agriculture, Education and Labor, Energy and Commerce, Foreign Affairs, Government Operations, Judiciary, and Rules.

By Mr. BARRETT of Wisconsin:

H.R. 5111. A bill to amend the Internal Revenue Code of 1986 to provide a 1-year extension of the deduction for the health insurance costs of self-employed individuals; to the Committee on Ways and Means.

By Mr. GEJDENSON:

H.R. 5112. A bill to amend the Communications Act of 1934 to require resellers of long distance telephone services to disclose their relationship to the carriers from which such services are acquired, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WISE:

H.R. 5113. A bill to amend the Public Works and Economic Development Act of 1965 to establish a competitive communities demonstration program to assist distressed communities in developing a competitive economic base, and for other purposes; jointly, to the Committees on Public Works and Transportation and Banking, Finance and Urban Affairs.

By Mr. PORTER (for himself, Mr. CLAY, and Mr. MYERS of Indiana):

H.J. Res. 415. Joint resolution designating the week beginning October 16, 1994, as "National Penny Charity Week"; to the Committee on Post Office and Civil Service.

By Mr. SHARP:

H. Con. Res. 298. Concurrent resolution providing for the printing of the book entitled "Members of the United States House of Representatives: A Historical Bibliography"; to the Committee on House Administration.

By Mr. SERRANO (for himself, Mr. ORTIZ, Ms. ROYBAL-ALLARD, Mr. PASTOR, Mr. DE LA Garza, Mr. DE LUGO, Mr. RICHARDSON, Mr. TORRES, Ms. ROS-LEHTINEN, Mr. BECERRA, Mr. GUTIERREZ, Mr. MENENDEZ, Mr. ROMERO-BARCELO, Mr. TEJEDA, Ms. VELAZQUEZ, Mr. UNDERWOOD, Mr. DIAZ-BALART, and Mr. BONILLA):

H. Con. Res. 299. Concurrent resolution authorizing the printing of the book entitled "Hispanic Americans in Congress"; to the Committee on House Administration.

By Mr. GILMAN:

H. Res. 549. Resolution expressing the sense of the House of Representatives that the President should work to achieve a clearly defined agreement which establishes a multilateral export control regime to stem the proliferation of militarily critical products, technology, and advanced strategic weapons to rogue regimes that jeopardize international peace and the national security of the United States; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. HOCHBRUECKNER introduced a bill (H.R. 5114) for the relief of Jack Ellsworth; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 24: Mr. LEWIS of Kentucky.

H.R. 65: Mr. KINGSTON.

H.R. 127: Mr. LEWIS of California.

H.R. 162: Mr. MCCRERY, Mr. HORN, Mr. PETRI, Ms. DUNN, and Mr. MURTHA.

H.R. 462: Mr. CHAPMAN.

H.R. 830: Mr. LEWIS of Kentucky.

H.R. 911: Mr. FAZIO.

H.R. 1105: Mr. LEWIS of Kentucky.

H.R. 1671: Mr. DE LA GARZA and Mr. LAFALCE.

H.R. 2429: Mr. ANDREWS of Texas, Mrs. BENTLEY, Ms. COLLINS of Michigan, Ms. ESHOO, Mr. GALLEGLY, Mr. GONZALEZ, Mr. HOYER, Mr. HOCHBRUECKNER, Mr. MINGE, Mr. MICA, Mrs. MORELLA, Ms. SCHENK, and Mr. THOMPSON.

H.R. 2543: Mr. SWETT, Mr. RANGEL, and Mr. LEWIS of Georgia.

H.R. 2758: Mr. MCKEON.

H.R. 3486: Mr. BURTON of Indiana.

H.R. 3727: Mr. PARKER.

H.R. 3795: Mr. PARKER.

H.R. 3994: Mr. ZIMMER.

H.R. 4118: Mrs. LOWEY and Mr. DIAZ-BALART.

H.R. 4142: Mr. TOWNS, Mr. MANTON, Mr. FARR, Mr. BAKER of California, Mr. MARTINEZ, Mr. HORN, Mr. KILDEE, and Mr. FOGLIETTA.

H.R. 4225: Mr. DOOLEY, Mr. GENE GREEN of Texas, and Mrs. LOWEY.

H.R. 4258: Mr. LIPINSKI.

H.R. 4289: Mr. HUGHES and Ms. MARGOLIES-MEZVINSKY.

H.R. 4303: Mr. GEJDENSON.

H.R. 4495: Mr. JOHNSTON of Florida, Mr. MEEHAN, Mr. WAXMAN, Mrs. MORELLA, Mr. CANADY, Ms. NORTON, Mr. STARK, Mr. JOHNSON of South Dakota, Mr. YATES, Ms. CANTWELL, Mr. BARCIA of Michigan, Mr. HAMBURG, and Mr. LIPINSKI.

H.R. 4496: Mr. FALEOMAVAEGA, Mr. VALENTINE, Mrs. LOWEY, Mr. STARK, Mr. ENGEL, Mr. HINCHEY, Mr. LEWIS of Georgia, and Mr. NADLER.

H.R. 4514: Mrs. VUCANOVICH.

H.R. 4566: Mr. BACHUS of Alabama.

H.R. 4643: Mr. KENNEDY.

H.R. 4693: Ms. KAPTUR, Mr. BERMAN, Mr. SANDERS, Mr. TOWNS, Mr. VENTO, Mr. SWETT, Mr. DEFAZIO, Mr. RAHALL, Mr. SERRANO, Mr. FRANK of Massachusetts, Mr. STOKES, Mr. BONIOR, Mr. WAXMAN, Mr. VISCLOSKY, Mr. HINCHEY, Mr. ENGEL, Mr. MILLER of California, Mr. BROWN of Ohio, Mr. HOKE, Mr. LANTOS, Ms. VELAZQUEZ, Mr. GEJDENSON, Mr. WYNN, Mr. ACKERMAN, Mr. BARLOW, Mr. FINGERHUT, Mr. PORTER, Mr. OBERSTAR, Mr. JOHNSON of South Dakota, Mr. STUDDS, Mr. EDWARDS of California, and Mr. WILSON.

H.R. 4780: Mr. VENTO and Mr. KLEIN.

H.R. 4809: Mrs. MEEK of Florida, Mr. LEHMAN, Mr. JEFFERSON, Mr. SCHUMER, Mr. EVANS, Mr. OLVER, Ms. SHEPHERD, Mr. FOGLIETTA, Mr. JOHNSON of South Dakota, Mr. WYNN, Mr. FROST, Mr. GEJDENSON, Mr. FRANK of Massachusetts, Mr. ENGEL, Mr. YATES, Mr. GORDON, Mr. FILNER, Mr. CALVERT, Mr. LEWIS of Georgia, Mr. BORSKI, Mr. KLECZKA, Mr. DELLUMS, Mr. EDWARDS of Texas, Mr. ANDREWS of New Jersey, Mr. SANDERS, Mr. BROWN of Ohio, Mr. RAHALL, Mrs. VUCANOVICH, Mrs. KENNELLY, Ms. SCHENK, Mr. HALL of Ohio, and Ms. LOWEY.

H.R. 4828: Mrs. CLAYTON.

H.R. 4831: Mr. HOAGLAND and Mr. TANNER.

H.R. 4977: Mr. DIAZ-BALART.

H.R. 4978: Mr. DIAZ-BALART.

H.R. 4979: Mr. DIAZ-BALART.

H.R. 4984: Mr. LEWIS of California and Mr. WILSON.

H.R. 5043: Ms. PELOSI, Mr. MANTON, Mr. MCCLOSKEY, Mr. BORSKI, Mr. HAMILTON, Mr. GINGRICH, Mr. SCHIFF, Mr. THOMAS of Wyoming, Mr. WOLF, Mr. TORRES, Mr. BARCIA of Michigan, and Mr. PAXON.

H.R. 5044: Mr. HOBSON, Mr. MEEHAN, Ms. KAPTUR, Mr. SPRATT, Mr. HUGHES, and Mr. APPLEGATE.

H.R. 5081: Mr. WOLF.

H.R. 5082: Mr. DREIER, Mr. MCMILLAN, Mr. MYERS of Indiana, Mr. HASTERT, Mr. CRAPO, Mr. BAKER of California, Mr. EMERSON, Mr. ARMEY, Mr. DELAY, Mr. FIELDS of Texas, Mr. ROBERTS, Mr. GILCHREST, Mr. WALKER, Mr. PORTMAN, Mr. LEHMAN, Mrs. FOWLER, Mr. ANDREWS of Texas, Mr. OBERSTAR, Mr. MAZZOLI, Mr. POMBO, Mr. RAMSTAD, Mr. DOOLEY, Mr. KLUG, Mr. LEWIS of California, Mr. MCKEON, Mr. MOORHEAD, Mr. ROHRABACHER, Mr. ROYCE, Mr. HORN, Mr. DOOLITTLE, Mr. HERGER, Mr. CANADY, Mr. MILLER of Florida, Mrs. MEEK of Florida, Mr. KOLBE, Mr. GUNDERSON, Mr. BLUTE, Mr. MCCRERY, Mr. GILLMOR, and Mr. PENNY.

H.R. 5083: Mr. BERMAN and Mrs. MINK of Hawaii.

H.J. Res. 337: Mr. HAMILTON, Mr. EMERSON, Mr. FIELDS of Texas, Ms. MCKINNEY, Mr. BARCA of Wisconsin, Mr. TRAFICANT, Mr. BURTON of Indiana, Mr. SARPALIUS, Mr. ROSE, Mr. SCHUMER, and Mr. TOWNS.

H.J. Res. 349: Mr. MARTINEZ and Mr. PARKER.

H.J. Res. 389: Mr. CARR, Mr. KOPETSKI, Mr. TORRICELLI, Mr. MATSUI, Mr. SISISKY, Mr. BREWSTER, Mr. INHOFE, Mr. GUNDERSON, Mr. MCDADE, Mr. SPRATT, Mr. KANJORSKI, Mr. HOAGLAND, Mr. ANDREWS of Texas, Mr. STEARNS, Ms. ENGLISH of Arizona, and Ms. SLAUGHTER.

H.J. Res. 401: Mr. ABERCROMBIE, Mr. BILBRAY, Mr. BRYANT, Mr. DEFAZIO, Mr. DOOLITTLE, Ms. DUNN, Mr. HASTINGS, Mr. KINGSTON, Mr. KNOLLENBERG, Mr. LANTOS, Mr. LEVIN, Mr. MARKEY, Mr. MOLLOHAN, Ms. NORTON, Ms. ROYBAL-ALLARD, Mr. SANDERS, Ms. SLAUGHTER, Mr. UNDERWOOD, Ms. VELAZQUEZ, Ms. WATERS, Mr. WAXMAN, and Mr. YOUNG of Florida.

H.J. Res. 402: Mr. TAYLOR of North Carolina, Mr. FROST, Mr. HASTINGS, Mr. JEFFERSON, Mrs. MEYERS of Kansas, Mr. SARPALIUS, Mr. BATEMAN, Mr. BARCA of Wisconsin, Mr. ROTH, Mr. KLEIN, Mr. MCHALE, and Mr. GORDON.

H. Con. Res. 35: Mr. DEFAZIO, Mr. STUPAK, Ms. BROWN of Florida, Mr. LEWIS of California, Mr. WATT, Mr. ROWLAND, Mr. HAYES, Mr. MCCLOSKEY, Mr. FOGLIETTA, and Mr. ORTIZ.

H. Con. Res. 148: Mr. BARCA of Wisconsin.

H. Con. Res. 166: Mr. CALLAHAN, Mr. MCCRERY, Mr. COLLINS of Georgia and Mr. ABERCROMBIE.

H. Con. Res. 173: Mr. RICHARDSON, Mr. SHAW, Mr. LEWIS of Georgia, Mr. LUCAS, Mr. TALENT, Mr. GEKAS, and Mr. SMITH of Iowa.

H. Con. Res. 199: Mr. TOWNS.

H. Con. Res. 279: Mr. MARTINEZ.

H. Res. 525: Mr. LUCAS and Mr. BACHUS of Alabama.

H. Res. 541: Mr. ANDREWS of New Jersey.

H. Res. 545: Mr. ARMEY, Mr. HERGER, Mr. DUNCAN, Mr. SMITH of Texas, Mr. COLLINS of Georgia, Mr. BURTON of Indiana, Mr. TAYLOR of North Carolina, Mr. BARTLETT of Maryland, Mr. LIVINGSTON, and Mr. ROGERS.